



OP ED by Mayor Eva Galambos

Establishing the property tax rate (millage rate) is a complicated matter that often confuses taxpayers. The City of Sandy Springs will be setting the millage rate for the next year within the next three weeks. The City millage rate multiplied by the assessed value of your property, less all allowable homestead exemptions, will be the City's portion of your property tax bill.

Taxpayers need to be aware of the following two principles:

- (1) The Charter of the City of Sandy Springs freezes the millage rate for City taxes at 4.731 mills. This is frozen unless voters choose to change it in a referendum vote.
- (2) When residential property is reassessed, if a homeowner has filed for the proper homestead exemption, the assessment cannot be raised more than 3% (or the rate of inflation) in any one year for city taxes.

Thus, with the homestead exemptions, the city of Sandy Springs property tax can only rise 3% for homeowners.

Fortunately, Sandy Springs is enjoying a strong economy, and the total property tax valuations in the City have risen over the past year. Over half of the increase in the digest (and eventually of property tax collections) is due to new construction. This, of course, means more (housing) residents or more office workers, all of which require more city services.

Of the other half of the increase in the tax digest, two-thirds is due to increased assessments of commercial properties. This happened because commercial reassessments lagged for many years in Fulton County, but efforts are now underway to correct the lag.

The small increase in the tax digest due to increased assessments of residential properties reflects increased assessments for rental properties (not eligible for the homestead exemption) or where homeowners failed to file for the proper homestead exemption.

Some jurisdictions which are not bound by the 3% cap in the utilization of increased assessments, or where a large proportion of their increased assessments falls on the back of homeowners, will roll back their millage rates. Since Sandy Springs residents are double safeguarded by the freeze on the rate, and the 3% cap, our situation is different. The purpose of our capturing the money from the increased value is to improve our infrastructure (streets, sidewalks, intersections) that were neglected for so long.

*City
Council*