



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

January 29, 2026

Honorable Shaw Blackmon
Chairman, House Ways and Means
133 State Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Resolution 1000 (LC 44 3321S)

Dear Chairman Blackmon:

The legislation proposes to amend the state constitution to eliminate the ad valorem tax assessment of certain timber at sale or harvest and to require state appropriations to each county, municipality, or school district affected by the tax elimination. The amendment would be effective upon ratification by voters in a statewide referendum.

State law provides that timber is assessed for ad valorem taxation only once, at harvest or sale, at 100 percent of fair market value. Under the proposed amendment, timber harvested from land in one of three statutory covenant programs would not be assessed this tax. The three programs, which have differing requirements but generally require that the land be used for agricultural or conservation purposes, are the Forest Land Protection Act (FLPA), Conservation Use Valuation Assessment (CUVA), and Preferential Assessment for “bona fide agricultural purposes.” Under each program, owners receive reductions in annual property tax assessments.

Data from the Department of Revenue (DOR) and the Georgia Forestry Commission (GFC) indicates that the proposed amendment would require an estimated \$10.0 to \$12.7 million in additional state appropriations for grants to local governments. These estimates used the assumptions below.

- DOR property tax reports indicate counties and school districts collected between \$18.5 and \$23.6 million in annual ad valorem taxes on timber sales in 2018-2022. However, this represents taxes collected from timber harvested from all properties, including timber harvested from land not in a FLPA, CUVA, or Preferential covenant.
- While 100% of FLPA property must be timberland, CUVA and Preferential property may contain land used for agricultural or other conservation purposes. DOR lacks specific timber data for CUVA and Preferential properties, but staff estimated that approximately 50% of CUVA acreage and 25% of Preferential acreage is timberland.
- According to 2024 DOR acreage data and 2021 GFC timber acreage data, the total amount of Georgia’s timber grown on FLPA, CUVA, or Preferential Assessment land is an estimated 54%. We assume that approximately 54% of ad valorem taxes collected in 2018-2022 came from FLPA, CUVA, or Preferential timberland.

- While DOR reports do not report timber taxes collected by municipalities, an analysis using 2024 acreage and millage rate data indicates nearly 94% of timber property values in Georgia were attributable to counties and school districts. While the addition of municipal ad valorem taxes could increase the estimates, this analysis assumes the increase would be minimal.
- DOR did not report any additional costs associated with implementing or administering the proposed amendment.

It should be noted that the estimated cost range does not fully capture Hurricane Helene's impacts to Georgia's timber, as the hurricane occurred in fall 2024. The storm's impact could affect future timber tax revenues, which would impact state costs. Additionally, if localities modify tax laws in a manner that makes it more advantageous for owners to place land in a FLPA, CUVA, or Preferential covenant, a greater share of the state's timber could be harvested from these properties. This increase would increase state costs. Finally, as these estimates used historical data, costs could increase or decrease if overall timber sales increase or decrease in future years.

Respectfully,



Greg S. Griffin
State Auditor



Richard Dunn, Director
Office of Planning and Budget

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