


MEMO

TO: Mayor and Council

FROM: Joseph A. Melder, City Manager 

SUBJECT: 2025 Property Tax Millage Rate Recommendation

DATE: June 12, 2025

2025 Digest Growth. The Chatham County Board of Assessors has provided information on the 2025 property tax digest for the City of Savannah and the news is good – Savannah is growing. The taxable digest grew 8.8% in 2025 compared to the prior year and the average annual growth rate over the past five years has been 10.3%. The chart that follows details growth within the digest over the past five years. It is worth noting that Savannah experienced a significant increase in new digest growth (increases due to new or improved properties) in 2025 compared to prior years. The new growth accounted for more than half of the digest's increase in 2025 and represented \$441 million of taxable property value being placed on the tax role of Savannah. The remaining 4.0% of 2025 growth can be attributed to revaluation of existing property due to inflation.

Year	New Growth	Reassessments	Total Growth
2025	4.8%	4.0%	8.8%
2024	1.8%	9.1%	10.9%
2023	2.7%	10.0%	12.7%
2022	0.7%	11.8%	12.5%
2021	3.7%	2.8%	6.5%

When the total digest of taxable property is prepared, Georgia Law requires a rollback millage rate must be computed that will produce the same total revenue on the current year's digest that last year's millage rate would have produced had not reassessments occurred. The 2025 rollback millage rate is 11.749 mills and is expected to generate \$103.3 million in property tax revenue for the City of Savannah. This projection compares favorably to the \$101.6 million in property tax revenue assumed in the 2025 adopted budget.

2025 Millage Rate Recommendation. Based on this information, I recommended that the 12.2 mill property tax rate that was tentatively set in the 2025 budget last December be reduced to the 2025 rollback rate and 11.749 mills be set as the final

rate for 2025. This proposed rate is the lowest in Savannah since 1987, when the rate was set at 11.30 mills.

Schedule for Final Millage Rate Adoption. Adoption of the 11.749 mill rate as the final millage for 2025 will require amending the 2025 Revenue Ordinance through a first and second reading only. Since the City is not increasing property taxes for 2025, no public hearings are required for adoption of the final millage rate.

The following schedule for final millage rate adoption is recommended:

Revenue Ordinance Amendment 1st Reading – June 26, 2025
Revenue Ordinance Amendment 2nd Reading – July 10, 2025

Please let me know of any questions or concerns.