

CITY LIMITS Cities may get break in county land taxes

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Property owners in some DeKalb County cities have complained for years that they are charged more for county services than residents of unincorporated areas. But now they may have a way to find out how the other half lives -and pays.

A bill passed by the county legislative delegation during the 1991 General Assembly allows DeKalb municipalities to drop out of their status as special tax districts. Gov. Zell Miller signed the bill into law last month.

If the cities take advantage of the law, it could mean a break in county property taxes.

Legislation passed in 1982 created special districts to relieve the tax burden on property owners in DeKalb's cities. That earlier bill set a formula to set property tax rates based on the extent of county services received.

In 1990, homeowners in five of DeKalb's seven cities paid 0.28 to 2.08 mills more for county services than their counterparts in unincorporated county areas. A mill is \$1 for each \$1,000 of assessed property value.

Avondale Estates and **Pine Lake** residents pay the highest rate of 41.83 mills for county services, compared to 39.75 for residents of unincorporated areas.

With tax reappraisals recently mailed to DeKalb residents, officials in both cities said they will take advantage of the new law.

Although the DeKalb property revaluations were mild compared to Fulton and Gwinnett counties, more than one in three owners received increases.

The next step, Avondale and **Pine Lake** officials said, is to ask the county for a fiscal note estimating how their county property tax bills will change if they choose to leave the tax district. The fiscal note is a safety net granted cities before they make a decision.

"The intent of the legislation is to be in the same pot with all the other unincorporated county areas," Avondale Mayor John W. Lawson said. "We hope to gain information. [The fiscal note] might tell us that's not what we want to do."

But DeKalb County finance officials say dropping out of the special tax districts would raise - not lower - property taxes in those cities.

DeKalb Finance Director David Joyner said the 1982 law setting up the special tax districts did not take into account other revenues from unincorporated areas, such as business licenses and insurance premiums, that are included in the county budget.

City Limits includes news from cities throughout DeKalb County. If you have a question or story idea, call 370-7282.

Photo: John Lawson