

The Revenue Report

GEORGIA DEPARTMENT of REVENUE

Local Government Services • 1st Quarter 2024



First FLPA covenants renew

Renewals fall under 2019 statute as 2009 FLPA covenants end

By Jeanie Faye Brown
Compliance Specialist II

Appraisers are in the process of renewing Forest Land Protection Act (FLPA) covenants for the first time this year. All of those covenants which began in 2009 after FLPA was created by legislation and approved by Georgia voters, expired on December 31, 2023.

Since the beginning of the FLPA program, there have been many changes to statute, however, one significant change occurred in 2019.



Continued Page 7

Qualifying Timberland

QTP provides special assessment for properties with primary use of commercial timber production



By Nathan Evans
Compliance Specialist II

County tax offices and property owners are familiar with specialized assessments such as Preferential Tax Assessment, Current Use Valuation Assessment (CUVA), and the Forest Land Protection Act (FLPA). Providing a covenant between the county and the taxpayer to maintain a covenant on the property with certain terms and conditions for a length of time.

A newer subclassification of property, Qualified Timberland Property (QTP), was created by referendum in 2018 when an amendment to the Georgia's

Constitution was approved by the state's voters. The program provides a valuation of property with a primary purpose of producing timber for commercial uses.

Beginning in 2020, to apply for this special assessment property owners must register with the Revenue Commissioner, file a return and application requesting approval for the program.

The Department of Revenue contracted with the University of Georgia to create the *Qualified Timberland Property Appraisal Manual* which includes a table of values by ecoregion and soil productivity.

Continued Page 3

LET'S HEAR IT FOR HARRIS

Meet Harris County's new Chief Appraiser Shalee Mallory

Compiled by Missy Dove
Compliance Specialist III

I have worked for the Harris County Board of Tax Assessors since April of 2019, after moving to Harris County in February of 2019. I am a mom of six, and we own a small family farm in Harris County.

I was actually brand new to this type of work when I came here. I began work in the office as a field appraiser



Shalee Mallory

for my first four years here. Being a field appraiser gave me a great foundation for property assessment and tax administration, as well as fostering my knowledge of all things, Harris County.

I spent the first few years completely submerged in neighborhood reviews. I even had the opportunity to help in a physical review of the entire county. All of this provided me the opportunity to meet and work with taxpayers, overcome adversity, and see a ton of Harris County with my own eyes. Working new construction permits and helping with appeals have been some of my favorite parts of this career so far.

I am looking forward to continuing to learn and grow as a Chief Apprais-



er. Being appointed to this position is a great honor. I am excited and proud to serve Harris County for many, many years.

The Harris County Board of Tax Assessors hired Shalee R. Mallory as Chief Appraiser on Monday, August 14, 2023. Shalee replaced former Chief Appraiser Wayne Morris who retired after serving in the position since 2001.

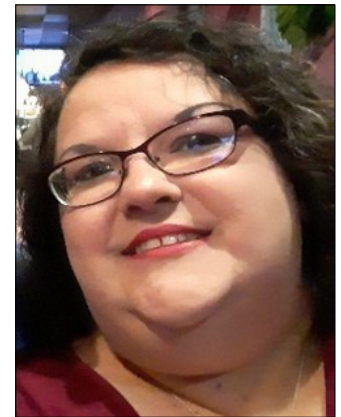
DOR WELCOMES ANGEL FAIR

My name is Angel Fair, and I am a native of Fannin County. After high school, I attended Young Harris college where I received an associate's degree in education, and then went on to attend Dalton State where I received my bachelor's degree in education.

I spent four years with the Fannin County Tax Assessors Office in many different capacities including front desk customer service, personal property assistant, field worker and as an appraiser. For the last five

years, I have been with the City of Morganton beginning as an assistant city clerk and working my way to election superintendent and city clerk.

My husband, Nathan, and I have been married for 14 years, and we have two wonderful children, Lilly and Nate who keep us on our toes with Band and Robotics. We enjoy spending time with our pup Toby, watching movies and spending time with our extended family.



Angel Fair

ANNOUNCEMENTS

- **Recommend staff who deserve recognition.**
- **Submit news about your office and any achievements.**
- **Schedule a date and time for one of our staff to visit.**

Send submissions to:
Christina.Owens@dor.ga.gov
Scheduling of any visits may be made with
Christina.Owens@dor.ga.gov



Questions about Mobile Homes & Personal Property

“Do modular homes have titles like manufactured/mobile homes?”

According to the Modular Home Builders Association, unlike manufactured homes, modular homes do not have titles. Manufactured homes are built on permanent steel frames with wheels and axles, allowing them to be moved. Modular homes are transported to property on carriers and placed on a foundation. Modular homes are built to the same local and state building codes as site-built homes.

“Do mobile home dealers receive Freeport?”

No. Per the definition of a mobile home in *O.C.G.A. 48-5-440(3)*, “... every mobile home owned in this state on January 1 by a dealer shall be subject to ad valorem taxation in the same manner as other taxable tangible personal property.”

“How should marine property be valued?”

Per the *APM Rule 560-11-10-.08(5)(e)1.*, “...When using such a guide to estimate the comparative sales approach value, the appraiser shall begin with the listed retail price and then make any value adjustments as provided in the guide instructions, based on the best information available about the subject property being appraised.”

“Are all personal property records confidential?”

All documents furnished by the taxpayer other than the return are confidential and shall not be subject to inspection by any person other than authorized personnel of appropriate tax administrators per *O.C.G.A. 48-5-314*. This includes any schedules submitted with returns such as schedules A, B, D, E, and any other submitted documents that provide further support of the value provided by the property owner. Counties electing to contract with audit specialists shall secure a non-disclosure statement to ensure the audit specialist complies with the confidentiality provisions of the statute and not disclose the property owner’s confidential records to unauthorized persons.

Qualifying Timberland...

These tables mirrored the amount a knowledgeable buyer would pay, and willing seller would accept, for commercial timberland in a bona fide arms-length transaction, while recognizing the value of standing/growing timber must be excluded from the assessment.

Additionally, per Georgia statute, the final determination of the “Qualified Timberland Property Fair Market Value” of any property shall be no less than 175% of such property’s Forest Land Conservation Use Value.

Registration is made online via the Georgia Tax Center. The Georgia Tax Center site has been modified to accept QTP to not only allow the registration of property owner, but also allow application, return, and notification functions.

Additionally, applicants may determine an estimate of savings in the QTP program through the QTP Soil Productivity Estimation Calculator. Applications for QTP must be filed annually from January 1 to March 1.

What Qualifies?

Property qualifying for special assessment as QTP must meet certain requirements including:

1. The timberland property must be at least 50 contiguous acres;
2. The production of trees must be for the purpose of making a profit;
3. The production of trees must be the primary activity taking place on the property; and
4. A consistent effort must be clearly demonstrated in land management in accordance with accepted commercial forestry practices.

WORKPLACE Skills:

DOCUMENTATION

By Ben Pope

Compliance Specialist III

The world of property assessments can be complex and confusing at times, not just for appraisers, but for property owners as well. This is why documentation is vital to protecting appraisal staff and their application of appraisal principles, while ensuring the uniformity and fairness the property owner deserves and is provided by Georgia law.

Law guarantees the rights of property owners; however, we must rely upon our own understanding when creating policies and procedures that can be effective and ethical.

Let's step back and look at our offices. Are you a small county? Large county? Maybe just somewhere in between. With 159 counties, Georgia has more counties than any other state east of the Mississippi River. This means you will have 159 different ways of dealing with staff, taxpayers, board members, and other county departments.

By providing written procedures individually crafted for your county, you can ensure a systematic, ethical, and effective office regardless of the person(s) performing the task.

Policies help us set standards for the county assessor's offices. What policies do you have in place to help guide your staff? Do you have a dress code policy? An internal inspection policy? A policy for frequency of data backups?

Policies help ensure consistency for those we work with now and those who will come after us. Each policy you create should reflect your county. With each county having its own individual personality, and trust me, y'all do, your policies should reflect that.

Policies can also help protect us when conflicts arise. When dealing with tough situations between staff or taxpayers, a good policy that has been approved by the county board of assessors, can help provide clarity and resolution to conflict.



Procedures facilitate direction to our staff. A good procedure will provide a step-by-step guide with instructions for daily activities. Sometimes we go through the motions when going through day-to-day activities. Many times, when performing tasks, because they are repetitive, we do not really think about the process. Having a procedure in place, will allow someone to follow your lead when accepting a homestead application, reviewing a covenant, and even data entry.

While 560-11-10-.09(1)(d)2(i) requires us to create a procedure for field inspections, it does not limit us to creating our own procedures for how we want our offices to operate. Again, each county is different and should have different procedures formed by the size, location, and individual character of each county.

For example, while the law requires us to provide reasonable notice to the taxpayer for field inspection, what is your county's procedure for providing that notice? While the law requires all improvements to land to be listed on the digest, what is your county's procedures for estimating construction-in-progress? Proper procedures in place can help create uniformity in our values and in our office. This will ensure each taxpayer should receive the same treatment and

instruction from the staff regardless of the person(s) interacting with them.

Make it your own. When creating policies and procedures, who better to ask than fellow appraisers. Reach out to other counties with similar characteristics to see what policies or procedures they have enacted. It is important however, for your final product to represent your county's operations.

Pictures grading improvements in your manual should show an example of a 100-grade house located in your county. While you are at it, you may also add pictures of all grades and depreciations that you would expect your staff to use as a comparison when making their appraisals in your county. This provides an excellent tool when explaining how you appraise property to a taxpayer.

Your policy and procedures manual should be under constant review by the chief appraiser. As laws change and new technologies come to light, our procedures should change as well. It is also important to have all changes voted upon and approved by your board of assessors. This will help keep them updated as to the operations by the office and limit the liability of one individual.

In closing, document, document, document!

How did Georgia get to a 40% level of assessment?

In 1966 the Georgia State Committee published a ratio study that had an average assessment ratio ranging from 5.02 percent to 42.38 percent. Statewide, the average ratio of assessed value to fair market value was only 21.3 percent.

The published ratio study led to a suit that was filed by Alex McLennan in Fulton County Superior Court challenging the variation in assessment ratios as a violation of the uniformity provision of the Constitution. The court ruled in favor of the plaintiffs, directing the State Tax Commissioner to equalize all county assessments at the same level.

The State Tax Commissioner decided to require that each county achieve an assessment ratio of 40 percent. He argued that requiring all counties to assess property at 100 percent would affect all counties and to set an assessment ratio of less than 40 percent would affect those counties that had conducted a reassessment.

Thus, he required all counties to assess property at 40 percent of fair market value. In 1966, legislation was passed requiring equalization between counties and across classes of property but delaying implementation of the equalization for one year. The Superior Court then ordered that compliance with the new tax equalization law be delayed until March 1967.

In 1968, legislation was passed setting 40 percent as the required ratio of assessed value to fair market value for state and county property taxes; the legislation did not apply to municipalities. In 1972, legislation was passed that required municipalities to adopt the 40 percent assessment rate, unless the municipality had used a higher assessment rate in 1971; there were 12 such municipalities.

For more information on the history of property taxes in the state of Georgia, visit: [A Brief History of the Property Tax in Georgia \(gsu.edu\)](#).

Convening at the Capitol



LAWMAKERS HOLD REGULAR SESSION

Georgia's General Assembly

<https://www.legis.ga.gov/>

Convened: January 8, 2024

Crossover: February 29, 2024

Sine Die: March 28, 2024



House of
Representatives
180 Seats

Speaker of the House
Representative Jon Burns

Georgia State Senate
56 Seats

Lieutenant Governor
Burt Jones



LEGISLATIVE LINKS

Tracking Bills:

[Georgia General Assembly - About Legislation \(ga.gov\)](#)

Georgia Constitution:

[Georgia General Assembly | Public Access](#)

[| Constitution Main Page \(lexis.com\)](#)

Georgia O.C.G.A.:

[Georgia General Assembly | Public Access](#)

[| Main Page \(lexis.com\)](#)

A TIMELINE FOR TAXPAYERS

January 1

- [O.C.G.A. 48-5-10](#) Returnable property
- [O.C.G.A. 48-5-18](#) Time for making tax returns
- [O.C.G.A. 48-5-490](#) Mobile homes owned on January 1 subject to ad valorem taxation
- [Rule 560-11-9](#) Uniform procedures for mobile homes

January 5

- [Rule 560-11-9-.08](#) Mobile Home Digest

January 15

- [O.C.G.A. 48-5-48.1](#) Level 1 freeport exemption

April 1

- [O.C.G.A. 48-5-18](#) Time for making tax returns
- [O.C.G.A. 48-5-45](#) Application for homestead exemption
- [O.C.G.A. 48-5-10](#) Returnable property
- [O.C.G.A. 48-5-48.1](#) Level 1 freeport exemption
- [O.C.G.A. 48-5-7.1](#) Tangible real property devoted to agricultural purposes (Preferential)
- [O.C.G.A. 48-5-7.4](#) Bona fide conservation use property (CUVA)
- [O.C.G.A. 48-5-7.7](#) Georgia forest land protection (FLPA)
- [O.C.G.A. 48-5-492](#) Issuance of mobile home location permits; issuance and display of decals.

June 1

- [O.C.G.A. 48-5-48.5](#) Level 2 freeport exemption

July 1

- [O.C.G.A. 48-5-306](#) Annual notice of current assessment; contents; posting notice; new assessment description
- [O.C.G.A. 48-5-311](#) Creation of county boards of equalization; duties; review of assessments; appeals

Second Week of July

- [O.C.G.A. 48-5-32](#) Publication by county of ad valorem tax rate
- [Rule 560-11-2-.58](#) Rollback of millage rate when digest value increased by assessments
- [O.C.G.A. 48-8-91](#) Condition precedent to authority to impose tax following first year of imposition; annual adjustment of millage rate for ad valorem taxation of tangible personal property; formula; information required on tax bills; effect on tax bills when millage rate is zero

July 15

- [O.C.G.A. 48-5-302](#) Time for completion of revision and assessment of returns; submission of completed digest to commissioner

September 1

- [O.C.G.A. 48-5-205](#) Penalties for incomplete or improper digests

December 20

- [O.C.G.A. 48-5-23](#) Collection and payment of taxes on tangible property in installments; authorization; alternate procedure

First FLPA covenants renew in state of Georgia...

This change requires the minimum acreage for a FLPA covenant to be at least 200 acres in aggregate, within one or more counties, and the covenant is to be in parcels of at least 100 acres within any county. *O.C.G.A. 48-5-7.7(c)*

This means parcels must be at least 100 acres each, with a minimum of 200 acres in a covenant to qualify. Parcels no longer have to be contiguous either. The 200-acre minimum is in aggregate (total) for the FLPA covenant and each parcel must meet the requirements of FLPA on its own, with at least half of each individual parcel in a qualifying use.

For example, a property owner may apply for FLPA with a parcel of 110 acres in south Georgia county and a parcel of 100 acres in a county in north Georgia. Both would be under the same covenant, but both also must be referenced in the counties of application. This will require communication from those respective local tax assessor offices

when processing FLPA applications for a covenant within more than one county. Appraisers will need to verify those parcels located in other counties listed on the application qualify.

Parcels of less than 100 acres previously receiving FLPA will need to be combined with a property which is contiguous and under the same ownership before the property may qualify for FLPA again, if possible. The property owner also has the option of applying for one of the other specialized programs like Conservation Use Assessment (CUVA) or Preferential Tax Assessment. However the use of the property and the ownership must meet the requirements outlined in law for either program.

As Georgia statute also directs for all new and renewing covenants, the exclusion of up to 2 acres of underlying land beneath residences will also occur for these parcels upon renewal.



KNOWLEDGE IS POWER: Facts about FLPA

- A FLPA covenant must have more than 200 acres on an application.
- Parcels listed within the application for covenant must be at least 100 acres each.
- Primary use must be good faith subsistence or commercial production of trees, timber or other wood and wood fiber products from or on the land.
- Qualified ownership is any individual or individuals or any entity registered to do business in Georgia.
- At least one-half of each parcel must be in a qualifying use for FLPA.
- Parcels no longer have to be contiguous. The total acreage is in aggregate and parcels for a covenant may be in one or more counties.
- No other business may be operated on the parcel
- The application period is from January 1 until the end of the appeal period after assessment notices are mailed.
- Continuations for FLPA must be filed between January 1 and April 1 during the Return period.