



Frequently Asked Questions – HOST and EHOST

DON'T WE ALREADY HAVE A HOST?

Yes, we have a Homestead Option Sales Tax or HOST in the County. Currently, it works this way: A one-cent sales tax is collected throughout the county. Each year, the County can use between 80% and 100% of collections to reduce the property taxes levied by the County for homeowners. In 2017, HOST reduced 43% of the property taxes (for homeowners only) on taxes for the General, Police, Designated (Parks, Roads), Hospital, and Fire taxes. Bond tax bills are not reduced.

DOES THE CURRENT HOST GET USED FOR CAPITAL EXPENDITURES?

Yes, a maximum of 20% of the funding can be used for capital expenditures.

SO, WHAT IS THIS NEW EHOST?

The new EHOST (the E is for Equalization) does two things: First, it removes any use of the funding for capital purposes. Each year, 100% of the revenue must be used to reduce property taxes for homeowners. Secondly, it applies the revenue first to rollback millage rates levied countywide (General and Hospital currently). If there's enough total EHOST revenue to provide a 100% rollback of countywide property taxes, then any remaining funding can reduce taxes in cities and non-countywide districts. The total estimated property tax relief from EHOST is more than \$110 million annually, which is more than a 50% increase compared to HOST.

HOW MUCH WILL MY HOME'S TAX BILL BE REDUCED IF EHOST PASSES?

This amount will vary depending upon the value of your home and the jurisdiction in which you live. The chart below shows estimated savings for a \$200,000 house in each jurisdiction, if EHOST had been in effect in 2017.

| | Current HOST Savings | Proposed EHOST Savings | Additional Savings |
|---------------------------|----------------------------|------------------------------|-----------------------|
| Unincorporated (*) | \$605 | \$752 | +147 |
| Atlanta | \$285 | \$742 | +457 |
| Avondale | \$397 | \$800 | +403 |
| Brookhaven | \$378 | \$689 | +311 |
| Chamblee | \$381 | \$716 | +336 |
| Clarkston | \$400 | \$883 | +483 |
| Decatur | \$288 | \$847 | +559 |
| Doraville | \$378 | \$746 | +368 |
| Dunwoody | \$378 | \$680 | +301 |
| Lithonia | \$405 | \$852 | +448 |
| Pine Lake | \$408 | \$956 | +548 |
| Stone Mountain | \$382 | \$972 | +590 |

Note: Based off the value of a \$200,000 house in 2017.

Note: Stonecrest and Tucker would have the same value as Unincorporated.

IF EHOST PASSES, WILL IT AFFECT MY COMMERCIAL BUSINESS'S TAX BILL OR MY SECOND HOME'S TAX BILL?

No, this reduction in property taxes only applies to homestead properties, meaning homes that are the primary residence of the taxpayer.

BUT I HEAR THIS IS A TAX INCREASE?

There will be a one penny increase to the sales tax; however, the burden of this increase is lessened in several ways.

- There will be no increase in the sales tax on food and medicine. The county made sure that, if SPLOST is implemented, these items would be exempt from the sales tax to not increase the tax burden on necessary purchases.

- Even though the sales tax rate increases, all homeowners would save money on their property taxes offsetting the increase in sales tax.

WHAT IS SPLOST?

SPLOST (Special Purpose Local Option Sales Tax) is a one-cent sales tax that would provide funding exclusively for capital projects – basically buildings, roads, etc. DeKalb’s SPLOST has some limits on which projects can be funded.

WHAT RESTRICTIONS DO WE HAVE?

DeKalb’s SPLOST allows unrestricted funding for transportation and public safety; however, there is a cap of 15% for repair of capital assets that are **not** related to public safety or transportation such as for general government, parks, health, libraries and facilities.

HOW WILL THIS FUNDING BE BROKEN UP? WHO WILL GET HOW MUCH?

The Cities and the County passed what is called an intergovernmental agreement (IGA) which created a distribution formula based on the population of each city. The tax is expected to generate \$636 million over the next six years. The formula and estimated figures agreed to by the Cities and the County are in the chart below.

| Estimated SPLOST Distributions based on 2016 Census Population Estimate | | | |
|---|--------------------------|------------------------------|---|
| City/County | 2016 Population Estimate | 2016 Percentage Distribution | 6 Year SPLOST Total (April 2018 - March 2024) Updated Est |
| Avondale Estates city | 3,150 | 0.445% | \$ 2,833,592 |
| Brookhaven city | 52,444 | 7.411% | \$ 47,190,458 |
| Chamblee city | 28,306 | 4.000% | \$ 25,470,494 |
| Clarkston city | 12,742 | 1.801% | \$ 11,468,090 |
| Decatur city | 22,813 | 3.224% | \$ 20,529,218 |
| Doraville city | 10,501 | 1.484% | \$ 9,449,554 |
| Dunwoody city | 48,884 | 6.908% | \$ 43,987,543 |
| Lithonia city | 2,082 | 0.294% | \$ 1,872,082 |
| Pine Lake city | 762 | 0.108% | \$ 687,704 |
| Stone Mountain city | 6,328 | 0.894% | \$ 5,692,656 |
| Tucker city | 35,322 | 4.991% | \$ 31,780,809 |
| Stonecrest | 53,071 | 7.500% | \$ 47,757,176 |
| DeKalb County | 431,250 | 60.940% | \$ 388,042,978 |
| | 707,655 | 100.000% | \$ 636,762,352 |