GEORGIA DEPARTMENT OF REVENUE

LOCAL GOVERNMENT SERVICES DIVISION

Course 1

Certification for Assessors

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October 2019

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CHAPTER 1 - Overview of Ad Valorem Taxation

This first chapter of the course is going to deal with some things that the tax assessor may not become directly involved in but are nonetheless very important to the overall understanding of the administration of the property tax.

Understanding the terminology is a key step in learning about a sometime complex subject. Learning to be an assessor is no different.

What is an assessor? What do they do? What role do they play in county government? These are some of the questions this chapter will address.

The assessor is a valuator. The value the assessor is trying to achieve is defined by Georgia law as "Fair Market Value". The "Fair Market Value" is the amount a knowledgeable buyer would pay for the property and a willing seller would accept for the property at an arm's length bona fide sale. Ad valorem means '*according to value*'. So, if we are to have ad valorem tax it will be a tax based on the value of property.

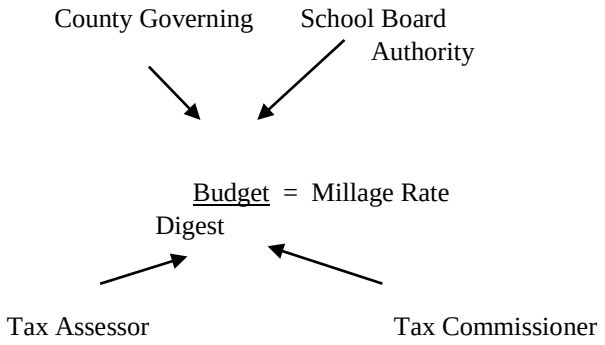
This is only one of the factors that determine the individual tax bill for a taxpayer. Another factor is the millage rate. The millage rate is simply the equal percentage all property owners pay based on the assessed value of their property. The assessors have nothing to do with the millage rate.

The millage rate is actually a quotient. It is the budget divided by the net assessment of the property in the county. We shall call that the tax digest or simply the digest.

The format for calculation is:

$$\frac{\text{Budget}}{\text{Digest}} = \text{Millage Rate}$$

Now that we have the formula for calculating the millage rate, let's look at who is responsible for what.



Now you can see that the budget or the total amount of money that has to be collected from property taxes is determined by the county governing authority and the school board. Beginning in tax year 2016 the State of Georgia no longer collects ad valorem tax on real and personal property.

Example to calculate a millage rate:

County Budget	$250,000
School Budget	$500,000
	$750,000

Digest → $25,000,000

Calculation = Budget = $750,000 = .03000 Millage Rate Digest $25,000,000

The overall millage rate for the county would be .03000 or 30.00 mills. In calculating the tax bill, make sure you always use the rate and not the mills.

The formula for calculating a tax bill is: **Assessed Value X Millage Rate**

The assessed value is forty percent (40%) of the fair market or 100% value. If the fair market value of a property in this county is $100,000, we would multiply $100,000 times .40 (40%) to get the assessed value.

$100,000	X	.40	=	$40,000
FMV		Assmt. Level		Assessed Value

To get the tax bill we would multiply the following:

40,000	X	.03000 =	$1,200
Assessed Value		Millage Rate	Tax Bill

The $1,200 tax bill this property owner will get is based on the fact that his / her property value is $100,000 AND the total assessed value of property in the county is $25,000,000 and the amount of money to be collected from property taxes is $750,000.

The assessor sets the value of the property in the county and the county governing authority and school board sets the amount to be collected from this value. The amount to be collected divided by the net assessed value of the property equals the millage rate.

Assessor's Timeline

Rev.7/1/17

On or Before Jan 5 BOA Meet to Receive and Inspect MH returns & approve values for prebill digest

Jan 1 Mobile Homes Returned For Taxation

Feb 1 Deadline for Mailing PT-40's

April 1- DeadlineFor Mobile Homes Returned & Pay Taxes due

April 21- Deadline For BOA to hold first meeting of the year

May 16 – Dec 15: Within 10 days of receiving appeals selected for Arbitration, send taxpayer notice requesting certified appraisal.

May 16 – Dec 15: Review appeals, make appropriate changes, send 30 day notices, forward appeals to BOE or CHO and attend hearings.

April 1 Close Books, Last day to file new homestead application for the current year. (Applications may be filed year round.)

May 15- Mail Annual Notice of Assessments (suggested)

Statutory Deadline July 1st

July 16 – Dec 31: Review, verify & add new personal property, create new parcels, pick up new construction

July 15 Submit Digest to TC

Sept 1 Digest submitted to state

If Written Agreement, No Later-December 1 TC Forwards List of MH Permits Issued.

Dec 15 submit all unresolved appeals to BOE

Jan 1 Open Books

Jan 15 Freeport forms mailed

January | February | March | April | May | June | July | August | September | October | November | December

Jan 1 Assessment Date

On or before Jan 5 submit MH digest to TC

Deadline to file Freeport applications & tax returns

April 1 - Mail 30 day intent to breach CUVA & FLPA for failure to file for continuation

June 1 Waiver date for failure to file for freeport

2nd week in July county commission and board of education must start newspaper advertisements

45 day period for filing an appeal of Notice of Assessment

Boats may be reappraised using new ABOS values

Oct 20 Tax bills mailed

Mail expiration letters for CUVA

Dec 20 Last day to pay taxes

New DNR and ABOS files available for download from WinGAP.com website

Mail personal property return forms

Import new DNR registration list into WinGAP and print returns for new boats

Annotated Georgia Law
Title-Chapter-Paragraph will always be the format when researching law.

Example Title 48, Chapter 5, Paragraph 1 (48-5-1)

Rules and Regulations

560-11-X-.XX- (560-11-9-.08 Mobile Home Regulation)

Georgia Statutes
General Provisions

§ 48-5-1. Legislative intent

The intent and purpose of the tax laws of this state are to have all property and subjects of taxation returned at the value which would be realized from the cash sale, but not the forced sale, of the property and subjects as such property and subjects are usually sold except as otherwise provided in this chapter.

§ 48-5-2. Definitions

As used in this chapter, the term:

(.1) "Arm's length, bona fide sale" means a transaction which has occurred in good faith without fraud or deceit carried out by unrelated or unaffiliated parties, as by a willing buyer and a willing seller, each acting in his or her own self-interest, including but not limited to a distress sale, short sale, bank sale, or sale at public auction.

(1) "Current use value" of bona fide conservation use property means the amount a knowledgeable buyer would pay for the property with the intention of continuing the property in its existing use and in an arm's length, bona fide sale and shall be determined in accordance with the specifications and criteria provided for in subsection (b) of Code Section 48-5-269.

(2) "Current use value" of bona fide residential transitional property means the amount a knowledgeable buyer would pay for the property with the intention of continuing the property in its existing use and in an arm's length, bona fide sale. The tax assessor shall consider the following criteria, as applicable, in determining the current use value of bona fide residential transitional property:

(A) The current use of such property;

(B) Annual productivity; and

(C) Sales data of comparable real property with and for the same existing use.

(3) "Fair market value of property" means the amount a knowledgeable buyer would pay for the property and a willing seller would accept for the property at an arm's length, bona fide sale. The income approach, if data are available, shall be ~~utilized~~ considered in determining the fair market value of income-producing property~~, and, if~~. If actual income and expense data are voluntarily supplied by the property owner, such data shall be considered in such determination. Notwithstanding any other provision of this chapter to the contrary, the transaction amount of the most recent arm's length, bona fide sale in any year shall be the maximum allowable fair market value for the next taxable year. With respect to the valuation of equipment, machinery, and fixtures when no ready market exists for the sale of the equipment, machinery, and fixtures, fair market value may be determined by resorting to any reasonable, relevant, and useful information available, including, but not limited to, the original cost of the property, any depreciation or obsolescence, and any increase in value by reason of inflation. Each tax assessor shall have access to any public records of the taxpayer for the purpose of discovering such information.

(A) In determining the fair market value of a going business where its continued operation is reasonably anticipated, the tax assessor may value the equipment, machinery, and fixtures which are the property of the business as a whole where appropriate to reflect the accurate fair market value.

(B) The tax assessor shall apply the following criteria in determining the fair market value of real property:

(i) Existing zoning of property;

(ii) Existing use of property, including any restrictions or limitations on the use of property resulting from state or federal law or rules or regulations adopted pursuant to the authority of state or federal law;

(iii) Existing covenants or restrictions in deed dedicating the property to a particular use;

(iv) Bank sales, other financial institution owned sales, or distressed sales, or any combination thereof, of comparable real property;

(v) Decreased value of the property based on limitations and restrictions resulting from the property being in a conservation easement;

(vi) Rent limitations, higher operating costs resulting from regulatory requirements imposed on the property, and any other restrictions imposed upon the property in connection with the property being eligible for any income tax credits with respect to real property which are claimed and granted pursuant to either

Revenue Code of 1986, as amended, or Chapter 7 of this title or receiving any other state or federal subsidies provided with respect to the use of the property as residential rental property; provided, however, that properties described in this division shall not be considered comparable real property for the assessment or appeal of assessment of properties not covered by this division;

(vii)

(I) In establishing the value of any property subject to rent restrictions under the sales comparison approach, any income tax credits described in division (vi) of this subparagraph that are attributable to a property may be considered in determining the fair market value of the property, provided that the tax assessor uses comparable sales of property which, at the time of the comparable sale, had unused income tax credits that were transferred in an arm's length, bona fide sale.

(II) In establishing the value of any property subject to rent restrictions under the income approach, any income tax credits described in division (vi) of this subparagraph that are attributable to property may be considered in determining the fair market value of the property, provided that such income tax credits generate actual income to the record holder of title to the property; and

(viii) Any other existing factors provided by law or by rule and regulation of the commissioner deemed pertinent in arriving at fair market value.

(B.1) The tax assessor shall not consider any income tax credits with respect to real property which are claimed and granted pursuant to either Section 42 of the Internal Revenue Code of 1986, as amended, or Chapter 7 of this title in determining the fair market value of real property.

(B.2) In determining the fair market value of real property, the tax assessor shall not include the value of any intangible assets used by a business, wherever located, including patents, trademarks, trade names, customer agreements, and merchandising agreements.

(C) Fair market value of "rehabilitated historic property" as such term is defined in subsection (a) of Code Section 48-5-7.2 means:

(i) For the first eight years in which the property is classified as ~~"rehabilitated~~ rehabilitated historic ~~property,"~~ property, the value equal to the greater of the acquisition cost of the property or the appraised fair market value of the property as recorded in the county tax digest at the time preliminary certification on such property was received by the county board of tax assessors pursuant to subsection (c) of Code Section 48-5-7.2;

(ii) For the ninth year in which the property is classified as ~~"rehabilitated~~ rehabilitated historic ~~property,"~~ property, the value of the property as determined by division (i) of this subparagraph plus one-half of the difference between such value and the current fair market value exclusive of the provisions of this subparagraph; and

(iii) For the tenth and following years, the fair market value of such property as determined by the provisions of this paragraph, excluding the provisions of this subparagraph.

(D) Fair market value of "landmark historic property" as such term is defined in subsection (a) of Code Section 48-5-7.3 means:

(i) For the first eight years in which the property is classified as ~~"landmark~~ landmark historic ~~property,"~~ property the value equal to the greater of the acquisition cost of the property or the appraised fair market value of the property as recorded in the county tax digest at the time certification on such property was received by the county board of tax assessors pursuant to subsection (c) of Code Section 48-5-7.3;

(ii) For the ninth year in which the property is classified as ~~"landmark~~ landmark historic ~~property,"~~ property, the value of the property as determined by division (i) of this subparagraph plus one-half of the difference between such value and the current fair market value exclusive of the provisions of this subparagraph; and

(iii) For the tenth and following years, the fair market value of such property as determined by the provisions of this paragraph, excluding the provisions of this subparagraph.

(E) Timber shall be valued at its fair market value at the time of its harvest or sale in the manner specified in Code Section 48-5-7.5.

(F) Fair market value of "brownfield property" as such term is defined in subsection (a) of Code Section 48-5-7.6 means:

(i) Unless sooner disqualified pursuant to subsection (e) of Code Section 48-5-7.6, for the first ten years in which the property is classified as brownfield property, or as this period of preferential assessment may be extended pursuant to subsection (o) of Code Section 48-5-7.6, the value equal to the lesser of the acquisition cost of the property or the appraised fair market value of the property as recorded in the county tax digest at the time application was made to the Environmental Protection Division of the Department of Natural Resources for participation under Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended; and

(ii) Unless sooner disqualified pursuant to subsection (e) of Code Section 48-5-7.6, for the eleventh and following years, or at the end of any extension of this period of preferential assessment pursuant to subsection (o) of Code Section 48-5-7.6, the fair market value of such property as determined by the provisions of this paragraph, excluding the provisions of this subparagraph.

(G) Fair market value of "qualified timberland property" means the fair market value determined in accordance with Article 13 of this chapter.

(4) "Foreign merchandise in transit" means personal property of any description which has been or will be moved by waterborne commerce through any port located in this state and:

(A) Which has entered the export stream, although temporarily stored or warehoused in the county where the port of export is located; or

(B) Which was shipped from a point of origin located outside the customs territory of the United States and on which United States customs duties are paid at or through any customs district or

port located in this state, although stored or warehoused in the county where the port of entry is located while in transit to a final destination.

(5) "Forest land conservation use value" of forest land conservation use property means the amount determined in accordance with the specifications and criteria provided for in Code Section 48 5 271 and Article VII, Section I, Paragraph III(f) of the Constitution.

(6) 'Forest land fair market value' means the ~~2008~~ fair market value of the forest land determined in accordance with Article VII, Section I, Paragraph III(f) of the Constitution. ~~provided, however, that when the 2008 fair market value of the forest land has been appealed by a property owner and the ultimate fair market value of the forest land is changed in the appeal process by either the board of assessors, the board of equalization, a hearing officer, an arbitrator, or a superior court judge, then the final fair market value of the forest land shall replace the 2008 fair market value of the forest land. This final fair market value of the forest land shall be used in the calculation of local assistance grants. If local assistance grants have been granted to either a county, a county board of education, or a municipality based on the 2008 fair market value of forest land and subsequently the fair market value of such forest land is reduced on an appeal, then the county or the municipality shall reimburse the state, within 12 months unless otherwise agreed to by the parties, the difference between local assistance grants paid to the county or municipality and the amount which would have been due based on the final fair market value of the forest land. Such 2008 valuation may increase from one taxable year to the next by a rate equal to the percentage change in the price index for gross output of state and local government from the prior year to the current year as defined by the National Income and Product Accounts and determined by the United States Bureau of Economic Analysis and indicated by the Price Index for Government Consumption Expenditures and General Government Gross Output (Table 3.10.4)~~.

§ 48-5-3. Taxable property

All real property including, but not limited to, leaseholds, interests less than fee, and all personal property shall be liable to taxation and shall be taxed, except as otherwise provided by law. Liability of property for taxation shall not be affected by the individual or corporate character of the property owner or by the resident or nonresident status of the property owner.

§ 48-5-4. Ad valorem taxation of property of federal corporations and agencies

Except as prohibited by the Constitution and laws of the United States, all property owned or possessed in this state by a corporation organized under the laws of the United States or owned or possessed by an agency of the United States engaged in this state in proprietary, as distinguished from governmental, activities shall be subject to ad valorem taxation in this state at the same rate and in the same manner as

the property of private corporations owning property in this state and engaged in similar businesses. All laws relating to ad valorem taxation of private corporations shall apply to ad valorem taxation of agencies of the United States and corporations organized under the laws of the United States.

§ 48-5-5. Acquisition of situs by foreign merchandise in transit

(a) Foreign merchandise in transit shall acquire no situs so as to become subject to ad valorem taxation by political subdivisions of this state in which the port of original entry or the port of export of such merchandise is located. Such property shall not acquire situs by virtue of the fact that while in the warehouse the property is assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled, or repackaged. The grant of "no situs" status shall be liberally construed to effect the purposes of this Code section.

(b) Property which meets all of the following qualifications shall acquire no situs so as to become subject to ad valorem taxation by political subdivisions of this state:

> **(1)** Such property is owned by a person who is not a Georgia resident and does not maintain or operate a place of business in Georgia;
>
> **(2)** Such person has contracted with a commercial printer located in Georgia for printing services to be performed in Georgia; and
>
> **(3)** Such property is provided by such person to such printer for the performance of such services.

§ 48-5-6. Return of property at fair market value

All property shall be returned for taxation at its fair market value except as otherwise provided in this chapter.

§ 48-5-7. Assessment of tangible property

(a) Except as otherwise provided in this Code section, taxable tangible property shall be assessed at 40 percent of its fair market value and shall be taxed on a levy made by each respective tax jurisdiction according to 40 percent of the property's fair market value.

(b) Tangible real property which is devoted to bona fide agricultural purposes as defined in this chapter and which otherwise conforms to the conditions and limitations imposed in this chapter shall be assessed for ad valorem property tax purposes at 75 percent of the value which other tangible real property is

assessed and shall be taxed on a levy made by each respective tax jurisdiction according to said assessment.

(c) Tangible real property which qualifies as rehabilitated historic property pursuant to the provisions of Code Section 48-5-7.2 shall be assessed at 40 percent of its fair market value and shall be taxed on a levy made by each respective tax jurisdiction according to 40 percent of the property's fair market value. For the purposes of this subsection, the term "fair market value" shall mean the fair market value of rehabilitated historic property pursuant to the provisions of subparagraph (C) of paragraph (3) of Code Section 48-5-2.

(c.1) Tangible real property which qualifies as landmark historic property pursuant to the provisions of Code Section 48-5-7.3 shall be assessed at 40 percent of its fair market value and shall be taxed on a levy made by each respective tax jurisdiction according to 40 percent of the property's fair market value. For the purposes of this subsection, the term "fair market value" shall mean the fair market value of landmark historic property pursuant to the provisions of subparagraph (D) of paragraph (3) of Code Section 48-5-2.

(c.2) Tangible real property which is devoted to bona fide conservation uses as defined in this chapter and which otherwise conforms to the conditions and limitations imposed in this chapter shall be assessed for property tax purposes at 40 percent of its current use value and shall be taxed on a levy made by each respective tax jurisdiction according to 40 percent of the property's current use value.

(c.3) Tangible real property located in a transitional developing area which is devoted to bona fide residential uses and which otherwise conforms to the conditions and limitations imposed in this chapter for bona fide residential transitional property shall be assessed for property tax purposes at 40 percent of its current use value and shall be taxed on a levy made by each respective tax jurisdiction according to 40 percent of the property's current use value.

(c.4) Tangible real property which qualifies as brownfield property pursuant to the provisions of Code Section 48-5-7.6 shall be assessed at 40 percent of its fair market value and shall be taxed on a levy made by each respective tax jurisdiction according to 40 percent of the property's fair market value. For the purposes of this subsection, the term "fair market value" shall mean the fair market value of brownfield property pursuant to the provisions of subparagraph (F) of paragraph (3) of Code Section 48-5-2.

(c.5) Tangible real property which qualifies as forest land conservation use property pursuant to the provisions of Code Section 48-5-7.7 shall be assessed at 40 percent of its forest land conservation use value and shall be taxed on a levy made by each respective tax jurisdiction according to 40 percent of the property's forest land conservation use value.

(c.6) Tangible real property which qualifies as qualified timberland property in accordance with the provisions of Article 13 of this chapter shall be assessed at 40 percent of its fair market value of qualified timberland property and shall be taxed on a levy made by each respective tax jurisdiction according to 40 percent of its fair market value of qualified timberland property as such value is determined by the commissioner in accordance with Article 13 of this chapter.

(d) The requirement contained in this Code section that all tax jurisdictions assess taxable tangible property at 40 percent of fair market value shall not apply to any tax jurisdiction whose ratio of assessed value to fair market value exceeded 40 percent for the tax year 1971. No tax jurisdiction so exempted shall

assess at a ratio of less than 40 percent except as necessary to effect the preferential assessment provided in subsection (b) of this Code section.

(e) Each notice of ad valorem taxes due sent to taxpayers of counties and municipalities shall include both the fair market value of the property of the taxpayer which is subject to taxation and the assessed value of the property after being reduced as provided by this Code section.

Georgia Constitution Article VII. Section I. Paragraph III.

Paragraph III. ***Uniformity; classification of property; assessment of agricultural land; utilities.*** (a) All taxes shall be levied and collected under general laws and for public purposes only. Except as otherwise provided in subparagraphs (b), (c), (d), (e), and (f) of this Paragraph, all taxation shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax .

(b)(1) Except as otherwise provided in this subparagraph (b), classes of subjects for taxation of property shall consist of tangible property and one or more classes of intangible personal property including money; provided, however, that any taxation of intangible personal property may be repealed by general law without approval in a referendum effective for all taxable years beginning on or after January 1, 1996.

§ 48-5-7.1. Tangible real property devoted to agricultural purposes -- Definition; persons entitled to preferential tax assessment; covenant to maintain agricultural purposes; penalty for breach of covenant

(a) For purposes of this article, the term "tangible real property which is devoted to bona fide agricultural purposes":

(1) Is tangible real property, the primary use of which is good faith commercial production from or on the land of agricultural products, including horticultural, floricultural, forestry, dairy, livestock, poultry, and apiarian products and all other forms of farm products; but

(2) Includes only the value which is $100,000.00 or less of the fair market value of tangible real property which is devoted to the storage or processing of agricultural products from or on the property; and

(3) Excludes the entire value of any residence located on the property.

(b) No property shall qualify for the preferential ad valorem property tax assessment provided for in subsection (b) of Code Section 48-5-7 unless:

(1) It is owned by one or more natural or naturalized citizens; or

(2) It is owned by a family-farm corporation, the controlling interest of which is owned by individuals related to each other within the fourth degree by civil reckoning, and such corporation derived 80 percent or more of its gross income for the year immediately preceding the year in which application for preferential assessment is made from bona fide agricultural pursuits carried out on tangible real property located in this state, which property is devoted to bona fide agricultural purposes.

(c) No property shall qualify for said preferential assessment if such assessment would result in any person who has a beneficial interest in such property, including any interest in the nature of stock ownership, receiving in any tax year any benefit of preferential assessment as to more than 2,000 acres. If any taxpayer has any beneficial interest in more than 2,000 acres of tangible real property which is devoted to bona fide agricultural purposes, such taxpayer shall apply for preferential assessment only as to 2,000 acres of such land.

(d) No property shall qualify for preferential assessment unless and until the owner of such property agrees by covenant with the appropriate taxing authority to maintain the eligible property in bona fide agricultural purposes for a period of at least ten years beginning on the first day of January of the year in which such property qualifies for preferential assessment and ending on the last day of December of the tenth year of the covenant period. After the expiration of any ten-year covenant period, the property shall not qualify for further preferential assessment until and unless the owner of the property enters into a renewal covenant for an additional period of ten years.

(e) No property shall maintain its eligibility for preferential assessment unless a valid covenant remains in effect and unless the property is continuously devoted to bona fide agricultural purposes during the entire period of the covenant.

(f) If any change in ownership of such qualified property occurs during the covenant period, all qualification requirements must be met again before the property shall be eligible to be continued for preferential assessment. If ownership of the property is acquired during a covenant period by a person qualified to enter into an original covenant, by a newly formed corporation the stock in which is owned by the original covenantor or others related to the original covenantor within the fourth degree by civil reckoning, or by the personal representative of an owner who was a party to the covenant, then the original covenant may be continued by such acquiring party for the remainder of the term, in which event no breach of the covenant shall be deemed to have occurred.

(g) A penalty shall be imposed under this subsection if during the period of the covenant entered into by a taxpayer the covenant is breached. The penalty shall be computed by multiplying the amount by which the preferential assessment has reduced taxes otherwise due for the year in which the breach occurs times:

> **(1)** A factor of five if the breach occurs in the first or second year of the covenant period;
>
> **(2)** A factor of four if the breach occurs during the third or fourth year of the covenant period;
>
> **(3)** A factor of three if the breach occurs during the fifth or sixth year of the covenant period; or
>
> **(4)** A factor of two if the breach occurs in the seventh, eighth, ninth, or tenth year of the covenant period.

(h) A penalty imposed under subsection (g) of this Code section shall bear interest at the rate specified in Code Section 48-2-40 from the date the covenant is breached.

(i) Penalties and interest imposed under this Code section shall constitute a lien against the property and shall be collected as other unpaid ad valorem taxes are collected. Such penalties and interest shall be distributed pro rata to each taxing jurisdiction wherein the preferential assessment has been granted based upon the total amount by which such preferential assessment has reduced taxes for each such taxing jurisdiction on the property in question as provided in this Code section.

(j) The penalty imposed by subsection (g) of this Code section shall not apply in any case where a covenant is breached solely as a result of:

> **(1)** The acquisition of part or all of the property under the power of eminent domain;
>
> **(2)** The sale of part or all of the property to a public or private entity which would have had the authority to acquire the property under the power of eminent domain; or
>
> **(3)** The death of an owner who was a party to the covenant.

(k) All applications for preferential assessment, including the covenant agreement required under this Code section, shall be filed on or before the last day for filing ad valorem tax returns in the

county for the tax year for which such preferential assessment shall be first applicable. An application for continuation of preferential assessment upon a change in ownership of the qualified property shall be filed on or before the last date for filing tax returns in the year following the year in which the change in ownership occurred. Applications for preferential assessment shall be filed with the county board of tax assessors who shall approve or deny the application. If the application is approved on or after July 1, 1998, the county board of tax assessors shall file a copy of the approved application in the office of the clerk of the superior court in the county in which the eligible property is located. The clerk of the superior court shall file and index such application in the real property records maintained in the clerk's office. Applications approved prior to July 1, 1998, shall be filed and indexed in like manner without payment of any fee. If the application is not so recorded in the real property records, a transferee of the property affected shall not be bound by the covenant or subject to any penalty for its breach. The fee of the clerk of the superior court for recording such applications approved on or after July 1, 1998, shall be paid by the owner of the eligible property with the application for preferential treatment and shall be paid to the clerk by the board of tax assessors when the application is filed with the clerk. If the application is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to Code Section 48-5-306 and shall return any filing fees advanced by the owner. Appeals from the denial of an application by the board of tax assessors shall be made in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311. As to property approved for preferential assessment prior to July 1, 1998, the county board of tax assessors shall file copies of all approved applications in the office of the clerk of the superior court not later than August 14, 1998, and the clerk shall file, index, and record such approved applications, as provided for in this subsection, with the fee of the clerk of the superior court for filing, indexing, and recording to be paid out of the general funds of the county.

(l) The commissioner shall by regulation provide uniform application and covenant forms to be used in making application for preferential assessment. Such application shall include an oath or affirmation by the taxpayer that he has not at any time received, or made a pending application for, preferential assessment in the same or another county with respect to any property which taken together with property for which application is then being made exceeds 2,000 acres.

(m) The commissioner shall annually submit a report to the Governor and members of the General Assembly which shall show the fiscal impact of the preferential assessment provided for in this Code section. The report shall include the amount of assessed value eliminated from each county's digest as a result of the preferential assessment; approximate tax dollar losses, by county, to all local governments affected by such preferential assessment; and any recommendations regarding state and local administration of this Code section, with emphasis upon enforcement problems, if any, attendant with this Code section. The report shall also include any other data or facts which the commissioner deems relevant.

(n) **(1)** The transfer prior to July 1, 1988, of a part of the property subject to a covenant shall not constitute a breach of a covenant entered into before or after July 1, 1984, if:

(A) The part of the property so transferred is used for single-family residential purposes and the residence is occupied by a person who is related within the fourth degree of civil reckoning to an owner of the property subject to the covenant; and

(B) The part of the property so transferred, taken together with any other part of the property so transferred during the covenant period, does not exceed a total of three acres.

(2) The transfer on or after July 1, 1988, of a part of the property subject to a covenant shall not constitute a breach of a covenant entered into before or after July 1, 1988, if:

(A) The part of the property so transferred is transferred to a person who is related within the fourth degree of civil reckoning to an owner of the property subject to the covenant; and

(B) The part of the property so transferred, taken together with any other part of the property transferred to the same relative during the covenant period, does not exceed a total of five acres.

(o) The following shall not constitute a breach of a covenant entered into before or after July 1, 1984:

(1) Mineral exploration of the property subject to the covenant or the leasing of the property subject to the covenant for purposes of mineral exploration if the primary use of the property continues to be the good faith commercial production from or on the land of agricultural products; or

(2) Allowing all or part of the property subject to the covenant to lie fallow or idle for purposes of any land conservation program, for purposes of any federal agricultural assistance program, or for other agricultural management purposes.

(p) Property which is subject to preferential assessment shall be separately classified from all other property on the tax digest; and such separate classification shall be such as will enable any person examining the tax digest to readily ascertain that the property is subject to preferential assessment. Covenants shall be public records and shall be indexed and maintained in such manner as will allow members of the public to readily locate the covenant affecting any particular property subject to preferential assessment.

(q) **(1)** In any case in which a covenant is breached solely as a result of the foreclosure of a deed to secure debt, or the property is conveyed to the lienholder without compensation and in lieu of foreclosure, the penalty specified by paragraph (2) of this subsection shall apply and the penalty specified by subsection (g) of this Code section shall not apply if:

(A) The deed to secure debt was executed as a part of a bona fide commercial loan transaction in which the grantor of the deed to secure debt received consideration equal in value to the principal amount of the debt secured by the deed to secure debt;

(B) The loan was made by a person or financial institution who or which is regularly engaged in the business of making loans; and

(C) The deed to secure debt was intended by the parties as security for the loan and was not intended for the purpose of carrying out a transfer which would otherwise be subject to the penalty specified by subsection (g) of this Code section.

(2) When a breach occurs solely as a result of a foreclosure which meets the qualifications of paragraph (1) of this subsection, the penalty imposed shall be the amount by which preferential assessment has reduced taxes otherwise due for the year in which the covenant is breached.

(3) A penalty imposed under this subsection shall bear interest at the rate specified in Code Section 48-2-40 from the date the covenant is breached.

(r)

(1) In any case in which a covenant is breached solely as a result of a medically demonstrable illness or disability which renders the owner of the real property physically unable to continue the property in agricultural use, the penalty specified by paragraph (2) of this subsection shall apply and the penalty specified by subsection (g) of this Code section shall not apply. The penalty specified by paragraph (2) of this subsection shall likewise be substituted for the penalty specified by subsection (g) of this Code section in any case in which a covenant is breached solely as a result of a medically demonstrable illness or disability which renders the operator of the real property physically unable to continue the property in agricultural use, provided that the alternative penalty shall apply in this case only if the operator of the real property is a member of the family owning a family-farm corporation which owns the real property.

(2) When a breach occurs which meets the qualifications of paragraph (1) of this subsection, the penalty imposed shall be the amount by which preferential assessment has reduced taxes otherwise due for the year during which the covenant is breached.

(3) A penalty imposed under this subsection shall bear interest at the rate specified in Code Section 48-2-40 from the date the covenant is breached.

(4) Prior to the imposition of the alternative penalty authorized by this subsection in lieu of the penalty specified by subsection (g) of this Code section, the board of tax assessors shall require satisfactory evidence which clearly demonstrates that the breach is the result of a medically demonstrable illness or disability which meets the qualifications of paragraph (1) of this subsection.

(r.1) In any case in which a covenant is breached solely as a result of an owner electing to discontinue the property in its qualifying use, provided such owner has renewed without an intervening lapse at least once the covenant under this Code section, has reached the age of 65 or older, and has kept the property in a qualifying use under the renewal covenant for at least three years the penalty specified by subsection (g) of this Code section shall not apply and the penalty imposed shall be the amount by which preferential assessment has reduced taxes otherwise due for the year in which the covenant is breached. Such penalty shall bear interest at the rate specified in Code Section 48-2-40 from the date of the breach. Such election shall be in writing and shall not become effective until filed with the county board of tax assessors.

(s) Property which is subject to preferential assessment and which is subject to a covenant under this Code section may be changed from such covenant and placed in a covenant for bona fide conservation use under Code Section 48-5-7.4 if such property meets all of the requirements and

conditions specified in Code Section 48-5-7.4. Any such change shall terminate the covenant under this Code section, shall not constitute a breach of the covenant under this Code section, and shall require the establishment of a new covenant period under Code Section 48-5-7.4. No property may be changed under this subsection more than once.

(t) At such time as the property ceases to be eligible for preferential assessment or when any ten-year covenant period expires and the property does not qualify for further preferential assessment, the owner of the property shall file an application for release of preferential treatment with the county board of tax assessors who shall approve the release upon verification that all taxes and penalties with respect to the property have been satisfied. After the application for release has been approved by the board of tax assessors, the board shall file the release in the office of the clerk of the superior court in the county in which the original covenant was filed. The clerk of the superior court shall file and index such release in the real property records maintained in the clerk's office. No fee shall be paid to the clerk of the superior court for recording such release. The commissioner shall by regulation provide uniform release forms.

PRINT	CLEAR

PT-230 Rev. 6/00

APPLICATION FOR PREFERENTIAL AGRICULTURAL ASSESSMENT

To the Board of Tax Assessors of _____ County: In accordance with the provisions of the State Constitution and laws authorizing preferential assessment of bona fide agricultural property at 75% of the value which other tangible real property is assessed, I hereby make application for preferential assessment on the following described property. Along with this application, I am submitting the fee of the clerk of superior court for recording such application if approved.

Name of owner (individual(s) or family owned corporation)			
Owner's mailing address			City, State and Zip
Property location (Street, Route, HWY, etc.)	City, State and Zip		No. of acres included in this application
District	Land Lot	Sublot and Block	Recorded Deed Book and Page

Types of storage and processing buildings located on the property:

List of other counties where preferential assessment applications have been made:

Please state the number of acres used for the following purposes:

AGRICULTURAL PURPOSE	ACRES	AGRICULTURAL PURPOSE	ACRES	AGRICULTURAL PURPOSE	ACRES
HORTICULTURAL		DAIRY		APIARIAN PRODUCTS	
FLORICULTURAL		LIVESTOCK		AGRICULTURAL PRODUCTS	
FORESTRY		POULTRY		LIVESTOCK	

FOR TAX ASSESSORS USE ONLY		
Map and Parcel Number:	Date Approved:	Date Notified:
Tax District:	Date Denied:	Date Appealed:
Taxpayer Account Number:	Yr. Covenant Begins: Jan. 1,	Yr. Covenant Ends: Dec. 31,

PREFERENTIAL AGRICULTURAL ASSESSMENT COVENANT AGREEMENT

In consideration of my receiving preferential assessment of agricultural or timberland provided for in O.C.G.A. Section 48-5-7.1, I, the undersigned, do hereby solemnly swear, covenant and agree that: (EACH POINT BELOW MUST BE INITIALED BY APPLICANT)

1. I am a natural or naturalized citizen and the lawful owner of the property described on this document or if said property is owned by a family-farm corporation, I am authorized to execute this document on behalf of said corporation. _____
2. I have personal knowledge of the property described and the primary use of said property is good faith commercial production of agricultural products with a sincere intention to produce products for profit. _____
3. I have not received or made a pending application for preferential assessment in this county or any other county with respect to any property, which taken together with this property, would exceed 2,000 acres. _____
4. No person who has a beneficial interest in this property, including any interest in the nature of stock ownership, will receive any benefit of preferential assessment as to more than 2,000 acres in any tax year. _____
5. I agree to maintain this property in bona fide agricultural purposes as defined by O.C.G.A. 48-5-7.1(a) for a period of 10 years to begin on January 1st of the year in which said property first qualifies for preferential assessment and to continue through the last day of December of the final year of the covenant period. _____
6. I hereby agree to notify the Board of Tax Assessors, in writing, in the event there is a change in the qualifying use or ownership of said property. _____
7. I understand that, if this covenant is breached by either me or any person or entity to whom I may transfer all or part of this property, a penalty shall be provided for by law. I further understand that the penalty shall bear interest and that said penalties and interest shall constitute a lien against the property under this covenant.
8. If said property is owned by a family farm corporation, 80% or more of its gross income for the year immediately preceding the year for which this covenant will begin was derived from bona fide agricultural pursuits carried out on tangible real property located in this state, which property is devoted to bona fide agricultural purposes. _____
9. All information given on this document is true, correct and complete. _____

Sworn to and subscribed before me
this ____day of _____,_____.

_____ Authorized Signature

_____ Approved By: Board of Tax Assessors

_____ Notary Public

_____ Date Filed

_____ Date

Georgia law, O.C.G.A. Section 48-5-7.1 provides that, if this application is denied, the applicant may appeal. Such appeal shall be made in the same manner that other property tax appeals are made pursuant to O.C.G.A. Section 48-5-311.

APPLICATION FOR RELEASE OF AGRICULTURAL ASSESSMENT

I, the owner of the above described property, having satisfied all applicable taxes and penalties associated with the covenant above, do hereby file this application for release of preferential assessment with the county board of tax assessors. Pursuant to O.C.G.A. Section 48-5-7.1(t) no fee is required for the clerk of superior court to file and index this release in the real property records of the clerk's office.

Sworn to and subscribed before me
this ____day of _____,_____.

_____ Authorized Signature

_____ Approved By: Board of Tax Assessors

_____ Notary Public

_____ Date Filed

_____ Date

§ 48-5-7.2. Certification as rehabilitated historic property for purposes of preferential assessment.

(a) **(1)** For the purposes of this article, "rehabilitated historic property" means tangible real property which:

(A) Qualifies for listing on the Georgia Register of Historic Places as provided in Part 1 of Article 3 of Chapter 3 of Title 12;

(B) Is in the process of or has been substantially rehabilitated, provided that in the case of owner occupied residential real property the rehabilitation has increased the fair market value of the building or structure by not less than 50 percent, or, in the case of income-producing real property, the rehabilitation has increased the fair market value of the building or structure by not less than 100 percent, or, in the case of real property used primarily as residential property but partially as income-producing property, the rehabilitation has increased the fair market value of the building or structure by not less than 75 percent, provided that the exact percentage of such increase in the fair market value to be required shall be determined by rules and regulations promulgated by the Board of Natural Resources. For the purposes of this subparagraph, the term "fair market value" shall mean the fair market value of the property, excluding the provisions of subparagraph (C) of paragraph (3) of Code Section 48-5-2;

(C) The rehabilitation of which meets the rehabilitation standards as provided in regulations promulgated by the Department of Natural Resources; and

(D) Has been certified by the Department of Natural Resources as rehabilitated historic property eligible for preferential assessment.

(2) The preferential classification and assessment of rehabilitated historic property provided for in this Code section shall apply to the building or structure which is the subject of the rehabilitation, the real property on which the building or structure is located, and not more than two acres of real property surrounding the building or structure. The remaining property shall be assessed for tax purposes as otherwise provided by law.

(3) Property may qualify as historic property only if substantial rehabilitation of such property was initiated after January 1, 1989, and only property which has been certified as rehabilitated historic property by the Department of Natural Resources after July 1, 1989, may qualify for preferential assessment.

(b) In order for property to qualify for preferential assessment as provided for in subsection (c) of Code Section 48-5-7, the property must receive certification as rehabilitated historic property as defined in paragraph (1) of subsection (a) of this Code section and pursuant to regulations promulgated by the Department of Natural Resources. Applications for certification of such property shall be accompanied by a fee specified by rules and regulations of the Board of Natural Resources. The Department of Natural

Resources may, at its discretion, delegate its responsibilities conferred under subparagraph (a)(1)(C) of this Code section.

(c) Upon a property owner's receiving preliminary certification pursuant to the provisions of subsection (b) of this Code section, such property owner shall submit a copy of such preliminary certification to the county board of tax assessors. A property owner shall have 24 months from the date that preliminary certification is received pursuant to subsection (b) of this Code section in which to complete the rehabilitation of such property in conformity with the application approved by the Department of Natural Resources. After receiving the preliminary certification from the property owner, the county board of tax assessors shall not increase the assessed value of such property during the period of rehabilitation of such property, not to exceed two years. During such period of rehabilitation of the property, the county tax receiver or tax commissioner shall enter upon the tax digest a notation that the property is subject to preferential assessment and shall also enter an assessment of the fair market value of the property, excluding the preferential assessment authorized by this Code section. Any taxes not paid on the property as a result of the preliminary certification and frozen assessed value of the property shall be considered deferred until a final determination is made as to whether such property qualifies for preferential assessment as provided in this Code section.

(d) Upon the completion of the rehabilitation of such property, the property owner shall submit a request in writing for final certification to the Department of Natural Resources. The Department of Natural Resources shall determine whether such property as rehabilitated constitutes historic property which will be listed on the Georgia Register of Historic Places and which qualifies for preferential assessment. The Department of Natural Resources shall issue to the property owner a final certification if such property so qualifies.

(e) Upon receipt of final certification from the Department of Natural Resources, a property owner desiring classification of any such historic property as rehabilitated historic property in order to receive the preferential assessment shall make application to the county board of tax assessors and include the order of final certification with such application. The county board of tax assessors shall determine if the value of the building or structure has been increased in accordance with the provisions of subparagraph (a)(1)(B) of this Code section; provided, however, that, if the property owner can document expenditures on rehabilitation of owner occupied property of not less than 50 percent of the fair market value of the building or structure at the time of the preliminary certification of the property, or, in the case of income-producing property, expenditures on rehabilitation of such property of not less than 100 percent of the fair market value of the building or structure at the time of preliminary certification of the property, or, in the case of real property used primarily as residential property but partially as income-producing property, expenditures on rehabilitation of such property of not less than 75 percent of the fair market value of the building or structure at the time of preliminary certification of the property, the county board of tax assessors shall be required to grant preferential assessment to such property. For the purposes of this subsection, the term "fair market value" shall mean the fair market value of the building or structure, excluding the provisions of subparagraph (C) of paragraph (3) of Code Section 48-5-2; and such rehabilitation expenditures shall also include expenditures incurred in preserving specimen trees upon not more than two acres of real property surrounding the building or structure. As used in this Code section, the term "specimen tree" means any tree having a trunk diameter of 30 inches or more. The county board of tax assessors shall make the determination within 30 days after receiving the application and shall notify the applicant in the same manner that notices of assessment are given pursuant to Code Section 48-5-306.

Appeals from the denial of an application for preferential assessment by the board of tax assessors shall be made in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311.

(f) A property owner who fails to have property classified as rehabilitated historic property and listed on the Georgia Register of Historic Places for the preferential assessment shall be required to pay the difference between the amount of taxes on the property during the period that the assessment was frozen pursuant to the provisions of subsection (c) of this Code section and the amount of taxes which would have been due had the property been assessed at the regular fair market value, plus interest at the rate prescribed in Code Section 48-2-40.

(g) **(1)** Property which has been classified by the county board of tax assessors as rehabilitated historic property shall be eligible for the preferential assessment provided for in subsection (c) of Code Section 48-5-7; provided, however, that, for the purposes of determining the years of eligibility for preferential assessment, the tax year following the year in which the preliminary certification was filed with the county board of tax assessors pursuant to subsection (c) of this Code section shall be considered and counted as the first year of eligibility.

(2) Property which is subject to preferential assessment shall be separately classified from all other property on the tax digest; and such separate classification shall be such as will enable any person examining the tax digest to ascertain readily that the property is subject to preferential assessment.

(3) The county tax receiver or tax commissioner shall enter upon the tax digest as the basis or value of a parcel of rehabilitated historic property a value equal to the greater of the acquisition cost of the property or the assessment of the fair market value of the property as recorded in the county tax digest at the time preliminary certification on such property was received by the county board of tax assessors pursuant to subsection (c) of this Code section. Property classified as rehabilitated historic property shall be recorded upon the tax digest as provided in this Code section for nine consecutive assessment years, and the notation "rehabilitated historic property" shall be entered on the tax digest adjacent to the valuation of such property to indicate that the property is being preferentially assessed. The tax commissioner or tax receiver shall also enter upon the tax digest an assessment of the fair market value of the property each year, excluding the provisions of subparagraph (C) of paragraph (3) of Code Section 48-5-2.

(h) When property has once been classified and assessed as rehabilitated historic property, it shall remain so classified and be granted the special assessment until the property becomes disqualified by any one of the following:

(1) Written notice by the taxpayer to the county tax commissioner or receiver to remove the preferential classification and assessment;

(2) Sale or transfer of ownership making the property exempt from property taxation;

(3) Decertification of such property by the Department of Natural Resources. The Department of Natural Resources has the authority to decertify any property which no longer possesses the qualities and features which made it eligible for the Georgia Register of Historic Places or which has been altered through inappropriate rehabilitation as determined by the Department of Natural

Resources. The sale or transfer to a new owner shall not operate to disqualify the property from preferential classification and assessment so long as the property continues to qualify as rehabilitated historic property. When for any reason the property or any portion thereof ceases to qualify as rehabilitated historic property, the owner at the time of change shall notify the Department of Natural Resources and the county board of tax assessors prior to the next January; or

(4) The expiration of nine years during which the property was classified and assessed as rehabilitated historic property; provided, however, that any such property may qualify thereafter as rehabilitated historic property if such property is subject to subsequent rehabilitation and qualifies under the provisions of this Code section.

(i) Any person who is aggrieved or adversely affected by any order or action of the Department of Natural Resources pursuant to this Code section shall, upon petition within 30 days after the issuance of such order or taking of such action, have a right to a hearing before an administrative law judge appointed by the Board of Natural Resources. The hearing before the administrative law judge shall be conducted in accordance with Chapter 13 of Title 50, the "Georgia Administrative Procedure Act." The decision of the administrative law judge shall constitute the final decision of the board and any party to the hearing, including the Department of Natural Resources, shall have the right of judicial review thereof in accordance with Chapter 13 of Title 50, the "Georgia Administrative Procedure Act."

(j) **(1)** The taxes and interest deferred pursuant to this Code section shall constitute a prior lien and shall attach as of the date and in the same manner and shall be collected as are other liens for taxes, as provided for under this title, but the deferred taxes and interest shall only be due, payable, and delinquent as provided in this Code section.

(2) Liens for taxes deferred under this Code section, except for any lien covering the then current tax year, shall not be divested by an award for year's support authorized pursuant to former Chapter 5 of Title 53 as such existed on December 31, 1997, if applicable, or Chapter 3 of Title 53.

§ 48-5-7.3. Landmark historic property

(a) **(1)** As used in this Code section, the term "landmark historic property" means tangible real property which:

(A) Has been listed on the National Register of Historic Places or on the Georgia Register of Historic Places as provided in Part 1 of Article 3 of Chapter 3 of Title 12 and has been so certified by the Department of Natural Resources; and

(B) Has been certified by a local government as landmark historic property having exceptional architectural, historic, or cultural significance pursuant to a comprehensive local historic preservation or landmark ordinance which is of general application within such locality and has been approved as such by the state historic preservation officer.

(2) The preferential classification and assessment of landmark historic property provided for in this Code section shall apply to the building or structure which is listed on the National Register of Historic Places or on the Georgia Register of Historic Places, the real property on which the building or structure is located, and not more than two acres of real property surrounding the building or structure. The remaining property shall be assessed for tax purposes as otherwise provided by law.

(3) Property may qualify as landmark historic property and be eligible to receive the preferential assessment provided for in this Code section only if the local governing authority has adopted an ordinance authorizing such preferential assessments for landmark historic property under this Code section. Notwithstanding any other provision of this paragraph, said ordinances may extend the preferential assessment authorized by this Code section to tangible income-producing real property, tangible nonincome-producing real property, or combination thereof, so as to encourage the preservation of historic properties and assist in the revitalization of historic areas.

(b) In order for property to qualify under this Code section for preferential assessment as provided for in subsection (c.1) of Code Section 48-5-7, the property must receive the certifications required for landmark historic property as defined in paragraph (1) of subsection (a) of this Code section.

(c) Upon receipt of said certifications, a property owner desiring classification of any such historic property as landmark historic property in order to receive the preferential assessment shall make application to the county board of tax assessors and include said certifications with such application. The county board of tax assessors shall determine if the provisions of this Code section have been complied with and upon such determination, the county board of tax assessors shall be required to grant preferential assessment to such property. The county board of tax assessors shall make the determination within 30 days after receiving the application and shall notify the applicant in the same manner that notices of assessment are given pursuant to Code Section 48-5-306. Appeals from the denial of an application for preferential assessment by the board of tax assessors shall be made in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311.

(d) **(1)** Property which has been classified by the county board of tax assessors as landmark historic property shall be immediately eligible for the preferential assessment provided for in subsection (c.1) of Code Section 48-5-7; provided, however, that, for the purposes of determining the years of eligibility for preferential assessment, the tax year following the year in which the certification was filed with the county board of tax assessors pursuant to subsection (c) of this Code section shall be considered and counted as the first year of eligibility.

(2) Property which is subject to preferential assessment shall be separately classified from all other property on the tax digest; and such separate classification shall be such as will enable any person examining the tax digest to ascertain readily that the property is subject to preferential assessment.

(3) The county tax receiver or tax commissioner shall enter upon the tax digest as the basis or value of a parcel of landmark historic property a value equal to the greater of the acquisition cost of the property or the assessment of the fair market value of the property as recorded in the county tax digest at the time certification on such property was received by the county board of tax assessors pursuant to subsection (c) of this Code section. Property classified as landmark historic property

shall be recorded upon the tax digest as provided in this Code section for nine consecutive assessment years, and the notation "landmark historic property" shall be entered on the tax digest adjacent to the valuation of such property to indicate that the property is being preferentially assessed. The tax commissioner or tax receiver shall also enter upon the tax digest an assessment of the fair market value of the property each year, excluding the provisions of subparagraph (D) of paragraph (3) of Code Section 48-5-2.

(e) **(1)** When property has once been classified and assessed as landmark historic property, it shall remain so classified and be granted the special assessment until the property becomes disqualified by any one of the following:

(A) Written notice by the taxpayer to the county tax commissioner or receiver to remove the preferential classification and assessment;

(B) Sale or transfer of ownership making the property exempt from property taxation;

(C) Decertification of such property by the Department of Natural Resources. The Department of Natural Resources has the authority to decertify any property which no longer possesses the qualities and features which made it eligible for the Georgia Register of Historic Places or which has been altered through inappropriate rehabilitation as determined by the Department of Natural Resources. The sale or transfer to a new owner shall not operate to disqualify the property from preferential classification and assessment so long as the property continues to qualify as landmark historic property, except as specified in subparagraph (B) of this paragraph. When for any reason the property or any portion thereof ceases to qualify as landmark historic property, the owner at the time of change shall notify the Department of Natural Resources and the county board of tax assessors prior to the next January;

(D) Decertification of such property by the local governing authority for failure to maintain such property in a standard condition as specified in the local historic preservation or landmark ordinance or in local building codes; or

(E) The expiration of nine years during which the property was classified and assessed as landmark historic property; provided, however, that any such property may qualify thereafter as landmark historic property if such property is subject to subsequent rehabilitation and qualifies under other portions of the historic properties tax incentive program contained within the provisions of this Code section.

(2) Except as otherwise provided in this Code section, if a property becomes disqualified pursuant to any provision of this subsection, the decertification shall be transmitted to the county board of tax assessors and said assessors shall appropriately notate the property as decertified. Such property shall not be eligible to receive the preferential assessment provided for in this Code section during the taxable year in which such disqualification occurs.

(f) Any person who is aggrieved or adversely affected by any order or action of the Department of Natural Resources pursuant to this subsection shall, upon petition within 30 days after the issuance of such order

or taking of such action, have a right to a hearing before an administrative law judge appointed by the Board of Natural Resources. The hearing before the administrative law judge shall be conducted in accordance with Chapter 13 of Title 50, the "Georgia Administrative Procedure Act." The decision of the administrative law judge shall constitute the final decision of the board and any party to the hearing, including the Department of Natural Resources, shall have the right of judicial review thereof in accordance with Chapter 13 of Title 50, the "Georgia Administrative Procedure Act."

(g) No property shall be eligible to receive simultaneously more than one of the preferential assessments provided for in this Code section and Code Section 48-5-7.2.

(h) Any landmark historic property which lies within a locally designated landmark or historic preservation district which is predominantly a residential district as determined by the local governing authority shall not be eligible for the preferential assessment provided for in this subsection if such landmark historic property constitutes a nonconforming use pursuant to applicable local zoning ordinances or if such landmark historic property does not contribute to the architectural, historic, or cultural values for which said district is significant.

(i) **(1)** The difference between the preferential assessment granted by this Code section and the taxes which would otherwise be assessed and interest thereon shall constitute a prior lien and shall attach as of the date and in the same manner and shall be collected as are other liens for taxes, as provided for under this title, but shall only be due, payable, and delinquent as provided in this Code section.

(2) Such liens for taxes, except for any lien covering the then current tax year, shall not be divested by an award for year's support authorized pursuant to former Chapter 5 of Title 53 as such existed on December 31, 1997, if applicable, or Chapter 3 of Title 53.

§ 48-5-7.4. Bona fide conservation use property; residential transitional property; application procedures; penalties for breach of covenant; classification on tax digest; annual report

(a) For purposes of this article, the term "bona fide conservation use property" means property described in and meeting the requirements of paragraph (1) or (2) of this subsection, as follows:

(1) Not more than 2,000 acres of tangible real property of a single person, the primary purpose of which is any good faith production, including but not limited to subsistence farming or commercial production, from or on the land of agricultural products or timber, subject to the following qualifications:

(A) Such property includes the value of tangible property permanently affixed to the real property which is directly connected to such owner's production of agricultural products or timber and which is devoted to the storage and processing of such agricultural products or timber from or on such real property;

(A.1) In the application of the limitation contained in the introductory language of this paragraph, the following rules shall apply to determine beneficial interests in bona fide conservation use property held in a family owned farm entity as described in division (1)(C)(iv) of this subsection:

(i) A person who owns an interest in a family owned farm entity as described in division (1)(C)(iv) of this subsection shall be considered to own only the percent of the bona fide conservation use property held by such family owned farm entity that is equal to the percent interest owned by such person in such family owned farm entity; and

(ii) A person who owns an interest in a family owned farm entity as described in division (1)(C)(iv) of this subsection may elect to allocate the lesser of any unused portion of such person's 2,000 acre limitation or the product of such person's percent interest in the family owned farm entity times the total number of acres owned by the family owned farm entity subject to such bona fide conservation use assessment, with the result that the family owned farm entity may receive bona fide conservation use assessment on more than 2,000 acres;

(B) Such property excludes the entire value of any residence and its underlying property; as used in this subparagraph, the term "underlying property" means the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less. The board of tax assessors shall not require a recorded plat or survey to set the boundaries of the underlying property. This provision for excluding the underlying property of a residence from eligibility in the conservation use covenant shall only apply to

property that is first made subject to a covenant or is subject to the renewal of a previous covenant on or after May 1, 2012;

(C) Except as otherwise provided in division (vii) of this subparagraph, such property must be owned by:

(i) One or more natural or naturalized citizens;

(ii) An estate of which the devisees or heirs are one or more natural or naturalized citizens;

(iii) A trust of which the beneficiaries are one or more natural or naturalized citizens;

(iv) A family owned farm entity, such as a family corporation, a family partnership, a family general partnership, a family limited partnership, a family limited corporation, or a family limited liability company, all of the interest of which is owned by one or more natural or naturalized citizens related to each other by blood or marriage within the fourth degree of civil reckoning, except that, solely with respect to a family limited partnership, a corporation, limited partnership, limited corporation, or limited liability company may serve as a general partner of the family limited partnership and hold no more than a 5 percent interest in such family limited partnership, an estate of which the devisees or heirs are one or more natural or naturalized citizens, a trust of which the beneficiaries are one or more natural or naturalized citizens, or an entity created by the merger or consolidation of two or more entities which independently qualify as a family owned farm entity, and which family owned farm entity derived 80 percent or more of its gross income from bona fide conservation uses, including earnings on investments directly related to past or future bona fide conservation uses, within this state within the year immediately preceding the year in which eligibility is sought; provided, however, that in the case of a newly formed family farm entity, an estimate of the income of such entity may be used to determine its eligibility;

(v) A bona fide nonprofit organization designated under Section 501(c)(3) of the Internal Revenue Code;

(vi) A bona fide club organized for pleasure, recreation, and other nonprofitable purposes; or

(vii) In the case of constructed storm-water wetlands, any person may own such property;

(D) Factors which may be considered in determining if such property is qualified may include, but not be limited to:

(i) The nature of the terrain;

(ii) The density of the marketable product on the land;

(iii) The past usage of the land;

(iv) The economic merchantability of the agricultural product; and

(v) The utilization or nonutilization of recognized care, cultivation, harvesting, and like practices applicable to the product involved and any implemented plans thereof;

(E) Such property shall, if otherwise qualified, include, but not be limited to, property used for:

(i) Raising, harvesting, or storing crops;

(ii) Feeding, breeding, or managing livestock or poultry;

(iii) Producing plants, trees, fowl, or animals, including without limitation the production of fish or wildlife by maintaining not less than ten acres of wildlife habitat either in its natural state or under management, which shall be deemed a type of agriculture; provided, however, that no form of commercial fishing or fish production shall be considered a type of agriculture; or

(iv) Production of aquaculture, horticulture, floriculture, forestry, dairy, livestock, poultry, and apiarian products; and

(F) The primary purpose described in this paragraph includes land conservation and ecological forest management in which commercial production of wood and wood fiber products may be undertaken primarily for conservation and restoration purposes rather than financial gain; or

(2) Not more than 2,000 acres of tangible real property, excluding the value of any improvements thereon, of a single owner of the types of environmentally sensitive property specified in this paragraph and certified as such by the Department of Natural Resources, if the primary use of such property is its maintenance in its natural condition or controlling or abating pollution of surface or ground waters of this state by storm-water runoff or otherwise enhancing the water quality of surface or ground waters of this state and if such owner meets the qualifications of subparagraph (C) of paragraph (1) of this subsection:

(A) Environmentally sensitive areas, including any otherwise qualified land area 1,000 feet or more above the lowest elevation of the county in which such area is located that has a percentage slope, which is the difference in elevation between two points 500 feet apart on the earth divided by the horizontal distance between those two points, of 25 percent or greater and shall include the crests, summits, and ridge tops which lie at elevations higher than any such area;

(B) Wetland areas that are determined by the United States Army Corps of Engineers to be wetlands under their jurisdiction pursuant to Section 404 of the federal Clean Water Act, as amended, or wetland areas that are depicted or delineated on maps compiled by the Department of Natural Resources or the United States Fish and Wildlife Service pursuant to its National Wetlands Inventory Program;

(C) Significant ground-water recharge areas as identified on maps or data compiled by the Department of Natural Resources;

(D) Undeveloped barrier islands or portions thereof as provided for in the federal Coastal Barrier Resources Act, as amended;

(E) Habitats as certified by the Department of Natural Resources as containing species that have been listed as either endangered or threatened under the federal Endangered Species Act of 1973, as amended;

(F) River or stream corridors or buffers which shall be defined as those undeveloped lands which are:

(i) Adjacent to rivers and perennial streams that are within the 100 year flood plain as depicted on official maps prepared by the Federal Emergency Management Agency; or

(ii) Within buffer zones adjacent to rivers or perennial streams, which buffer zones are established by law or local ordinance and within which land-disturbing activity is prohibited; or

(G) **(i)** Constructed storm-water wetlands of the free-water surface type certified by the Department of Natural Resources under subsection (k) of Code Section 12-2-4 and approved for such use by the local governing authority.

(ii) No property shall maintain its eligibility for current use assessment as a bona fide conservation use property as defined in this subparagraph unless the owner of such property files an annual inspection report from a licensed professional engineer certifying that as of the date of such report the property is being maintained in a proper state of repair so as to accomplish the objectives for which it was designed. Such inspection report and certification shall be filed with the county board of tax assessors on or before the last day for filing ad valorem tax returns in the county for each tax year for which such assessment is sought.

(a.1) Notwithstanding any other provision of this Code section to the contrary, in the case of property which otherwise meets the requirements for current use assessment and the qualifying use is pursuant to division (1)(E)(iii) of subsection (a) of this Code section, when the owner seeks to renew the covenant or reenter a covenant subsequent to the termination of a previous covenant which met such requirements and the owner meets the qualifications under this Code section but the property is no longer being used for the qualified use for which the previous covenant was entered pursuant to division (1)(E)(iii) of subsection (a) of this Code section, the property is not environmentally sensitive property within the meaning of paragraph (2) of subsection (a) of this Code section, and the primary use of the property is maintenance of a wildlife habitat of not less than ten acres either by maintaining the property in its natural condition or under management, the county board of tax assessors shall be required to accept such use as a qualifying use for purposes of this Code section.

(b) Except in the case of the underlying portion of a tract of real property on which is actually located a constructed storm-water wetland, the following additional rules shall apply to the qualification of conservation use property for current use assessment:

(1) When one-half or more of the area of a single tract of real property is used for a qualifying purpose, then such tract shall be considered as used for such qualifying purpose unless some other type of business is being operated on the unused portion; provided, however, that such unused portion must be minimally managed so that it does not contribute significantly to erosion or other environmental or conservation problems. The lease of hunting rights or the use of the property for hunting purposes shall not constitute another type of business. The charging of admission for use of the property for fishing purposes shall not constitute another type of business;

(2) **(A)** The owner of a tract, lot, or parcel of land totaling less than ten acres shall be required by the tax assessor to submit additional relevant records regarding proof of bona fide conservation use for qualified property that on or after May 1, 2012, is either first made subject to a covenant or is subject to a renewal of a previous covenant. The provisions of this paragraph relating to requiring additional relevant records regarding proof of bona fide conservation use shall not apply to such property if the owner of the subject property provides one or more of the following:

(i) Proof that such owner has filed with the Internal Revenue Service a Schedule E, reporting farm related income or loss, or a Schedule F, with Form 1040, or, if applicable, a Form 4835, pertaining to such property;

(ii) Proof that such owner has incurred expenses for the qualifying use; or

(iii) Proof that such owner has generated income from the qualifying use.

Prior to a denial of eligibility under this paragraph, the tax assessor shall conduct and provide proof of a visual, on-site inspection of the property. Reasonable notice shall be provided to the property owner before being allowed a visual, on-site inspection of the property by the tax assessor.

(B) The owner of a tract, lot, or parcel of land totaling ten acres or more shall not be required by the tax assessor to submit additional relevant records regarding proof of bona fide conservation use for qualified property that on or after May 1, 2012, is either first made subject to a covenant or is subject to a renewal of a previous covenant;

(3) No property shall qualify as bona fide conservation use property if such current use assessment would result in any person who has a beneficial interest in such property, including any interest in the nature of stock ownership, receiving in any tax year any benefit of current use assessment as to more than 2,000 acres. If any taxpayer has any beneficial interest in more than 2,000 acres of tangible real property which is devoted to bona fide conservation uses, such taxpayer shall apply for current use assessment only as to 2,000 acres of such land;

(4) No property shall qualify as bona fide conservation use property if it is leased to a person or entity which would not be entitled to conservation use assessment;

(5) No property shall qualify as bona fide conservation use property if such property is at the time of application for current use assessment subject to a restrictive covenant which prohibits the use of the property for the specific purpose described in subparagraph (a)(1)(E) of this Code section for which bona fide conservation use qualification is sought; and

(6) No otherwise qualified property shall be denied current use assessment on the grounds that no soil map is available for the county in which such property is located; provided, however, that if no soil map is available for the county in which such property is located, the owner making an application for current use assessment shall provide the board of tax assessors with a certified soil survey of the subject property unless another method for determining the soil type of the subject property is authorized in writing by such board.

(c) For purposes of this article, the term "bona fide residential transitional property" means not more than five acres of tangible real property of a single owner which is private single-family residential owner occupied property located in a transitional developing area. Such classification shall apply to all otherwise qualified real property which is located in an area which is undergoing a change in use from single-family residential use to agricultural, commercial, industrial, office-institutional, multifamily, or utility use or a combination of such uses. Change in use may be evidenced by recent zoning changes, purchase by a developer, affidavits of intent, or close proximity to property which has undergone a change from single-family residential use. To qualify as residential transitional property, the valuation must reflect a change in value attributable to such property's proximity to or location in a transitional area.

(d) No property shall qualify for current use assessment under this Code section unless and until the owner of such property agrees by covenant with the appropriate taxing authority to maintain the eligible property in bona fide qualifying use for a period of ten years beginning on the first day of January of the year in which such property qualifies for such current use assessment and ending on the last day of December of the final year of the covenant period. After the owner has applied for and has been allowed current use assessment provided for in this Code section, it shall not be necessary to make application thereafter for any year in which the covenant period is in effect and current use assessment shall continue to be allowed such owner as specified in this Code section. At least 60 days prior to the expiration date of the covenant, the county board of tax assessors shall send by first-class mail written notification of such impending expiration. Upon the expiration of any covenant period, the property shall not qualify for further current use assessment under this Code section unless and until the owner of the property has entered into a renewal covenant for an additional period of ten years; provided, however, that the owner may enter into a renewal contract in the ninth year of a covenant period so that the contract is continued without a lapse for an additional ten years.

(e) A single owner shall be authorized to enter into more than one covenant under this Code section for bona fide conservation use property, provided that the aggregate number of acres of qualified property of such owner to be entered into such covenants does not exceed 2,000 acres. Any such qualified property may include a tract or tracts of land which are located in more than one county. A single owner shall be authorized to enter qualified property in a covenant for bona fide conservation use purposes and to enter simultaneously the residence located on such property in a covenant for bona fide residential transitional use if the qualifications for each such covenant are met. A single owner shall be authorized to enter qualified property in a covenant for bona fide conservation use purposes and to enter other qualified property of such owner in a covenant for bona fide residential transitional use.

(f) An owner shall not be authorized to make application for and receive current use assessment under this Code section for any property which at the time of such application is receiving preferential assessment under Code Section 48-5-7.1 except that such owner shall be authorized to change such preferential assessment covenant in the manner provided for in subsection (s) of Code Section 48-5-7.1.

(g) Except as otherwise provided in this subsection, no property shall maintain its eligibility for current use assessment under this Code section unless a valid covenant remains in effect and unless the property is continuously devoted to an applicable bona fide qualifying use during the entire period of the covenant. An owner shall be authorized to change the type of bona fide qualifying conservation use of the property to another bona fide qualifying conservation use and the penalty imposed by subsection (l) of this Code section shall not apply, but such owner shall give notice of any such change in use to the board of tax assessors.

(h) If any breach of a covenant occurs, the existing covenant shall be terminated and all qualification requirements must be met again before the property shall be eligible for current use assessment under this Code section.

(i) **(1)** If ownership of all or a part of the property is acquired during a covenant period by a person or entity qualified to enter into an original covenant, then the original covenant may be continued by such acquiring party for the remainder of the term, in which event no breach of the covenant shall be deemed to have occurred.

(2) **(A)** As used in this paragraph, the term "contiguous" means real property within a county that abuts, joins, or touches and has the same undivided common ownership. If an applicant's tract is divided by a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track, then the applicant has, at the time of the initial application, a one-time election to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track.

(B) If a qualified owner has entered into an original bona fide conservation use covenant and subsequently acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the ten-year period of the original covenant; provided, however, that such subsequently acquired qualified property shall be less than 50 acres.

(j) **(1)** All applications for current use assessment under this Code section, including the covenant agreement required under this Code section, shall be filed on or before the last day for filing ad valorem tax returns in the county for the tax year for which such current use assessment is sought, except that in the case of property which is the subject of a reassessment by the board of tax assessors an application for current use assessment may be filed in conjunction with or in lieu of an appeal of the reassessment. An application for continuation of such current use assessment upon a change in ownership of all or a part of the qualified property shall be filed on or before the last date for filing tax returns in the year following the year in which the change in ownership occurred. Applications for current use assessment under this Code section shall be filed with the county board of tax assessors who shall approve or deny the application. If the application is

approved on or after July 1, 1998, the county board of tax assessors shall file a copy of the approved application in the office of the clerk of the superior court in the county in which the eligible property is located. The clerk of the superior court shall file and index such application in the real property records maintained in the clerk's office. Applications approved prior to July 1, 1998, shall be filed and indexed in like manner without payment of any fee. If the application is not so recorded in the real property records, a transferee of the property affected shall not be bound by the covenant or subject to any penalty for its breach. The fee of the clerk of the superior court for recording such applications approved on or after July 1, 1998, shall be paid by the owner of the eligible property with the application for preferential treatment and shall be paid to the clerk by the board of tax assessors when the application is filed with the clerk. If the application is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to Code Section 48-5-306 and shall return any filing fees advanced by the owner. Appeals from the denial of an application by the board of tax assessors shall be made in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311.

(2) If the final determination on appeal to superior court is to approve the application for current use assessment, the taxpayer shall recover costs of litigation and reasonable attorney's fees incurred in the action.

(3) Any final determination on appeal that causes a reduction in taxes and creates a refund that is owed to the taxpayer shall be paid by the tax commissioner to such taxpayer, entity, or transferee that paid the taxes within 60 days from the date of the final determination of value. Such refund shall include interest at the same rate specified in Code Section 48-2-35 which shall accrue from the due date of the taxable year in question or the date paid, whichever is later, through the date on which the final determination of value was made. In no event shall the amount of such interest exceed $5,000.00. Any refund paid after the sixtieth day shall accrue interest from the sixty-first day until paid with interest at the same rate specified in Code Section 48-2-35. The interest accrued after the sixtieth day shall not be subject to the limits imposed by this subsection. The tax commissioner shall pay the tax refund and any interest for the refund from current collections in the same proportion for each of the levying authorities for which the taxes were collected.

(4) For the purposes of this Code section, any final determination on appeal that causes an increase in taxes and creates an additional billing shall be paid to the tax commissioner as any other tax due. After the tax bill notice has been mailed out, the taxpayer shall be afforded 60 days from the date of the postmark to make full payment of the adjusted bill. Once the 60 day payment period has expired, the bill shall be considered past due and interest shall accrue from the original billing due date as specified in Code Section 48-2-40 without limit until the bill is paid in full. Once past due, all other fees, penalties, and late and collection notices shall apply as prescribed in this chapter for the collection of delinquent taxes.

(5) In the event such application is approved, the taxpayer shall continue to receive annual notification of any change in the fair market value of such property and any appeals with respect to such valuation shall be made in the same manner as other property tax appeals are made pursuant to Code Section 48-5-311.

(k) **(1)** The commissioner shall by regulation provide uniform application and covenant forms to be used in making application for current use assessment under this Code section. Such application shall include an oath or affirmation by the taxpayer that he or she is in compliance with the provisions of paragraphs (3) and (4) of subsection (b) of this Code section, if applicable.

(2) The applicable local governing authority shall accept applications for approval of property for purposes of subparagraph (a)(2)(G) of this Code section and shall certify property to the local board of tax assessors as meeting or not meeting the criteria of such paragraph. The local governing authority shall not certify any property as meeting the criteria of subparagraph (a)(2)(G) of this Code section unless:

(A) The owner has submitted to the local governing authority:

(i) A plat of the tract in question prepared by a licensed land surveyor, showing the location and measured area of such tract;

(ii) A certification by a licensed professional engineer that the specific design used for the constructed storm-water wetland was recommended by the engineer as suitable for such site after inspection and investigation; and

(iii) Information on the actual cost of constructing and estimated cost of operating the storm-water wetland, including without limitation a description of all incorporated materials, machinery, and equipment; and

(B) An authorized employee or agent of the local governing authority has inspected the site before, during, and after construction of the storm-water wetland to determine compliance with the requirements of subparagraph (a)(2)(G) of this Code section.

(k.1) In the case of an alleged breach of the covenant, the owner shall be notified in writing by the board of tax assessors. The owner shall have a period of 30 days from the date of such notice to cease and desist the activity alleged in the notice to be in breach of the covenant or to remediate or correct the condition or conditions alleged in the notice to be in breach of the covenant. Following a physical inspection of property, the board of tax assessors shall notify the owner that such activity or activities have or have not properly ceased or that the condition or conditions have or have not been remediated or corrected. The owner shall be entitled to appeal the decision of the board of tax assessors and file an appeal disputing the findings of the board of tax assessors. Such appeal shall be conducted in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311. If the final determination on appeal to superior court is to reverse the decision of the board of tax assessors to enforce the breach of the covenant, the taxpayer shall recover costs of litigation and reasonable attorney's fees incurred in the action.

(l) A penalty shall be imposed under this subsection if during the period of the covenant entered into by a taxpayer the covenant is breached. The penalty shall be applicable to the entire tract which is the subject of the covenant and shall be twice the difference between the total amount of tax paid pursuant to current use assessment under this Code section and the total amount of taxes which would otherwise have been due under this chapter for each completed or partially completed year of the covenant period. No penalty shall be imposed until the appeal of the board of tax assessors' determination of breach is concluded. After the final determination on appeal, the taxpayer shall be afforded 60 days from issuance

of the bill to make full payment. Once the 60 day payment period has expired, the bill shall be considered past due and interest shall accrue from the original billing due date as specified in Code Section 48-2-40 without limit until the bill is paid in full. Once past due, all other fees, penalties, and late and collection notices shall apply as prescribed in this chapter for the collection of delinquent taxes.

(m) Penalties and interest imposed under this Code section shall constitute a lien against the property and shall be collected in the same manner as unpaid ad valorem taxes are collected. Such penalties and interest shall be distributed pro rata to each taxing jurisdiction wherein current use assessment under this Code section has been granted based upon the total amount by which such current use assessment has reduced taxes for each such taxing jurisdiction on the property in question as provided in this Code section.

(n) The penalty imposed by subsection (l) of this Code section shall not apply in any case where a covenant is breached solely as a result of:

(1) The acquisition of part or all of the property under the power of eminent domain;

(2) The sale of part or all of the property to a public or private entity which would have had the authority to acquire the property under the power of eminent domain; or

(3) The death of an owner who was a party to the covenant.

(o) The transfer of a part of the property subject to a covenant for a bona fide conservation use shall not constitute a breach of a covenant if:

(1) The part of the property so transferred is used for single-family residential purposes, starting within one year of the date of transfer and continuing for the remainder of the covenant period, and the residence is occupied within 24 months from the date of the start by a person who is related within the fourth degree of civil reckoning to an owner of the property subject to the covenant; and

(2) The part of the property so transferred, taken together with any other part of the property so transferred to the same relative during the covenant period, does not exceed a total of five acres; and in any such case the property so transferred shall not be eligible for a covenant for bona fide conservation use, but shall, if otherwise qualified, be eligible for current use assessment as residential transitional property and the remainder of the property from which such transfer was made shall continue under the existing covenant until a terminating breach occurs or until the end of the specified covenant period.

(p) The following shall not constitute a breach of a covenant:

(1) Mineral exploration of the property subject to the covenant or the leasing of the property subject to the covenant for purposes of mineral exploration if the primary use of the property continues to be the good faith production from or on the land of agricultural products;

(2) Allowing all or part of the property subject to the covenant to lie fallow or idle for purposes of any land conservation program, for purposes of any federal agricultural assistance program, or for other agricultural management purposes;

(3) Allowing all or part of the property subject to the covenant to lie fallow or idle due to economic or financial hardship if the owner notifies the board of tax assessors on or before the last day for filing a tax return in the county where the land lying fallow or idle is located and if such owner does not allow the land to lie fallow or idle for more than two years of any five-year period;

(4) **(A)** Any property which is subject to a covenant for bona fide conservation use being transferred to a place of religious worship or burial or an institution of purely public charity if such place or institution is qualified to receive the exemption from ad valorem taxation provided for under subsection (a) of Code Section 48-5-41. No person shall be entitled to transfer more than 25 acres of such person's property in the aggregate under this paragraph.

(B) Any property transferred under subparagraph (A) of this paragraph shall not be used by the transferee for any purpose other than for a purpose which would entitle such property to the applicable exemption from ad valorem taxation provided for under subsection (a) of Code Section 48-5-41 or subsequently transferred until the expiration of the term of the covenant period. Any such use or transfer shall constitute a breach of the covenant;

(5) Leasing a portion of the property subject to the covenant, but in no event more than six acres, for the purpose of placing thereon a cellular telephone transmission tower. Any such portion of such property shall cease to be subject to the covenant as of the date of execution of such lease and shall be subject to ad valorem taxation at fair market value;

(6) Allowing all or part of the property subject to the covenant on which a corn crop is grown to be used for the purpose of constructing and operating a maze so long as the remainder of such corn crop is harvested;

(7) **(A)** Allowing all or part of the property subject to the covenant to be used for agritourism purposes.

(B) As used in this paragraph, the term "agritourism" means charging admission for persons to visit, view, or participate in the operation of a farm or dairy or production of farm or dairy products for entertainment or educational purposes or selling farm or dairy products to persons who visit such farm or dairy;

(8) Allowing all or part of the property which has been subject to a covenant for at least one year to be used as a site for farm weddings;

(9) Allowing all or part of the property which has been subject to a covenant for at least one year to be used to host not for profit equestrian performance events to which spectator admission is not contingent upon an admission fee but which may charge an entry fee from each participant;

(10) Allowing all or part of the property subject to the covenant to be used to host a not for profit rodeo event to which spectator admission and participant entry fees are charged in an amount that in aggregate does not exceed the cost of hosting such event;

(11) **(A)** Allowing part of the property subject to the covenant to be used for solar generation of energy and conversion of such energy into heat or electricity, and the sale of the same in accordance with applicable law.

(B) The provisions of subparagraph (A) of this paragraph shall not allow the portion of the property on which such solar energy generating equipment is located, as depicted by a boundary survey prepared by a licensed surveyor, and which is subject to an existing covenant to remain in the covenant. Such property shall be removed from the existing covenant at the time of the installation of the solar energy generating equipment and shall be subject to the penalty for breach of the covenant contained in subsection (q) of this Code section and shall be subject to ad valorem taxation at fair market value; or

(12) **(A)** Allowing part of the property subject to the covenant to be used for farm labor housing. As used in this paragraph, the term "farm labor housing" means all buildings or structures used as living quarters when such housing is provided free of charge to workers who provide labor on agricultural property.

(B) The provisions of subparagraph (A) of this paragraph shall not allow the portion of the property on which such farm labor housing is located and which is subject to an existing covenant to remain in the covenant. Such property shall be removed from the existing covenant at the time construction of the farm labor housing begins and shall be subject to ad valorem taxation at fair market value.

(q) In the following cases, the penalty specified by subsection (l) of this Code section shall not apply and the penalty imposed shall be the amount by which current use assessment has reduced taxes otherwise due for the year in which the covenant is breached, such penalty to bear interest at the rate specified in Code Section 48-2-40 from the date of the breach:

(1) Any case in which a covenant is breached solely as a result of the foreclosure of a deed to secure debt or the property is conveyed to the lienholder without compensation and in lieu of foreclosure, if:

(A) The deed to secure debt was executed as a part of a bona fide commercial loan transaction in which the grantor of the deed to secure debt received consideration equal in value to the principal amount of the debt secured by the deed to secure debt;

(B) The loan was made by a person or financial institution who or which is regularly engaged in the business of making loans; and

(C) The deed to secure debt was intended by the parties as security for the loan and was not intended for the purpose of carrying out a transfer which would otherwise be subject to the penalty specified by subsection (l) of this Code section;

(2) Any case in which a covenant is breached solely as a result of a medically demonstrable illness or disability which renders the owner of the real property physically unable to continue the property in the qualifying use, provided that the board of tax assessors shall require satisfactory evidence which clearly demonstrates that the breach is the result of a medically demonstrable illness or disability;

(3) Any case in which a covenant is breached solely as a result of an owner electing to discontinue the property in its qualifying use, provided such owner has renewed without an intervening lapse at least once the covenant for bona fide conservation use, has reached the age of 65 or older, and has kept the property in a qualifying use under the renewal covenant for at least three years. Such election shall be in writing and shall not become effective until filed with the county board of tax assessors;

(4) Any case in which a covenant is breached solely as a result of an owner electing to discontinue the property in its qualifying use, provided such owner entered into the covenant for bona fide conservation use for the first time after reaching the age of 67 and has either owned the property for at least 15 years or inherited the property and has kept the property in a qualifying use under the covenant for at least three years. Such election shall be in writing and shall not become effective until filed with the county board of tax assessors; or

(5) Any case in which a covenant is breached solely as a result of an owner that is a family owned farm entity as described in division (a)(1)(C)(iv) of this Code section electing to discontinue the property in its qualifying use on or after July 1, 2018, provided the owner has renewed at least once, without an intervening lapse, the covenant for bona fide conservation use, has kept the property in a qualifying use under the renewal covenant for at least three years, and any current shareholder, member, or partner of such family owned farm entity has reached the age of 65 and such shareholder, member, or partner held some beneficial interest, directly or indirectly through a family owned farm entity, in the property continuously since the time the covenant immediately preceding the current renewal covenant was entered. Such election shall be in writing and shall not become effective until filed with the county board of tax assessors.

(r) Property which is subject to current use assessment under this Code section shall be separately classified from all other property on the tax digest; and such separate classification shall be such as will enable any person examining the tax digest to ascertain readily that the property is subject to current use assessment under this Code section. Covenants shall be public records and shall be indexed and maintained in such manner as will allow members of the public to locate readily the covenant affecting any particular property subject to current use assessment under this Code section. Based on information submitted by the county boards of tax assessors, the commissioner shall maintain a central registry of conservation use property, indexed by owners, so as to ensure that the 2,000 acre limitations of this Code section are complied with on a state-wide basis.

(s) The commissioner shall annually submit a report to the Governor, the Department of Agriculture, the Georgia Agricultural Statistical Service, the State Forestry Commission, the Department of Natural Resources, and the University of Georgia Cooperative Extension Service and the House Ways and Means, Natural Resources and Environment, and Agriculture and Consumer Affairs committees and the Senate Finance, Natural Resources and Environment, and Agriculture and Consumer Affairs committees and shall make such report available to other members of the General Assembly, which report shall show the fiscal impact of the assessments provided for in this Code section and Code Section 48-5-7.5. The report shall include the amount of assessed value eliminated from each county's digest as a result of such assessments; approximate tax dollar losses, by county, to all local governments affected by such assessments; and any recommendations regarding state and local administration of this Code section and Code Section 48-5-7.5,

with emphasis upon enforcement problems, if any, attendant with this Code section and Code Section 48-5-7.5. The report shall also include any other data or facts which the commissioner deems relevant.

(t) A public notice containing a brief, factual summary of the provisions of this Code section shall be posted in a prominent location readily viewable by the public in the office of the board of tax assessors and in the office of the tax commissioner of each county in this state.

(u) Reserved.

(v) Reserved.

(w) At such time as the property ceases to be eligible for current use assessment or when any ten-year covenant period expires and the property does not qualify for further current use assessment, the owner of the property shall file an application for release of current use treatment with the county board of tax assessors who shall approve the release upon verification that all taxes and penalties with respect to the property have been satisfied. After the application for release has been approved by the board of tax assessors, the board shall file the release in the office of the clerk of the superior court in the county in which the original covenant was filed. The clerk of the superior court shall file and index such release in the real property records maintained in the clerk's office. No fee shall be paid to the clerk of the superior court for recording such release. The commissioner shall by regulation provide uniform release forms.

(x) Notwithstanding any other provision of this Code section to the contrary, in any case where a renewal covenant is breached by the original covenantor or a transferee who is related to that original covenantor within the fourth degree by civil reckoning, the penalty otherwise imposed by subsection (l) of this Code section shall not apply if the breach occurs during the sixth through tenth years of such renewal covenant, and the only penalty imposed shall be the amount by which current use assessment has reduced taxes otherwise due for each year in which such renewal covenant was in effect, plus interest at the rate specified in Code Section 48-2-40 from the date the covenant is breached.

(y) The commissioner shall have the power to make and publish reasonable rules and regulations for the implementation and enforcement of this Code section. Without limiting the commissioner's authority with respect to any other such matters, the commissioner may prescribe soil maps and other appropriate sources of information for documenting eligibility as a bona fide conservation use property. The commissioner also may provide that advance notice be given to taxpayers of the intent of a board of tax assessors to deem a change in use as a breach of a covenant.

(z) The governing authority of a county shall not publish or promulgate any information which is inconsistent with the provisions of this chapter.

PT283A Rev. 3/15

APPLICATION AND QUESTIONNAIRE FOR CURRENT USE ASSESSMENT OF BONA FIDE AGRICULTURAL PROPERTY

To the Board of Tax Assessors of _____: In accordance with the provisions of O.C.G.A. § 48-5-7.4, I submit this application and the completed questionnaire on the back of this application for consideration of current use assessment on the property described herein. Along with this application, I am submitting the fee of the Clerk of Superior Court for recording such application if approved.

Name of owner (individual(s), family owned farm entity, trust, estate, non-profit conservation organization or club) – The name of each individual and the percentage interest of each must be listed on the back of this application. For special rules concerning Family Farm Entities and the maximum amount of property that may be entered into a covenant, please consult the County Board of Tax Assessors

Owner's mailing address	City, State, Zip	Number of acres included in this application. Agricultural Land: _____ Timber Land: _____
Property location (Street, Route, Hwy, etc.)	City, State, Zip of Property:	Covenant Acres _____ Total Acres _____

District	Land Lot	Sublot & Block	Recorded Deed Book/Page	List types of storage and processing buildings:

AUTHORIZED SIGNATURE

I, the undersigned, do hereby solemnly swear, covenant and agree that all the information contained above, as well as the information provided on the questionnaire, is true and correct to the best of my knowledge and that the above described property qualifies under the ownership and land use provisions of O.C.G.A. § 48-5-7.4. I further swear that I am authorized to sign this application on behalf of the owner(s) making application and that I have shown the percentage interest for each of the individuals having an ownership right to this property on the back of this application form. I am also aware that certain penalty provisions are applicable if this covenant is breached.

_____ Signature of Taxpayer or Taxpayer's Authorized Representative

_____ Date Application Filed

_____ Signature of Taxpayer or Taxpayer's Authorized Representative
(Please have additional taxpayers sign on reverse side of application) _ _____ Sworn to and subscribed before me this _____ day of _____, _____ Notary Public

If denied, Georgia law O.C.G.A. § 48-5-7.4 provides that the applicant may appeal in the same manner as other property appeals are made pursuant to O.C.G.A. § 48-5-311.

FOR TAX ASSESSORS USE ONLY

MAP & PARCEL NUMBER	TAX DISTRICT	TAXPAYER ACCOUNT NUMBER	YEAR COVENANT:
			Begin: Jan 1, Ends: Dec 31,
If transferred from Preferential Agricultural Assessment, provide date of transfer:	If applicable, covenant is a renewal for tax year: Begin: Jan 1, _____ Ends: Dec 31, _____		If applicable, covenant is a continuation for tax year: Begin: Jan 1, _____ Ends: Dec 31, _____
_____	Pursuant to O.C.G.A. § 48-5-7.4(d) a taxpayer may enter into a renewal contract in the 9th year of a covenant period so that the contract is continued without a lapse for an additional 10 years.		If continuing a covenant where part of the property has been transferred, list Original Covenant Map and Parcel Number: _____

Approved: _____ Date: _____ _____ Board of Tax Assessors _____ Date

Denied: _____ Date: _____ If denied, the County Board of Tax Assessors shall issue a notice to the taxpayer in the same manner as all other notices are issued pursuant to O.C.G.A. Section 48-5-306.

CURRENT USE ASSESSMENT QUESTIONNAIRE – PT283A

ALL APPLICANTS, other than single titled owners, must list below each individual's name that owns a beneficial interest in the property described in this application, the percentage interest of each, the relationship of each (if the applicant is a family farm entity), and all other information applicable to this application.

Each Person's Name having any beneficial interest in the property described in this application. (If this form does not contain sufficient lines to list all owners, please attach list providing all information requested for each individual.)	Relationship (complete only if application is for a family farm entity)	Percent interest owned in property in this application only	Counties where you own interest in property under other covenants and total acres in other conservation use covenants		Each owner's percent interest owned and number of acres owned by each under other covenants
Name / Relationship			County	Total Acres	% Interest / No of Acres

Check Appropriate Ownership Type:

- ☐ One or more natural or naturalized citizens.
- ☐ An estate of which the devisees or heirs are one or more natural or naturalized citizens.
- ☐ A trust of which the beneficiaries are one or more natural or naturalized citizens.
- ☐ A family owned farm entity (e.g., a family corporation, family partnership, family general partnership, family limited partnership, family limited corporation or family limited liability company. Percent (%) of gross income from bona fide conservation uses. _____(including earnings on investments directly related to past or future bona fide conservation uses, within this state within the year immediately preceding the year in which eligibility is sought (include supporting tax records); provided, however, that in the case of a newly formed family farm entity, an estimate of the income of such entity may be used to determine its eligibility (include supporting estimate records.)
- ☐ Nonprofit conservation organization designated as a 501(c)(3) organization under the Internal Revenue Code. (Provide copy of IRS determination letter/charter with application.)
- ☐ Bona fide club organized for pleasure, recreation, and other nonprofitable purposes pursuant to Section 501(c)(7) of the Internal Revenue Code. (Provide copy of IRS determination letter/charter with application.)

Check All Bona fide uses that apply and the percentage use, as they relate to the property described in this application.

- ☐ Raising, harvesting, or storing crops %_____
- ☐ Feeding, breeding, or managing livestock or poultry %_____
- ☐ Producing plants, trees, fowl, or animals (including the production of fish or wildlife) %_____
- ☐ Wildlife habitat of not less than ten (10) acres of wildlife habitat (either in its natural state or under management; no form of commercial fishing or fish production shall be considered a type of agriculture); %_____ (see board of tax assessors for appropriate documentation in accordance with O.C.G.A. Section 48-5-7.4(b)(2)
- ☐ Production of aquaculture, horticulture, floriculture, forestry, dairy, livestock, poultry, and apiarian products %_____
- ☐ Other

☐ Yes ☐ No Is this property or any portion thereof, currently being leased? (If yes, list the name of the person or entity and briefly explain how the property is being used by the lessee, as well as the percentage of the property leased.)

☐ Yes ☐ No Are there other real property improvements located on this property other than the storage and processing buildings listed on the front of this application? If yes, briefly list and describe these real property improvements.

☐ Yes ☐ No Are there any restrictive covenants currently affecting the property described in this application? If yes, please explain.

☐ Yes ☐ No Are there any deed restrictions on this property? If yes, please list the restrictions.

☐ Yes ☐ No Does the current zoning on this property allow agricultural use? If no, please explain.

☐ Yes ☐ No Is there any type business operated on this property? If yes please indicate business name & type of business.

• If this application is for property that is less than 10 acres in size, a taxpayer must submit additional relevant records providing proof of bona fide agricultural use.
• Although not required, the applicant(s) for a property having more than 10 acres may wish to provide additional information to assist the board of assessors in making their determination. This information may include:
(1) Plans or programs for the production of agricultural and timber products, (2) Evidence of participation in a government subsidy program for crops or timber. (3) Receipts that substantiate a bona fide conservation use, such as receipts for feed, equipment, etc. (4) Income tax records, such as copies of a previously filed Federal Schedule F or the appropriate entity return (e.g., Federal Form 1065, 1120, etc.)
• The Board of Tax Assessors can only deny an application if the use of the property does not meet the definition of bona fide agricultural property or if the ownership of the property is not in compliance with O.C.G.A. § 48-5-7.4.

APPLICATION FOR RELEASE OF CURRENT USE ASSESSMENT OF BONA FIDE AGRICULTURAL PROPERTY

I, the owner of the above described property, having satisfied all applicable taxes and penalties associated with the covenant above, do hereby file this application for release of current use assessment with the county board of tax assessors. Pursuant to O.C.G.A. § 48-5-7.4(w), no fee is required for the clerk of superior court to file and index this release in the real property records of the clerk's office.

Sworn to and subscribed before me
This ___ day of _____, _____

_____ Taxpayer's Authorized Signature

_____ Approved by: Board of Tax Assessors

_____ Notary Public

_____ Date Filed

_____ Date Approved

§ 48-5-7.5. Assessment of standing timber; penalty for failure to timely report; effect of reduction of property tax digest; supplemental assessment

(a) Standing timber shall be assessed for ad valorem taxation only once and such assessment shall be made following its harvest or sale as provided for in this Code section. Such timber shall be subject to ad valorem taxation notwithstanding the fact that the underlying land is exempt from taxation, unless such taxation is prohibited by federal law or treaty. Such timber shall be assessed at 100 percent of its fair market value and shall be taxed on a levy made by each respective taxing jurisdiction according to such 100 percent fair market value. Such assessment shall be made in the county where the timber was grown and shall be taxable by that county and any other taxing jurisdiction therein in which the timber was grown.

(b) For purposes of this Code section, the term "sale" of timber shall mean the arm's length, bona fide sale of standing timber for harvest separate and apart from the underlying land and shall not include the simultaneous sale of a tract of land and the timber thereon.

(c) ***Lump sum sales.***

> **(1)** Where standing timber is sold, in an arm's length, bona fide sale, by timber deed, contract, lease, agreement, or otherwise to be harvested within a three-year period after the date of the sale and for a lump sum price, so much of said timber as will be harvested within three years shall be assessed for taxation as of the date of the sale. The fair market value of such timber for purposes of ad valorem taxation shall be the lump sum price paid by the purchaser in the arm's length, bona fide sale. Any timber described in any sale instrument which is not harvested within three years after the date of the sale shall later be assessed for taxation following its future harvest or sale. Ad valorem taxes shall be payable by the seller and shall be calculated by multiplying the 100 percent fair market value of the timber times the millage rate levied by the taxing authority on tangible property for the previous calendar year. Immediately upon receipt by the seller of the purchase price, the seller shall remit to the purchaser the amount of ad valorem tax due on the sale, in the form of a negotiable instrument payable to the tax collector or tax commissioner. Such negotiable instrument shall be remitted by the purchaser to the tax collector or tax commissioner not later than five days after receipt of the tax from the seller. A purchaser failing to make such remittance shall be personally liable for the tax. With said remittance, the purchaser shall present to the board of tax assessors and to the tax collector or tax commissioner a report of the sale showing the lump sum sales price of the standing timber, the date of sale, the addresses of the seller and purchaser, and the location of the standing timber in the county. The tax collector or tax commissioner shall collect from the purchaser the seller's negotiable instrument in payment of the tax; and a receipt showing payment of the tax shall promptly be delivered by the tax collector or tax commissioner to the seller.
>
> **(2)** Upon request of the purchaser, the tax collector or tax commissioner shall enter upon or attach to the instrument conveying the standing timber a certification that the ad valorem tax has been paid, the date, and the amount of the tax. The certificate shall be signed by the tax collector

or tax commissioner or his deputy. The purchaser may then present the instrument together with the certificate to the clerk of superior court of the county or counties in which the standing timber is located, who shall then file the instrument for record. The ad valorem tax levied under this subsection on lump sum sales of standing timber shall be paid to the tax collector or tax commissioner prior to and as a prerequisite to the filing for record of the instrument with the clerk of superior court, and the clerk shall not be permitted to file the instrument for record unless the instrument discloses on its face the proper certificate showing that the tax has been paid; and the certificate shall be recorded with the instrument.

(d) ***Unit price sales.***

(1) Any person purchasing standing timber, in an arm's length, bona fide sale, by timber deed, contract, lease, agreement, or otherwise by unit prices shall furnish a report to the seller and the county board of tax assessors within 45 days after the end of each calendar quarter. The report shall show the total dollar value of standing timber paid to the seller and the volume, in pounds, if available, or measured volume, of softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood harvested. Such report shall include such data through the last business day of the calendar quarter, the names and addresses of the seller and the purchaser, and the location of the harvested timber. A copy of such report shall also be furnished by the seller to the tax assessors within 60 days after the end of the calendar quarter. The fair market value of such timber for purposes of ad valorem taxation shall be the total dollar values paid by the purchaser in the arm's length, bona fide sale. Ad valorem taxes shall be payable by the seller in the unit price sales transaction as provided in subsection (h) of this Code section and shall be calculated by multiplying the 100 percent fair market value of the timber times the millage rate levied by the taxing authority on tangible property for the previous calendar year.

(2) Reports to the tax assessors shall be confidential, shall not be revealed to any person other than authorized tax officials, and shall be exempt from disclosure under Article 4 of Chapter 18 of Title 50.

(e) ***Owner harvests.*** Owners of real property in this state who harvest standing timber from their own lands shall report the volume, in pounds, if available, or measured volume, of softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood harvested through the last business day of each calendar quarter from said lands to the tax assessors within 45 days after the end of each calendar quarter. Such reports shall also identify the location of the tract from which the standing timber was harvested. The fair market value of such timber for purposes of ad valorem taxation shall be as determined under subsection (g) of this Code section. Ad valorem taxes shall be paid by the landowner as provided in subsection (h) of this Code section and shall be calculated by multiplying the 100 percent fair market value of the timber times the millage rate levied by the taxing authority on tangible property for the previous calendar year.

(f) ***Other sales and harvests.*** Every sale and every harvest of timber not previously taxed (excepting only a sale not for harvest within three years) shall be a taxable event. If any such sale or harvest is not a reportable taxable event described under subsection (c), (d), or (e) of this Code section, such timber shall be subject to ad valorem taxation under this subsection; and such sale or harvest shall be reported and taxed under the provisions of subsection (c), (d), or (e) of this Code section, whichever is most nearly applicable.

(g) The commissioner, after consultation with the State Forestry Commission, shall provide the tax assessors of each county with the weighted average price paid, in pounds and measured volume, during each calendar year for softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood in each county or multicounty area within 60 days of the end of each calendar year. The most recent weighted average prices provided by the commissioner shall be applied by the tax assessors to the volume of wood removals reported as provided in this Code section to determine the fair market value of timber harvested other than under a taxable lump sum sale or taxable unit price sale.

(h) **(1)**

(A) Based on the reports and data provided under subsections (d), (f), and (g) of this Code section, the tax collector or tax commissioner shall on a quarterly basis mail tax bills for sales and harvests other than lump sum sales. Ad valorem taxes on such sales and harvests shall be payable by the landowner within 30 days of receipt of the bill from the tax collector or tax commissioner.

(B) Based upon the reports and data provided under subsections (e) and (g) of this Code section, ad valorem taxes for owner harvests shall be payable by the landowner to the tax collector or tax commissioner within 45 days after the end of each calendar quarter.

(2) Any ad valorem tax or penalty which is not timely paid as provided in this Code section shall bear interest at the rate specified in Code Section 48-2-40 from the due date. Unpaid taxes, penalty, and interest imposed under this Code section shall constitute a lien against the property of the person responsible for payment of such tax and shall be collected in the same manner as other unpaid ad valorem taxes are collected.

(i) The millage rate applicable at the time of sale or the time of harvest of standing timber shall be the millage rate levied by the taxing authority on tangible property for the preceding calendar year.

(j) Any person who fails to timely make any report or disclosure required by this Code section shall pay a penalty of 50 percent of the tax due, except that if the failure to comply is unintentional and the report or disclosure is filed within 12 months after the due date the amount of the penalty shall be 1 percent for each month or part of a month that the report or disclosure is late.

(k) Forms for reports required by this Code section shall be supplied to each county by the department.

(l) **(1)** In any county in which the ad valorem taxation of timber pursuant to this Code section reduces the total property tax digest of such county for tax year 1992 by more than 20 percent of the amount of the total property tax digest of such county for the immediately preceding taxable year, such digest shall be supplemented as follows:

(A) The difference between the total property tax digest for the county and the total property tax digest less the total assessed value of standing timber removed from the digest shall be calculated;

(B) The difference calculated under subparagraph (A) of this paragraph shall be reduced by the fair market value of sold or harvested timber; and

(C) If the amount calculated under subparagraph (B) of this paragraph is more than 20 percent of the amount of the total property tax digest of such county for the immediately

preceding taxable year, the resulting amount shall be assigned and taxed on a levy made by the tax officials of such county in a pro rata manner against the land underlying the standing timber so removed from the digest.

(2) Where a digest is so supplemented for tax year 1992, it shall be supplemented in subsequent years as follows:

(A) For tax year 1993, such supplemental assessment shall be in an amount equal to 75 percent of the supplemental assessment received for tax year 1992;

(B) For tax year 1994, such supplemental assessment shall be in an amount equal to 50 percent of the supplemental assessment received for tax year 1992;

(C) For tax year 1995, such supplemental assessment shall be in an amount equal to 25 percent of the supplemental assessment received for tax year 1992; and

(D) For tax year 1996 and future tax years, no supplemental assessment shall be received.

(m) **(1)** Any supplemental assessment added to a digest pursuant to subsection (l) of this Code section shall not be included in the calculation of the equalized adjusted school property tax digest under Code Section 48-5-274 for the purpose of calculating the required local five mill share for school funding purposes under Code Section 20-2-164.

(2) The fair market value of timber harvested or sold added to a digest pursuant to this Code section shall be included in the calculation of the equalized adjusted school property tax digest under Code Section 48-5-274 for the purpose of calculating the required local five mill share for school funding purposes under Code Section 20-2-164.

§ 48-5-7.6. "Brownfield property" defined; related definitions; qualifying for preferential assessment; disqualification of property receiving preferential assessment; responsibilities of property owners; transfers of property; costs; appeals; penalty and creation of lien against property; extension of preferential assessment of brownfield property under certain circumstances

(a) **(1)** For the purposes of this Code section, "brownfield property" means tangible real property where:

(A) There has been a release of hazardous waste, hazardous constituents, and hazardous substances into the environment;

(B) The director of the Environmental Protection Division of the Department of Natural Resources, under Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as

amended, has approved and not revoked said approval of the prospective purchaser's corrective action plan or compliance status report for such brownfield property;

(C) The director of the Environmental Protection Division of the Department of Natural Resources, under Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended, has issued and not revoked a limitation of liability certificate for the prospective purchaser; and

(D) The Environmental Protection Division of the Department of Natural Resources has certified eligible costs of remediation pursuant to subsection (j) of this Code section.

(2) The preferential classification and assessment of brownfield property provided for in this Code section shall apply to all real property qualified by the Environmental Protection Division of the Department of Natural Resources under Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended, and any subsequent improvements to said property.

(3) "Eligible brownfield costs" means costs incurred after July 1, 2003, and directly related to the receipt of a limitation of liability pursuant to Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended, that are not ineligible costs.

(4) "Ineligible costs" means expenses of the following types:

(A) Purchase or routine maintenance of equipment of a durable nature that is expected to have a period of service of one year or more after being put into use at the property without material impairment of its physical condition, unless the applicant can show that the purchase was directly related to the receipt of a limitation of liability, or the applicant can demonstrate that the equipment was a total loss and that the loss occurred during the activities required for receipt of applicant's limitation of liability pursuant to Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended;

(B) Materials or supplies not purchased specifically for obtaining a limitation of liability pursuant to Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended;

(C) Employee salaries and out-of-pocket expenses normally provided for in the property owner's operating budget (i.e., meals, fuel) and employee fringe benefits;

(D) Medical expenses;

(E) Legal expenses;

(F) Other expenses not directly related to the receipt of a limitation of liability pursuant to Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended;

(G) Costs arising as a result of claims for damages filed by third parties against the property owner or its agents should there be a new release at the property during or after the receipt of a limitation of liability;

(H) Costs resulting from releases after the purchase of qualified brownfield property that occur as a result of violation of state or federal laws, rules, or regulations;

(I) Purchases of property;

(J) Construction costs;

(K) Costs associated with maintaining institutional controls after the certification of costs by the Environmental Protection Division of the Department of Natural Resources; and

(L) Costs associated with establishing, maintaining or demonstrating financial assurance after the certification of costs by the Environmental Protection Division of the Department of Natural Resources.

(5) "Local taxing authority" means a county, municipal, school district, or any other local governing authority levying ad valorem taxes on a taxpayer's property. If a taxpayer's property is taxed by more than one such authority, the term "local taxing authority" shall mean every levying authority.

(6) "Taxable base" means a value assigned to the brownfield property pursuant to the provisions of subparagraph (F) of paragraph (3) of Code Section 48-5-2.

(7) "Tax savings" means the difference between the amount of taxes paid on the taxable base and the taxes that would otherwise be due on the current fair market value of the qualified brownfield property. Tax savings run with the qualified brownfield property regardless of title transfer and shall be available until the brownfield property is disqualified pursuant to subsection (e) of this Code section.

(b) In order for property to qualify under this Code section for preferential assessment as provided for in subsection (c.4) of Code Section 48-5-7, the applicant must receive the certifications required for brownfield property as defined in paragraph (1) of subsection (a) of this Code section.

(c) Upon receipt of said certifications, a property owner desiring classification of any such contaminated property as brownfield property in order to receive the preferential assessment shall make application to the county board of tax assessors and include said certifications with such application. The county board of tax assessors shall determine if the provisions of this Code section have been complied with, and upon such determination, the county board of tax assessors shall be required to grant preferential assessment to such property. The county board of tax assessors shall make the determination within 90 days after receiving the application and shall notify the applicant in the same manner that notices of assessment are given pursuant to Code Section 48-5-306. Failure to timely make such determination or so notify the applicant pursuant to this subsection shall be deemed an approval of the application. Appeals from the denial of an application for preferential assessment by the board of tax assessors shall be made in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311.

(d) **(1)** Property which has been classified by the county board of tax assessors as brownfield property shall be immediately eligible for the preferential assessment provided for in subsection (c.4) of

Section 48-5-7; provided, however, that, for the purposes of determining the years of eligibility for preferential assessment, the tax year following the year in which the certification was filed with the county board of tax assessors pursuant to subsection (c) of this Code section shall be considered and counted as the first year of eligibility.

(2) Property which is subject to preferential assessment shall be separately classified from all other property on the tax digest; and such separate classification shall be such as will enable any person examining the tax digest to ascertain readily that the property is subject to preferential assessment.

(3) The local taxing authority shall enter upon the tax digest as the basis or value of a parcel of brownfield property a value equal to the lesser of the acquisition cost of the property or the assessment of the fair market value of the property as recorded in the county tax digest at the time application for participation in the program was submitted to the Environmental Protection Division of the Department of Natural Resources under Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended. Property classified as brownfield property shall be recorded upon the tax digest as provided in this Code section for ten consecutive assessment years, or as extended pursuant to subsection (o) of this Code section, unless sooner disqualified pursuant to subsection (e) of this Code section, and the notation "brownfield property" shall be entered on the tax digest adjacent to the valuation of such property to indicate that the property is being preferentially assessed. The local taxing authority shall also enter upon the tax digest an assessment of the fair market value of the property each year, excluding the provisions of subparagraph (F) of paragraph (3) of Code Section 48-5-2.

(e) **(1)** When property has once been classified and assessed as brownfield property, it shall remain so classified and be granted the preferential assessment until the property becomes disqualified by any one of the following:

(A) Written notice by the taxpayer to the local taxing authority to remove the preferential classification and assessment;

(B) Sale or transfer of ownership to a person not subject to property taxation or making the property exempt from property taxation except a sale or transfer to any authority created by or pursuant to the Constitution of Georgia, statute or local legislation, including a development authority created pursuant to Code Section 36-62-4, constitutional amendment or local legislation, a downtown development authority created pursuant to Code Section 36-42-4, an urban redevelopment agency created pursuant to Code Section 36-61-18, a joint development authority created pursuant to Code Section 36-62-5.1, or a housing authority created pursuant to Code Section 8-3-4;

(C) Revocation of a limitation of liability by the Department of Natural Resources. The Department of Natural Resources has the authority to revoke a limitation of liability pursuant to Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended. The sale or transfer to a new owner shall not operate to disqualify the property from preferential classification and assessment so long as the property continues to qualify as brownfield property, except as specified in subparagraph (B) of this paragraph;

(D) The later of the expiration of ten years during which the property was classified and assessed as brownfield property or the expiration of this preferential assessment period as extended pursuant to subsection (o) of this Code section; or

(E) The tax savings accrued on the property equal the eligible brownfield costs certified by the Environmental Protection Division of the Department of Natural Resources and submitted to the local taxing authority.

(2) Except as otherwise provided in this Code section, if a property becomes disqualified pursuant to subparagraph (C) of paragraph (1) of this subsection, the decertification shall be transmitted to the county board of tax assessors by the Environmental Protection Division of the Department of Natural Resources and said assessors shall appropriately notate the property as decertified. Such property shall not be eligible to receive the preferential assessment provided for in this Code section during the taxable year in which such disqualification occurs.

(f) After a qualified brownfield property begins to receive preferential tax treatment the property owner shall:

(1) In a sworn affidavit, report his or her tax savings realized for each year to the local taxing authority. Such report shall include:

(A) The number of years preferential tax treatment pursuant to this Code section has been received;

(B) Total certified eligible brownfield costs;

(C) Tax savings realized to date;

(D) Transfers of eligible brownfield costs, if any; and

(E) Eligible brownfield costs remaining;

(2) In the tax year in which the taxes otherwise due on the fair market value of the property exceed any remaining eligible brownfield costs, the taxpayer shall pay the taxes due on the fair market value of the property less any remaining eligible brownfield costs.

(g) A qualified brownfield property may be transferred or leased and continue to receive preferential tax treatment if:

(1) The transferee or lessee of the property is an entity required to pay ad valorem property tax on the qualified brownfield property or an interest therein;

(2) The transferee or lessee complies with all of the requirements of this Code section;

(3) The transferee or lessee meets the requirements of Code Section 12-8-206;

(4) The transferee or lessee continues any and all activities, if any are required, for the continuation of a limitation of liability pursuant to Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended;

(5) The transferee or lessee and the transferor notify the local taxing authority with respect to the transfer of the qualified brownfield property by filing a separate copy of the transfer with the local taxing authority no later than 90 days following the date of the transfer;

(6) Failure to timely notify one local taxing authority shall not affect any timely notification to any other local taxing authority; and

(7) The transfer of property shall not restart, reset or otherwise lengthen the period of preferential tax treatment pursuant to this Code section.

(h) **(1)** A qualified brownfield property may be subdivided into smaller parcels and continue to receive preferential tax treatment if:

(A) All of the requirements of subsection (g) of this Code section are met; and

(B) The transferee and transferor agree and jointly submit to the local taxing authority a sworn affidavit stating the eligible brownfield costs being transferred to the subdivided property, to wit:

(i) A transferor's report to the local taxing authority shall include:

(I) The total certified eligible brownfield costs for the qualified brownfield property;

(II) The tax savings realized to date;

(III) The eligible brownfield costs being transferred;

(IV) The number of years of preferential tax treatment pursuant to this Code section has been received;

(V) The eligible brownfield costs remaining; and

(VI) A request to establish the taxable base of the transferred property and reestablish the taxable base for the retained property pursuant to paragraph (2) of this subsection;

(ii) Failure to file a sworn affidavit with one local taxing authority shall not affect any sworn affidavit submitted to any other local taxing authority;

(iii) A transferee's first report to the local taxing authority shall include:

(I) A statement of the amount of the transferred eligible brownfield costs;

(II) The number of years of preferential tax treatment the property received prior to transfer (carry over from transferor); and

(II) A request to establish a taxable base for the property pursuant to paragraph (2) of this subsection; and

(iv) Subsequent reports made by a transferee shall include the same information provided by property owners in paragraph (1) of subsection (f) of this Code section.

(2) The taxable base for the subdivided property shall be established by the local taxing authority based on the ratio of acres purchased to total acres at the time of the establishment of the taxable base for the entire qualified brownfield property. Such ratio shall be applied to the taxable base as recorded in the county tax digest at the time the application was received by the Environmental Protection Division for participation in the program under Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act." The taxable base on the retained qualified brownfield property shall be decreased by the amount of taxable base assigned to the subdivided portion of the property.

(3) The subdivision of property shall not restart, reset, or otherwise lengthen the period of preferential tax treatment pursuant to this Code section.

(i) In the year in which preferential tax treatment ends, the taxpayer shall be liable for any and all ad valorem taxes due on the property for which a certified eligible brownfield cost is not claimed as an offset.

(j) The Environmental Protection Division of the Department of Natural Resources shall review the eligible costs submitted by the applicant/taxpayer and shall approve or deny those costs prior to those costs being submitted to the local tax authority. Eligible costs to be certified as accurate by the Environmental Protection Division shall be submitted by the applicant to the division at such time and in such form as is prescribed by the division. Eligible costs may be submitted for certification only once for each assessment or remediation undertaken pursuant to Article 9 of Chapter 8 of Title 12, the "Georgia Brownfield Act," as amended. The certification of costs shall be a decision of the director and may be appealed in accordance with subsection (c) of Code Section 12-2-2.

(k) The taxing authority shall provide an appropriate form or forms or space on an existing form or forms to implement this Code section.

(l) Taxpayers shall have the same rights to appeal from the determination of the taxable base and assessments and reassessments of qualified brownfield property as set out in Code Section 48-5-311.

(m) A penalty shall be imposed under this Code section if during the special classification period the taxpayer fails to abide by the corrective action plan. The penalty shall be applicable to the entire tract which is the subject of the special classification and shall be twice the difference between the total amount of tax paid pursuant to preferential assessment under this Code section and the total amount of taxes which would otherwise have been due under this chapter for each completed or partially completed year of the special

classification period. Any such penalty shall bear interest at the rate specified in Code Section 48-2-40 from the date the special classification is breached.

(n) Penalties and interest imposed under this Code section shall constitute a lien against the property and shall be collected in the same manner as unpaid ad valorem taxes are collected. Such penalties and interest shall be distributed pro rata to each taxing jurisdiction wherein current use assessment under this Code section has been granted based upon the total amount by which such preferential assessment has reduced taxes for each such taxing jurisdiction on the property in question as provided in this Code section.

(o) **(1)** Notwithstanding anything to the contrary in subsections (a) through (n) of this Code section, a qualified brownfield property may be eligible for preferential assessment in accordance with the provisions of subsection (c.4) of Code Section 48-5-7 for a period not to exceed 15 years under the following circumstances:

(A) Construction of improvements on the property commenced but thereafter ceased for a period in excess of 180 days;

(B) After a delay in excess of 180 days, construction of improvements on the property resumed; and

(C) The owner of the qualified brownfield property submits a sworn certification to the county board of tax assessors stating the date on which construction first commenced, the date on which construction ceased, and the date on which construction resumed.

(2) Upon receipt of the certification required by subparagraph (C) of paragraph (1) of this subsection, the county board of tax assessors shall extend the period of preferential assessment for one year for each 365 days of construction inactivity for up to a maximum of five consecutive years. Under no circumstances shall the period of preferential assessment exceed 15 consecutive years.

§ 48-5-7.7. Short title; definitions; qualifications for conservation use assessment

(a) This Code section shall be known and may be cited as the "Georgia Forest Land Protection Act of 2008."

(b) As used in this Code section, the term:

(1) "Contiguous" means real property within a county that abuts, joins, or touches and has the same undivided common ownership. If an applicant's tract is divided by a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track, then the applicant has, at the time of the initial application, a one-time election to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track.

(2) "Forest land conservation use property" means real property that is forest land ~~each tract of which consists of more than 200 acres of tangible real property of an owner~~ of at least 200 acres in aggregate which lies within one or more counties, provided that such forest land is in parcels of at least 100 acres within any given county and that is subject to the following qualifications:

(A) Such property must be owned by an individual or individuals or by any entity registered to do business in this state;

(B) Such property excludes the entire value of any residence and its underlying land located on the property; as used in this subparagraph, the term "underlying land" means the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less. This provision for excluding the underlying land of a residence from eligibility in the conservation use covenant shall only apply to property that is first made subject to such a covenant, or is subject to a renewal of a previous conservation use covenant, on or after January 1, 2014;

(C) Such property has as its primary use the good faith subsistence or commercial production of trees, timber, or other wood and wood fiber products from or on the land. Such primary use includes land conservation and ecological forest management in which commercial production of wood and wood fiber products may be undertaken primarily for conservation and restoration purposes rather than financial gain. Such property may, in addition, have one or more of the following secondary uses:

(i) The promotion, preservation, or management of wildlife habitat;

(ii) Carbon sequestration in accordance with the Georgia Carbon Sequestration Registry;

(iii) Mitigation and conservation banking that results in restoration or conservation of wetlands and other natural resources; or

(iv) The production and maintenance of ecosystem products and services, such as, but not limited to, clean air and water.

Forest land conservation use property may include, but is not limited to, land that has been certified as environmentally sensitive property by the Department of Natural Resources or which is managed in accordance with a recognized sustainable forestry certification program, such as the Sustainable Forestry Initiative, Forest Stewardship Council, American Tree Farm Program, or an equivalent sustainable forestry certification program approved by the State Forestry Commission.

(3) "Qualified owner" means any individual or individuals or any entity registered to do business in this state.

(4) "Qualified property" means forest land conservation use property as defined in this subsection.

(5) "Qualifying purpose" means a use that meets the qualifications of subparagraph (C) of paragraph (2) of this subsection.

(c) The following additional rules shall apply to the qualification of forest land conservation use property for conservation use assessment:

(1) ~~All contiguous forest~~ Forest land conservation use property of an owner within a county for which forest land conservation use assessment is sought under this Code section shall be in ~~a single covenant~~ covenants, which shall include forest land of at least 200 acres in aggregate which lies within one or more counties, provided that such forest land is in parcels of at least 100 acres within any given county, unless otherwise required under subsection (e) of this Code section;

(2) When one-half or more of the area of a single tract of real property is used for the qualifying purpose, then the entirety of such tract shall be considered as used for such qualifying purpose unless some other type of business is being operated on the portion of the tract that is not being used for a qualifying purpose; provided, however, that such other portion must be minimally managed so that it does not contribute significantly to erosion or other environmental or conservation problems or must be used for one or more secondary purposes specified in subparagraph (b)(2)(C) of this Code section. The following uses of real property shall not constitute using the property for another type of business:

(A) The lease of hunting rights or the use of the property for hunting purposes;

(B) The charging of admission for use of the property for fishing purposes;

(C) The production of pine straw or native grass seed;

(D) The granting of easements solely for ingress and egress; and

(E) Any type of business devoted to secondary uses listed under subparagraph (b)(2)(C) of this Code section; and

(3) No otherwise qualified forest land conservation use property shall be denied conservation use assessment on the grounds that no soil map is available for the county or counties, if applicable, in which such property is located; provided, however, that if no soil map is available for the county or

counties, if applicable, in which such property is located, the board of tax assessors shall use the current soil classification applicable to such property.

(d) No property shall qualify for conservation use assessment under this Code section unless and until the qualified owner of such property agrees by covenant with the appropriate taxing authority to maintain the eligible property in forest land conservation use for a period of ~~15~~ ten years beginning on the first day of January of the year in which such property qualifies for such conservation use assessment and ending on the last day of December of the final year of the covenant period. After the qualified owner has applied for and has been allowed conservation use assessment provided for in this Code section, it shall not be necessary to make application thereafter for any year in which the covenant period is in effect and conservation use assessment shall continue to be allowed such qualified owner as specified in this Code section. At least 60 days prior to the expiration date of the covenant, the county board of tax assessors where the property is located shall send by first-class mail written notification of such impending expiration. Upon the expiration of any covenant period, the property shall not qualify for further conservation use assessment under this Code section unless and until the qualified owner of the property has entered into a renewal covenant for an additional period of 15 years; provided, however, that the qualified owner may enter into a renewal contract in the ~~fourteenth~~ ninth year of a covenant period so that the contract is continued without a lapse for an additional ~~15~~ ten years.

(e) Subject to the limitations of paragraph (1) of subsection (c) of this Code section, a qualified owner shall be authorized to enter into more than one covenant under this Code section for forest land conservation use property. Any such qualified property may include a tract or tracts of land which are located in more than one county in which event the owner shall enter into a covenant with each county. In the event a single contiguous tract is required to have separate covenants under this subsection, the total acreage of that single contiguous tract shall be utilized for purposes of determining the 200 acre requirement of this Code section.

(f) **(1)** A qualified owner shall not be authorized to make application for and receive conservation use assessment under this Code section for any property which at the time of such application is receiving preferential assessment under Code Section 48-5-7.1 or current use assessment under Code Section 48-5-7.4; provided, however, that if any property is subject to a covenant under either of those Code sections, it may be changed from such covenant and placed under a covenant under this Code section if it is otherwise qualified. Any such change shall terminate the existing covenant and shall not constitute a breach thereof. No property may be changed more than once under this paragraph.

(2) Any property that is subject to a covenant under this Code section and subsequently fails to adhere to the qualifying purpose, as defined in paragraph (5) of subsection (b) of this Code section, may be changed from the covenant under this Code section and placed under a covenant provided for in Code Section 48-5-7.4 if the property otherwise qualifies under the provisions of that Code section. In such a case, the existing covenant under this Code section shall be terminated, and the change shall not constitute a breach thereof. No property may be changed more than once under this paragraph.

(g) Except as otherwise provided in this Code section, no property shall maintain its eligibility for conservation use assessment under this Code section unless a valid covenant or covenants, if applicable,

remain in effect and unless the property is continuously devoted to forest land conservation use during the entire period of the covenant or covenants, if applicable.

(h) If any breach of a covenant occurs, the existing covenant shall be terminated and all qualification requirements must be met again before the property shall be eligible for conservation use assessment under this Code section.

(i) **(1)** If ownership of all or a part of a forest land conservation use property is acquired during a covenant period by another qualified owner, then the original covenant may be continued only by both such acquiring owner and the transferor for the remainder of the term, in which event, no breach of the covenant shall be deemed to have occurred if the total size of a tract from which the transfer was made is reduced below 200 acres or the size of the tract transferred is less than 200 acres. Following the expiration of the original covenant, no new covenant shall be entered with respect to either tract unless such tract exceeds 200 acres. If a qualified owner has entered into an original forest land conservation use covenant and subsequently acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the 15 year period of the original covenant; provided, however, that such subsequently acquired qualified property shall be less than 200 acres.

(2) If, following such transfer, a breach of the covenant occurs by the acquiring owner, the penalty and interest shall apply to the entire transferred tract and shall be paid by the acquiring owner who breached the covenant. In such case, the covenant shall terminate on such entire transferred tract but shall continue on such entire remaining tract from which the transfer was made and on which the breach did not occur for the remainder of the original covenant.

(3) If, following such transfer, a breach of the covenant occurs by the transferring owner, the penalty and interest shall apply to the entire remaining tract from which the transfer was made and shall be paid by the transferring owner who breached the covenant. In such case, the covenant shall terminate on such entire remaining tract from which the transfer was made but shall continue on such entire transferred tract and on which the breach did not occur for the remainder of the original covenant.

(j) **(1)** For each taxable year beginning on or after January 1, 2014, all applications for conservation use assessment under this Code section, including any forest land covenant required under this Code section, shall be filed on or before the last day for filing ad valorem tax appeals of the annual notice of assessment except that in the case of property which is the subject of a tax appeal of the annual notice of assessment under Code Section 48-5-311, an application for forest land conservation use assessment may be filed at any time while such appeal is pending. An application for continuation of such forest land conservation use assessment upon a change in ownership of all or a part of the qualified property shall be filed on or before the last date for filing tax returns in the year following the year in which the change in ownership occurred. Applications for forest land conservation use assessment under this Code section shall be filed with the county board of tax assessors in which the property is located who shall approve or deny the application. Such county board of tax assessors shall file a copy of the approved covenant in the office of the clerk of the superior court in the county in which the eligible property is located. The clerk of the superior court shall file and index such covenant in the real property records maintained in the clerk's office. If the covenant is not so

recorded in the real property records, a transferee of the property affected shall not be bound by the covenant or subject to any penalty for its breach. The fee of the clerk of the superior court for recording such covenants shall be paid by the qualified owner of the eligible property with the application for forest land conservation use assessment under this Code section and shall be paid to the clerk by the board of tax assessors when the application is filed with the clerk. If the application is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to Code Section 48-5-306 and shall return any filing fees advanced by the owner. Appeals from the denial of an application or covenant by the board of tax assessors shall be made in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311.

(2) In the event such application is approved, the qualified owner shall continue to receive annual notification of any change in the forest land fair market value of such property, and any appeals with respect to such valuation shall be made in the same manner as other property tax appeals are made pursuant to Code Section 48-5-311.

(k) The commissioner shall by regulation provide uniform application and covenant forms to be used in making application for conservation use assessment under this Code section.

(l) In the case of an alleged breach of the covenant, the qualified owner shall be notified in writing by the board of tax assessors. The qualified owner shall have a period of 30 days from the date of such notice to cease and desist the activity alleged in the notice to be in breach of the covenant or to remediate or correct the condition or conditions alleged in the notice to be in breach of the covenant. Following a physical inspection of property, the board of tax assessors shall notify the qualified owner that such activity or activities have or have not properly ceased or that the condition or conditions have or have not been remediated or corrected. The qualified owner shall be entitled to appeal the decision of the board of tax assessors and file an appeal disputing the findings of the board of tax assessors. Such appeal shall be conducted in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311.

(m) **(1)** A penalty shall be imposed under this subsection if during the period of the covenant entered into by a qualified owner the covenant is breached.

(2) Except as provided in subsection (i) of this Code section and paragraph (4) of this subsection, the penalty shall be applicable to the entire tract which is the subject of the covenant.

(3) The penalty shall be twice the difference between the total amount of the tax paid pursuant to the conservation use assessment under this Code section and the total amount of taxes which would otherwise have been due under this chapter for each completed or partially completed year of the covenant period. Any such penalty shall bear interest at the rate specified in Code Section 48-2-40 from the date the covenant is breached.

(4) If ownership of a portion of the land subject to the original covenant constituting at least 200 acres is transferred to another owner qualified to enter into an original forest land conservation use covenant in a bona fide arm's length transaction and breach subsequently occurs, then the penalty shall either be assessed against the entire remaining tract from which the transfer was made or the entire transferred tract, on whichever the breach occurred. The calculation of penalties in paragraph (3) of this subsection shall be used except that the penalty amount resulting from such calculation

shall be multiplied by the percentage which represents the acreage of such tract on which the breach occurs to the original covenant acreage. The resulting amount shall be the penalty amount owed by the owner of such tract of land on which the breach occurred.

(n) In any case of a breach of the covenant where a penalty under subsection (m) of this Code section is imposed, an amount equal to the amount of reimbursement to each county, municipality, and board of education in each year of the covenant shall be collected under subsection (o) of this Code section and paid over to the commissioner who shall deposit such amount in the general fund.

(o) Penalties and interest imposed under this Code section shall constitute a lien against that portion of the property to which the penalty has been applied under subsection (m) of this Code section and shall be collected in the same manner as unpaid ad valorem taxes are collected. Except as provided in subsection (n) of this Code section, such penalties and interest shall be distributed pro rata to each taxing jurisdiction wherein conservation use assessment under this Code section has been granted based upon the total amount by which such conservation use assessment has reduced taxes for each such taxing jurisdiction on the property in question as provided in this Code section.

(p) The penalty imposed by subsection (m) of this Code section shall not apply in any case where a covenant is breached solely as a result of:

(1) The acquisition of part or all of the property under the power of eminent domain;

(2) The sale of part or all of the property to a public or private entity which would have had the authority to acquire the property under the power of eminent domain; or

(3) The death of an individual qualified owner who was a party to the covenant.

(q) The following shall not constitute a breach of a covenant:

(1) Mineral exploration of the property subject to the covenant or the leasing of the property subject to the covenant for purposes of mineral exploration if the primary use of the property continues to be the good faith production from or on the land of timber;

(2) Allowing all or part of the property subject to the covenant to lie fallow or idle for purposes of any forestry conservation program, for purposes of any federal agricultural assistance program, or for other agricultural management purposes;

(3) Allowing all or part of the property subject to the covenant to lie fallow or idle due to economic or financial hardship if the qualified owner notifies the board of tax assessors on or before the last day for filing a tax return in the county where the land lying fallow or idle is located and if such qualified owner does not allow the land to lie fallow or idle for more than two years of any five-year period;

(4) **(A)** Any property which is subject to a covenant for forest land conservation use being transferred to a place of religious worship or burial or an institution of purely public charity if such place or institution is qualified to receive the exemption from ad valorem taxation provided for under subsection (a) of Code Section 48-5-41. No qualified owner shall be entitled to transfer more than 25 acres of such person's property in the aggregate under this paragraph.

(B) Any property transferred under subparagraph (A) of this paragraph shall not be used by the transferee for any purpose other than for a purpose which would entitle such property to the applicable exemption from ad valorem taxation provided for under subsection (a) of Code Section 48-5-41 or subsequently transferred until the expiration of the term of the covenant period. Any such use or transfer shall constitute a breach of the covenant;

(5) Leasing a portion of the property subject to the covenant, but in no event more than six acres of every unit of 2,000 acres, for the purpose of placing thereon a cellular telephone transmission tower. Any such portion of such property shall cease to be subject to the covenant as of the date of execution of such lease and shall be subject to ad valorem taxation at fair market value;

(6) **(A)** Allowing part of the property subject to the covenant to be used for solar generation of energy and conversion of such energy into heat or electricity, and the sale of the same in accordance with applicable law.

(B) The provisions of subparagraph (A) of this paragraph shall not allow the portion of the property on which such solar energy generating equipment is located, as depicted by a boundary survey prepared by a licensed surveyor, and which is subject to an existing covenant to remain in the covenant. Such property shall be removed from the existing covenant at the time of the installation of the solar energy generating equipment and shall be subject to the penalty for breach of the covenant contained in subsection (r) of this Code section and shall be subject to ad valorem taxation at fair market value; or

(7) **(A)** Allowing part of the property subject to the covenant to be used for farm labor housing. As used in this paragraph, the term "farm labor housing" means all buildings or structures used as living quarters when such housing is provided free of charge to workers who provide labor on agricultural property.

(B) The provisions of subparagraph (A) of this paragraph shall not allow the portion of the property on which such farm labor housing is located and which is subject to an existing covenant to remain in the covenant. Such property shall be removed from the existing covenant at the time construction of the farm labor housing begins and shall be subject to ad valorem taxation at fair market value.

(r) In the following cases, the penalty specified by subsection (m) of this Code section shall not apply and the penalty imposed shall be the amount by which conservation use assessment has reduced taxes otherwise due for the year in which the covenant is breached, such penalty to bear interest at the rate specified in Code Section 48-2-40 from the date of the breach:

(1) Any case in which a covenant is breached solely as a result of the foreclosure of a deed to secure debt or the property is conveyed to the lienholder without compensation and in lieu of foreclosure, if:

(A) The deed to secure debt was executed as a part of a bona fide commercial loan transaction in which the grantor of the deed to secure debt received consideration equal in value to the principal amount of the debt secured by the deed to secure debt;

(B) The loan was made by a person or financial institution who or which is regularly engaged in the business of making loans; and

(C) The deed to secure debt was intended by the parties as security for the loan and was not intended for the purpose of carrying out a transfer which would otherwise be subject to the penalty specified by subsection (m) of this Code section;

(2) Any case in which a covenant is breached solely as a result of a medically demonstrable illness or disability which renders the qualified owner of the real property physically unable to continue the property in the qualifying use, provided that the board of tax assessors or boards of assessors, if applicable, shall require satisfactory evidence which clearly demonstrates that the breach is the result of a medically demonstrable illness or disability;

(3) Any case in which a covenant is breached solely as a result of a qualified owner electing to discontinue the property in its qualifying use, provided such qualified owner has renewed without an intervening lapse at least once the covenant for land conservation use, has reached the age of 65 or older, and has kept the property in the qualifying use under the renewal covenant for at least three years. Such election shall be in writing and shall not become effective until filed with the county board of tax assessors or boards of assessors, if applicable; or

(4) Any case in which a covenant is breached solely as a result of a qualified owner electing to discontinue the property in its qualifying use, provided such qualified owner entered into the covenant for forest land conservation use for the first time after reaching the age of 67 and has either owned the property for at least 15 years or inherited the property and has kept the property in the qualifying use under the covenant for at least three years. Such election shall be in writing and shall not become effective until filed with the county board of tax assessors where the property is located.

(s) Property which is subject to forest land conservation use assessment under this Code section shall be separately classified from all other property on the tax digest; and such separate classification shall be such as will enable any person examining the tax digest to ascertain readily that the property is subject to conservation use assessment under this Code section. Covenants shall be public records and shall be indexed and maintained in such manner as will allow members of the public to locate readily the covenant affecting any particular property subject to conservation use assessment under this Code section. Based on information submitted by the county boards of tax assessors, the commissioner shall maintain a central registry of conservation use property, indexed by qualified owners.

(t) The commissioner shall annually submit a report to the Governor, the Department of Agriculture, the Georgia Agricultural Statistical Service, the State Forestry Commission, the Department of Natural Resources, and the University of Georgia Cooperative Extension Service and the House Ways and Means, Natural Resources and Environment, and Agriculture and Consumer Affairs committees and the Senate Finance, Natural Resources and the Environment, and Agriculture and Consumer Affairs committees and shall make such report available to other members of the General Assembly, which report shall show the fiscal impact of the assessments provided for in this Code section. The report shall include the amount of assessed value eliminated from each county's digest as a result of such assessments; approximate tax dollar losses, by county, to all local governments affected by such assessments; and any recommendations regarding state and local administration of this Code section, with emphasis upon enforcement problems, if any, attendant with this Code section. The report shall also include any other data or facts which the commissioner deems relevant.

(u) A public notice containing a brief, factual summary of the provisions of this Code section shall be posted in a prominent location readily viewable by the public in the office of the board of tax assessors and in the office of the tax commissioner of each county in this state.

(v) At such time as the property ceases to be eligible for forest land conservation use assessment or when any ~~15-year~~ ten-year covenant period expires and the property does not qualify for further forest land conservation use assessment, the qualified owner of the property shall file an application for release of forest land conservation use treatment with the county board of tax assessors where the property is located who shall approve the release upon verification that all taxes and penalties with respect to the property have been satisfied. After the application for release has been approved by such board of tax assessors, the board shall file the release in the office of the clerk of the superior court in the county in which the original covenant was filed. The clerk of the superior court shall file and index such release in the real property records maintained in the clerk's office. No fee shall be paid to the clerk of the superior court for recording such release. The commissioner shall by regulation provide uniform release forms.

(w) The commissioner shall have the power to make and publish reasonable rules and regulations for the implementation and enforcement of this Code section. Without limiting the commissioner's authority with respect to any other such matters, the commissioner may prescribe soil maps and other appropriate sources of information for documenting eligibility as a forest land conservation use property. The commissioner also may provide that advance notice be given to a qualified owner of the intent of a board of tax assessors to deem a change in use as a breach of a covenant.

PRINT CLEAR

PT-48-5-7.7 (Jan 2019)	

FOREST LAND CONSERVATION USE ASSESSMENT COVENANT
Section A: Application

To the Board of Tax Assessors of _____County: In accordance with the provisions of O.C.G.A. § 48-5-7.7, I submit this application and the completed questionnaire on the back of this application for consideration of Forest Land Conservation Use value assessment on the property described herein.

OWNERSHIP INFORMATION

Name of owner(s):	
Owner's mailing address	City, State, Zip

PROPERTY IDENTIFICATION

Property physical location					Total number of acres included in this application:
County Parcel ID #	**District**	**Land Lot**	**Deed Book/Page**	**Plat Book/Page**	**Acres**

AUTHORIZED SIGNATURE

I, the undersigned, do hereby solemnly swear, covenant and agree that all the information contained above, as well as the information provided on the questionnaire, is true and correct to the best of my knowledge and that the above described property qualifies under the ownership and land use provisions of O.C.G.A. § 48-5-7.7. I further swear that I am authorized to sign this application on behalf of the owner(s) making application. I am aware that certain penalty provisions are applicable if this covenant is breached pursuant to O.C.G.A. § 16-10-20.

_____ _____
Signature of Owner or Owner's Authorized Representative Date Application Filed

_____
Signature of Owner or Owner's Authorized Representative *Additional owners may sign on back of form

Sworn to and subscribed before me this_____day of_____,_____ _____
Notary Public

FOR TAX ASSESSORS USE ONLY

Covenant: Begins: Jan. 1 _____ Ends: Dec. 31 _____ Covenant # _____ _____ _____
(Year) (County Code) (Covenant #)

Based on the information submitted and provided on the questionnaire, the _____ County Board of Tax Assessors has considered such information and has made the following final determination of this application:

Approved: ____ Date: _____ _____ _____
Board of Tax Assessors **Date**

Denied: ____ Date: _____ If denied, O.C.G.A. § 48-5-7.7 provides that the County Board of Tax Assessors shall issue a notice to the owner(s) in the same manner as all other notices are issued pursuant to O.C.G.A. § 48-5-306 which can be appealed pursuant to O.C.G.A. § 48-5-311.

FOREST LAND CONSERVATION USE ASSESSMENT COVENANT
Section B: Questionnaire

Check Appropriate Ownership Type:

☐ One or more individuals (includes executors, administrators and trustees)

☐ Entity registered to do business in the State of Georgia (county tax official may request verification of registration: such verification may include sales tax number, FEI number, etc.)

Additional Owner Signatures (if needed)	
Print Name	**Signature/Date**

OTHER COUNTIES AND ACREAGE included in this application for FOREST LAND PROTECTION COVENANT	
County Name/Application #	**Property Description/Other County Parcel #/Acreage**

In addition to the primary use of the property as specified in the application, specific secondary uses are permitted. Please indicate if any of the following are applicable to the property covered by this application and the total amount of acreage used:

☐ Promotion, preservation, or management of wildlife habitat. _____

☐ Carbon sequestration. Is the property listed on the Georgia Carbon Sequestration Registry ☐ Yes ☐ No #: _____

☐ Mitigation or conservation use banking to restore or conserve wetlands and other natural resources. _____

☐ Production or maintenance of ecosystem products and services such as, but not limited to, clean air and water. _____

☐ Yes ☐ No	Is this property or any portion thereof currently being leased? If yes, briefly explain how the property is being used by the lessee, as well as the amount of acreage of the property leased. _
☐ Yes ☐ No	Is the property or any portion thereof currently being used for fishing purposes where admission is charged? If yes, please indicate amount of acreage so used.
☐ Yes ☐ No	Is the property or any portion thereof being used for production of pine straw? If yes, indicate amount of acreage so used.
☐ Yes ☐ No	Is there a residence on the property? If yes, provide the street address.
☐ Yes ☐ No	Are there other real property improvements located on this property? If yes, briefly list and describe these real property improvements on a separate sheet and attach to this application.
☐ Yes ☐ No	Is there any type of business operated on this property? If yes, indicate business name, type of business, and amount of acreage so used.

FOREST LAND CONSERVATION USE ASSESSMENT COVENANT
Section C: Covenant

In consideration of my receiving the preferential assessment of forest land provided in O.C.G.A. § 48-5-7.7, I (We), the undersigned do hereby solemnly swear, and covenant that:

1. I (we) have personal knowledge of the property described herein, and the primary use is good faith subsistence or commercial production of trees, timber, or other wood and wood fiber products.
2. I (we) will maintain this property as forest land conservation use property, as defined by O.C.G.A. § 48-5-7.7, for a period of 10 years to begin on January 1st of the first year for which conservation use assessment is approved, and to continue through the last day of December of the final year of the Covenant period.
3. I (we) will notify the Board of Tax Assessors, in writing, in the event there is a change in the "qualifying use" of said property.
4. I (we) understand that if this Covenant is breached, penalties and interest will be assessed as provided for by law and such penalties and interest levied against myself and against the property will constitute a lien against the property subject of this Covenant.
5. I (we) understand that a breach occurring in one or more counties shall be considered a breach of the entire tract subject to this Covenant, regardless of the nature or the location of the breach.
6. I (we) understand that if the tract is located in more than one county, each county where the tract is located must enter into a Covenant. If a county denies the application, then the land in that county shall not receive Forest Land Protection Act of 2008 designation and the other remaining tract or tracts must meet all the requirements and qualifications set forth in O.C.G.A. § 48-5-7.7, and all applicable regulations.
7. All information set forth on this document is true, correct, and complete.

The following information is for the portion of the tract located in **THIS COUNTY** with Covenant Number _____.

Parcel Identification Number	County	Physical Address

Detailed description of the use of the property in this County:

_____

_____

_____

We hereby adopt and ratify the Covenant for the tract of real property located in _____ County and described herein, and adopt the ratification of this Covenant for tracts located in any other counties, if applicable.

_____ _____

Date Signature for the County Board of Assessors

I hereby certify, adopt, and affirm the Covenant for the tract or tracts of real property described herein.

_____

Date Signature of Owner #1 Printed Name of Owner

Sworn to and subscribed before me
This _____ day of _____, _____. _____
Notary Public

I hereby certify, adopt and affirm the Covenant for the tract or tracts of real property described herein.

_____

Date Signature of Owner #2 Printed Name of Owner

Sworn to and subscribed before me
This _____ day of _____, _____. _____
Notary Public

The following information pertains to **ANY OTHER COUNTY** where the tract is located and for which an application and this Covenant may be filed.

Parcel Identification Number	County #1	Physical Address

Detailed description of the use of the property in the county:

_____

_____

_____

We hereby adopt and ratify the Covenant for the tract of real property located in _____ County and described herein, and adopt the ratification of this Covenant for tracts located in any other counties.

_____ Date

_____ Signature for the County Board of Assessors

Parcel Identification Number	County #2	Physical Address

Detailed description of the use of the property in the county:

_____

_____

_____

We hereby adopt and ratify the Covenant for the tract of real property located in _____ County and described herein, and adopt the ratification of this Covenant for tracts located in any other counties.

_____ Date

_____ Signature for the County Board of Assessors

NOTE: If additional space is needed for signatures and ratifications, you may attach another covenant section to this form.

Pursuant to O.C.G.A. 48-5-7.7(b)(1), if your tract is divided by a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track then you may, at the time of the initial application, make a one-time election to divide such tract for the purpose of entering such tract in a Forest Land Conservation Use Covenant.

Additional Parcel Identification Numbers		Additional Parcel Identification Numbers

Covenant Type	Code Section	Covenant Term	Minimum Acreage	Maximum Acreage	Breach Penalty	Savings	Application Period	Notes
Preferential	48-5-7.1	10 Years	No Minimum	2000	Tax savings for the year the breach occurs X 5 - (Years 1 and 2) 4 - (Years 3 and 4) 3 - (Years 5 and 6) 2 - (Years 7,8,9,10)	Fair Market Value of land and up to $100,000 of agricultural buildings assessed at .30	January 1-April 1	
Conservation Use (CUVA)	48-5-7.4	10 Years	No Minimum	2000	Total savings all years up to the time the breach occurs X 2	Land Valued Using State Values Agricultural buildings limited to 3% change per year	January 1 - April 1 and 45 day appeal period of Notice of Assessment	
Forest Land Protection Act (FLPA)	48-5-7.7	2018-Prior 15 years 2019-Future **10** years	2018-Prior >200 AC 2019-Future 200 or More	Unlimited	Total savings all years up to the time the breach occurs X 2	Land Valued Using State Values	January 1 - To End of 45 day appeal period or until appeal of property settled (whichever comes last)	Beginning 2019; 100 Acres per parcel minimum. Does NOT have to be contiguous anymore and can be in multiple covenants. Must have at least 200 acres on the application

§ 48-5-9. Person liable for taxes on property

Taxes shall be charged against the owner of property if the owner is known and against the specific property itself if the owner is not known. Life tenants and those who own and enjoy the property shall be chargeable with the taxes on the property.

§ 48-5-10. Returnable property

All property shall be returned by the taxpayers for taxation to the tax commissioner or tax receiver as provided by law. Each return by a taxpayer shall be for property held and subject to taxation on January 1 next preceding each return.

§ 48-5-11. Situs for returns by residents

Unless otherwise provided by law, all:

(1) Real property of a resident shall be returned for taxation to the tax commissioner or tax receiver of the county where the property is located; and

(2) Personal property of a resident individual shall be returned for taxation to the tax commissioner or tax receiver of the county where the individual maintains a permanent legal residence.

§ 48-5-12. Situs of returns by nonresidents

Unless otherwise provided by law, all real and personal property of nonresidents shall be returned for taxation to the tax commissioner or tax receiver of the county where the property is locate

§ 48-5-14. Liability of nonresidents, agents of nonresidents, and their property

A nonresident person, all persons who return property for a nonresident, and the nonresident´s property located in this state shall be liable for the taxes on the property.

§ 48-5-15. Returns of taxable real property

(a) All improved and unimproved real property in this state which is subject to taxation shall be returned by the person owning the real property or by his or her agent or attorney to the tax receiver or tax commissioner of the county where the real property is located.

(b) If the real property has a district, number, and section designation, the tax receiver or tax commissioner shall require the person making a return of the real property to return it by district, number, and section designation. If the real property has no designation by district, number, and section, it shall be returned by such description as will enable the tax receiver or tax commissioner to identify it.

(c) No tax receiver or tax commissioner shall receive any return of real property which does not designate the real property as provided in this Code section. The commissioner shall not allow any tax receiver or tax commissioner who receives returns in any manner other than as provided in this Code section any compensation or percentage for his services.

PT-50R (Jan 2018)

TAXPAYER'S RETURN OF REAL PROPERTY

COUNTY _____

TAX YEAR _____

O.C.G.A. Section 48-5-15(a) All improved and unimproved real property in this state which is subject to taxation shall be returned by the person owning the real property or by his or her agent or attorney to the tax receiver or tax commissioner of the county where the real property is located. Due date: _____

Complete Sections A, B, and C and sign in Section D.

SECTION A: PROPERTY INFORMATION

MAP & PARCEL IDENTIFICATION	TAX DISTRICT	ACCOUNT NO.	If property is in a covenant, list year covenant first began:
DESCRIPTION OF PROPERTY:			

SECTION B: OWNER INFORMATION

PREVIOUS YEAR INFORMATION		CURRENT YEAR INFORMATION (if different from previous year)	
NAME		NAME	
ADDRESS 1		ADDRESS 1	
ADDRESS 2		ADDRESS 2	
ADDRESS 3		ADDRESS 3	
CITY, STATE, ZIP		CITY, STATE, ZIP	
PHONE # (Optional)		PHONE # (Optional)	

SECTION C: FAIR MARKET VALUE INFORMATION

TYPE OF REAL PROPERTY	ACRES	DESCRIPTION OF IMPROVEMENT	*CLASS/ STRATA	PREVIOUS YEAR 100% FAIR MARKET VALUE	CURRENT YEAR TAXPAYER STATED 100% FAIR MARKET VALUE
LAND					
LAND					
IMPROVEMENT					
IMPROVEMENT					
IMPROVEMENT					
IMPROVEMENT					
IMPROVEMENT					
IMPROVEMENT					
TOTAL					

* CLASS REFERENCE: R – RESIDENTIAL, C – COMMERCIAL, A - AGRICULTURAL, I - INDUSTRIAL

* STRATA REFERENCE: 1 – IMPROVEMENTS, 3 – LOTS, 4 - SMALL TRACTS, 5 – LARGE TRACTS, 6 – PRODUCTION/STORAGE/AUXILIARY

SECTION D: TAXPAYER'S OATH

"I do solemnly swear that I have carefully read (or have heard read) and have duly considered the questions propounded in the foregoing tax list, and that the value placed by me on the property returned, as shown by the list, is the true market value thereof; and I further swear that I returned, for the purpose of being taxed thereon, every species of property that I own in my own right or have control of either as agent, executor, administrator, or otherwise; and that in making this return, for the purpose of being taxed thereon, I have not attempted either by transferring my property to another or by any other means to evade the laws governing taxation in this state. I do further swear that in making this return I have done so by estimating the true worth and value of every species of property contained therein".

TAXPAYER OR AGENT'S SIGNATURE _____ DATE _____

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 2_____

TAX RECEIVER _____

SECTION E: FOR TAX ASSESSORS OFFICE USE ONLY

TOTAL ACRES	TOTAL ASSESSED VALUE

§ 48-5-15.1. Returns of real property and tangible personal property located on airport

(a) All real property and tangible personal property shall be returned for taxation and subject to taxation as provided in this Code section where such property is located on the premises of an airport and:

(1) Such airport is divided by one or more county lines such that the airport is located in two or more counties; and

(2) Such airport is owned or operated by a local airport authority which authority functions on behalf of one of the counties within which the airport is located.

(b) For the purposes of this Code section, an authority shall be considered as functioning on behalf of a county where a majority of the members of the authority are members who meet any of the following descriptions:

(1) An authority member who is also a member of the county governing authority or an official or employee of the county;

(2) An authority member appointed by the county governing authority or appointed by an officer of the county;

(3) An authority member who is also a member of the governing authority of a city within the county or an official or employee of a city within the county; or

(4) An authority member appointed by the governing authority of a city within the county or appointed by an officer of a city within the county.

(c) All such real property and tangible personal property located on the premises of an airport as described in subsections (a) and (b) of this Code section shall be returned for taxation to the tax commissioner or tax receiver of the county on behalf of which the airport authority functions. All such real and tangible personal property shall be subject to taxation by only the county on behalf of which the airport authority functions and not by any other county.

(d) Nothing in this Code section shall apply with respect to any airport certificated under Title 14, Part 139, of the Code of Federal Regulations or shall apply with respect to the taxation of commercial airliners which shall be subject to Article 12 of this chapter and other applicable provisions of law. With respect to aircraft which would otherwise be subject to the provisions of Code Section 48-5-16, the provisions of this Code section shall control over the provisions of Code Section 48-5-16. Except as specifically provided otherwise in the first sentence of this subsection, this Code section shall control over any other conflicting provisions of this chapter; but nothing in this Code section shall be construed as taking away the tax-exempt status of any property which is otherwise exempted by law from ad valorem taxation.

§ 48-5-16. Return of tangible personal property in county where business conducted; exemptions; boats; aircraft.

(a) Any person who conducts a business enterprise upon real property, which is not taxable in the county in which the person resides or in which the person's office is located, shall return for taxation the tangible personal property of the business enterprise to the tax commissioner or tax receiver of the county in which is taxable the real property upon which the business enterprise is located or conducted.

(b) When the agent in this state of any person who is a resident of another state has on hand and for sale, storage, or otherwise merchandise or other tangible property, he shall return the property for taxation as provided in Code Section 48-5-12.

(c) This Code section shall not apply to public utilities and other companies required to make returns of their properties and franchises to the commissioner under Articles 9, 11, and 12 of this chapter.

(d) **(1)** As used in this subsection, the term:

(A) "Boat" means every description of watercraft used or capable of being used as a means of transportation on the water.

(B) "Functionally located" means located in a county in this state for 184 days or more during the immediately preceding calendar year. The 184 days or more requirement of this subsection shall mean the cumulative total number of days during such calendar year, which days may, but shall not be required to be, consecutive.

(2) Any person who owns tangible personal property in the form of a boat which is functionally located for recreational or convenience purposes in a county in this state other than the county in which such person maintains a permanent legal residence shall return such property for taxation to the tax commissioner or tax receiver of the county in which such property is functionally located. Tangible personal property of a person which does not meet the 184 days or more requirement provided for in this subsection shall be returned for taxation in the manner provided for in Code Section 48-5-11.

(e) **(1)** As used in this subsection, the term:

(A) "Aircraft" means any contrivance used or designed for navigation through the air; provided, however, that such term does not include commercial airliners.

(B) "Primary home base" means an airport where an aircraft is principally hangared or tied down and out of which its flights normally originate.

(2) Any person who owns tangible personal property in the form of an aircraft which has its primary home base in a county in this state other than the county in which such person maintains a permanent legal residence shall return such property for taxation to the tax commissioner or tax receiver of the county in which such primary home base is located. Such aircraft which does not have a primary home base in a county of this state other than the county in which the owner maintains a permanent legal residence shall be returned for taxation in the manner provided for in Code Section 48-5-11.

INSTRUCTION SHEET

INSTRUCTIONS FOR PAGE ONE - BUSINESS PERSONAL PROPERTY TAX RETURN

1. If taxpayer name or address has changed or is incorrect, provide correct name and address in the space provided.
2. To avoid a 10% penalty on assets that have not been previously returned, this return must be filed no later than date listed under the due date column on page one.
3. Taxpayer return value: Georgia Law (O.C.G.A.§ 48-5-6) requires the taxpayer to return property at its fair market value. If the values indicated from Schedules A, B, or C do not in your opinion reflect fair market value, you may list your opinion here. Attachments must be provided by you listing the reasons for change.
4. Value from Schedule A, B, & C: Schedules A, B, & C should be completed and the total values from these schedules should be listed in this column.
5. Taxpayers Declaration: This declaration must be signed by the taxpayer or agent and dated in order for this to be a valid return.

INSTRUCTIONS FOR PAGE TWO - GENERAL INFORMATION AND IMPORTANT INFORMATION

1. The information requested in the general information section is very important. This area should be completed in detail. The information in this section is open for public inspection.
2. The information found in the reference information section may be of great interest to the taxpayer. This section contains information about various laws and exemptions that may be available to the taxpayer.

INSTRUCTIONS FOR PAGE THREE - SCHEDULE A - FURNITURE / FIXTURES / MACHINERY / EQUIPMENT

1. This section provides for the uniform calculation of value for all assets of the business owned on January 1 of this year. Expensed assets as well as capitalized assets should be listed and valued using indicated schedule. Leasehold improvements personal property in nature and trade fixtures should also be reported on this schedule. Leasehold improvements such as walls, doors, floor covering, electrical, plumbing, heating and air distribution systems, ceiling and lighting that are attached to and form an integral part of the building should not be reported as personal property.
2. The indicated basic cost approach value of assets for tax purposes is computed by multiplying the total adjusted original cost new by the composite conversion factor of each year's acquisition listed in the appropriate economic life group. Cost amounts are subject to audit. Cost should include installation, trade-in allowances, sales tax, investment credits, transportation, etc.
3. Internal Revenue Service Publication 946 "How to Depreciate Property" Appendix B - Table of Class Lives and Recovery Periods - column headed "Class Life in Years", should be used for determining the economic life group of an asset for Ad Valorem Tax purposes. See examples of economic life groups listed below. ACRS and MACRS should not be used for determining the economic life of an asset for Ad Valorem Tax purposes.
4. Deduct cost of items disposed of or transferred out from the cost of assets acquired during the corresponding year; add cost of items transferred in. (Disposals include only those items which have been sold, junked, transferred or otherwise no longer located at the business on January 1, this year). List disposals and items transferred in or out and reasons for disposals or transfer on page 4 under sections three or four.
5. A copy of the most current asset listing indicating the date of acquisition, original cost, and description of each asset should be submitted with this schedule. If an asset listing is not available please submit a copy of your most current I.R.S. form 4562 Depreciation Schedule and all supplemental schedules utilized to develop depreciation deduction for A.C.R.S. assets and assets listed under the column headed "Other Depreciation" as well as supplemental depreciation schedule used for M.A.C.R.S. assets. This information is needed for verification purposes and is not available for public inspection (O.C.G.A.§ 48-5-314).

DEPRECIATION GROUPING EXAMPLES

GROUP 1: ECONOMIC LIFE OF 5-7 YEARS	GROUP 2: ECONOMIC LIFE OF 8-12 YEARS	GROUP 3: ECONOMIC LIFE OF 13 YEARS OR MORE	GROUP 4: ECONOMIC LIFE OF 1-4 YEARS ALSO ASSET CLASS 00.12 IRS PUBLICATION 946
1) Copiers, Duplicating Equip., Typewriters	1) Office Furniture, Fixtures and Equipment	1) Petroleum Refining Equipment	1) Computers - Non Production
2) Calculators, Adding and Accounting Machines	2) Agriculture Machinery and Equipment	2) Grain and Grain Mill Products (Mfg.)	2) Peripheral Computer Equipment
3) Electronic Instrumentation Mfg.	3) Recreation or Entertainment Services	3) Mfg. of Sugar and Sugar Products	3) Jigs, Dies, Molds, Patterns
4) Construction Equipment	4) Mining and Quarrying	4) Mfg. of Vegetable Oils and Products	4) Special Tools and Gauges
5) Timber Cutting Equipment	5) Mfg. of Textile Products	5) Mfg. of Tobacco and Tobacco Products	5) Returnable Containers
6) Mfg. of Electronic Components & Products	6) Mfg. of Wood Products and Furniture	6) Mfg. of Pulp and Paper	6) Special Transfer and Shipping Devices
7) Radio and T.V. Broadcasting Equipment	7) Permanent Sawmills	7) Mfg. of Rubber Products	7) Pallets
8) Drilling of Oil and Gas Wells	8) Mfg. of Chemicals and Allied Products	8) Mfg. of Cement	8) Rental Movies
9) Temporary Sawmills	9) Mfg. of finished Plastics Products	9) Mfg. of Stone and Clay Products	9) Card Readers
10) Any Semiconductor Mfg. Equipment	10) Mfg. of Leather and Leather Products	10) Mfg. of Primary Nonferrous Metals	10) High Speed Printers
11) Telegraph and Satellite Communications	11) Mfg. of Electrical and Non-electrical Machinery	11) Mfg. of Foundry Products	11) Data Entry Devices
12) Vending Equipment, Coin Operated	12) Mfg. of Athletic, Jewelry and Other Goods	12) Mfg. of Primary Steel Mill Products	12) Teleprinters
13) Rental Appliances and Televisions	13) Retail Trades Furniture, Fixtures and Equipment	13) Tanks and Storage	13) Plotters
14) Hand Tools	14) Restaurant and Bar Equipment	14) Billboards/Signs	14) Terminals, Tape Drives, Disc Drives
15) Nuclear Fuel Assemblies	15) Hotel and Motel Furnishing and Equipment	15) Radio/T.V. Antennas and Towers	15) Magnetic Tape Feeds
16) Fishing Equipment	16) Automobile Repair and Shop Equipment	16) Cold Storage and Ice Making Equipment	16) Optical Character Readers
17) Cattle, Breeding, or Dairy Equipment	17) Personal and Professional Services	17) Mfg. of Glass Products	

INSTRUCTIONS FOR PAGE FOUR - BUSINESS PERSONAL PROPERTY SCHEDULE B - INVENTORY

1. Inventory should be reported at 100% cost on January 1, this year. Cost should include, but not be limited to, freight in, overhead or burden, Federal, State, or Local Taxes, or any other charges imposed upon the item that makes it more valuable to the owner. Costs will be arrived at by converting anything other than current cost back to cost. "LIFO" is not acceptable.
2. The name and address of the legal owner of any consigned goods or any other type goods not owned by you and not reported under Schedule B should be listed under Section 1, Consigned Goods. This will insure that the taxes are charged to the legal owner.
3. Schedule C - Construction in Progress - if you had any unallocated cost for Construction in Progress, which is personal property in nature, that was not reported under Schedule A it should be reported under Schedule C. A description of the property, year acquired, useful life in years, and total cost should be reported.
4. If you had in your possession on January 1 any leased or rented equipment, machinery, furniture, fixtures, tools, vending machines, or other types of property, the legal owners name and address should be listed under Section 2 headed Leased or Rented Equipment. This will insure that the taxes are charged to the legal owner.

NOTE: Schedules A, B, and C and all documents furnished by the taxpayer are considered confidential and not open to public inspection. O.C.G.A.,§ 48-5-314. Returns are public information.

BUSINESS PERSONAL PROPERTY TAX RETURN THIS RETURN IS CONSIDERED PUBLIC INFORMATION AND WILL BE OPEN FOR PUBLIC INSPECTION RETURN COMPLETED FORM TO ADDRESS LISTED BELOW.	TAX YEAR	IF ASSISTANCE NEEDED CALL	ACCOUNT NUMBER
	DUE DATE	MAP AND PARCEL I.D. NO.	NAICS NO.

COUNTY NAME AND RETURN ADDRESS	TAXPAYER NAME AND ADDRESS

	BUSINESS PHYSICAL LOCATION
To avoid a 10% penalty on items not previously returned, file not later than the due date listed above. This return is subject to audit by the Board of Tax Assessors under O.C.G.A. §48-5-299 and §48-5-300. The return and supporting schedule must be completed and returned in order for property to be properly returned. Department of Revenue Rule 560-11-10-.08 (3) (C)	IF MAILING ADDRESS OR NAME IS INCORRECT, PLEASE CORRECT IN THE SPACE PROVIDED BELOW. NAME: ADDRESS: CITY, STATE, ZIP:

LINE ↓ **PERSONAL PROPERTY STRATA**	The values from Schedules A, B, and C should be listed below. If these values, in your opinion, do not reflect fair market value then declare your estimate of value under the column headed Taxpayers Returned Value.		
	TAXPAYER RETURNED VALUE, AS OF JAN. 1	INDICATED VALUE FROM SCHEDULES A, B, & C	FOR TAX OFFICE USE
F. **Furniture/Fixtures/Machinery/Equipment** — includes all fixtures, furniture, office equipment, computer hardware, production machinery, off-road vehicles, farm equipment and implements, tools and implements of manual laborers' trade, leasehold improvements personal property in nature and construction in progress personal property in nature.			
I. **Inventory** — Includes all raw materials, goods in process, finished goods, livestock and agricultural products, all consumable supplies used in the process of manufacturing, distributing, storing or merchandising of goods and services, floor planned inventory and spare parts. Does not include Freeport Exemption amount granted under O.C.G.A.§ § 48-5-48.2 or 48-5-48.6.			
P. **Freeport Inventory** — Includes inventory exemption amount Under O.C.G.A. §§ 48-5-48.2 and 48-5-48.6			
Z. **Other Personal** — Includes all personal property not otherwise defined above.			
TOTALS →			

It shall be the duty of the county Board of Tax Assessors to investigate and to inquire into the property owned in the county for the purpose of ascertaining what property is subject to taxation and to require the proper return of the property for taxation.

TAXPAYER'S DECLARATION

"I do solemnly swear that I have carefully read (or have heard read) and have duly considered the questions propounded in the foregoing tax list, and that the value placed by me on the property returned, as shown by the list, is the true market value thereof; and I further swear that I returned, for the purpose of being taxed thereon, every species of property that I own in my own right or have control of either as agent, executor, administrator, or otherwise; and that in making this return, for the purpose of being taxed thereon, I have not attempted either by transferring my property to another or by any other means to evade the laws governing taxation in this state. I do further swear that in making this return I have done so by estimating the true worth and value of every species of property contained therein."

TAXPAYER OR AGENT X _____
Signature

PLEASE PRINT OR TYPE NAME _____

TITLE _____ DATE: _____ PHONE NUMBER: _____

GENERAL INFORMATION - THIS SECTION SHOULD BE COMPLETED IN DETAIL (NOTE: THIS INFORMATION IS OPEN TO PUBLIC INSPECTION)

1. CHECK TYPE OF BUSINESS: COMMERCIAL ☐ INDUSTRIAL ☐ AGRICULTURAL ☐
2. CHECK TYPE OF GA. INCOME TAX FILED: CORPORATION ☐ INDIVIDUAL ☐ PARTNERSHIP ☐
3. FISCAL YEAR ENDING DATE OF BUSINESS: _____
4. FEDERAL EMPLOYER IDENTIFICATION NUMBER: _____
5. STATE TAXPAYER IDENTIFICATION (S.T.I.) NUMBER: _____ STATE SALES TAX NUMBER: _____
6. NAME OF PRESIDENT OF CORPORATION OR OWNERS NAME: _____
7. DOING BUSINESS AS: _____
8. NAME ON BUSINESS LICENSE: _____
9. IF BUSINESS LOCATED WITHIN CITY LIMITS, LIST CITY NAME: _____
10. PREPARERS NAME: _____
    ADDRESS: _____ PHONE: # _____
11. PERSON WHO SHOULD BE CONTACTED CONCERNING QUESTIONS ABOUT THIS RETURN:
    NAME: _____ PHONE #: _____
12. LOCATION OF SUPPORTING RECORDS: _____
13. PHONE NUMBER OF BUSINESS: _____ HOME OFFICE NUMBER: _____
    TOLL FREE NUMBER: _____ FAX NUMBER: _____
    EMAIL ADDRESS: _____
14. MAIN BUSINESS PRODUCT OR ACTIVITY: _____
15. NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) NUMBER: _____
16. SQUARE FOOTAGE OF BUILDING: _____ IF RETAIL, SQUARE FOOTAGE OF RETAIL AREA: _____
17. IF YOU CLOSED OR SOLD YOUR BUSINESS, PLEASE LIST NEW OWNER'S NAME AND ADDRESS _____
    _____
18. DATE BUSINESS BEGAN IN THIS COUNTY: _____ WAS RETURN FILED LAST YEAR? YES ☐ NO ☐
19. DO YOU OR YOUR BUSINESS HAVE ASSETS LOCATED IN OTHER COUNTIES IN THIS STATE? YES ☐ NO ☐
20. DOES THE BUSINESS OWN A BOAT AND MOTOR? YES ☐ NO ☐
    AIRCRAFT? YES ☐ NO ☐ IF YES, PLEASE REQUEST MARINE FORM PT-50M OR AIRCRAFT FORM PT 50A.

REFERENCE INFORMATION

1. O.C.G.A. § 48-5-299 requires the Board of Tax Assessors to diligently investigate and inquire into the property owned in the county for the purpose of ascertaining what property, real and personal is subject to taxation in the county and require its proper return for taxation.
2. O.C.G.A. § 48-5-300 grants the Board of Tax Assessors authority to require production of books, papers, or documents, by subpoena, if necessary, which may aid in determining the proper assessment.
3. O.C.G.A. § 48-5-269 grants the State Revenue Commissioner the authority to prescribe the forms, books, and records to be used for standard property tax reporting for all taxing units, including but not limited to, the forms, books, and records to be used in the listing, appraisal and assessment of property and how the forms, books, and records shall be compiled and kept.
4. O.C.G.A. § 48-5-269.1 grants the State Revenue Commissioner the authority to adopt and require the use of uniform procedural manual for appraising tangible real and personal property.
5. In accordance with the above sections of the Georgia Code this return and schedules are submitted to you for your completion. Failure to file a completed copy of this form may lead to an audit of your records and/or the placing of an assessment on your property from the best information obtainable in accordance with O.C.G.A. § 48-5-299 (a).
6. Freeport Exemption (O.C.G.A. § § 48-5-48.2 and 48-5-48.6) may be available in your county. Applications are available on request and must be completed and filed with the business personal property return and schedules prior to the deadline for filing.
7. Any air and water pollution control facilities owned may be exempt under O.C.G.A. § 48-5-41 (11) which states… "All property used in or which is a part of any facility which has been installed or constructed at any time for the primary purpose of eliminating or reducing air and water pollution of such facilities and has been certified by the Department of Natural Resources as necessary and adequate for the purpose intended" shall be exempt from all Ad Valorem Property Taxes in this state.
8. Most counties do not accept metered mail dates as filing dates unless counter stamped by the post office. Be sure that the date of deposit and the postmark date are the same if mailing close to the deadline.
9. O.C.G.A. § 48-5-41.1 states… "All farm products grown in this state and remaining in the hands of the producer during the one year beginning immediately after their production and harvested agricultural products which have a planting-to-harvest cycle of 12 months or less, which are customarily cured or aged for a period in excess of one year after harvesting and before manufacturing, and which are held in this state for manufacturing and processing purposes and all qualified farm products grown in this state shall be exempt from Ad Valorem Property Taxes."
10. O.C.G.A. § 48-5-43 states… "Consumers of commercial fertilizers shall not be required to return for taxation any commercial fertilizer or any manures commonly used by farmers and others as fertilizers if the land upon which the fertilizer is to be used has been properly returned for taxation."
11. Boats and motors and aircraft should be reported on a separate reporting form which will be provided upon request.
12. Computer software (O.C.G.A. § 48-1-8) .shall constitute personal property only to the extent of the value of the unmounted or uninstalled medium on or in which it is stored or transmitted except that held as inventory ready for sale.

BUSINESS PERSONAL PROPERTY SCHEDULE A

(FURNITURE / FIXTURES / MACHINERY / EQUIPMENT)

THIS SCHEDULE IS CONSIDERED CONFIDENTIAL AND WILL NOT BE OPEN FOR PUBLIC INSPECTION
RETURN COMPLETED FORM TO ADDRESS LISTED BELOW

TAX YEAR	IF ASSISTANCE NEEDED CALL	ACCOUNT NUMBER
DUE DATE	MAP AND PARCEL I.D. NO.	NAICS NO.

COUNTY NAME AND RETURN ADDRESS

TAXPAYER NAME AND ADDRESS

DID YOU OR YOUR BUSINESS OWN ANY MACHINERY, EQUIPMENT, FURNITURE, OR FIXTURES ON JANUARY 1 OF THIS YEAR? YES ☐ NO ☐. IF YES, PLEASE LIST BELOW.

BUSINESS PHYSICAL LOCATION

YEAR ACQUIRED	PREVIOUSLY REPORTED ORIGINAL COST NEW	+	ADDITIONS OR TRANSFERS IN	-	DISPOSALS OR TRANSFERS OUT	=	ADJUSTED ORIGINAL COST NEW	X	COMP CONV. FACTOR	=	INDICATED BASIC COST APPROACH VALUE
GROUP 1: TYPICAL ECONOMIC LIFE OF 5-7 YEARS (EXAMPLES ON INSTRUCTION SHEET) A.C.R.S./ M.A.C.R.S. NOT ACCEPTABLE											
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
TOTAL GROUP 1											
GROUP 2: TYPICAL ECONOMIC LIFE OF 8-12 YEARS (EXAMPLES ON INSTRUCTION SHEET) A.C.R.S./ M.A.C.R.S. NOT ACCEPTABLE											
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
TOTAL GROUP 2											
GROUP 3: TYPICAL ECONOMIC LIFE OF 13 YEARS OR MORE (EXAMPLES ON INSTRUCTION SHEET) A.C.R.S./ M.A.C.R.S. NOT ACCEPTABLE											
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
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		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
TOTAL GROUP 3											
GROUP 4: TYPICAL ECONOMIC LIFE OF 1-4 YEARS; ALSO I.R.S. ASSET CLASS 00.12 (EXAMPLES ON INSTRUCTION SHEET) A.C.R.S./ M.A.C.R.S. NOT ACCEPTABLE											
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
		+		-		=		X		=	
TOTAL GROUP 4											
TOTAL ALL GROUPS											

ENTER TOTAL INDICATED VALUE ON PAGE ONE LINE F UNDER INDICATED VALUE FROM SCHEDULES COLUMN. _____

BUSINESS PERSONAL PROPERTY SCHEDULE B INVENTORY

THIS SCHEDULE IS CONSIDERED CONFIDENTIAL AND NOT OPEN TO PUBLIC INSPECTION

SCHEDULE B - INVENTORY - SEE INSTRUCTION SHEET

Did you or your business own any inventory on January 1, this year? Yes ☐ No ☐
If yes, please list in space provided below. Show total 100% cost, do not include licensed motor vehicles, or dealer heavy duty equipment for sale weighing over 5,000 pounds and to be used for construction purposes.

1. Merchandise _____
2. Raw Materials _____
3. Goods in Process _____
4. Finished Goods _____
5. Goods in Transit _____
6. Warehoused _____
7. Consigned _____
8. Floor Planned _____
9. Spare Parts _____
10. Supplies _____
    Includes computer, medical, office and operating supplies, fuel, and tangible prepaid expensed items)
11. Packaging Materials _____
12. Livestock _____
    (Non Exempt 48-5-41.1)
13. TOTAL INVENTORY _____

Enter total on page 1 Line I schedule column. If Freeport account enter exempt amount on Line P and taxable amount on Line I.

1. Indicate your inventory accounting method (Lower of Cost or Market, Retail Method, Weighted Average, Physical, etc.) _____
2. Check Cost Method as it applies to your inventory: ☐ Actual ☐ LIFO ☐ FIFO LIFO not acceptable
3. Fiscal Year ending date of business _____
   If your Fiscal Year ends at a point in time other than January 1, you should attach a breakdown of how you arrived at your January 1 inventory.
4. Inventory reported on previous year Georgia Income Tax Return: _____
5. The 100% delivered cost should include freight, burden and overhead at your level of trade on January 1.
6. If you file a Corporate or Partnership Income Tax Return, a photocopy of your most current balance sheet (Corporation Form 1120, Schedule A & L - Partnership, Form 1065, Schedule A & L) as filed with your U.S. Income Tax Return is requested. If you filed an Individual or Sole Proprietorship Income Tax Return, a photo copy of your most current Profit or Loss Statement Form 1040, Schedule C, Pages 1 & 2 as filed with your U.S. Income Tax Return is requested. These documents are requested for inventory verification purposes and will not be available for public inspection (O.C.G.A. § 48-5-314). Under GA Law you cannot be required to furnish any Income Tax Records or Returns.
7. Inventory is subject to audit and verification from your records or those you have filed with the State of Georgia Department of Revenue.
8. Do not make any deductions for anticipated mark-down or shrinkage. Do not discount, figures are to be taken directly from your books.
9. If inventory is less than the previous year an explanation for the decrease should be submitted.
10. Gross Sales for the previous calendar year: _____
11. All taxable livestock and farm products should be reported as inventory. See O.C.G.A. § 48-5-41.1 for details of exemption.

SCHEDULE C - CONSTRUCTION IN PROGRESS

Did you have unallocated costs for construction in progress on January 1 this year? Yes ☐ No ☐ If yes, did you have tangible personal property connected with this construction in progress that has not been reported in any other section of this schedule? Yes ☐ No ☐ If yes, please list in the space provided below. Add Indicated Value to Total on Page 1 Line F Schedule Column.

DETAILED DESCRIPTION OF ITEMS (ATTACH SUPPLEMENTAL SHEETS IF NEEDED)	YEAR ACQUIRED	USEFUL LIFE (YEARS)	TOTAL COST	X	MARKET VALUE FACTOR	=	INDICATED VALUE	OFFICE USE ONLY
				X	.75	=		

SECTION 1: CONSIGNED GOODS

Did you have any consigned goods, floor planned merchandise, or any other type of goods that were loaned, stored or otherwise held on January 1, this year, and not owned by you and was not reported in your inventory value in schedule B above of this report? Yes ☐ No ☐ If yes, list in the space provided below.

DESCRIPTION OF GOODS (ATTACH SUPPLEMENTAL SHEETS IF NEEDED)	FULL COST	NAME AND ADDRESS OF LEGAL OWNER

SECTION 2: LEASED OR RENTED EQUIPMENT

Did you have in your possession or was there located at your business on January 1, this year, any machinery, equipment, furniture, fixture, tools, vending machines (coffee, cigarette, candy, games etc.) or other type personal property which was leased, rented, loaned, stored or otherwise located at your business and not owned by you? Yes ☐ No ☐ If yes, list the equipment in the space provided below (exclude licensed motor vehicles). Attach supplemental sheet if necessary.

NAME/ADDRESS OF OWNER	DESCRIPTION OF ITEM	SELLING PRICE	RENTAL AMOUNT PER MONTH	DATE OF MANUFACTURE	DATE INSTALLED	LENGTH OF LEASE

SECTION 3: ADDITIONS OR ITEMS TRANSFERRED IN

Did you have items which were added or transferred in for prior years or the current year that were not previously reported? Yes ☐ No ☐ If yes, list in the space provided below.

DETAILED DESCRIPTION OF ITEMS (ATTACH SUPPLEMENTAL SHEETS IF NEEDED)	YEAR ACQUIRED	ORIGINAL COST NEW

SECTION 4: DISPOSALS OR ITEMS TRANSFERRED OUT

Did you have items which have been sold, junked, transferred or otherwise no longer located at the business January 1 this year? Yes ☐ No ☐ If yes, list in the space provided below.

DETAILED DESCRIPTION OF ITEMS (ATTACH SUPPLEMENTAL SHEETS IF NEEDED)	YEAR ACQUIRED	DATE DISPOSED	ORIGINAL COST NEW	REASON	IF EQUIPMENT SOLD, NAME AND ADDRESS OF PURCHASER SHOULD BE LISTED BELOW

PRINT CLEAR

AIRCRAFT

PERSONAL PROPERTY TAX RETURN

THIS RETURN IS CONSIDERED PUBLIC INFORMATION AND WILL BE OPEN FOR PUBLIC INSPECTION

RETURN COMPLETED FORM TO ADDRESS LISTED BELOW

TAX YEAR	IF ASSISTANCE NEEDED CALL	ACCOUNT NUMBER
DUE DATE	OWNERS PHONE NUMBER (LIST)	

COUNTY NAME AND RETURN ADDRESS	TAXPAYER NAME AND ADDRESS

To avoid a 10% penalty on aircraft not previously returned, file this return no later than the due date listed above. This return is provided to you so you may return the fair market value of your aircraft for this tax year. The return and supporting schedule must be completed and returned in order for the aircraft to be properly returned. Department of Revenue Rule 560-11-10-.08 (3) (C).

TAX SITUS (WHERE YOU LIVE) CHECK ONE

☐ UNINCORPORATED AREA

☐ CITY OF (LIST):

IF MAILING ADDRESS OR NAME IS INCORRECT, PLEASE CORRECT IN THE SPACE PROVIDED BELOW.

NAME:

ADDRESS:

CITY, STATE, ZIP:

PERSONAL PROPERTY STRATA

A. AIRCRAFT- INCLUDES AIRPLANES, ROTOCRAFT, AND LIGHTER THAN AIR VEHICLES. COMMERCIAL AIRLINE AIRCRAFT ARE RETURNED TO THE STATE REVENUE COMMISSIONER.

AIRCRAFT SHALL BE RETURNED TO THE COUNTY WHERE PRIMARY HOME BASE IS LOCATED. LIST THE FAIR MARKET VALUE OF ALL AIRCRAFT UNDER TAXPAYER RETURN COLUMN BELOW.

	TAXPAYER RETURN VALUE AS OF JAN. 1 THIS YEAR	FOR TAX OFFICE USE ONLY (TAX ASSESSORS VALUE)
AIRCRAFT NUMBER 1 REGISTRATION N #:		
AIRCRAFT NUMBER 2 REGISTRATION N #:		
AIRCRAFT NUMBER 3 REGISTRATION N #:		
AIRCRAFT NUMBER 4 REGISTRATION N #:		
AIRCRAFT NUMBER 5 REGISTRATION N #:		
TOTAL		

It shall be the duty of the County Board of Tax Assessors to investigate and to inquire into the property owned in the county for the purpose of ascertaining what property is subject to taxation and to require the proper return of the property for taxation.

TAXPAYER'S DECLARATION

"I do solemnly swear that I have carefully read (or have heard read) and have duly considered the questions propounded in the foregoing tax list, and that the value placed by me on the property returned, as shown by the list, is the true market value thereof; and I further swear that I returned, for the purpose of being taxed thereon, every species of property that I own in my own right or have control of either as agent, executor, administrator, or otherwise; and that in making this return, for the purpose of being taxed thereon, I have not attempted either by transferring my property to another or by any other means to evade the laws governing taxation in this state. I do further swear that in making this return I have done so by estimating the true worth and value of every species of property contained therein."

TAXPAYER OR AGENT X _____ TITLE _____ DATE _____

OWNERS PHONE NUMBER: (Home) _____ (DayTime) _____

INSTRUCTIONS

INSTRUCTIONS FOR PAGE ONE – AIRCRAFT PERSONAL PROPERTY TAX RETURN

1. Aircraft shall be returned to the county where principally hangered or tied down and out of which its flights normally originate.
2. The return is considered public information and will be open for public inspection.
3. If taxpayer name or address is incorrect, please correct in the space provided.
4. To avoid a 10% penalty, on aircraft not previously returned, this return must be filed no later than date listed under the due date column on page one.
5. This tax return is provided for the taxpayer to report the fair market value of all aircraft owned on January 1, this year.
6. The fair market value should be listed under the column headed taxpayer return value as of January 1, this year, page 1.
7. Taxpayer declaration: This declaration must be signed by the owner or agent and dated in order for this to be a valid return.

INSTRUCTIONS FOR PAGE THREE - SCHEDULE E (AIRCRAFT)

1. This schedule is considered confidential information and not open to public inspection O.C.G.A. § 48-5-314. Returns are public information.
2. All information about the aircraft should be listed in order for the Board of Assessors to determine the proper assessment.
3. If the aircraft has been sold or traded and you did not own it on January 1, this year, please list the name and address of new owner in order for the items to be removed from your account.
4. Listing anything that is functionally wrong with your aircraft on the bottom of page three. This will help the Board of Assessors make a proper assessment.
5. Additional aircraft may be listed on the back of Schedule E. Attach additional sheets if necessary.
6. Avionics and extra equipment should be listed under the column headed avionics and extra equipment.

REFERENCE INFORMATION

1. O.C.G.A. § 48-5-299 requires the Board of Tax Assessors to diligently investigate and inquire into the property owned in the county for the purpose of ascertaining what property, real and personal, is subject to taxation in the county and to require its proper return for taxation.
2. O.C.G.A. § 48-5-300 grants the Board of Tax Assessors authority to require production of books, papers or documents, by subpoena if necessary, which may aid in determining the proper assessment.
3. O.C.G.A. § 48-5-269 grants the State Revenue Commissioner the authority to prescribe, the forms, books and records to be used for standard property tax reporting for all taxing units, including but not limited to, the forms, books and records to be used in the listing, appraisal and assessment of property and how the forms, books and records shall be compiled and kept.
4. O.C.G.A. § 48-5-269.1 grants the State Revenue Commissioner the authority to adopt and require the use of a uniform procedural manual for appraising tangible real and personal property.
5. This return and schedule is submitted to you for your completion in accordance with the above sections of the Georgia Code.

AIRCRAFT SCHEDULE E

THIS SCHEDULE IS CONSIDERED CONFIDENTIAL INFORMATION AND NOT OPEN FOR PUBLIC INSPECTION. RETURN COMPLETED FORM TO ADDRESS LISTED BELOW

TAX YEAR	IF ASSISTANCE NEEDED CALL	ACCOUNT NUMBER
DUE DATE	OWNERS PHONE NUMBER (LIST)	

COUNTY NAME AND RETURN ADDRESS	TAXPAYER NAME AND ADDRESS

TAX SITUS (WHERE YOU LIVE) CHECK ONE ☐ UNINCORPORATED AREA
☐ CITY OF (LIST)

AIRCRAFT # 1

AIRPORT WHERE AIRCRAFT PRIMARY HOME BASED - CITY_____ COUNTY_____ STATE_____

REGISTRATION "N" #:	**AVIONICS AND EXTRA EQUIPMENT**
MFG. NAME: (MAKE)	
MODEL NAME OR #:	
YEAR BUILT:	
SERIAL NUMBER:	
DATE PURCHASED	
PURCHASED: NEW ☐ USED ☐	
COST:	
HOURS BETWEEN OVERHAULS (TBO):	
HOURS SINCE LAST OVERHAUL:	
LAST OVERHAUL: MAJOR ☐ TOP ☐	NOTE: Please submit a copy of your log book to substantiate T.B.O. and airframe hours.
TOTAL HOURS ON AIRFRAME AS OF JAN. 1:	

AIRCRAFT # 2

AIRPORT WHERE AIRCRAFT PRIMARY HOME BASED - CITY_____ COUNTY_____ STATE_____

REGISTRATION "N" #:	**AVIONICS AND EXTRA EQUIPMENT**
MFG. NAME: (MAKE)	
MODEL NAME OR #:	
YEAR BUILT:	
SERIAL NUMBER:	
DATE PURCHASED	
PURCHASED: NEW ☐ USED ☐	
COST:	
HOURS BETWEEN OVERHAULS (TBO):	
HOURS SINCE LAST OVERHAUL:	
LAST OVERHAUL: MAJOR ☐ TOP ☐	NOTE: Please submit a copy of your log book to substantiate T.B.O. and airframe hours.
TOTAL HOURS ON AIRFRAME AS OF JAN. 1:	

Is there anything functionally wrong with your aircraft? Yes ☐ No ☐ If yes, please provide the Board of Assessors with information in order for them to make a proper assessment. (List Below)	NAME OF PURCHASER: _____ ADDRESS: _____ CITY, STATE, ZIP: _____
If you sold or traded your aircraft and did not own on January 1, this year, this section should be completed in order for the items to be removed from your account. ➤	DATE SOLD: _____ SALE PRICE: _____ DESCRIPTION _____
If purchased used this year, list the name and address of the previous owner. ➤	NAME: _____ ADDRESS: _____ CITY, STATE, ZIP: _____

List anything functionally wrong with your aircraft:_____

LIST ADDITIONAL AIRCRAFT AND AVIONICS ON THE BACK OF THIS FORM. ATTACH ADDITIONAL SHEETS IF NEEDED. ➤

PRINT CLEAR

MARINE

PERSONAL PROPERTY TAX RETURN

THIS RETURN IS CONSIDERED PUBLIC INFORMATION AND WILL BE OPEN FOR PUBLIC INSPECTION

RETURN COMPLETED FORM TO ADDRESS LISTED BELOW

TAX YEAR	IF ASSISTANCE NEEDED CALL	ACCOUNT NUMBER
DUE DATE	OWNERS PHONE NUMBER (LIST)	

COUNTY NAME AND RETURN ADDRESS	TAXPAYER NAME AND ADDRESS

To avoid a 10% penalty on boats and motors not previously returned, file this return no later than the due date listed above. This return is provided to you so you may return the fair market value of your boat and motor for this tax year. The return and supporting schedule must be completed and returned in order for the boat and motor to be properly returned. Department of Revenue Rule 560-11-10-.08 (3) (C).

TAX SITUS (WHERE YOU LIVE) CHECK ONE

☐ UNINCORPORATED AREA

☐ CITY OF (LIST):

IF MAILING ADDRESS OR NAME IS INCORRECT, PLEASE CORRECT IN THE SPACE PROVIDED BELOW.

NAME:

ADDRESS:

CITY, STATE, ZIP:

PERSONAL PROPERTY STRATA

BOATS SHALL BE RETURNED TO THE COUNTY WHERE LOCATED 184 DAYS A YEAR OR MORE. LIST THE FAIR MARKET VALUE OF ALL BOATS AND MOTORS BELOW (EXCLUDE TRAILER).

B - BOATS AND MOTORS - INCLUDE ALL CRAFT IN AND ABOVE THE WATER, THE MOTORS BUT NOT THE LAND TRANSPORT VEHICLES (TRAILERS).	TAXPAYER RETURN VALUE AS OF JAN. 1 THIS YEAR	FOR TAX OFFICE USE ONLY (TAX ASSESSORS VALUE)
BOAT AND MOTOR NUMBER 1 GA. REGISTRATION #:		
BOAT AND MOTOR NUMBER 2 GA. REGISTRATION #:		
BOAT AND MOTOR NUMBER 3 GA. REGISTRATION #:		
BOAT AND MOTOR NUMBER 4 GA. REGISTRATION#:		
BOAT AND MOTOR NUMBER 5 GA REGISTRATION #:		
FEDERAL DOCUMENTED VESSEL #1 COAST GUARD NUMBER:		
FEDERAL DOCUMENTED VESSEL # 2 COAST GUARD NUMBER:		
TOTAL		

It shall be the duty of the county board of tax assessors to investigate and to inquire into the property owned in the county for the purpose of ascertaining what property is subject to taxation and to require the proper return of the property for taxation.

TAXPAYER'S DECLARATION

"I do solemnly swear that I have carefully read (or have heard read) and have duly considered the questions propounded in the foregoing tax list, and that the value placed by me on the property returned, as shown by the list, is the true market value thereof; and I further swear that I returned, for the purpose of being taxed thereon, every species of property that I own in my own right or have control of either as agent, executor, administrator, or otherwise; and that in making this return, for the purpose of being taxed thereon, I have not attempted either by transferring my property to another or by any other means to evade the laws governing taxation in this state. I do further swear that in making this return I have done so by estimating the true worth and value of every species of property contained therein."

TAXPAYER OR AGENT X _____ TITLE _____ DATE _____

OWNERS PHONE NUMBER: (Home) _____ (DayTime) _____

INSTRUCTIONS

INSTRUCTIONS FOR PAGE ONE – MARINE PERSONAL PROPERTY TAX RETURN

1. Boats shall be returned to the county where located 184 days a year or more.
2. The return is considered public information and will be open for public inspection.
3. If taxpayer name or mailing address is incorrect, please correct in the space provided.
4. To avoid a 10% penalty on boats and motors not previously returned, this return must be filed no later than date listed under the due date column on page one.
5. This return is provided for the taxpayer to report the fair market value of all boats and motors owned on January 1, this year.
6. The fair market value should be listed under the column headed taxpayer return value as of January 1, this year, page one.
7. Fair market value of boats and motors should not include the value of the trailer. Taxes on trailers are paid when tag is purchased.
8. Taxpayer declaration: This declaration must be signed by the owner or agent and dated in order for this to be a valid return.

INSTRUCTIONS FOR PAGE THREE - SCHEDULE D (MARINE)

1. This schedule is considered confidential information and not open to public inspection O.C.G.A. § 48-5-314. Returns are public information.
2. All information about the boat and motor should be listed in order for the Board of Tax Assessors to determine the proper assessment.
3. If the boat and motor has been sold or traded and you did not own on January 1, this year, please list the name and address of new owner in order for the items to be removed from your account.
4. Additional boats and motors and federal documented vessels may be listed on the back of Schedule D. Attach additional sheets if necessary.
5. Attach a listing of anything that is functionally wrong with your boat and motor. This will help the Board of Assessors make a proper assessment.
6. Boat and motor accessory equipment, such as trolling motors, should be listed on the back of Schedule D.

REFERENCE INFORMATION

1. O.C.G.A. § 48-5-299 requires the Board to Tax Assessors to diligently investigate and inquire into the property owned in the county for the purpose of ascertaining what property, real and personal, is subject to taxation in the county and to require its proper return for taxation.
2. O.C.G.A. § 48-5-300 grants the Board of Tax Assessors authority to require production of books, papers or documents, by subpoena if necessary, which may aid in determining the proper assessment.
3. O.C.G.A. § 48-5-269 grants the State Revenue Commissioner the authority to prescribe, the forms, books and records to be used for standard property tax reporting for all taxing units, including but not limited to, the forms, books and records to be used in the listing, appraisal and assessment of property and how the forms, books and records shall be compiled and kept.
4. O.C.G.A. § 48-5-269.1 grants the State Revenue Commissioner the authority to adopt and require the use of a uniform procedural manual for appraising tangible real and personal property.
5. This return and schedule is submitted to you for your completion in accordance with the above sections of the Georgia Code.

§ 48-5-17. Proceedings to determine county entitled to return and payment; collection pending determination; commissions.

(a) **(1)** If a county claims to be entitled to the return and taxation of any property returned or about to be returned in another county, the county claiming to be so entitled may apply to the superior court of the county in which the property has been or is about to be returned, in a petition to which the taxpayer and all the counties claiming the taxes shall be made parties, for direction and judgment as to which county is entitled under the law to the return and taxes.

(2) If a county claims to be entitled to the return and taxation of any property returned or about to be returned in another county by any person to the commissioner, the county disputing the return may apply to the superior court of the county in which the taxpayer has located the property in the return to the commissioner for direction and judgment as to which county under the law is entitled to the return and taxes. All counties claiming the taxes, the taxpayer, and the commissioner shall be made parties to the action.

(3) The proceedings under this Code section shall be the same in all respects as in other actions seeking equitable relief except that the petition shall be triable at the first term of the court and, as in other cases, shall be reviewed on appeal.

(4) This subsection shall not affect the law relating to returns to be made to the commissioner other than by providing a venue for determining a dispute on tax rights as set forth in this subsection.

(b) If any officer having charge of the fiscal affairs of the county bringing the action can make the affidavit required by Code Section 9-10-51, the judge of the superior court before whom the action is brought shall change the venue to an adjoining county. The losing party in the contest shall pay all costs.

(c) The taxes due the state and the undisputed taxes due the counties contesting shall not be held up by an action brought pursuant to this Code section, and the restraint shall apply only to the taxes in dispute under the issue, which shall be plainly set forth in the petition.

(d) Pending the determination of the case, accruing taxes shall be collected by the officers of the county to which the return has been made by the taxpayer. Should another county be found to be entitled to the taxes, judgment shall be entered in favor of the county entitled to the taxes and against the county collecting the taxes for the portion of the taxes paid into the treasury of the collecting county.

(e) Should the amount of taxes recovered by an entitled county for any year exceed the amount that would have been assessed for that year on the return as made by the taxpayer had the return been made in the county entitled, the excess shall be returned to the taxpayer. Should the amount of taxes recovered fall short, execution shall be issued, as in the case of defaulting taxpayers, by the officer of the county entitled.

(f) No commission shall be paid to the tax receiver, tax collector, or tax commissioner on state and county taxes collected when an action concerning the collection is pending as provided in this Code section. The county's portion of the tax, together with commissions on state and county taxes allowed the tax receiver, tax collector, or tax commissioner shall be paid into the county treasury of the county collecting to await the outcome of the litigation. Upon the final determination, the officers of the county determined to be entitled to the taxes shall receive their legal commissions. The state taxes collected pending the action shall be forwarded to the commissioner by the officer collecting as though no such action were pending. Commissions allowed on state taxes shall be paid into the county treasury of the county collecting to await the determination of the action, as provided in this Code section.

§ 48-5-18. Time for making tax returns.

Each tax commissioner and tax receiver shall open his or her books for the return of real or personal property ad valorem taxes on January 1 and shall close those books on April 1 of each year.

§ 48-5-19. Signature and declaration of persons making returns of taxable property.

(a) Each return of taxable property shall be signed by or for the person responsible for filing the return and shall contain or be verified by the following written declaration:

"I do solemnly swear that I have carefully read (or have heard read) and have duly considered the questions propounded in the foregoing tax list, and that the value placed by me on the property returned, as shown by the list, is the true market value thereof; and I further swear that I returned, for the purpose of being taxed thereon, every species of property that I own in my own right or have control of either as agent, executor, administrator, or otherwise; and that in making this return, for the purpose of being taxed thereon, I have not attempted either by transferring my property to another or by any other means to evade the laws governing taxation in this state. I do further swear that in making this return I have done so by estimating the true worth and value of every species of property contained therein."

(b) The fact that a person appears to have signed a return of taxable property on behalf of a person required to file a return shall be prima-facie evidence that the person was authorized to sign on behalf of such person.

(c) Any person who shall make any false statement in any return of taxable property shall be guilty of false swearing, whether or not an oath is actually administered to him or her, if such statement shall purport to be under oath. On conviction of such offense, such person shall be punished as provided by Code Section 16-10-71.

(d) **(1)** As used in this subsection, the term "digital signature" means a digital or electronic method executed or adopted by a party with the intent to be bound by or to authenticate a record, which is unique to the person using it, is capable of verification, is under the sole control of the person using it, and is linked to data in such a manner that if the data are changed the digital or electronic signature is invalidated.

(2) Notwithstanding any provision of law to the contrary, the commissioner is authorized to promulgate rules and regulations setting forth the procedure for satisfying the signature requirement for returns whether by electronic digital signature, voice signature, or other means, so long as appropriate security measures are implemented which assure security and verification of the signature procedure.

§ 48-5-20. Effect of failure to return taxable property; acquisition of real property by transfer; penalty for failure to make timely return.

§ 48-5-20. Effect of failure to return taxable property; acquisition of real property by transfer; penalty for failure to make timely return

(a) **(1)** Any taxpayer of any county ~~who~~ that returned or paid taxes in the county for the preceding tax year and ~~who that~~ fails to return his property for taxation for the current tax year as required by this chapter shall be deemed to have returned for taxation the same property as was returned or deemed to have been returned in the preceding tax year at the same valuation as the property was finally determined to be subject to taxation in the preceding year. Each such taxpayer shall also be deemed to have claimed the same homestead exemption and personal property exemption as allowed in the preceding year.

(2) Any taxpayer of any county ~~who~~ that acquired real property by transfer in the preceding tax year for which a properly completed real estate transfer tax form has been filed and the real estate transfer tax required under Article 1 of Chapter 6 of this title has been paid, and where no subdivision of the real property has occurred at the time of transfer, shall be deemed to have returned for taxation the same real property as was acquired by transfer at the same valuation as the real property was finally determined to be subject to taxation in the preceding year. Nothing in this paragraph shall be construed to relieve the taxpayer of the responsibility to file a new timely claim for a homestead exemption and personal property exemption or to file a timely return where improvements have been made to the real property since it was last returned for taxation.

(b) Any penalty prescribed by this title or by any other law for the failure of a taxpayer to return his property for taxation within the time provided by law shall apply only to the property:

(1) Which the taxpayer did not return prior to the expiration of the time for making returns; and

(2) Which the taxpayer has acquired since ~~his last~~ filing the taxpayer's most recent tax return or which represents improvements on existing property since ~~his last return~~ such return was filed.

(c) ~~Reserved~~. A taxpayer's failure to return real property or whether or not such real property was deemed returned for taxation shall not affect such taxpayer's right to appeal pursuant to Code Section 48-5-311.

§ 48-5-21. Return and collection of taxes on property unlawfully exempted.

Each tax receiver and tax commissioner shall have all property which is required by law to be returned for taxes, whether or not exempted by the county authorities, returned for taxation. The tax collector or tax commissioner shall collect the taxes due upon the property.

§ 48-5-22. Failure to have returned for taxation and to collect taxes on property pursuant to Code Section 48-5-21; penalty

(a) It shall be unlawful for any tax receiver or tax commissioner to fail to:

(1) Have returned for taxation all property required by law to be returned for taxation pursuant to Code Section 48-5-21; or

(2) Collect taxes assessed on all property pursuant to Code Section 48-5-21.

(b) Any person who violates subsection (a) of this Code section shall be guilty of a misdemeanor.

§ 48-5-29. Acquisition of jurisdiction by superior court in ad valorem property tax litigation; payment and distribution of property taxes; excess payments; underpayments

(a) Before the superior court has jurisdiction to entertain any civil action, appeal, or affidavit of illegality filed under this title by any aggrieved taxpayer concerning liability for ad valorem property taxes, taxability of property for ad valorem property taxes, valuation of property for ad valorem taxes, or uniformity of assessments for ad valorem property taxes, the taxpayer shall pay the amount of ad valorem property taxes assessed against the property at issue for the last year for which taxes were finally determined to be due on the property, or, if less, the amount of the temporary tax bill issued pursuant to Code Section 48-5-311. For the purposes of this Code section, taxes shall not be deemed finally determined to be due on a property for a tax year until all appeals under Code Section 48-5-311 and proceedings for refunds under Code Section 48-5-380 have become final.

(b) Ad valorem taxes due under this Code section shall be paid to the tax collector or tax commissioner of the county where the property is located. If the property is located within any municipality, the portion of

the payment due the municipality shall be paid to the officer designated by the municipality to collect ad valorem taxes.

(c) All taxes paid to the county tax collector or tax commissioner under this Code section shall be distributed to the state, county, county schools, and any other applicable taxing districts in the same proportion as the millage rate for each bears to the total millage rate applicable to the property for the current year. If the total millage rate has not been determined for the current year, the distribution shall be made on the basis of the millage rates established for the immediately preceding year.

(d) Any payment made by the taxpayer in accordance with this Code section which is in excess of his or her finally determined tax liability shall be refunded to the taxpayer. If the amount finally determined to be the tax liability of the taxpayer exceeds the amount paid under this Code section, the taxpayer shall be liable for the amount of the difference between the amount of tax paid and the amount of tax owed. The amount of difference shall be subject to the interest provided under subsection (g) of Code Section 48-5-311.

§ 48-5-30. Filing extension for Member of the Armed Forces serving abroad.

Notwithstanding any provision of Code Section 48-5-7.1 or 48-5-7.4 to the contrary, a member of the armed forces of the United States serving outside the continental United States may file such member's initial or renewal application for special assessment at any time within a period of six months following the return of such member to the continental United States.

§ 48-5-32. Publication by county of ad valorem tax rate.

(a) As used in this Code section, the term:

(1) "Levying authority" means a county, a municipality, or a consolidated city-county governing authority or other governing authority of a political subdivision of this state that exercises the power to levy ad valorem taxes to carry out the governing authority's purposes.

(2) "Recommending authority" means a county, independent, or area school board of education that exercises the power to cause the levying authority to levy ad valorem taxes to carry out the board's purposes.

(3) "Taxing jurisdiction" means all the tangible property subject to the levy of a specific levying authority or the recommended levy of a specific recommending authority.

(b) **(1)** Each levying authority and each recommending authority shall cause a report to be published in a newspaper of general circulation throughout the county and posted on such authority's website, if available:

(A) At least one week prior to the certification of any recommending authority to the levying authority of such recommending authority's recommended school tax for the support and maintenance of education pursuant to Article VIII, Section VI, Paragraph I of the Constitution; and

(B) At least one week prior to the establishment by each levying authority of the millage rates for ad valorem taxes for educational purposes and ad valorem taxes for purposes other than educational purposes for the current calendar year.

(2) Such reports shall be in a prominent location in such newspaper and shall not be included with legal advertisements, and such reports shall be posted in a prominent location on such authority's website, if available. The size and location of the advertisements shall not be grounds for contesting the validity of the levy.

(c) The reports required under subsection (b) of this Code section shall contain the following:

(1) For levying authorities, the assessed taxable value of all property, by class and in total, which is within the levying authority's taxing jurisdiction and the proposed millage rate for the levying authority's purposes for the current calendar year and such assessed taxable values and the millage rates for each of the immediately preceding five calendar years, as well as the proposed total dollar amount of ad valorem taxes to be levied for the levying authority's purposes for the current calendar year and the total dollar amount of ad valorem taxes levied for the levying authority's purposes for each of the immediately preceding five calendar years. The information required for each year specified in this paragraph shall also indicate the percentage increase and total dollar increase with respect to the immediately preceding calendar year. In the event the rate levied in the unincorporated area is different from the rate levied in the incorporated area, the report shall also indicate all required information with respect to the incorporated area, unincorporated area, and a combination of incorporated and unincorporated areas;

(2) For recommending authorities, the assessed taxable value of all property, by class and in total, which is within the recommending authority's taxing jurisdiction and the proposed millage rate for the recommending authority's purposes for the current calendar year and such assessed taxable values and the millage rates for each of the immediately preceding five calendar years, as well as the proposed total dollar amount of ad valorem taxes to be recommended for the recommending authority's purposes for the current calendar year and the total dollar amount of ad valorem taxes levied for the recommending authority's purposes for each of the immediately preceding five calendar years. The information required for each year specified in this paragraph shall also indicate the percentage increase and total dollar increase with respect to the immediately preceding calendar year; and

(3) The date, time, and place where the levying or recommending authority will be setting its millage rate for such authority's purposes.

(d) The commissioner shall not accept for review the digest of any county which does not submit simultaneously a copy of such published reports for the county governing authority and the county board of education with such digest. In the event a digest is not accepted for review by the commissioner pursuant to this subsection, it shall be accepted for review upon satisfactory submission by such county of a copy of such published reports. The levies of each of the levying authorities other than the county governing authority shall be invalid and unenforceable until such time as the provisions of this Code section have been met.

§ 48-5-32.1. Certification of assessed taxable value of property and method of computation; resolution or ordinance required for millage rate; advertisement of intent to increase property tax.

(a) As used in this Code section, the term:

(1) "Ad valorem tax" or "property tax" means a tax imposed upon the assessed value of real property.

(2) "Certified tax digest" means the total net assessed value on the annual property tax digest certified by the tax commissioner of a taxing jurisdiction to the department and authorized by the commissioner for the collection of taxes, or, in the case where the governing authority of a county whose digest has not been approved by the commissioner has petitioned the superior court of the county for an order authorizing the immediate and temporary collection of taxes, the temporary digest so authorized.

(3) "Levying authority" means a county, a municipality, or a consolidated city-county governing authority or other governing authority of a political subdivision of this state that exercises the power to levy ad valorem taxes to carry out the governing authority's purposes.

(4) "Mill" means one one-thousandth of a United States dollar.

(5) "Millage" or "millage rate" means the levy, in mills, which is established by the governing authority for purposes of financing, in whole or in part, the taxing jurisdiction's expenses for its fiscal year.

(6) "Millage equivalent" means the number of mills which would result when the total net assessed value added by reassessments is divided by the certified tax digest and the result is multiplied by the previous year's millage rate.

(7) "Net assessed value" means the taxable assessed value of property after all exemptions.

(8) "Recommending authority" means a county, independent, or area school board of education that exercises the power to cause the levying authority to levy ad valorem taxes to carry out the purposes of such board of education.

(9) "Roll-back rate" means the previous year's millage rate minus the millage equivalent of the total net assessed value added by reassessments:

(A) As calculated and certified to the commissioner by the tax commissioner for county and educational tax purposes; and

(B) As calculated by the collecting officer of the municipality for municipal tax purposes.

(10) "Taxing jurisdiction" means all the real property subject to the levy of a specific levying authority or the recommended levy of a specific recommending authority.

(11) "Total net assessed value added by reassessments" means the total net assessed value added to the certified tax digest as a result of revaluation of existing real property that has not been improved since the previous tax digest year.

(b) At the time of certification of the digest, the tax receiver or tax commissioner shall also certify to the recommending authority and levying authority of each taxing jurisdiction the total net assessed value added by reassessments contained in the certified tax digest for that tax digest year of the taxing jurisdiction.

(c) **(1)** Whenever a recommending authority or levying authority shall propose to adopt a millage rate which does not exceed the roll-back rate, it shall adopt that millage rate at an advertised public meeting and at a time and place which is convenient to the taxpayers of the taxing jurisdiction, in accordance with the procedures specified under Code Section 48-5-32.

(2) In those instances in which the recommending authority or levying authority proposes to establish a general maintenance and operation millage rate which would require increases beyond the roll-back rate, the recommending authority or levying authority shall advertise its intent to do so and shall conduct at least three public hearings thereon, at least one of which shall commence between the hours of 6:00 P.M. and 7:00 P.M., inclusive, on a business weekday. The recommending authority or levying authority shall place an advertisement in a newspaper of general circulation serving the residents of the unit of local government and post such advertisement on the website of the recommending or levying authority, which shall read as follows:

"NOTICE OF PROPERTY TAX INCREASE

The (name of recommending authority or levying authority) has tentatively adopted a millage rate which will require an increase in property taxes by (percentage increase over roll-back rate) percent.

All concerned citizens are invited to the public hearing on this tax increase to be held at (place of meeting) on (date and time) .

Times and places of additional public hearings on this tax increase are at (place of meeting) on (date and time) .

This tentative increase will result in a millage rate of (proposed millage rate) mills, an increase of (millage rate increase above the roll-back rate) mills. Without this tentative tax increase, the millage rate will be no more than (roll-back millage rate) mills. The proposed tax increase for a home with a fair market value of (average home value from previous year's digest rounded to the nearest $25,000.00) is approximately $ (increase) and the proposed tax increase for nonhomestead property with a fair market value of (average nonhomestead property value from previous year's digest rounded to nearest $25,000.00) is approximately $ (increase)."

Simultaneously with this notice the recommending authority or levying authority shall provide a press release to the local media.

(3) The advertisement shall appear at least one week prior to each hearing, be prominently displayed, not be less than 30 square inches, and not be placed in that section of the newspaper where legal notices appear and shall be posted on the appropriate website at least one week prior to each hearing. In addition to the advertisement specified under this paragraph, the levying or recommending authority may include in the notice reasons or explanations for such tax increase.

(4) No recommending authority shall recommend and no levying authority shall levy a millage rate in excess of the proposed millage rate as established pursuant to paragraph (2) of this subsection without beginning anew the procedures and hearings required by this Code section and those required by Code Section 48-5-32.

(5) Any notice or hearing required under this Code section may be combined with any notice or hearing required under Article 1 of Chapter 81 of Title 36 or Code Section 48-5-32.

(d) Nothing contained in this Code section shall serve to extend or authorize any millage rate in excess of the maximum millage rate permitted by law or to prevent the reduction of the millage rate.

(e) The commissioner shall not accept a digest for review or issue an order authorizing the collection of taxes if the recommending authority or levying authority other than municipal governing authorities has established a millage rate that is in excess of the correct rollback without complying fully with the

procedures required by this Code section. In the event a digest is not accepted for review by the commissioner pursuant to this subsection, it shall be accepted for review upon satisfactory submission by such authorities of such evidence. The levies of each of the levying authorities other than the county governing authority shall be invalid and unenforceable until such time as the provisions of this Code section have been met.

(f) The commissioner shall promulgate such rules and regulations as may be necessary for the administration of this Code section.

Property Tax Exemptions and Deferral

TAX EMEMPTIONS

§ 48-5-40. Definitions

As used in this part, the term:

(1) "Applicant" means a person who is:

(A)

(i) A married individual living with his or her spouse;

(ii) An individual who is unmarried but who permanently maintains a home for the benefit of one or more other individuals who are related to such individual or dependent wholly or partially upon such individual for support;

(iii) An individual who is widowed having one or more children and maintaining a home occupied by himself or herself and the child or children;

(iv) A divorced individual living in a bona fide state of separation and having legal custody of one or more children, when the divorced individual owns and maintains a home for the child or children; or

(v) An individual who is unmarried or is widowed and who permanently maintains a home owned and occupied by himself or herself; and

(B) A resident of this state as defined in paragraph (15) of Code Section 40-5-1, as amended.

§ 40-5-1. Definitions

(15) "Resident" means a person who has a permanent home or abode in Georgia to which, whenever such person is absent, he or she has the intention of returning. For the purposes of this chapter, there is a rebuttable presumption that the following person is a resident:

(A) Any person who accepts employment or engages in any trade, profession, or occupation in Georgia or enters his or her children to be educated in the private or public schools of Georgia within ten days after the commencement of such employment or education; or

(B) Any person who, except for infrequent, brief absences, has been present in the state for 30 or more days;

provided, however, that no person shall be considered a resident for purposes of this chapter unless such person is either a United States citizen or an alien with legal authorization from the United States Immigration and Naturalization Service.

(2) "Home for the aged" means a facility which provides residential services, health care services, or both residential services and health care services to the aged.

(3) "Homestead" means the real property owned by and in possession of the applicant on January 1 of the taxable year and upon which the applicant resides including, but not limited to, the land immediately surrounding the residence to which the applicant has a right of possession under a bona fide claim of ownership. The term "homestead" includes the following qualifications:

(A) The actual permanent place of residence of an individual who is the applicant and which constitutes the home of the family;

(B) Where the person who is the applicant holds the bona fide fee title (although subject to mortgage or debt deed), an estate for life, or under any bona fide contract of purchase providing for the conveyance of title to the applicant upon performance of the contract;

(C) Where the building is occupied primarily as a dwelling;

(D) Where the children of deceased or incapacitated parents occupy the homestead of their parents and one of the children stands in the relation of applicant. This subparagraph shall apply whether or not the estate is distributed;

(E) Where a husband or wife occupies a dwelling and the title of the homestead is in the name of the wife;

(F) In the event a dwelling house which is classed as a homestead is destroyed by fire, flood, storm, or other unavoidable accident or is demolished or repaired so that the owner is compelled to reside

temporarily in another place, the dwelling house shall continue to be classed as a homestead for a period of one year after the occurrence;

(G) In the event an individual who is the applicant owns two or more dwelling houses, he shall be allowed the exemption granted by law on only one of the houses. Only one homestead shall be allowed to one immediate family group;

(H) Where property is owned and occupied jointly by two or more individuals all of whom occupy the property as a home and if the property is otherwise entitled to a homestead exemption, the homestead may be claimed in the names of the joint owners residing in the home. Where the property on which a homestead exemption is claimed is jointly owned by the occupant and others, the occupant or occupants shall be entitled to claim the full amount of the homestead exemption;

(I) The permanent place of residence of an individual in the armed forces. Any such residence shall be construed to be actually occupied as the place of abode of such individual when the family of the individual resides in the residence or when the family is forced to live elsewhere because of the individual's service in the armed forces;

(J) Absence of an individual from his residence because of duty in the armed forces shall not be considered as a waiver upon the part of the individual in applying for a homestead exemption. Any member of the immediate family of the individual or a friend of the individual may notify the tax receiver or the tax commissioner of the individual's absence. Upon receipt of this notice, the tax receiver or tax commissioner shall grant the homestead exemption to the individual who is absent in the armed forces;

(K) The homestead exempted must be actually occupied as the permanent residence and place of abode by the applicant awarded the exemption, and the homestead shall be the legal residence and domicile of the applicant for all purposes whatever;

(L) In all counties having a population of not less than 23,500 nor more than 23,675, according to the United States decennial census of 2010 or any future such census, where the person who is the applicant holds real property subject to a written lease; the applicant has held the property subject to such a lease for not less than three years prior to the year for which application is made; and the applicant is the owner of all improvements located on the real property;

(M) The deed reflecting the actual ownership of the property for which the applicant seeks to receive a homestead exemption must be recorded in the deed records of the county prior to the filing of the application for the homestead exemption; and

(N) Absence of an individual from such individual's residence because of health reasons shall not in and of itself be considered as a waiver upon the part of the individual in applying for a homestead exemption if all other qualifications are otherwise met. Any member of the immediate family of the individual or a friend of the individual may notify the tax receiver or the tax commissioner of the

individual's absence. Upon receipt of this notice, the tax receiver or tax commissioner shall grant the homestead exemption to the individual who is absent for health reasons.

(4) "Hospital" means an institution in which medical, surgical, or psychiatric care is provided to individuals who are sick, injured, diseased, mentally ill, or crippled. "Hospital" does not include an institution licensed as a nursing home under the laws of this state.

(5) "Institutions of purely public charity," "nonprofit hospitals," and "hospitals not operated for the purpose of private or corporate profit and income" mean such institutions or hospitals which may have incidental income from paying patients when the income, if any, is devoted exclusively to the charitable purpose of caring for patients who are unable to pay and to maintaining, operating, and improving the facilities of such institutions and hospitals, and when the income is not directly or indirectly for distribution to shareholders in corporations owning such property or to other owners of such property.

(6) "Occupied primarily as a dwelling" means:

(A) The applicant or members of his family occupy the property as a home; or

(B)

(i) The applicant or members of his family occupy a portion of the property as a home;

(ii) No more than one exemption may be claimed pursuant to this subparagraph in connection with the occupancy of one building, except in the case of a duplex or double occupancy dwelling when the line of division follows a natural and bona fide plan as to both land and building and the two units thus formed are separately owned and occupied.

§ 48-5-41. Property exempt from taxation

(a) The following property shall be exempt from all ad valorem property taxes in this state:

(1) **(A)** Except as provided in this paragraph, all public property.

(B) No public real property which is owned by a political subdivision of this state and which is situated outside the territorial limits of the political subdivision shall be exempt from ad valorem taxation unless the property is:

(i) Developed by grading or other improvements to the extent of at least 25 percent of the total land area and facilities are located on the property which are actively used for a public or governmental purpose;

(ii) Three hundred acres or less in area;

(iii) Located inside a county embracing all or part of a municipality owning such property; or

(iv) That portion of any real property which has been designated as a watershed by the United States Soil and Water Conservation Service and used as a watershed by the political subdivision owning the property.

(C) Property which is owned by and used exclusively as the general state headquarters of a nonprofit corporation organized for the primary purpose of encouraging cooperation between parents and teachers to promote the education and welfare of children and youth, notwithstanding the fact that such nonprofit corporation may derive income from fees or dues paid by persons, organizations, or associations to affiliate with such nonprofit corporation, shall be considered to be an extension of the public schools of this state and such property shall be considered to be public property within the meaning of this paragraph.

(D) Property which is held by a Georgia nonprofit corporation whose income is exempt from federal income tax pursuant to Section 115 of the Internal Revenue Code of 1986 and held exclusively for the benefit of a county, municipality, or school district shall be considered to be public property within the meaning of this paragraph.

(E) Property which qualifies as a public-private transportation project pursuant to Code Section 32-2-80 which property is owned or leased by the state, a state agency, or another governmental entity and which is developed, operated, or held by a private partner shall be considered to be public property within the meaning of this paragraph.

(F) All interests in property on a campus of the Board of Regents of the University System of Georgia primarily used for student housing or parking held by a private party that is contractually obligated to operate such property primarily for the use or benefit of a public college or university shall be considered to be public property within the meaning of this paragraph, provided that such interest of the private party resulted from a competitive procurement.

(2) All places of burial;

(2.1) **(A)** All places of religious worship.

(B) All property owned by and operated exclusively as a church, an association or convention of churches, a convention mission agency, or as an integrated auxiliary of a church or convention or association of churches, when such entity is qualified as an exempt religious organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and such property is used in a manner consistent with such exemption under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended;

(3) All property owned by religious groups and used only for single-family residences when no income is derived from the property;

(4) All institutions of purely public charity;

(5) **(A)** All property of nonprofit hospitals used in connection with their operation when the hospitals have no stockholders, have no income or profit which is distributed to or for the benefit of any private person, and are subject to the laws of this state regulating nonprofit or charitable corporations.

(B) Property exempted pursuant to this paragraph shall not include property of a nonprofit hospital held primarily for investment purposes or used for purposes unrelated to:

(i) Providing of patient care;

(ii) Providing and delivery of health care services; or

(iii) Training and education of physicians, nurses, and other health care personnel;

(6) All buildings erected for and used as a college, incorporated academy, or other seminary of learning;

(7) All funds or property held or used as endowment by colleges, nonprofit hospitals, incorporated academies, or other seminaries of learning when the funds or property are not invested in real estate;

(8) When used by or connected with any public library, all the real and personal property of such library and all the real and personal property of any other literary association;

(9) All books, philosophical apparatus, paintings, and statuary of any company or association which are kept in a public hall and which are not held as merchandise or for purposes of sale or gain;

(10) Reserved;

(11) All property used in or which is a part of any facility which has been installed or constructed at any time for the primary purpose of eliminating or reducing air or water pollution if such facilities

have been certified by the Department of Natural Resources as necessary and adequate for the purposes intended;

(12) **(A)** Property of a nonprofit home for the aged used in connection with its operation when the home for the aged has no stockholders and no income or profit which is distributed to or for the benefit of any private person and when the home is qualified as an exempt organization under the United States Internal Revenue Code, Section 501(c)(3), as amended, and Code Section 48-7-25, and is subject to the laws of this state regulating nonprofit and charitable corporations.

(B) Property exempted by this paragraph shall not include property of a home for the aged held primarily for investment purposes or used for purposes unrelated to the providing of residential or health care to the aged.

(C) For purposes of this paragraph, indirect ownership of such home for the aged through a limited liability company that is fully owned by such exempt organization shall be considered direct ownership;

(13) **(A)** All property of any nonprofit home for the mentally disabled used in connection with its operation when the home for the mentally disabled has no stockholders and no income or profit which is distributed to or for the benefit of any private person and when the home is qualified as an exempt organization under the United States Internal Revenue Code of 1954, Section 501(c)(3), as amended, and Code Section 48-7-25, and is subject to the laws of this state regulating nonprofit and charitable corporations.

(B) Property exempted by this paragraph shall not include property of a home for the mentally disabled held primarily for investment purposes or used for purposes unrelated to the providing of residential or health care to the mentally disabled.

(C) For purposes of this paragraph, indirect ownership of such home for the mentally disabled through a limited liability company that is fully owned by such exempt organization shall be considered direct ownership.

(D) For purposes of this paragraph, the participation of a business corporation or other entity or person in the indirect ownership of such home for the mentally disabled, as a member of the limited liability company or limited partner of the partnership that is the direct owner of such home, for the purpose of providing financing for the construction or renovation of such home in return for a share of any tax credits pursuant to United States Internal Revenue Code of 1986, Section 42, as amended, and which relinquishes all ownership of such home upon the completion of its obligation under the financing agreement, shall not operate to disqualify such home for the exemption under this paragraph;

(14) **(A)** Property which is owned by and used exclusively as the headquarters, post home, or similar facility of a veterans organization. As used in this paragraph, the term "veterans organization" means any organization or association chartered by the Congress of the United States which is exempt from federal income taxes but only if such organization is a post or organization of past or present members of the armed forces of the United States organized in the State of Georgia with at least 75 percent of the members of which are past or present members of the armed forces of the United States, and where no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(B) Property which is owned by and used exclusively by any veterans organization which is qualified as a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and which has been organized for the purpose of refurbishing and operating historic military aircraft acquired from the federal government and other sources, making such aircraft airworthy, and putting such aircraft on display to the public for educational purposes; and

(15) Property that is owned by a historical fraternal benefit association and which is used exclusively for charitable, fraternal, and benevolent purposes. As used in this paragraph, the term "fraternal benefit association" means any organization qualified as an exempt organization under the United States Internal Revenue Code of 1954, Section 501(c)(10), as amended, where such organization has a representative form of government and a lodge system with a ritualistic form of work for the meeting of its chapters or other subordinate bodies and whose founding organization received its charter from the General Assembly of Georgia prior to January 1, 1880.

(b) The exemptions provided for in this Code section which refer to colleges, nonprofit hospitals, incorporated academies, or other seminaries of learning shall only apply to those colleges, nonprofit hospitals, incorporated academies, or other seminaries of learning which are open to the general public.

(c) The property exempted by this Code section, excluding property exempted by paragraph (1) of subsection (a) of this Code section, shall not be used for the purpose of producing private or corporate profit and income distributable to shareholders in corporations owning such property or to other owners of such property, and any income from such property shall be used exclusively for religious, educational, and charitable purposes or for either one or more of such purposes and for the purpose of maintaining and operating such religious, educational, and charitable institutions.

(d) **(1)** Except as otherwise provided in paragraph (2) of this subsection, this Code section, excluding paragraph (1) of subsection (a) of this Code section, shall not apply to real estate or buildings which are rented, leased, or otherwise used for the primary purpose of securing an income thereon and shall not apply to real estate or buildings which are not used for the operation of religious, educational, and charitable institutions. Donations of property to be exempted shall not be predicated upon an agreement, contract, or other instrument that the donor or donors shall receive or retain any part of the net or gross income of the property.

(2) With respect to paragraph (4) of subsection (a) of this Code section, a building which is owned by a charitable institution that is otherwise qualified as a purely public charity and that is exempt from taxation under Section 501(c)(3) of the federal Internal Revenue Code and which building is used by such charitable institution exclusively for the charitable purposes of such charitable institution, and not more than 15 acres of land on which such building is located, may be used for the purpose of securing income so long as such income is used exclusively for the operation of that charitable institution.

§ 48-5-41.1. Exemption of qualified farm products and harvested agricultural products from taxation.

(a) As used in this Code section, the term:

(1) "Agricultural equipment" means farm tractors, combines, and all other farm equipment other than motor vehicles, whether fixed or mobile, which are owned by or held under a lease-purchase agreement and directly used in the production of farm products by a family owned qualified farm products producer.

(2) "Family owned farm entity" means a family corporation, a family partnership, a family general partnership, a family limited partnership, a family limited corporation, or a family limited liability company all of the interest of which is owned by one or more natural or naturalized citizens related to each other within the fourth degree of civil reckoning. It shall include an estate of which the devisees or heirs are one or more natural or naturalized citizens related to each other within the fourth degree of civil reckoning. It shall include a trust of which the beneficiaries are one or more natural or naturalized citizens related to each other within the fourth degree of civil reckoning. Such family owned farm entity must have derived 80 percent or more of its gross income from bona fide agricultural uses within this state within the year immediately preceding the year in which the exemption provided by this Code section is sought.

(3) "Family owned qualified farm products producer" means an individual or family owned farm entity primarily engaged in the direct cultivation of the soil, including soil removed from the land and placed in pots or containers, or operation of land for the production of qualified farm products. A family owned qualified farm products producer shall not include wholesalers, distributors, storage facility owners, manufacturers, processors, or other similar entities that primarily prepare qualified farm products for any intermediate or final market or that primarily operate to move or facilitate the movement of qualified farm products from a producer to any intermediate or final markets.

(4) "Farm products" means only those farm products eligible to qualify for exemption from ad valorem taxation pursuant to the former provisions of paragraph (10) of subsection (a) of Code Section 48-5-41 as it existed prior to January 1, 1999.

(5) "Harvested agricultural products" means only those harvested agricultural products eligible to qualify for exemption from ad valorem taxation pursuant to the former provisions of paragraph (10) of subsection (a) of Code Section 48-5-41 as it existed prior to January 1, 1999.

(6) "Initial production" means:

(A) When applied to a laying hen, a period beginning at the time the laying hen comes into production at age six months rather than a period beginning when the laying hen is hatched; or

(B) When applied to a brood cow, a period of nine months from the time the brood cow is able to conceive at age 12 months rather than a period beginning when the brood cow is born.

(7) "Lease-purchase agreement" means a financing agreement under which lessee payments are credited toward the purchase of agricultural equipment or that provides for a fixed amount purchase option to a lessee during the lease term. Under a lease-purchase agreement the title of ownership may remain with the lessor during the lease.

(8) "Producer" means any entity that produces farm products.

(9) "Qualified farm products" means livestock; crops; fruit or nut bearing trees, bushes, or plants; annual and perennial plants; Christmas trees; and plants and trees grown in nurseries for transplantation elsewhere. Qualified farm products shall not include standing timber.

(b) The following property shall be exempt from all ad valorem property taxes in this state:

(1) All farm products grown in this state and remaining in the hands of the producer during the one year beginning immediately after their initial production;

(2) Harvested agricultural products which have a planting-to-harvest cycle of 12 months or less, which are customarily cured or aged for a period in excess of one year after harvesting and before manufacturing, and which are held in this state for manufacturing and processing purposes;

(3) All qualified farm products grown in this state:

(A) Remaining in the hands of a family owned qualified farm products producer;

(B) Still in their natural and unprocessed condition, unless processed solely for further use in the production of other qualified farm products; and

(C) Not held for direct retail sale by someone other than the original family owned qualified farm products producer; and

(4) Agricultural equipment.

§ 48-5-41.2. Exemption from taxation of personal property in inventory for business

All tangible personal property constituting the inventory of a business shall be exempt from state ad valorem taxation.

§ 48-5-42. Exempt personalty

All personal clothing and effects, household furniture, furnishings, equipment, appliances, and other personal property used within the home, if not held for sale, rental, or other commercial use, shall be exempt from all ad valorem taxation. All tools and implements of trade of manual laborers shall be exempt from all ad valorem taxation in an amount not to exceed $2,500.00 in actual value and all domestic animals shall be exempt from all ad valorem taxation in an amount not to exceed $300.00 in actual value.

§ 48-5-42.1. Personal property tax exemption for property valued at $7,500.00 or less

(a) It is the intent of this Code section to exempt from the payment of ad valorem taxation certain tangible personal property on which the tax due does not exceed the reasonable cost of administering and collecting the tax.

(b) All tangible personal property of a taxpayer, except motor vehicles, trailers, and mobile homes, shall be exempt from all ad valorem taxation if the actual fair market value of the total amount of taxable tangible personal property owned by the taxpayer within the county, as determined by the board of tax assessors, does not exceed $7,500.00.

§ 48-5-43. Exemption for fertilizers

Consumers of commercial fertilizers shall not be required to return for taxation any commercial fertilizers or any manures commonly used by farmers and others as fertilizers if the land upon which the fertilizer is to be used has been properly returned for taxation.

§ 48-5-44. Exemption of homestead occupied by owner; effect of participation in rural housing program on homestead exemption; limits

The homestead of each resident of this state actually occupied by the owner as a residence and homestead shall be exempted from all ad valorem taxation for state, county, and school purposes, except taxes levied by municipalities for school purposes and except to pay interest on and to retire bonded indebtedness, for as long as the residence and homestead is actually occupied by the owner primarily as a residence and homestead. The exemption shall not exceed $2,000.00 of the value of the homestead. Should the owner of a dwelling house on a farm who is already entitled to a homestead exemption participate in the program of rural housing and obtain a new house under contract with the local housing authority, he shall be entitled to receive the same homestead exemption as allowed before making the contract. Except as otherwise specifically provided by law, the value of all homestead property in excess of $2,000.00 shall remain subject to taxation. The exemption shall be returned and claimed in the manner prescribed by law. This exemption shall not apply to taxes levied by municipalities.

§ 48-5-44.1. Homestead exemption for resident residing in a municipal corporation that is located in more than one county; application required; renewal

(a) For purposes of this Code section, the term:

(1) "Ad valorem taxes" means all ad valorem taxes for municipal purposes levied by, for, or on behalf of any municipality in this state, but excluding any ad valorem taxes to pay interest on and to retire municipal bonded indebtedness.

(2) "Adjusted base year value" means the previous adjusted base year value adjusted annually by 2.6 percent plus any change in homestead value, provided that no such change in homestead value shall be duplicated as to the same addition or improvement.

(3) "Change in homestead value" means value, including any final determination of value on appeal pursuant to Code Section 48-5-311 derived from additions or improvements to, or the removal of real property of, the homestead after the lowest base year value is determined.

(4) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 with the additional qualification that it shall include only the primary residence and not more than five contiguous acres of land immediately surrounding such residence.

(5) "Lowest base year value" means:

(A) Among the 2016, 2017, and 2018 taxable years, the lowest assessed value, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the homestead, with such assessed value being multiplied by 1.0423, which number represents inflation rate data for December, 2015, through December, 2017, with respect to an exemption under this Code section which is first granted to a person on such person's homestead in the 2019 taxable year or who thereafter reapplies for and is granted such exemption in the 2020 taxable year, or thereafter, solely because of a change in ownership to a joint tenancy with right of survival; or

(B) In all other cases, the lower of the assessed value, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the homestead, from the taxable year immediately preceding the taxable year in which the exemption under this Code section is first granted to the most recent owner of such homestead or the assessed value, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the homestead, from the taxable year in which the exemption under this Act is first granted to the most recent owner of such homestead, with respect to an exemption under this Code section which is first granted to a person on such person's homestead in the 2020 taxable year or who thereafter reapplies for and is granted such exemption in the 2021 taxable year, or thereafter, solely because of a change in ownership to a joint tenancy with right of survival.

(6) "Previous adjusted base year" means:

(A) With respect to an exemption under this Code section that is first granted to a person on such person's homestead, the lowest base year value; or

(B) In all other cases, the adjusted base year value as calculated in the taxable year immediately preceding the current year.

(b) When a resident of this state resides in a municipal corporation that is located in more than one county, that levies a sales tax for the purposes of a metropolitan area system of public transportation, and that has within its boundaries an independent school system, the homestead of each such resident actually occupied by the owner as a residence and homestead shall be exempted from ad valorem taxes for municipal purposes in an amount equal to the amount by which the current year assessed value, including any final determination of value on appeal pursuant to Code Section 48-5-311 of such homestead exceeds the adjusted base year value of the homestead. The value of such property in excess of such exempted amount shall remain subject to taxation.

(c) The surviving spouse of the person who has been granted the exemption provided for in subsection (b) of this Code section shall continue to receive such exemption so long as such surviving spouse continues to occupy the home as a residence and homestead.

(d) A person shall not receive the homestead exemption granted by subsection (b) of this Code section unless such person or person's agent files an application with the tax receiver or tax commissioner of his or her respective municipality charged with the duty of receiving returns of property for taxation giving such information relative to receiving such exemption as will enable such tax receiver or tax commissioner to make a determination regarding the initial and continuing eligibility of such person for such exemption or has already filed for and is receiving a homestead exemption and such existing application provides sufficient information to make such determination of eligibility. Such tax receiver or tax commissioner shall provide application forms for this purpose.

(e) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1. Such exemption shall be automatically renewed from year to year so long as the owner occupies the residence as a homestead. After a person or a person's agent has filed the proper application as provided in subsection (d) of this Code section, it shall not be necessary to make application thereafter for any year and the exemption shall continue to be allowed to such person. It shall be the duty of any person granted the homestead exemption under subsection (b) of this Code section to notify the tax receiver or tax commissioner of the municipality in the event such person for any reason becomes ineligible for such exemption.

(f) **(1)** Except as otherwise provided in paragraph (2) of this subsection, the homestead exemption granted by subsection (b) of this Code section shall be in addition to and not in lieu of any other homestead exemption applicable to ad valorem taxes for municipal purposes.

(2) The homestead exemption granted by subsection (b) of this Code section shall be in lieu of and not in addition to any other base year assessed value or adjusted base year value homestead exemption provided by local Act which is applicable to ad valorem taxes for municipal purposes.

(g) The exemption granted by subsection (b) of this Code section shall apply to all taxable years beginning on or after January 1, 2019.

(h) Any municipal corporation described in subsection (b) of this Code section shall be exempt from the provisions of subsections (c) and (e) of Code Section 48-5-32.1.

§ 48-5-45. Application for homestead exemption; unlawful to solicit fee to file application for homestead for another

(a) **(1)** An applicant seeking a homestead exemption as provided in Code Section 48-5-44 and qualifying under the provisions of Code Section 48-5-40 shall file a written application and schedule with the tax receiver or tax commissioner charged with the duty of receiving returns of property for taxation at any time during the calendar year subsequent to the property becoming the primary residence of the applicant up to and including the date for the closing of the books for the return of taxes for the calendar year.

(2) The failure to file properly the application and schedule on or before the date for the closing of the books for the return of taxes of a calendar year in which the taxes are due shall constitute a waiver of the homestead exemption on the part of the applicant failing to make the application for such exemption for that year.

(b) The owner of a homestead which is actually occupied by the owner as a residence and homestead shall not have to apply for the exemption more than once so long as the owner remains in continuous occupation of the residence as a homestead. The exemption shall automatically be renewed from year to year so long as the owner continuously occupies the residence as a homestead.

(c) It is unlawful for any person, firm, or corporation to solicit, either directly or by mail or advertisement, any other person for the purpose of filing on behalf of such other person the application and schedule for homestead exemption required by this Code section if a fee is charged for filing such application and schedule on behalf of such other person. A violation of this subsection shall be a misdemeanor.

§ 48-5-46. Procedure for application

(a) The application for the homestead exemption shall be furnished by the commissioner not later than February 1 of each year to the tax receiver or tax commissioner and municipal authorities, as the case may be, of the various counties.

(b) The application shall provide for:

> **(1)** A statement of ownership of the homestead, a complete description of the property on which homestead exemption is claimed, when and from whom the property was acquired, the kind of title held, and the amount of liens, if any, and to whom due; and
>
> **(2)** The approval of the application by the official so authorized.

(c) A form of oath shall be provided and shall be administered to the applicant seeking the homestead exemption. The oath may be administered and witnessed by the tax receiver, tax commissioner, any authorized deputy of the tax receiver or tax commissioner, or any individual authorized by law to administer oaths.

(d) The tax receiver or tax commissioner shall deliver to any interested person the forms prescribed for the exemption. The applicant must answer all questions correctly to be entitled to an approval of the application.

(e) The tax receiver or tax commissioner shall receive all applications for homestead exemption and shall file and preserve the applications. The application shall be filed with the tax receiver or tax commissioner as provided by law.

LGS-Homestead Rev 10-08

APPLICATION FOR HOMESTEAD EXEMPTION

The homestead exemptions provided for in this Application form are those authorized by Georgia law. Counties are authorized to provide for local homestead exemptions that may vary from the ones shown on this application. Applicants seeking a local homestead exemption should contact the local Tax Commissioner or Tax Receiver for additional information. If this application is denied an appeal may be filed in accordance with O.C.G.A. § 48-5-311.

SECTION A: APPLICANT INFORMATION

List below the address of any other property where you or your spouse have applied for and been granted a homestead exemption for the current year:

Are you and your spouse a Georgia resident, US citizen or non-citizen with legal authorization from the US Immigration and Naturalization Service? ☐ YES ☐ NO

If you are a non-citizen with legal authorization from the US Immigration and Naturalization Service, please provide your Legal Alien Registration # _____

Applicant:		Spouse:	
	Name:		Name:
	Street Address:		Street Address:
	City, State, Zip:		City, State, Zip:
	Social Security No.:		Social Security No.:
	Year of Birth: / Phone Number:		Year of Birth: / Phone Number:
	County where you are registered to vote:		County where you are registered to vote:
	County where car is registered: / If you and/or your spouse are in the military service, list the state shown as your home of record:		

If you answer Yes to Question #1, please follow the instructions to determine if you qualify for an increased homestead amount. Please see the Tax Commissioner or Receiver for additional information and qualification requirements.

☐ YES	1. Were you or your spouse age 62 or older as of Jan 1 of the year of this application? Go to Sections C1 and/or C2 on the back of this application to determine whether you meet certain gross and/or net income requirements.
☐ YES	2. Is the applicant or spouse a 100% disabled veteran or is the applicant the unremarried surviving spouse of a 100% disabled veteran?
☐ YES	3. Are you the unremarried surviving spouse of a US service member killed in action?
☐ YES	4. Are you the unremarried surviving spouse of a firefighter or peace officer killed in the line of duty?

SECTION B: PROPERTY INFORMATION

Location of Property (Street Address):		Lot Size or Number of Acres:	
Date Property Purchased:	From Whom Purchased:	Map/Parcel Number:	
Purchase Price:	Amount of Lien:	Land Lot Number:	Land District Number:
Kind of Title Held:	To Whom is Lien due:	Deed Recorded: Book:	Page:
Is any part of the property used for business purposes? ☐ YES ☐ NO If yes, what kind of business & how much of the property is used?		Is any part of the property rented? ☐ YES ☐ NO If yes, what part is rented?	

AFFIDAVIT OF APPLICANT

I, the undersigned, do solemnly swear that the statements made in support of this application are true and correct, that I am the bona fide owner of the property described in this application, that I shall occupy or actually occupied same on Jan 1 of the year for which application is made, that I am an eligible applicant for the homestead exemption applied for, qualifying or meeting the definition of the word "applicant" as defined in O.C.G.A. § 48-5-40 and that no transaction has been made in collusion with another for the purpose of obtaining a homestead exemption contrary to law.

Sworn to and subscribed to before me this ____ day of _____, 20_____ Applicant's Signature: _____

_____ Tax Commissioner or Tax Receiver [ ] APPROVED [ ] DENIED _____ Board of Tax Assessors _____ Date

THIS SECTION FOR TAX ASSESSORS USE ONLY:	CODE	AMOUNT
STATE TAX >>		
COUNTY TAX >>		
SCHOOL TAX >>		

SECTION C1: COMPLETE THIS SECTION TO DETERMINE ELIGIBILITY FOR NET INCOME REQUIREMENT

If filing Joint Income Tax Return, Applicant must complete Column 1A only. If filing separately, both Columns 1A and 1B must be completed

INCOME FOR TAX YEAR ENDING DECEMBER 31, 20_____

		COLUMN 1A APPLICANT	COLUMN 1B SPOUSE
Line 1	Total Income from Public or Private retirement, disability or pension system		
Line 2	Total Income from Social Security		
Line 3	Total Income from both retirement and Social Security (Line 1 plus Line 2)		
Line 4	Maximum Social Security amount (from Tax Receiver)		
Line 5	Retirement Income over maximum Social Security (Line 3 less Line 4) - If less than 0, use 0		
Line 6	Other income from all sources		
Line 7	Adjusted Income (Line 5 plus Line 6)		
Line 8	Standard or Itemized Deductions from Georgia Income Tax Return		
Line 9	Personal Exemption amount from Georgia Income Tax Return		
Line 10	Net Income (Line 7 less Lines 8 and 9)		

If filing Joint Income Tax Return, Line 10, Column 1A must be less than $10,000. If filing Separately, Total of Line 10, Column 1A plus 1B must be less than $10,000

SECTION C2: COMPLETE THIS SECTION TO DETERMINE ELIGIBILITY FOR FEDERAL ADJUSTED GROSS INCOME REQUIREMENT

For each member residing in the household, complete the social security number & federal adjusted gross income in the spaces below

INCOME FOR TAX YEAR ENDING DECEMBER 31, 20_____

			SOCIAL SECURITY NUMBER	FEDERAL ADJUSTED GROSS INCOME
Line 1	Name of Household Member			
Line 2	Name of Household Member			
Line 3	Name of Household Member			
Line 4	Name of Household Member			
Line 5	Name of Household Member			
Line 6	Name of Household Member			
Line 7	Name of Household Member			
ADJUSTED GROSS INCOME-TOTAL OF LINES 1 THRU 7 MUST BE LESS THAN $30,000>>>>>>>>>>>>>>>				

§ 48-5-47. Applications for homestead exemptions of individuals 65 or older

(a) Article VII, Section II, Paragraph IV of the Constitution of the State of Georgia ratified in 1982 continued in effect as statutory law, until otherwise provided for by law, those types of exemptions from ad valorem taxation in effect on June 30, 1983. One such exemption is the homestead exemption granted to certain individuals 65 years of age or over by the seventh unnumbered subparagraph of Article VII, Section I, Paragraph IV of the Constitution of 1976. Pursuant to said provision of the Constitution ratified in 1982, the homestead exemption formerly granted by said provision of the Constitution of 1976 is superseded and modified as provided in subsection (b) of this Code section.

(b) Each person who is 65 years of age or over is hereby granted an exemption from all state and county ad valorem taxes in the amount of $4,000.00 on a homestead owned and occupied by him as a residence if his net income, together with the net income of his spouse who also occupies and resides at such homestead, as net income is defined by Georgia law, from all sources, except as hereinafter provided, does not exceed $10,000.00 for the immediately preceding taxable year for income tax purposes. For the purposes of this subsection, net income shall not include income received as retirement, survivor or disability benefits under the federal Social Security Act or under any other public or private retirement, disability or pension system, except such income which is in excess of the maximum amount authorized to be paid to an individual and his spouse under the federal Social Security Act, and income from such sources in excess of such maximum amount shall be included as net income for the purposes of this subsection. The value of the residence in excess of the above-exempted amount shall remain subject to taxation. Any such owner shall not receive the benefits of such homestead exemption unless he, or through his agent, files an affidavit with the tax commissioner or tax receiver of the county in which he resides, giving his age and the amount of income which he and his spouse received during the last taxable year for income tax purposes, and such additional information relative to receiving the benefits of such exemption as will enable the tax commissioner or tax receiver to make a determination as to whether such owner is entitled to such exemption. The tax commissioner or tax receiver shall provide affidavit forms for this purpose. Such applications shall be processed in the same manner as other applications for homestead exemption, and the provisions of law applicable to the processing of homestead exemptions, as the same now exists or may hereafter be amended, shall apply thereto. Provided, that after any such owner has filed the proper affidavit, as provided above, and has once been allowed the exemption provided in this subsection, it shall not be necessary that he make application and file the said affidavit thereafter for any year and the said exemption shall continue to be allowed to such owner. It shall be the duty of any such owner, however, to notify the tax commissioner or tax receiver in the event he becomes ineligible for any reason for the exemption provided in this subsection.

(c) The application for the homestead exemption of individuals 65 years of age or older provided for by subsection (b) of this Code section shall be in the form prescribed by the commissioner. The application shall require the applicant's social security number. The tax commissioner or tax receiver shall be authorized to have the statement of income of any claimant verified by the department upon sending the social security number of a claimant to the department.

§ 48-5-47.1. Homestead exemptions for individuals 62 or older with annual incomes not exceeding $30,000.00

(a) For purposes of this Code section, the term:

(1) "Ad valorem taxes" means all state ad valorem taxes and all county ad valorem taxes for county purposes levied by, for, or on behalf of a county, except for taxes to pay interest on and to retire bonded indebtedness.

(2) "Base year" means the taxable year immediately preceding the taxable year in which the exemption under this Code section is granted.

(3) "Homestead" as applied in this Code section shall mean the homestead as defined and qualified in Code Section 48-5-40, with the additional qualification that it shall include only the primary residence and not more than five contiguous acres of land immediately surrounding such residence.

(4) "Income" means federal adjusted gross income, as defined in the Internal Revenue Code of 1986, as amended, from all sources.

(5) "Senior citizen" means a person who is 62 years of age or over on or before January 1 of the year in which application for the exemption under this Code section is made.

(b) Each resident of a county who is a senior citizen is granted an exemption on that person's homestead from all ad valorem taxes in an amount equal to the amount of the assessed value of that homestead which exceeds the assessed value of that homestead for the taxable year immediately preceding the taxable year in which this exemption is first granted to such resident, if that person's income, together with the income of the spouse of such person and any other person who resides within such homestead, does not exceed $30,000.00 for the immediately preceding taxable year. This exemption shall not apply to taxes assessed on improvements to the homestead or additional land that is added to the homestead after January 1 of the base year. If any real property is removed from the homestead, the assessment in the base year shall be adjusted to reflect such removal and the exemption shall be recalculated accordingly.

(c) A person shall not receive the homestead exemption granted by subsection (b) of this Code section unless the person or person's agent files an application with the tax commissioner of the county giving the person's

age and the amount of gross income which the person and the person's spouse and any other persons residing within such homestead received during the last taxable year, and such additional information relative to receiving such exemption as will enable the tax commissioner to make a determination as to whether such owner is entitled to such exemption.

(d) The commissioner shall provide application forms for the exemption granted by this Code section which shall require such information as may be necessary to determine the initial and continuing eligibility of the owner for the exemption.

(e) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1. The exemption shall be automatically renewed from year to year as long as the owner occupies the residence as a homestead. After a person has filed the proper application as provided in subsection (c) of this Code section, it shall not be necessary to make application and file such affidavit thereafter for any year and the exemption shall continue to be allowed to such person. It shall be the duty of any person granted the homestead exemption under this Code section to notify the tax commissioner of the county or the designee thereof in the event that person for any reason becomes ineligible for that exemption.

(f) The exemption granted by this Code section shall not apply to or affect any municipal taxes or county school district taxes for educational purposes. The homestead exemption granted by this Code section shall be in lieu of and not in addition to any other homestead exemption applicable to county ad valorem taxes for county purposes.

(g) The exemption granted by this Code section shall apply to all taxable years beginning on or after January 1, 1995.

§ 48-5-48. Homestead exemption by qualified disabled veteran; filing requirements; periodic substantiation of eligibility; persons eligible without application; retroactive award

(a) As used in this Code section, the term "disabled veteran" means:

> **(1)** Any veteran who is a citizen and a resident of this state, who was discharged under honorable conditions, and who has been adjudicated by the United States Department of Veterans Affairs as having a service related disability that renders such veteran as being 100 percent totally disabled or as being less than 100 percent totally disabled but is compensated at the 100 percent level due to

individual unemployability or is entitled to receive a statutory award from the United States Department of Veterans Affairs for:

(A) Loss or permanent loss of use of one or both feet;

(B) Loss or permanent loss of use of one or both hands;

(C) Loss of sight in one or both eyes; or

(D) Permanent impairment of vision of both eyes of the following status: central visual acuity of 20/200 or less in the better eye, with corrective glasses, or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends on angular distance no greater than 20 degrees in the better eye;

(2) An American veteran of any war or armed conflict in which any branch of the armed forces of the United States engaged, whether under United States command or otherwise, and that he or she is disabled due to the loss or loss of use of both lower extremities such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair; due to blindness in both eyes, having only light perception, together with the loss or loss of use of one lower extremity; or due to the loss or loss of use of one lower extremity together with residuals of organic disease or injury which so affect the functions of balance or propulsion as to preclude locomotion without resort to a wheelchair;

(3) Any disabled veteran who is not entitled to receive benefits from the Department of Veterans Affairs but who qualifies otherwise, as provided for by Article VII, Section I, Paragraph IV of the Constitution of Georgia of 1976;

(4) An American veteran of any war or armed conflict who is disabled due to loss or loss of use of one lower extremity together with the loss or loss of use of one upper extremity which so affects the functions of balance or propulsion as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair; or

(5) A veteran becoming eligible for assistance in acquiring housing under Section 2101 of Title 38 of the United States Code as hereafter amended on or after July 1, 1999.

(b) Any disabled veteran as defined in any paragraph of subsection (a) of this Code section who is a citizen and resident of Georgia is granted an exemption of the greater of $32,500.00 or the maximum amount which may be granted to a disabled veteran under Section 2102 of Title 38 of the United States Code, as amended, on his or her homestead which such veteran owns and actually occupies as a residence and homestead, such exemption being from all ad valorem taxation for state, county, municipal, and school purposes. As of January 1, 2004, the maximum amount which may be granted to a disabled veteran under the above-stated federal law is $50,000.00. The value of all property in excess of the exempted amount cited above shall remain subject to taxation. The unremarried surviving spouse or minor children of any such disabled veteran

as defined in this Code section shall also be entitled to an exemption of the greater of $32,500.00 or the maximum amount which may be granted to a disabled veteran under Section 2102 of Title 38 of the United States Code, as amended, on the homestead so long as the unremarried surviving spouse or minor children continue actually to occupy the home as a residence and homestead, such exemption being from all ad valorem taxation for state, county, municipal, and school purposes. As of January 1, 2004, the maximum amount which may be granted to the unremarried surviving spouse or minor children of any such disabled veteran under the above-stated federal law is $50,000.00. The value of all property in excess of such exemption granted to such unremarried surviving spouse or minor children shall remain subject to taxation.

(b.1) The unremarried surviving spouse or minor children of any disabled veteran shall also be entitled to an exemption of the greater of $32,500.00 or the maximum amount on a homestead, or any subsequent homestead within the same county, where such spouse or minor children continue to occupy the home as a homestead, such exemption being from ad valorem taxation for state, county, municipal, and school purposes.

(c) **(1)** Any disabled veteran qualifying pursuant to paragraph (1) or (2) of subsection (a) of this Code section for the homestead exemption provided for in this Code section shall file with the tax commissioner or tax receiver a letter from the Department of Veterans Affairs or the Department of Veterans Service stating the qualifying disability.

(2) Any disabled veteran qualifying pursuant to paragraph (3) of subsection (a) of this Code section for the homestead exemption provided for in this Code section shall file with the tax commissioner or tax receiver a copy of his DD form 214 (discharge papers from his military records) along with a letter from a doctor who is licensed to practice medicine in this state stating that he is disabled due to loss or loss of use of both lower extremities such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair; due to blindness in both eyes, having only light perception, together with the loss or loss of use of one lower extremity; or due to the loss or loss of use of one lower extremity together with residuals of organic disease or injury which so affect the functions of balance or propulsion as to preclude locomotion without resort to a wheelchair. Prior to approval of an exemption, a county board of tax assessors may require the applicant to provide not more than two additional doctors' letters if the board is in doubt as to the applicant's eligibility for the exemption.

(3) Any disabled veteran qualifying pursuant to paragraph (4) of subsection (a) of this Code section for the homestead exemption provided for in this Code section shall file with the tax commissioner or tax receiver a letter from a doctor who is licensed to practice medicine in this state stating the qualifying disability. Prior to approval of an exemption, a county board of tax assessors may require the applicant to provide not more than two additional doctors' letters if the board is in doubt as to the applicant's eligibility for the exemption.

(4) Any disabled veteran qualifying pursuant to paragraph (5) of subsection (a) of this Code section for the homestead exemption provided for in this Code section shall file with the tax commissioner or tax receiver a letter from the Department of Veterans Affairs or the Department of Veterans Service stating the eligibility for such housing assistance.

(d) Each disabled veteran shall file for the exemption only once in the county of his residence. Once filed, the exemption shall automatically be renewed from year to year, except as provided in subsection (e) of this Code section. Such exemption shall be extended to the unremarried surviving spouse or minor children at the time of his death so long as they continue to occupy the home as a residence and homestead. In the event a disabled veteran who would otherwise be entitled to the exemption dies or becomes incapacitated to the extent that he or she cannot personally file for such exemption, the spouse, the unremarried surviving spouse, or the minor children at the time of the disabled veteran's death may file for the exemption and such exemption may be granted as if the disabled veteran had made personal application therefor.

(e) Not more often than once every three years, the county board of tax assessors may require the holder of an exemption granted pursuant to this Code section to substantiate his continuing eligibility for the exemption. In no event may the board require more than three doctors' letters to substantiate eligibility.

(f) Any person who as of January 1, 1991, has applied and is eligible for the exemption for disabled veterans, their surviving spouses, and minor children formerly provided for by the sixth unnumbered subparagraph of Article VII, Section I, Paragraph IV of the Constitution of 1976; the exemption for disabled veterans provided for in Article VII, Section II, Paragraph V of the Constitution of 1983; or the exemption for disabled veterans formerly provided for by Code Section 48-5-48.3 as enacted by an Act approved April 11, 1986 (Ga. L. 1986, p. 1445), shall be eligible for the exemption granted by subsection (b) of this Code section without applying for such exemption.

(g) **(1)** If a disabled veteran receives a final determination of disability from the United States Department of Veterans Affairs containing a retroactive period of eligibility, such disabled veteran or his or her surviving unremarried spouse or minor children shall be entitled to a refund of the ad valorem taxes paid during such period that he or she or his or her surviving unremarried spouse or minor children would have otherwise been exempt from such taxes pursuant to this Code section, provided that the refund shall only be for the three tax years preceding his or her or his or her surviving unremarried spouse's or minor children's application for the homestead exemption permitted by this Code section.

(2) Upon application for the homestead exemption provided by this Code section and submittal of proper documentation, each county and municipality shall consider the taxes paid by such disabled veteran or his or her surviving unremarried spouse or minor children under the circumstances provided in paragraph (1) of this subsection to be voluntarily or involuntarily overpaid and shall refund such taxes to such disabled veteran or his or her surviving unremarried spouse or minor children in accordance with Code Section 48-5-380.

(3) Upon final determination and approval of a period of prior eligibility, the county board of assessors shall immediately transmit such approval to the local tax commissioner and local municipal tax officer if applicable. The tax commissioner and municipal tax officer shall be authorized to refund the proportionate amount of taxes from the entities for whom the taxes were collected for the tax years approved for the exemption. Such refund shall not exceed three tax years and shall not include interest.

§ 48-5-48.1. Tangible personal property inventory exemption; application; failure to file application as waiver of exemption; denials; notice of renewals

(a) Any person, firm, or corporation seeking a level 1 freeport exemption from ad valorem taxation of certain tangible personal property inventory when such exemption has been authorized by the governing authority of any county or municipality after approval of the electors of such county or municipality pursuant to the authority of the Constitution of Georgia or Code Section 48-5-48.2 shall file a written application and summary of property with the county board of tax assessors on forms furnished by such board. Such application shall be filed in the year in which exemption from taxation is sought no later than the date on which the tax receiver or tax commissioner of the county in which the property is located closes the books for the return of taxes.

(b) The application for the level 1 freeport exemption shall provide for:

(1) A summary, as prescribed by the department, of the inventory of goods in the process of manufacture or production which shall include all partly finished goods and raw materials held for direct use or consumption in the ordinary course of the taxpayer's manufacturing or production business in the State of Georgia;

(2) A summary, as prescribed by the department, of the inventory of finished goods manufactured or produced within the State of Georgia in the ordinary course of the taxpayer's manufacturing or production business when held by the original manufacturer or producer of such finished goods;

(3) A summary, as prescribed by the department, of the inventory of finished goods which on January 1 are stored in a warehouse, dock, or wharf, whether public or private, and which are destined for shipment outside the State of Georgia and the inventory of finished goods which are shipped into the State of Georgia from outside this state and which are stored for transshipment to a final destination outside this state. The information required by Code Section 48-5-48.2 to be contained in the official books and records of the warehouse, dock, or wharf where such property is being stored, which official books and records are required to be open to the inspection of taxing authorities of this state and political subdivisions thereof, shall not be required to be included as a part of or to accompany the application for such exemption; and

(4) A summary, as prescribed by the department, of the stock in trade of a fulfillment center which on January 1 is stored in the fulfillment center. The information required by Code Section 48-5-48.2 to be contained in the official books and records of the fulfillment center where such property is being stored, which official books and records are required to be open to the inspection of the taxing authorities of this state and political subdivisions thereof, shall not be required to be included as a part of or to accompany the application for such exemption.

(c) **(1)** For purposes of this subsection, the term "file properly" shall mean and include the timely filing of the completed application for which exemption is sought on or before the due date specified in subsection (a) of this Code section. Any clerical error, including, but not limited to, a typographical error, scrivener's error, or any unintentional immaterial error or omission in the application shall not be construed as a failure to file properly.

(2) The failure to file properly the completed application shall constitute a waiver of the exemption on the part of the person, firm, or corporation failing to make the application for such exemption for that year as follows:

(A) The failure to report any inventory for which such exemption is sought in the summary provided for in the application shall constitute a waiver of the exemption on the part of the person, firm, or corporation failing to so report for that taxable year in an amount equal to the difference between fair market value of the inventory as reported and the fair market value finally determined to be applicable to the inventory for which the exemption is sought; and

(B) The failure to file timely such completed application shall constitute a waiver of the exemption until the first day of the month following the month such completed application is filed properly with the county tax assessor; provided, however, that unless such completed application is filed on or before June 1 of such year, the exemption shall be waived for that entire year.

(d) Upon receiving the application required by this Code section, the county board of tax assessors shall determine the eligibility of all types of tangible personal property listed on the application. If any property has been listed which the board believes is not eligible for the exemption, the board shall issue a letter notifying the applicant, not later than 180 days after receiving the application, that all or a portion of the application has been denied. The denial letter shall list the type and total fair market value of all property listed on the application for which the exemption has been approved and the type and total fair market value of all property listed on the application for which the exemption has been denied. The applicant shall have the right to appeal from the denial of the exemption for any property listed and such appeal shall proceed as provided in Code Section 48-5-311. Except as otherwise provided in subparagraph (c)(2)(A) of this Code section, the county board of assessors shall not send a second letter of notification denying the exemption of all or a portion of such property listed on the application on new grounds that could and should have been discerned at the time the initial denial letter was issued. If, however, the county board of tax assessors fails to issue a letter of denial within 180 days after receiving the taxpayer's application, then the freeport exemption sought in the application shall be deemed accepted in its entirety.

(e) If the level 1 freeport exemption has been granted to a taxpayer for a taxable year, the county board of tax assessors shall issue a notice of renewal to the taxpayer for the immediately following taxable year. Such notice of renewal shall be issued not later than January 15 of such immediately following taxable year to facilitate the filing of a timely completed application by the taxpayer for such taxable year.

§ 48-5-48.2. Level 1 freeport exemption; referendum

(a) This Code section shall be known and may be cited as the "Level 1 Freeport Exemption."

(b) As used in this Code section, the term:

(1) 'Affiliates' means those entities that are part of an affiliated group of the taxpayer as defined in Section 1504(a) of the Internal Revenue Code and all other entities that are directly or indirectly owned 50 percent or more by members of the affiliated group.

~~**(1)**~~**(2)** "Destined for shipment to a final destination outside this state" means, for purposes of a level 1 freeport exemption, that portion or percentage of an inventory of finished goods which the taxpayer can establish, through a historical sales or shipment analysis, either of which utilizes information from the preceding calendar year, or other reasonable, documented method, is reasonably anticipated to be shipped to a final destination outside this state. Such other reasonable, documented method may only be utilized in the case of a new business, in the case of a substantial change in scope of an existing business, or in other unusual situations where a historical sales or shipment analysis does not adequately reflect future anticipated shipments to a final destination outside this state. It is not necessary that the actual final destination be known as of January 1 in order to qualify for the exemption.

~~**(2)**~~**(3)** "Finished goods" means, for purposes of a level 1 freeport exemption, goods, wares, and merchandise of every character and kind but shall not include unrecovered, unextracted, or unsevered natural resources or raw materials or goods in the process of manufacture or production or the stock in trade of a retailer.

~~**(3)**~~**(4)** "Foreign merchandise in transit" means, for purposes of a level 1 freeport exemption, any goods which are in international commerce where the title has passed to a foreign purchaser and the goods are temporarily stored in this state while awaiting shipment overseas.

~~**(4)**~~**(5)** "Fulfillment center" means, for purposes of a level 1 freeport exemption, a business location in Georgia which is used to pack, ship, store, or otherwise process tangible personal property sold by electronic, ~~Internet~~ internet, telephonic, or other remote means, provided that such a business location does not allow customers to purchase or receive goods onsite at such business location.

~~**(5)**~~**(6)** "Raw materials" means, for purposes of a level 1 freeport exemption, any material, whether crude or processed, that can be converted by manufacture, processing, or a combination thereof into a new and useful product but shall not include unrecovered, unextracted, or unsevered natural resources.

~~**(6)**~~**(7)** "Stock in trade of a fulfillment center" means, for purposes of a level 1 freeport exemption, goods, wares, and merchandise held by one in the business of making sales of such goods when such goods are held or stored at a fulfillment center.

~~(7)~~**(8)** "Stock in trade of a retailer" means, for purposes of a level 1 freeport exemption, finished goods held by one in the business of making sales of such goods at retail in this state, within the meaning of Chapter 8 of this title, when such goods are held or stored at a business location from which such retail sales are regularly made. Goods stored in a warehouse, dock, or wharf, including a warehouse or distribution center which is part of or adjoins a place of business from which retail sales are regularly made, shall not be considered stock in trade of a retailer to the extent that the taxpayer can establish, through a historical sales or shipment analysis, either of which utilizes information from the preceding calendar year, or other reasonable, documented method, the portion or percentage of such goods which is reasonably anticipated to be shipped outside this state for resale purposes.

(c) The governing authority of any county or municipality may, subject to the approval of the electors of such political subdivision, exempt from ad valorem taxation, including all such taxes levied for educational purposes and for state purposes, all or any combination of the following types of tangible personal property:

(1) Inventory of goods in the process of manufacture or production which shall include all partly finished goods and raw materials held by the taxpayer, the taxpayer's affiliate, or the taxpayer's designated agent for direct use or consumption in the ordinary course of the taxpayer's manufacturing or production business in this state. The exemption provided for in this paragraph shall apply only to tangible personal property which is substantially modified, altered, combined, or changed in the ordinary course of the taxpayer's manufacturing, processing, or production operations in this state. For purposes of this paragraph, the following activities shall constitute substantial modification in the ordinary course of manufacturing, processing, or production operations:

(A) The cleaning, drying, pest control treatment, or segregation by grade of grain, peanuts or other oil seeds, or cotton;

(B) The remanufacture of aircraft engines or aircraft engine parts or components, meaning the substantial overhauling or rebuilding of aircraft engines or aircraft engine parts or components;

(C) The blending of fertilizer bulk materials into a custom mixture, whether performed at a commercial fertilizer blending plant, retail outlet, or any application site; ~~and~~

(D) The substantial assembly of finished parts; and

(E) The remanufacture, which includes repair or modification of goods manufactured, processed, or produced by the taxpayer;

(2) Inventory of finished goods manufactured or produced within this state in the ordinary course of the taxpayer's manufacturing or production business when held by the original manufacturer or producer of such finished goods. The exemption provided for in this paragraph shall be for a period not exceeding 12 months from the date such property is produced or manufactured;

(3) Inventory of finished goods which, on January 1, are stored in a warehouse, dock, or wharf, whether public or private, and which are destined for shipment to a final destination outside this state and inventory of finished goods which are shipped into this state from outside this state and stored for transshipment to a final destination outside this state, including foreign merchandise in transit. The exemption provided for in this paragraph shall be for a period not exceeding 12 months from the date such property is stored in this state. Such period shall be determined based on application of a first-in, first-out method of accounting for the inventory. The official books and records of the warehouse, dock, or wharf where such property is being stored shall contain a full, true, and accurate inventory of all such property, including the date of the receipt of the property, the date of the withdrawal of the property, the point of origin of the property, and the point of final destination of the same, if known. The official books and records of any such warehouse, dock, or wharf, whether public or private, pertaining to any such property for which a freeport exemption has been claimed shall be at all times open to the inspection of all taxing authorities of this state and of any political subdivision of this state; or

(4) Stock in trade of a fulfillment center which, on January 1, is stored in a fulfillment center and which is made available to remote purchasers who may make such purchases by electronic, ~~Internet~~ internet, telephonic, or other remote means, and where such stock in trade of a fulfillment center will be shipped from the fulfillment center and delivered to the purchaser at a location other than the location of the fulfillment center. The exemption provided for in this paragraph shall be for a period not exceeding 12 months from the date such property is stored in this state. Such period shall be determined based on application of a first-in, first-out method of accounting for the inventory. The official books and records of the fulfillment center where such property is being stored shall contain a full, true, and accurate inventory of all such property, including the date of the receipt of the property and the date of the withdrawal of the property. The official books and records of any such fulfillment center pertaining to any such property for which a freeport exemption has been claimed shall be at all times open to the inspection of all taxing authorities of this state and of any political subdivision of this state.

(d) Whenever the governing authority of any county or municipality wishes to exempt such tangible property from ad valorem taxation, as provided in this Code section, the governing authority thereof shall notify the election superintendent of such political subdivision, and it shall be the duty of said election superintendent to issue the call for an election for the purpose of submitting to the electors of the political subdivision the question of whether such exemption shall be granted. The referendum ballot shall specify as separate questions the type or types of property as defined in this Code section which are being proposed to be exempted from taxation. The election superintendent shall issue the call and shall conduct the election on a date and in the manner authorized under Code Section 21-2-540.

(e) The governing authority of any county or municipality wherein an exemption has been approved by the voters as provided in this Code section may, by appropriate resolution, a copy of which shall be immediately transmitted to the state revenue commissioner, exempt from taxation 20 percent, 40 percent, 60 percent, 80 percent, or all of the value of such tangible personal property as defined in this Code section; provided, however, that once an exemption has been granted, no reduction in the percent of the value of such property to be exempted may be made until and unless such exemption is revoked or

repealed as provided in this Code section. An increase in the percent of the value of the property to be exempted may be accomplished by appropriate resolution of the governing authority of such county or municipality, and a copy thereof shall be immediately transmitted to the state revenue commissioner, provided that such increase shall be in increments of 20 percent, 40 percent, 60 percent, or 80 percent of the value of such tangible personal property as defined in this Code section, within the discretion of such governing authority.

(f)

(1) If more than one-half of the votes cast on such question are in favor of such exemption, then such exemption may be granted by the governing authority commencing on the first day of any ensuing calendar year; otherwise, such exemption may not be granted. This paragraph is intended to clearly provide that following approval of such exemption in such referendum, such exemption may be granted on the first day of any calendar year following the year in which such referendum was conducted. This paragraph shall not be construed to imply that the granting of such exemption could not previously be delayed to any such calendar year.

(2) Exemptions may only be revoked by a referendum election called and conducted as provided in this Code section, provided that the call for such referendum shall not be issued within five years from the date such exemptions were first granted and, if the results of said election are in favor of the revocation of such exemptions, then such revocation shall be effective only at the end of a five-year period from the date of such referendum.

(g) Level 1 freeport exemptions effected pursuant to this Code section may be granted either in lieu of or in addition to level 2 freeport exemptions under Code Section 48-5-48.6.

(h) The commissioner shall by regulation adopt uniform procedures and forms for the use of local officials in the administration of this Code section.

PT50PF
Rev 12/4/17

APPLICATION FOR FREEPORT INVENTORY EXEMPTION

See O.C.G.A. 48-5-48.1, 48-5-48.2, 48-5-48.5, and 48-5-48.6

RETURN COMPLETED FORM TO ADDRESS LISTED BELOW

TAX YEAR	IF ASSISTANCE NEEDED CALL	ACCOUNT NUMBER
DUE DATE	MAP AND PARCEL I.D. NO	NAICS NO.

COUNTY NAME AND RETURN ADDRESS	TAXPAYER NAME AND ADDRESS

The last day for filing this application to receive full exemption is shown in the DUE DATE box above.

If filing after the DUE DATE, a reduced exemption amount may be applicable as follows: if filed April 2- April 30 (66.67% of the full exemption), if filed May 1- May 31 (58.33%), if filed on June 1 (50%). Failure to file by June 1 shall constitute a waiver of the entire exemption for the year (0.0%)

BUSINESS PHYSICAL LOCATION

IF NAME OR MAILING ADDRESS IS INCORRECT, PROVIDE CORRECT DATA

NAME:

ADDRESS:

CITY, STATE, ZIP:

1. Describe the type of business:

2. Inventory values must be reported at 100% full cost at level of trade which includes freight, burden, overhead, and other charges as of January 1 of taxable year

3. List the method of inventory valuation used:_____, List the method of inventory cost identification: _____

4. SUMMATION OF INVENTORY

a. Total value of '**All Inventory**' held on January 1 of taxable year	$
b. Total value of all inventory held as 'Stock in Trade of a Retailer' as of January 1 of taxable year	$

5. FREEPORT LEVEL '1' **(NOTE: Not all counties offer Level 1 Freeport – check with county for appropriate exemption % for each category)**

a. "Finished Goods" held longer than 12 months	$
b. Packaging materials (boxes, cartons, cases, fillers, labels, liners, pallets, plastic trays, shrink wrap, tape, etc.)	$
c. Other expensed supplies (i.e. gasoline, medical supplies, office supplies, production supplies, safety gear, uniforms, etc.)	$
d. Spare parts inventory	$
e. Enter the 'FULL COST' for each category below and enter the combined 'FULL COST' for all categories here: →	$

Category 1 – Raw materials and Goods in Process of a **MANUFACTURER**

_____ X* _____ = _____
'FULL COST' Category 1 Exemption % 'EXEMPTION AMOUNT'

Category 2 – "Finished Goods" manufactured in Georgia held by original **MANUFACTURER** less than 12 months

_____ X* _____ = _____
'FULL COST' Category 2 Exemption % 'EXEMPTION AMOUNT'

Line 5e - Category 3 – "Finished Goods" of **DISTRIBUTOR** held less than 12 months **destined for out-of-state shipment**

_____ X* _____ = _____
'FULL COST' from Page 2, Line 8(e) Exemption % 'EXEMPTION AMOUNT'

Category 4 – "Stock in Trade of a **FULLFILLMENT CENTER"** held less than 12 months

_____ X* _____ = _____
'FULL COST' Category 4 Exemption % 'EXEMPTION AMOUNT'

f. Apply the appropriate Level 1 exemption percentages above and enter the combined 'EXEMPTION AMOUNT' on this line. **This represents the total Freeport Level '1' Exemption amount.**	$

6. FREEPORT LEVEL '2' **(NOTE: Not all counties offer Level 2 Freeport – check with county for appropriate exemption %)**

a. Enter total cost of all merchandise held as inventory from Line '4a' excluding amounts entered on Lines '5b', '5c', '5d', and '5e'	$
b. Multiply Line '6a' by 'appropriate exemption % ' for Level 2 Freeport and enter amount on this line. **This represents the total applicable Freeport Level '2' Exemption amount.**	$

7. ATTACH AND FILE THIS FORM WITH PT50P-TAXPAYER RETURN

a. Total Freeport '1' & '2' Exemption (add Lines '5f' and '6b' and enter amount here and on PT50P, Page 1, Line 'P')	$
b. Total Taxable Inventory (Subtract Line '7a' from Line '4a and enter amount here and on PT50P, Page 1, Line 'I')	$

8. EXPLANATION OF WHAT IS EXEMPTED BY FREEPORT

FREEPORT LEVEL 1 - MANUFACTURING OR PRODUCTION BUSINESS (see O.C.G.A. 48-5-48.1 and 48-5-48.2)

CATEGORY 1. Inventory of goods in the process of manufacture or production which shall include all finished goods and raw materials held for direct use or consumption in the ordinary course of the taxpayers manufacturing or production business in this state. This exemption shall apply to tangible personal property which is substantially modified, altered or changed in the ordinary course of the taxpayer's manufacturing, processing or production operations in this state. For purpose of this exemption "Raw Materials" shall mean any material, whether crude or processed, that can be converted by manufacturing, processing, or a combination thereof into a new and useful product but shall not include unrecovered, unextracted or unsevered natural resources or packing materials.

CATEGORY 2. Inventory of "Finished Goods" manufactured or produced within this state in the ordinary course of the taxpayer manufacturing or production business when held by the original manufacturer or producer of such goods. This exemption shall be for a period not exceeding (12) months from the date such property is produced or manufactured.

FREEPORT LEVEL 1 - WHOLESALE OR DISTRIBUTION BUSINESS (see O.C.G.A. 48-5-48.1 and 48-5-48.2)

CATEGORY 3. Inventory of "Finished Goods" which, on January 1, are stored in a warehouse, dock, or wharf, whether public or private, and which are destined for shipment to a final destination outside this state and inventory of finished goods which are shipped into this state from outside this state and stored for transshipment to a final destination outside this state. The exemption shall be for a period not exceeding (12) months from the date such property is stored in this state. Such period shall be determined based on application of a first-in, first-out method of accounting for the inventory. The official books and records of the warehouse, dock, or wharf where such property is being stored shall contain a full, true, and accurate inventory of all such property, including the date of the receipt of the property, the date of withdrawal of the property, the point of origin of the property, and the point of final destination of the same, if known.

CALCULATE INVENTORY QUALIFIED FOR FREEPORT LEVEL 1 - CATEGORY 3:

(a) Total "Finished Goods" inventory shipments from this county during the last complete calendar year:	(a) $
(b) Total "Finished Goods" inventory shipments from this county during the last complete calendar year to an out-of-State destination:	(b) $
(c) Percentage of Out-of-State shipments: ('b' divided by 'a')	(c) %
(d) Total "Finished Goods" inventory on January 1 of this year: (Exclude inventory stored over (12) months)	(d) $
(e) Estimated out-of-State shipments this year: (multiply 'c' times 'd') Enter on Page 1, line 5e-Category 3	(e) $

FREEPORT LEVEL 1 - FULFILLMENT CENTER (see O.C.G.A. 48-5-48.1 and 48-5-48.2)

CATEGORY 4. "Stock in Trade of a Fulfillment Center" meaning goods, wares, and merchandise held by one in the business of making sales of such goods when such goods are held or stored at a fulfillment center and held less than 12 months and which is made available to **REMOTE** purchasers who purchase by electronic, internet, telephonic, or other **REMOTE** means, and where such stock will be **SHIPPED** from the center to a location other than the fulfillment center.

For the purpose of Freeport Level 1:

"Finished Goods" means goods, wares, and merchandise of every character and kind but shall not include unrecovered, unextracted, or unsevered natural resources or raw materials or goods in the process of manufacture or production or the Stock-in Trade of a Retailer. "Stock in Trade of a Retailer" means finished goods held by one in the business of making sales of such goods at retail in this state, within the meaning of Chapter 8 of Title 48, when such goods are held or stored at a business location from which such retail sales are regularly made. Goods stored in a warehouse, dock, or wharf, including a warehouse or distribution center which is part of or adjoins a place of business from which retail sales are regularly made, shall not be considered stock in trade of a retailer to the extent that the taxpayer can establish, through a historical sales or shipment analysis, either of which utilizes information from the preceding calendar year, or other reasonable, documented method, the portion or percentage of such goods which is reasonably anticipated to be shipped outside this state for resale purposes. "Stock in Trade of a Fulfillment Center" means goods, wares, and merchandise held by one in the business of making sales of such goods when such goods are held or stored at a fulfillment center.

FREEPORT LEVEL 2 (see O.C.G.A. 48-5-48.5 and 48-5-48.6)

FREEPORT LEVEL 2. Inventory of finished goods held by one in the business of making sales of such goods in this state and which includes goods, wares, and merchandise of every character and kind constituting a business' inventory that would not otherwise qualify for a Level 1 freeport exemption

9. SUPPORTING INFORMATION: a. Physical location of inventory in this county. (List)

b. Does the taxpayer have written reports to support this Freeport exemption? NO ☐ Yes ☐ Provide the location of such books and records.

c. Provide NAME and CONTACT information for person responsible for answering questions pertaining to this inventory.

10. OATH OF PERSON MAKING APPLICATION FOR EXEMPTION: "I do solemnly swear, that I have carefully read (or have heard read) and have duly considered the questions propounded in the foregoing tax list, and that the value placed by me on the property listed as shown, is the true market value thereof, and I further swear, or affirm, that I returned, for the purpose of being taxed thereon, every species of inventory that I own in my right, or have control of, either as agent, executor, administrator, or otherwise; and in making this application, for the purpose of being taxed thereon, I have not attempted, either by transferring my property to another or by any other means, to evade the laws governing taxation in this state. I do further swear, or affirm, that in making this application, I have done so by estimating the true worth and value of every species of inventory contained therein."

(Taxpayer Signature)	(Title)	(Date)
(Preparers Signature)	(Title)	(Date)

11. DISPOSITION OF THE COUNTY BOARD OF TAX ASSESSORS:

~ APPROVED ~	~ DISAPPROVED ~

§ 48-5-48.3 Homestead exemption for senior citizens

(a) As used in this Code section, the term:

(1) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 with the additional qualification that it shall include only the primary residence and not more than ten contiguous acres of land immediately surrounding such residence.

(2) "Senior citizen" means a person who is 65 years of age or over on or before January 1 of the year in which application for the exemption under this Code section is made.

(b) Any person who is a senior citizen and resident of Georgia is granted upon application an exemption on his or her homestead which such person owns and actually occupies as a residence and homestead in an amount equal to the actual levy for state ad valorem taxation made pursuant to Code Section 48-5-8 with respect to that homestead, such exemption being from all ad valorem taxation for state purposes. The value of all property in excess of the exempted amount cited above shall remain subject to taxation.

(c) The exemption shall be claimed and returned in the same manner as otherwise required under Code Section 48-5-50.1. Each person shall file for the exemption only once in the county of his or her residence. Once filed, the exemption shall automatically be renewed from year to year.

(d) The exemption granted by this Code section shall not apply to or affect county taxes, municipal taxes, or school district taxes.

(e) The exemption granted by this Code section shall be in addition to and not in lieu of any other homestead exemption from state taxes.

§ 48-5-48.4 Homestead exemption for unremarried surviving spouse of peace officer or firefighter killed in line of duty

(a) As used in this Code section, the term:

(1) "Ad valorem taxes" means all state ad valorem taxes and all county, county school district, municipal, and independent school district taxes for county, county school district, municipal, or independent school district purposes including, but not limited to, taxes to retire bonded indebtedness.

(2) "Homestead" means homestead as defined and qualified in Code Section 48-5-40.

(b) Each resident of the state who is the unremarried surviving spouse of a peace officer or firefighter who was killed in the line of duty is granted an exemption on that person's homestead from all ad valorem taxes for the full value of that homestead.

(c) A person shall not receive the homestead exemption granted by subsection (b) of this Code section unless the person or person's agent files an affidavit with the tax commissioner of the county in which that person resides giving such information relative to receiving such exemption as will enable the tax commissioner to make a determination as to whether such person is entitled to such exemption. The tax commissioner shall provide affidavit forms for this purpose and shall require such information as may be necessary to determine the initial and continuing eligibility of the applicant for the exemption.

(d) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1. The exemption shall be automatically renewed from year to year as long as the applicant occupies the residence as a homestead. After a person has filed the proper affidavit as provided in subsection (c) of this Code section, it shall not be necessary to make application and file such affidavit thereafter for any year and the exemption shall continue to be allowed to such person. It shall be the duty of any person granted the homestead exemption under this Code section to notify the tax commissioner or the designee thereof in the event that person for any reason becomes ineligible for that exemption.

(e) The exemption granted by this Code section shall be in lieu of and not in addition to any other homestead exemption from ad valorem taxes.

(f) The exemption granted by this Code section shall apply to all taxable years beginning on or after January 1, 2007.

§ 48-5-48.5. Level 2 freeport exemption; application; filing; renewal

(a) Any person, firm, or corporation seeking a level 2 freeport exemption from ad valorem taxation of certain tangible personal property inventory when such exemption has been authorized by the governing authority of any county or municipality after approval of the electors of such county or municipality pursuant to the authority of the Constitution of Georgia and Code Section 48-5-48.6 shall file a written application and summary, as prescribed by the department, of property with the county board of tax assessors on forms furnished by such board. Such application shall be filed in the year in which exemption from taxation is sought no later than the date on which the tax receiver or tax commissioner of the county in which the property is located closes the books for the return of taxes.

(b) The application for the level 2 freeport exemption shall provide for a summary, as prescribed by the department, of the inventory of finished goods held by one in the business of making sales of such goods in this state.

(c) **(1)** For purposes of this subsection, the term "file properly" shall mean and include the timely filing of the application and complete summary, as prescribed by the department, of the inventory for which exemption is sought on or before the due date specified in subsection (a) of this Code section. Any clerical error, including, but not limited to, a typographical error, scrivener's error, or any unintentional immaterial error or omission in the application shall not be construed as a failure to file properly.

(2) The failure to file properly the application and summary, as prescribed by the department, shall constitute a waiver of the exemption on the part of the person, firm, or corporation failing to make the application for such exemption for that year as follows:

(A) The failure to report any inventory for which such exemption is sought in the summary, as prescribed by the department, provided for in the application shall constitute a waiver of the exemption on the part of the person, firm, or corporation failing to so report for that taxable year in an amount equal to the difference between fair market value of the inventory as reported and the fair market value finally determined to be applicable to the inventory for which the exemption is sought; and

(B) The failure to file timely such application and summary, as prescribed by the department, shall constitute a waiver of the exemption until the first day of the month following the month such application and summary, as prescribed by the department, are filed properly with the county tax assessor; provided, however, that unless the application and schedule are filed on or before June 1 of such year, the exemption shall be waived for that entire year.

(d) Upon receiving the application required by this Code section, the county board of tax assessors shall determine the eligibility of all types of tangible personal property listed on the application. If any property has been listed which the board believes is not eligible for the exemption, the board shall issue a letter notifying the applicant that all or a portion of the application has been denied. The denial letter shall list the type and total fair market value of all property listed on the application for which the exemption has been approved and the type and total fair market value of all property listed on the application for which the exemption has been denied. The applicant shall have the right to appeal from the denial of the exemption for any property listed, and such appeal shall proceed as provided in Code Section 48-5-311. Except as otherwise provided in subparagraph (c)(2)(A) of this Code section, the county board of assessors shall not send a second letter of notification denying the exemption of all or a portion of such property listed on the application on new grounds that could and should have been discerned at the time the initial denial letter was issued.

(e) If the level 2 freeport exemption has been granted to a taxpayer for a taxable year, the county board of tax assessors shall issue a notice of renewal to the taxpayer for the immediately following taxable year. Such notice of renewal shall be issued not later than January 15 of such immediately following taxable year to facilitate the filing of a timely application and summary, as prescribed by the department, by the taxpayer for such taxable year.

§ 48-5-48.6. Level 2 freeport exemption; referendum

(a) This Code section shall be known and may be cited as the "Level 2 Freeport Exemption."

(b) As used in this Code section, the term "finished goods" means, for purposes of a level 2 freeport exemption, goods, wares, and merchandise of every character and kind constituting a business's inventory which would not otherwise qualify for a level 1 freeport exemption.

(c) The governing authority of any county or municipality may, subject to the approval of the electors of such political subdivision, exempt from ad valorem taxation, including all such taxes levied for educational purposes and for state purposes, inventory of finished goods.

(d) Whenever the governing authority of any county or municipality wishes to exempt such tangible property from ad valorem taxation, as provided in this Code section, the governing authority thereof shall notify the election superintendent of such political subdivision, and it shall be the duty of said election superintendent to issue the call for an election for the purpose of submitting to the electors of the political subdivision the question of whether such exemption shall be granted. The referendum ballot shall specify retail business inventory as the types of property as defined in this Code section which are being proposed to be exempted from taxation. The election superintendent shall issue the call and shall conduct the election on a date and in the manner authorized under Code Section 21-2-540.

(e) The governing authority of any county or municipality wherein an exemption has been approved by the voters as provided in this Code section may, by appropriate resolution, a copy of which shall be immediately transmitted to the state revenue commissioner, exempt from taxation 20 percent, 40 percent, 60 percent, 80 percent, or all of the value of such tangible personal property as defined in this Code section; provided, however, that once an exemption has been granted, no reduction in the percent of the value of such property to be exempted may be made until and unless such exemption is revoked or repealed as provided in this Code section. An increase in the percent of the value of the property to be exempted may be accomplished by appropriate resolution of the governing authority of such county or municipality, and a copy thereof shall be immediately transmitted to the state revenue commissioner, provided that such increase shall be in increments of 20 percent, 40 percent, 60 percent, or 80 percent of the value of such tangible personal property as defined in this Code section, within the discretion of such governing authority.

(f)

> **(1)** If more than one-half of the votes cast on such question are in favor of such exemption, then such exemption may be granted by the governing authority commencing on the first day of any ensuing calendar year; otherwise, such exemption may not be granted. This paragraph is intended to clearly provide that following approval of such exemption in such referendum, such exemption may be granted on the first day of any calendar year following the year in which such referendum

was conducted. This paragraph shall not be construed to imply that the granting of such exemption could not previously be delayed to any such calendar year.

(2) Exemptions may only be revoked by a referendum election called and conducted as provided in this Code section, provided that the call for such referendum shall not be issued within five years from the date such exemptions were first granted and, if the results of said election are in favor of the revocation of such exemptions, then such revocation shall be effective only at the end of a five-year period from the date of such referendum.

(g) Level 2 freeport exemptions effected pursuant to this Code section may be granted either in lieu of or in addition to level 1 freeport exemptions under Code Section 48-5-48.2.

(h) The commissioner shall by regulation adopt uniform procedures and forms for the use of local officials in the administration of this Code section.

§ 48-5-48.7. Determination of timely filing; recourse for improper determinations

(a) Any document required to be filed under Code Section 48-5-48.1 or 48-5-48.5 shall be considered properly and timely filed if the postal date on the mailed document, whether metered or stamped, is on or before the date on which the tax receiver or tax commissioner of the county in which the property is located closes the book for the return of taxes.

(b) Any document properly and timely filed pursuant to subsection (a) of this Code section and incorrectly determined to be untimely filed, upon sufficient proof thereof, shall entitle the applicant to a credit against future ad valorem assessments from the county which improperly denied the applicant the exemption under Code Section 48-5-48.1 or 48-5-48.5.

§ 48-5-49. Determination of eligibility of applicant; appeal

(a) The official receiving an application for homestead exemption shall determine the eligibility of the applicant to claim the exemption and, whether the application is approved or disapproved, he shall then transfer the application to the county board of tax assessors for final determination by the board as to eligibility and value as provided by law.

(b) The applicant shall have the right of appeal from the decision of the board of assessors to the county board of equalization as provided in Code Section 48-5-311.

§ 48-5-50. Homestead value credited with exemption; approval of correctness of value, exemption, and difference

The value of the homestead as finally determined shall be credited with the homestead exemption provided by law. The homestead value, exemption, and difference, if any, shall be shown on the owner's tax return and the correctness of the value, exemption, and difference shall be approved on the return as provided by law.

§ 48-5-50.1. Claim and return of constitutional or local law homestead exemptions from county taxes, county school taxes, or municipal or independent school district taxes

(a) This Code section shall govern the procedure for returning and claiming homestead exemptions which are created by or pursuant to local laws or constitutional amendments which were not general amendments. If, however, such a constitutional amendment or local law contains provisions which are in conflict with this Code section, then such other provisions shall prevail over this Code section.

(b)

(1) If the homestead exemption is from county taxes or county school taxes, it shall be claimed and returned as provided in Code Sections 48-5-45, 48-5-46, 48-5-49, and 48-5-50.

(2) If the homestead exemption is from municipal or independent school district taxes, it shall be claimed and returned as provided in Code Sections 48-5-45, 48-5-46, and 48-5-50, except that any reference to the tax commissioner or tax receiver shall be deemed to refer to the municipal governing authority or its designee. The determination of eligibility of the applicant to claim the exemption shall be made by the municipal governing authority subject to appeal to the superior court. Any such appeal must be filed within 30 days after the final determination by the municipal governing authority and shall be a de novo proceeding.

(3) In addition to the provisions required by Code Section 48-5-46, the application for an exemption under this Code section may provide where necessary for an affidavit as to the age of the owner, the income of the owner and of each member of his family residing on the homestead, and such other information as may be necessary to determine eligibility of the owner for the exemption. The commissioner shall not be required to furnish specialized forms required by this Code section.

§ 48-5-51. Fraudulent claim of homestead exemption under Code Sections 48-5-44 through 48-5-50; penalty

(a) It shall be unlawful for any person to:

(1) Make any false or fraudulent claim for exemption under Code Sections 48-5-44 through 48-5-50;

(2) Make any false statement or false representation of a material fact in support of a claim for exemption under Code Sections 48-5-44 through 48-5-50; or

(3) Assist another knowingly in the preparation of any false or fraudulent claim for exemption under Code Sections 48-5-44 through 48-5-50, or enter into any collusion with another by the execution of a fictitious deed, deed of trust, mortgage, or otherwise.

(b) Any person who violates this Code section shall be guilty of a misdemeanor. In addition, the property shall be taxed in an amount double the tax otherwise to be paid.

§ 48-5-52. Exemption from ad valorem taxation for educational purposes of homesteads of qualified individuals 62 or older; application; replacement of revenue

(a) The homestead of each resident of each independent school district and of each county school district within this state who is 62 years of age or older and, for the purposes of all tax years beginning on or after January 1, 2003, whose net income together with the net income of the spouse who also occupies and resides at such homestead, as net income is defined by Georgia law from all sources, except as otherwise provided in this subsection, does not exceed $10,000.00 for the immediately preceding taxable year for income tax purposes, is exempted from all ad valorem taxes for educational purposes levied by, for, or on behalf of any such school system, including taxes to retire school bond indebtedness. For the purposes of this subsection, net income shall not include income received as retirement, survivor, or disability benefits under the federal Social Security Act or under any other public or private retirement, disability, or pension system, except such income which is in excess of the maximum amount authorized to be paid to an individual and his or her spouse under the federal Social Security Act. Income from such sources in excess of such maximum amount shall be included as net income for the purposes of this subsection. The exemption shall not exceed $10,000.00 of the homestead's assessed value. Except as otherwise specifically provided by law, the value of that property in excess of such exempted amount shall remain subject to taxation.

(b)

(1) The exemption provided for in subsection (a) of this Code section shall not be granted unless an affidavit of the owner of the homestead, prepared upon forms prescribed by the commissioner for that purpose, is filed with either the tax receiver or tax commissioner, in the case of residents of county school districts, or with the governing authority of the owner's city, in the case of residents of independent school districts.

(2) The affidavit shall in the first year for which the exemption is sought be filed on or before the last day for making a tax return and shall show the:

(A) Age of the owner on January 1 immediately preceding the filing of the affidavit;

(B) Total amount of net income received by the owner and spouse from all sources during the immediately preceding calendar year; and

(C) Such additional information as may be required by the commissioner.

(3) Copies of all affidavits received or extracts of the information contained in the affidavits shall be forwarded to the commissioner by the various taxing authorities with whom the affidavits are filed. The commissioner is authorized to compare such information with information contained in any income tax return, sales tax return, or other tax documents or records of the department and to report immediately to the appropriate county or city taxing authority any apparent discrepancies between the information contained in any affidavit and the information contained in any other tax records of the department.

(4) After the owner has filed the affidavit and has once been allowed the exemption provided for in this Code section, it shall not be necessary to make application and file the affidavit thereafter for any year and the exemption shall continue to be allowed to such owner; provided, however, that it shall be the duty of any such owner to notify the tax commissioner or tax receiver in the event the owner becomes ineligible for any reason for the exemption provided for in this Code section.

(c) The homestead exemption granted by this Code section shall extend to and shall apply to those properties the legal title to which is vested in one or more titleholders when such property is actually occupied as a residence by one or more of the titleholders who possess the qualifications provided in subsection (a) of this Code section and who claim the exemption in the manner provided for in this Code section. The exemption shall also extend to those homesteads the title to which is vested in a personal representative or trustee if one or more of the heirs or beneficiaries residing on the property possess the qualifications provided for and claim the exemption in the manner provided in this Code section.

(d)

(1) The State Board of Education, when funds are specifically appropriated for the purpose of replacing revenue lost by local school systems as a result of this Code section, shall provide each

school district in this state which, on July 1, 1974, had in effect a tax levy of 20 mills or more for educational purposes or was levying the maximum permissible tax authorized by law for educational purposes, with grants for educational purposes which shall equal the revenues lost by the school district due to the exemption provided by this Code section for property located within the school district.

(2) The State Board of Education may promulgate reasonable rules to carry out this subsection.

§ 48-5-52.1. Exemption from ad valorem taxation for state, county, municipal, and school purposes of homesteads of unremarried surviving spouses of U.S. service members killed in action

(a) Any person who is a citizen and resident of Georgia and who is an unremarried surviving spouse of a member of the armed forces of the United States, which member has been killed in or has died as a result of any war or armed conflict in which the armed forces of the United States engaged, whether under United States command or otherwise, shall be granted a homestead exemption from all ad valorem taxation for state, county, municipal, and school purposes in the amount of the greater of $32,500.00 or the maximum amount which may be granted to a disabled veteran under Section 2102 of Title 38 of the United States Code, as amended. As of January 1, 1999, the maximum amount which may be granted to a disabled veteran under the above-stated federal law is $43,000.00. For the purposes of this Code section, the term "unremarried surviving spouse" of a member of the armed forces includes the unmarried widow or widower of a member of the armed forces who is receiving spousal benefits from the United States Department of Veterans Affairs. The exemption shall be on the homestead which the unremarried surviving spouse owns and actually occupies as a residence and homestead. In the event such surviving spouse remarries, such person shall cease to be qualified to continue the exemption under this Code section effective December 31 of the taxable year in which such person remarries. The value of all property in excess of such exemption granted to such unremarried surviving spouse shall remain subject to taxation.

(b) In order to qualify for the exemption provided for in this Code section, the unremarried surviving spouse shall furnish to the tax commissioner of the county of residence documents from the Secretary of Defense evidencing that such unremarried surviving spouse receives spousal benefits as a result of the death of such person's spouse who as a member of the armed forces of the United States was killed or died as a result of a war or armed conflict while on active duty or while performing authorized travel to or from active duty during such war or armed conflict in which the armed forces of the United States engaged, whether under United States command or otherwise, pursuant to the Survivor Benefit Plan under Subchapter II of Chapter 73 of Title 10 of the United States Code or pursuant to any preceding or subsequent federal law which provides survivor benefits for spouses of members of the armed forces who were killed or who died as a result of any war or armed conflict.

(c) An unremarried surviving spouse filing for the exemption under this Code section shall be required to file with the tax commissioner information relative to marital status and other such information which the county board of tax assessors deems necessary to determine eligibility for the exemption. Each unremarried surviving spouse shall file for the exemption only once with the tax commissioner. Once filed, the exemption shall automatically be renewed from year to year, except that the county board of tax assessors may require annually that the holder of an exemption substantiate his or her continuing eligibility for the exemption. It shall be the duty of any person granted the homestead exemption under this Code section to notify the tax commissioner in the event that person for any reason becomes ineligible for such exemption.

(d) The exemption granted by this Code section shall be in lieu of and not in addition to any other exemption from ad valorem taxation for state, county, municipal, and school purposes which is equal to or lower in amount than such exemption granted by this Code section. If the amount of any other exemption from ad valorem taxation for state, county, municipal, and school purposes applicable to any resident qualifying under this Code section is greater than or is increased to an amount greater than the amount of the applicable exemption granted by this Code section, such other exemption shall apply and shall be in lieu of and not in addition to the exemption granted by this Code section.

(e) The exemptions granted by this Code section shall apply to the tax year beginning on January 1, 2001, and all tax years thereafter.

§ 48-5-53. Falsification of information required by Code Section 48-5-52; penalty

(a) It shall be unlawful for any person willfully to falsify information required by the commissioner pursuant to Code Section 48-5-52, whether relating to age, income, or otherwise.

(b) Any person who violates subsection (a) of this Code section commits the offense of false swearing.

§ 48-5-54. Application of homestead exemptions to properties with multiple titleholders and properties held by administrators, executors, or trustees

(a) The exemptions granted to the homestead pursuant to this part shall extend to and shall apply to those properties the legal title to which is vested in one or more titleholders if actually occupied by one or more of such owners as a residence. In such instances, such exemptions shall be granted to such properties if claimed in the manner provided by law by one or more of the owners actually residing on

such property. Such exemptions shall also extend to those homesteads the title to which is vested in an administrator, executor, or trustee if one or more of the heirs or cestui que uses residing on such property claims the exemption in the manner provided by law. The provisions of this Code section shall also apply to exemptions granted to the homestead by any local law adopted after July 1, 1984, unless the local law expressly provides to the contrary.

(b) The failure to file properly the application and schedule shall not be cause for waiver of the exemption where such waiver arises because of an administrator's or executor's deed transferring the property to a surviving spouse. In such instances, the board of tax assessors shall give notice of its intent to deny the exemption as required by Code Section 48-5-49, and the surviving spouse may make application for the amount of homestead exemption to which such applicant is entitled within 30 days from the date of the notice by the board of tax assessors. In the case of a base year assessed value homestead exemption, so long as the surviving spouse otherwise meets the requirements specified for such exemption and makes proper application under this subsection, upon approval of such application the exemption shall be continued with the same base year assessed value as had been established for the deceased spouse of such surviving spouse, unless otherwise provided by local law.

§ 48-5-55. Continuation of constitutional exemptions from ad valorem taxes

(a) Exemptions from ad valorem taxation granted by or pursuant to constitutional amendments other than general constitutional amendments of state-wide application, which exemptions were in effect on June 30, 1983, are continued in effect as statutory law until otherwise provided for by law.

(b) The provisions of this part shall not prohibit any otherwise lawful local Act from granting exemptions from ad valorem taxes other than state ad valorem taxes, which exemptions are in addition to or in place of the exemptions granted pursuant to this part.

§ 48-5-56. Notice of homestead exemptions from ad valorem taxation to accompany bill for ad valorem taxes on real property

Each bill for ad valorem taxes on real property other than property required to be returned to the commissioner shall contain or be accompanied by a notice in substantially the following form:

"Certain persons are eligible for certain homestead exemptions from ad valorem taxation. In addition to the regular homestead exemption authorized for all homeowners, certain elderly persons are entitled to additional homestead exemptions. The full law relating to each exemption must be referred to in order to determine eligibility for the exemption. If you are eligible for one of these exemptions and are not now receiving the benefit of the exemption, you must apply for the exemption not later than (insert date) in order to receive the exemption in future years. For more information on eligibility for exemptions or on the proper method of applying for an exemption, you may contact the office of the county tax receiver or county tax commissioner, which is located at: (insert address) and which may be contacted by telephone at: (insert telephone number).

If you feel that your property has been assigned too high a value for tax purposes by the board of tax assessors, you should file a tax return reducing the value not later than ____ in order to have an opportunity to have this value lowered for next year's taxes. Information on filing a return can be obtained from the county tax receiver or tax commissioner at the above address and telephone number."

TAX DEFERRAL FOR THE ELDERLY

§ 48-5-71. Definitions

As used in this part, the term:

(1) "Gross household income" means all income, for all individuals residing within the homestead, from whatever source derived including, but not limited to, the following sources:

(A) Compensation for services including fees, commissions, and similar items;

(B) Gross income derived from business;

(C) Gains derived from dealings in property;

(D) Interest;

(E) Rents;

(F) Royalties;

(G) Dividends;

(H) Alimony and separate maintenance payments;

(I) Income from life insurance and endowment contracts;

(J) Annuities;

(K) Pensions;

(L) Income from discharge of indebtedness;

(M) Distributive share of partnership gross income;

(N) Income from an interest in an estate or trust; and

(O) Federal old-age, survivor, or disability benefits.

(2) "Homestead exemption" means a homestead exemption pursuant to Code Section 48-5-44 with respect to state, county, and school purpose ad valorem taxes as provided in Code Section 48-5-44 and a homestead exemption pursuant to a local Act with respect to municipal ad valorem taxes for municipal purposes as provided in any such local Act.

(3) "Household" means an individual or group of individuals living together in a room or group of rooms as a housing unit.

(4) "Tax official" means the tax collector or tax commissioner with respect to state, county, and school purpose ad valorem taxes pursuant to Code Section 48-5-44 and the municipal governing authority or designee thereof with respect to municipal ad valorem taxes for municipal purposes pursuant to any local Act homestead exemption.

§ 48-5-72. Homestead tax deferral for individuals 62 or older; demonstration of compliance with part

(a) Any individual aged 62 or older who is entitled to claim a homestead exemption may elect to defer payment of all or part of the ad valorem taxes levied on such individual's homestead by filing an annual application for tax deferral with the appropriate tax official on or before April 1 of the year for which the deferral is sought. If the homestead for which a deferral is requested has an assessed value for purposes of ad valorem taxation of $50,000.00 or more, the deferral may apply only to the taxes on that portion of the assessed value which is $50,000.00 or less.

(b) It shall be the burden of each applicant for a deferral to demonstrate affirmatively his compliance with the requirements of this part.

§ 48-5-72.1. Alternative to tax deferral authorized by Code Section 48-5-72; burden on applicant to demonstrate compliance

(a) As an alternative to the tax deferral authorized by Code Section 48-5-72, any individual aged 62 or older residing within any county of this state having a population of 550,000 or more according to the United States decennial census of 1980 or any future such census who is entitled to claim a homestead exemption pursuant to Code Section 48-5-44 may elect to defer payment of all or any part of that portion of the ad valorem taxes levied on the individual's homestead which exceeds 4 percent of the individual's gross household income for the immediately preceding calendar year. An application for tax deferral under this Code section shall be filed annually with the tax collector or tax commissioner on or before April 1 of the

year for which the deferral is sought. If an individual files for a tax deferral under this Code section, such individual shall not be authorized to file for a tax deferral under Code Section 48-5-72.

(b) The amount of the assessed value of the homestead and the amount of gross household income shall not limit the tax deferral authorized by this Code section. However, except for the provisions of Code Section 48-5-72 and paragraph (2) of Code Section 48-5-73, the provisions of this part shall apply to the tax deferral authorized by this Code section.

(c) It shall be the burden of each applicant for a deferral under this Code section to demonstrate affirmatively the applicant's compliance with this Code section and other provisions of this part.

§ 48-5-73. Limitations on grant of homestead tax deferral

No tax deferral in any one year shall be granted pursuant to Code Section 48-5-72:

(1) If the total amount of deferred taxes and interest plus the total amount of all other unsatisfied liens on the homestead exceeds 85 percent of the fair market value of the homestead as shown on the county tax digest for the immediately preceding tax year;

(2) If the applicant's gross household income for the immediately preceding calendar year exceeds $15,000.00;

(3) If the homestead for which the deferral is sought is subject to any lien, the terms of which are dictated by federal law, rule, or regulation prohibiting deferral of taxes; or

(4) With respect to taxes levied to retire bonded indebtedness or for special assessments.

§ 48-5-74. Application for homestead tax deferral; oath; decision by tax official; notice; appeal to board of equalization; procedure; appeal to superior court; information on outstanding liens; proof of insurance

(a) The application for deferral shall be made upon a form prescribed by the department and furnished by the appropriate tax official. The application form shall advise the applicant of the manner in which interest is computed. Each application form shall contain an explanation of the conditions to be met for approval and the conditions under which deferred taxes and interest become due, payable, and delinquent. Each application form shall clearly state that all deferrals pursuant to this part shall constitute a lien on the applicant's homestead.

(b) A form of oath shall be provided and shall be administered to the individual seeking the deferral. The oath may be administered by the appropriate tax official, any authorized deputy of the appropriate tax official, or any individual authorized by law to administer oaths.

(c)

(1) The appropriate tax official shall consider each annual application for homestead tax deferral within 30 days of the date the application is filed or as soon as practicable thereafter. If the appropriate tax official finds that the applicant is entitled to the tax deferral, such official shall approve the application and file the application in the permanent records. If the appropriate tax official finds that the applicant is not entitled to the deferral, such official shall send a notice of disapproval to the applicant giving the reasons therefor within 30 days of the filing of the application either by personal delivery or by registered or certified mail or statutory overnight delivery to the mailing address given by the applicant, and such official shall make a return on the original notice of the manner in which the notice was served on the applicant and shall file the return among the permanent records of such official's office. The original notice of disapproval sent to the applicant shall advise the applicant of the right to appeal the decision of the appropriate tax official to the board of equalization and shall inform the applicant of the procedure for filing an appeal.

(2) An appeal of the decision of the appropriate tax official to the board of equalization shall be in writing on a form prescribed by the department and furnished by the appropriate tax official. The appeal shall be filed with the board within 20 days after the applicant's receipt of the notice of disapproval. The board shall review the application and evidence presented to the appropriate tax official upon which the applicant based such applicant's claim for a tax deferral and, at the election of the applicant, shall hear the applicant in person or by agent in such applicant's behalf on such applicant's right to a homestead tax deferral. The board of equalization shall reverse the decision of the appropriate tax official and shall grant a homestead tax deferral to the applicant if in its judgment the applicant is entitled thereto, or it shall affirm the decision of the appropriate tax official. Such action by the board of equalization shall be final unless the applicant, appropriate tax official, or other lienholder files an appeal with the superior court of the county in which the property lies within 30 days from the date the taxpayer receives written notification of the decision of the board of equalization.

(d) Each application shall contain a list, and the current value, of all outstanding liens on the applicant's homestead.

(e) If proof of fire and extended coverage insurance has not been furnished with a prior application, each applicant shall furnish proof of such insurance in an amount which is in excess of the sum of all outstanding liens and deferred taxes and interest with a loss payable clause to the appropriate tax official.

§ 48-5-75. Rate of interest on amount of deferred taxes; time of accrual of interest on deferred taxes

(a) The amount of taxes deferred pursuant to this part shall accrue interest until paid at three-fourths of the rate specified in Code Section 48-2-40.

(b) Interest on taxes deferred pursuant to this part in any year shall begin accruing on the date the taxes were due in that year.

§ 48-5-76. Deferred taxes and interest constitute prior lien; effect of award for year's support on liens for deferred taxes

(a) The taxes and interest deferred pursuant to this part shall constitute a prior lien and shall attach as of the date and in the same manner and shall be collected as are other liens for taxes, as provided for under this title, but the deferred taxes and interest shall only be due, payable, and delinquent as provided in this part.

(b) Liens for taxes deferred under this part, except for any lien covering the then current tax year, shall not be divested by an award for year's support authorized pursuant to former Chapter 5 of Title 53 as such existed on December 31, 1997, if applicable, or Chapter 3 of Title 53.

§ 48-5-77. Annual notification to property owner of sum of deferred taxes and interest outstanding

Each year, at the time the tax bills are mailed, the appropriate tax official shall notify each property owner to whom a homestead tax deferral has been previously granted of the accumulated sum of deferred taxes and interest outstanding.

§ 48-5-78. Change in ownership or use of, or failure to maintain insurance on, tax-deferred homestead; payment of deferred taxes, interest, and unsatisfied liens

(a) In the event that there is a change in use of tax-deferred property so that the owner is no longer entitled to a homestead exemption for the property, or if the owner fails to maintain the required fire and extended insurance coverage, the total amount of deferred taxes and interest for all previous years shall be due and payable either on the date on which the change in use occurs or on the date failure to maintain insurance occurs.

(b) In the event that there is a change in ownership of tax-deferred property, the total amount of deferred taxes and interest for all previous years shall be due and payable on the date the change in ownership occurs. When, however, the change in ownership is to a surviving spouse and the spouse is eligible for a homestead exemption on the property, the surviving spouse may continue the deferral of previously deferred taxes and interest pursuant to this part.

§ 48-5-79. Prepayment of deferred taxes and accrued interest; partial payments

(a) All or part of the deferred taxes and accrued interest may be paid at any time to the appropriate tax official by:

> **(1)** The owner of the property or the spouse of the owner; or
>
> **(2)** The next of kin of the owner, heir of the owner, child of the owner, or any person having or claiming a legal or equitable interest in the property, provided that no objection is made by the owner within 30 days after the appropriate tax official notifies the owner of the fact that such payment has been tendered. Any payment made under this paragraph shall be deposited in a special escrow account for the 30 day period; and the appropriate tax official shall not make distribution of the amount under Code Section 48-6-74 while the funds are held in escrow.

(b) Any partial payment made pursuant to this Code section shall be applied first to accrued interest. By resolution of the appropriate county or municipal governing authority, a minimum amount of partial payment which may be accepted in the county or municipality pursuant to this part may be established. The required minimum payment shall not exceed $25.00.

(c) During any year in which the total amount of deferred taxes, interest, and all other unsatisfied liens on a homestead exceeds 85 percent of the fair market value of the homestead, the appropriate tax official shall immediately notify the owner of the homestead that the portion of taxes and interest which exceeds 85 percent of the value of the homestead shall be due and payable within 30 days of receipt of the notice.

Failure to pay the amount due shall cause the total amount of deferred taxes and interest also to become due and payable at the end of the 30 days.

(d) Each year, upon notification, each owner of property on which taxes and interest have been deferred shall submit to the appropriate tax official a list, and the current value, of all outstanding liens on the owner's homestead. Failure to respond to the notification within 30 days of its receipt shall cause the total amount of deferred taxes and interest to become due and payable at the end of the 30 days.

(e) All deferred taxes which are made due and payable by this Code section shall be delinquent and subject to interest in accordance with Code Section 48-5-75 at the end of 120 days following the date the deferred taxes become due and payable.

§ 48-5-81. Payment by holder of deed to secure debt or by mortgagee; effect on right to foreclose

If any holder of a deed to secure debt or any mortgagee elects to pay the taxes of an applicant who qualifies for and receives a tax deferral, such election shall not give the holder of the deed or the mortgagee the right to foreclose.

§ 48-5-84. Penalties for willfully filing incorrect information

(a) The following penalties shall be imposed on any person who willfully files information required under Code Sections 48-5-72, 48-5-72.1, and 48-5-78 which is incorrect:

> **(1)** The person shall pay the total amount of taxes and interest deferred, which amount shall immediately become due;
>
> **(2)** The person shall be disqualified from filing a homestead tax deferral application for the next three years; and
>
> **(3)** The person shall pay a penalty of 25 percent of the total amount of taxes and interest deferred.

(b) Any person against whom the penalties prescribed in this Code section have been imposed may appeal the penalties imposed to the county board of equalization within 30 days after the penalties are imposed.

County Taxation

§ 48-5-220. Purposes of county taxes

County taxes may be levied and collected for the following public purposes:

(1) To pay the expenses of administration of the county government;

(2) To pay the principal and interest of any debt of the county and to provide a sinking fund for the payment of the principal and interest;

(3) For educational purposes upon property located outside of independent school systems, as provided in Article VIII of the Constitution of this state;

(4) To build and repair public buildings and bridges;

(5) To pay the expenses of courts and the maintenance and support of inmates, to pay sheriffs and coroners, and to pay for litigation;

(6) To build and maintain a system of county roads;

(7) For public health purposes in the county and for the collection and preservation of records of vital statistics;

(8) To pay county police;

(9) To support indigent individuals;

(10) To pay county agricultural and home demonstration agents;

(11) **(A)** To provide for payment of old age assistance to aged individuals in need and for the payment of assistance to needy blind, assistance to dependent children, and other welfare benefits.

(B) No individual shall be entitled to assistance as provided in this paragraph who does not qualify for assistance in every respect as provided by law prescribing the qualifications for beneficiaries.

(C) No indebtedness or liability against the county shall ever be created for the purpose stated in this paragraph when the indebtedness or liability is in excess of amounts reasonably expected to be raised by county taxes levied as provided by law;

(12) To provide for fire protection of forest lands and for the conservation of natural resources;

(13) To provide hospitalization and medical or other care for the indigent sick people of the county;

(14) To acquire, improve, and maintain airports, public parks, and public libraries;

(15) To provide for workers' compensation and retirement or pension funds for officers and employees;

(16) To provide reasonable reserves for public improvements as may be fixed by law;

(17) To pay pensions and other benefits and costs under a teacher retirement system or systems;

(18) For school lunch purposes, upon property located outside of independent school systems as provided in Article VIII of the Constitution of this state, to provide for payment of costs and expenses incurred in the: purchase, replacement, and maintenance of school lunchroom equipment; purchase of school lunchroom supplies; transportation, storage, and preparation of foods; and all other costs and expenses incurred in the operation of school lunch programs;

(19) To provide for ambulance services within the county;

(20) To provide for financial assistance to county or joint county and municipal development authorities for the purpose of developing trade, commerce, industry, and employment opportunities. No tax for this purpose shall exceed one mill per dollar upon the assessed value of the taxable property in the county levying the tax; provided, however, that the authority to levy and collect a tax for the purpose described in this paragraph shall not be deemed to be an exclusive authorization and shall not prevent any county from exercising any power granted to it pursuant to any constitutional amendment, whether general or special, to levy any ad valorem tax for the purpose of providing financial assistance to any county or joint county and municipal development authority. The exceptions to the one mill per dollar tax limitation contained in the proviso of the preceding sentence shall not be construed so as to affect any action pending in court on February 20, 1984;

(21) To provide for public health and sanitation including, but not limited to, water pollution control projects, sewage treatment facilities, storm and sanitary sewer facilities, and water supply facilities; and

(22) To provide for financial assistance to county children and youth commissions providing children and youth services, including but not limited to, the study of the needs, issues, and problems relating to children and youth; the gathering of data, identification of problem areas, and planning and implementation of programs for dealing with problems of children and youth; and the dissemination of information relating to issues of children and youth.

Uniform Property Tax Administration and Equalization

EQUALIZATION OF ASSESSMENTS

§ 48-5-260. Purpose of part

It is the purpose and intent of this part to:

(1) Create, provide, and require a comprehensive system for the equalization of taxes on real property within this state by the establishment of uniform state-wide forms, records, and procedures and by the establishment of a competent, full-time staff for each county of this state to:

> **(A)** Assist the board of tax assessors of each county in developing the proper information for setting tax assessments on property;
>
> **(B)** Maintain the tax assessment records for each county; and
>
> **(C)** Provide for state-wide duties and qualification standards for such staffs;

(2) Provide for the examination of county tax digests in order to determine whether property valuation is uniform between the counties;

(3) Provide for adjustments and equalizations of property valuations in certain instances;

(4) Provide for state ratio studies by the state auditor; and

(5) Provide for state assistance to counties in implementing this part.

§ 48-5-261. Classification of counties for administration of part

For the purpose of administering this part, the counties of this state are placed in the following classes:

(1) Class I -- Counties having less than 3,000 parcels of real property;

(2) Class II -- Counties having at least 3,000 but less than 8,000 parcels of real property;

(3) Class III -- Counties having at least 8,000 but less than 15,000 parcels of real property;

(4) Class IV -- Counties having at least 15,000 but less than 25,000 parcels of real property;

(5) Class V -- Counties having at least 25,000 but less than 35,000 parcels of real property;

(6) Class VI -- Counties having at least 35,000 but less than 50,000 parcels of real property;

(7) Class VII -- Counties having at least 50,000 but less than 100,000 parcels of real property; and

(8) Class VIII -- Counties having at least 100,000 or more parcels of real property.

§ 48-5-262. Composition and duties of county appraisal staffs; "county civil service system" defined

(a) Class I counties shall provide for an appraisal staff pursuant to paragraph (1) of Code Section 48-5-260 by:

(1) Employing a full-time appraiser;

(2) Contracting with a contiguous county to provide the staff requirement; or

(3) Contracting with a professional appraisal person to provide the staff requirement.

(b) Each county other than Class I counties shall employ a minimum staff of appraisers, to be known as the county property appraisal staff, to perform the duties set forth in this part. For compensation purposes, the appraisers will be designated, lowest grade first, as Appraiser I, Appraiser II, Appraiser III, and Appraiser IV.

(c) The minimum staff requirement for each county shall be as follows:

(1) Class II counties -- One Appraiser III;

(2) Class III counties -- One Appraiser III and one Appraiser I;

(3) Class IV counties -- One Appraiser III, one Appraiser II, and one Appraiser I;

(4) Class V counties -- Two Appraisers III, two Appraisers II, and one Appraiser I;

(5) Class VI counties--One Appraiser IV, two Appraisers III, two Appraisers II, and one Appraiser I;

(6) Class VII counties-One Appraiser IV, four Appraisers III, one Appraiser II, and two Appraisers I;

(7) Class VIII counties -- Two Appraisers IV, eight Appraisers III, five Appraisers II, and five Appraisers I.

(d) The establishment of minimum staff requirements shall not preclude any county from employing additional appraisers in order to carry out this part.

(e)

(1) As used in this subsection, the term "county civil service system" means any county civil service system, county merit system, county personnel plan or policy, or stated rules of work.

(2) The county governing authority shall be authorized, in its discretion and upon adoption of the appropriate resolution or ordinance, to provide that staff and employees of the county board of tax assessors shall be positions of employment covered by the county civil service system. Following the adoption of such ordinance or resolution, the county board of tax assessors may hire and manage such employees, but only in compliance with the county civil service system. The failure of the county board of tax assessors to comply with the requirements of such system shall be grounds for removal of one or more members of the county board of tax assessors pursuant to subsection (b) of Code Section 48-5-295.

§ 48-5-263. Qualifications, duties, and compensation of appraisers

(a) ***Qualifications.***

(1) The commissioner shall establish, and the Department of Administrative Services may review, the qualifications and rate of compensation for each appraiser grade.

(2) Each appraiser shall, before his or her employment, obtain a satisfactory grade, as determined by the commissioner, on an examination prepared by the commissioner and an institution of higher education in this state.

(b) ***Duties.*** Each member of the county property appraisal staff shall:

(1) Make appraisals of the fair market value of all taxable property in the county other than property returned directly to the commissioner;

(2) Maintain all tax records and maps for the county in a current condition. This duty shall include, but not be limited to, the mapping, platting, cataloging, and indexing of all real and personal property in the county;

(3) Prepare annual assessments on all taxable property appraised in the county and submit the assessments for approval to the county board of tax assessors;

(4) Prepare annual appraisals on all tax-exempt property in the county and submit the appraisals to the county board of tax assessors;

(5) Prepare and mail assessment notices after the county board of tax assessors has determined the final assessments;

(6) Attend hearings of the county board of equalization and provide information to the board regarding the valuation and assessments approved by the county board of tax assessors on those properties concerning which appeals have been made to the county board of equalization;

(7) Provide information to the department as needed by the department and in the form requested by the department;

(8) Attend the standard approved training courses as directed by the commissioner for all minimum county property appraisal staffs;

(9) Compile sales ratio data and furnish the data to the commissioner as directed by the commissioner;

(10) Comply with the rules and regulations for staff duties established by the commissioner; and

(11) Inspect mobile homes located in the county to determine if the proper decal is attached to and displayed on the mobile home by the owner as provided by law; notify the residents of those

mobile homes to which a decal is not attached of the provisions of Code Sections 48-5-492 and 48-5-493; and furnish to the tax collector or tax commissioner a periodic list of those mobile homes to which a decal is not attached.

(c) ***Compensation.*** Staff appraisers shall be paid from county funds. The rates of compensation established by the commissioner shall not preclude any county from paying a higher rate of compensation to any appraiser grade.

§ 48-5-264. Designation and duties of chief appraiser

(a) The board of tax assessors in each county shall designate an Appraiser IV or, in those counties not having an Appraiser IV, an Appraiser III as the chief appraiser of the county. The chief appraiser shall be responsible for:

(1) The operation and functioning of the county property appraisal staff;

(2) Certifying and signing documents prepared by the staff; and

(3) Implementing procedures deemed necessary for the efficient operation of the staff.

(b) The chief appraiser may appoint an assistant and may delegate his authority in writing to the assistant.

(c) The chief appraiser may be a member of the county board of tax assessors.

§ 48-5-264.1. Right of chief appraiser and others to inspect property; supplying identification to occupant of property; statement to be included in tax bill

(a) The chief appraiser, other members of the county property appraisal staff, authorized agents of the county board of tax assessors, and members of the county board of tax assessors who are conducting official business of the chief appraiser, the county appraisal staff, or the county board of tax assessors may go upon property outside of buildings, posted or otherwise, in order to carry out the duty of making appraisals of the fair market value of taxable property in the county, other than property returned directly to the commissioner; provided, however, such person representing such chief appraiser, appraisal staff, or county board of tax assessors shall carry identification which is sufficiently prominent to permit the occupant to readily ascertain that such person is such representative. Such representative shall not enter upon the property unless reasonable notice has been provided to the owner and to the occupant of the property regarding the purpose for which such person is entering upon such property.

(b) The county tax commissioner shall include a statement with the ad valorem tax bill of each taxpayer notifying the taxpayer of the right to file an ad valorem property tax return. A notification of the right of taxpayers to file ad valorem property tax returns shall also be maintained by the tax commissioner on the official website of the county.

§ 48-5-265. Formation of joint county property appraisal staffs

(a)

(1) The governing authorities of any two or more counties may join together and by intergovernmental agreement create a joint county property appraisal staff following consultation with the county boards of tax assessors of such counties. Under any such intergovernmental agreement, the parcels of real property within the counties subject to the intergovernmental agreement shall be totaled, and the counties shall be deemed one county for purposes of determining the class of the counties, the resulting minimum staff requirements, and the amount of money to be received from the department. The costs of the joint county property appraisal staff shall be determined in the intergovernmental agreement.

(2) The governing authorities of any two or more counties may execute an intergovernmental agreement to provide for the sharing of one or more designated members of property appraisal staff following consultation with the county boards of tax assessors of such counties. The costs of such shared staff members shall be determined in the intergovernmental agreement.

(b) The governing authorities of any two or more counties may join together and by intergovernmental agreement carry out this part following consultation with the county boards of tax assessors of such counties. All counties subject to an intergovernmental agreement under this subsection shall retain their separate character for the purpose of determining the class and minimum staff requirements for each county.

(c)

(1) Any county, at its discretion, may enter into contracts with persons to render advice or assistance to the county board of tax assessors in the assessment and equalization of taxes, the establishment of property valuations, or the defense of such valuations. Such advice and assistance shall be in compliance with the laws of this state and the rules and regulations of the commissioner. Individuals performing services under such contracts shall complete satisfactorily such training courses as directed by the commissioner. The function of any person contracting to render such services shall be advisory or ministerial, and the final decision as to the amount of assessments and the equalization of assessments shall be made by the county board of tax assessors and shall be set forth in the minutes of the county board of tax assessors.

(2) No contract entered into pursuant to paragraph (1) of this subsection shall contain any provision authorizing payment to any person contracted with, or to any person employed by any person contracted with, upon a percentage basis or upon any basis under which compensation is dependent or conditioned in any way upon increasing or decreasing the aggregate assessment of property in the county. Any contract or provision of a contract which is in violation of this paragraph shall be void and unenforceable.

§ 48-5-266. Submission by chief appraiser of assessment list with supporting information; attendance and providing of information at appeal hearings

(a) The chief appraiser shall submit a certified list of assessments for all taxable property within the county to the county board of tax assessors. The list shall be accompanied by any supporting information requested by the board of tax assessors and shall be submitted within the time prescribed by the board of tax assessors.

(b) The chief appraiser or his delegate shall attend all hearings on appeals of assessments made to the county board of equalization. He shall provide the county board of equalization with the information supporting the appraisal and assessment which has been appealed.

§ 48-5-268. Training courses for new appraisers; continuing education for experienced appraisers; member of county appraisal staff to appraise tangible personal property

(a) The department may prepare, instruct, operate, and administer courses of instruction deemed necessary to provide for the training of new appraisers and the continuing education of experienced appraisers.

(b)

(1) The department shall prepare, instruct, operate, and administer courses of instruction for the training of new appraisers and the continuing education of experienced appraisers in the appraisal of tangible personal property.

(2) In all counties except Class I counties, the chief appraiser shall designate at least one person on the county appraisal staff to be responsible for the appraisal of tangible personal property. Any

person or persons so designated shall be required to attend the standard approved training courses operated by the department in accordance with this subsection as part of their duties specified in subsection (b) of Code Section 48-5-263.

(c) The department may contract with any institution of higher education in this state to provide the courses of instruction, or any part of the courses, called for in this Code section.

§ 48-5-269. Authority to promulgate rules and regulations regarding uniform books, records, forms, and manuals; limits on change in current use value of conservation use property

(a) Subject to the limitations contained in Chapter 2 of this title, the commissioner may promulgate rules and regulations specifically regarding this part, including, but not limited to, the following:

(1) Prescription of the forms, books, and records to be used for standard property tax reporting for all taxing units, including, but not limited to, the forms, books, and records to be used in the listing, appraisal, and assessment of property and how the forms, books, and records shall be compiled and kept;

(2) Prescription of the form and content of state-wide, uniform appraisal and assessment forms, books, and manuals;

(3) Development and prescription of procedures under which property sales ratio surveys shall be conducted; and

(4) Prescription of methods and procedures by which identification data, appraisal and assessment data, sales data, and any other information relating to the appraisal and assessment of property shall be furnished to the department using electronic data processing systems and equipment.

(b) The commissioner shall promulgate after consultation with the Department of Agriculture, the Georgia Agricultural Statistical Service, the State Forestry Commission, the Department of Natural Resources, and the Cooperative Extension Service, and county tax officials shall follow uniform rules and regulations establishing a table of values for the current use value of bona fide conservation use property. Such rules and regulations shall apply to the evaluation of bona fide conservation use property, exclusive of any improvements thereon, which improvements shall have their current use value determined as otherwise provided by law. Such rules and regulations shall include, but not be limited to, the following provisions and criteria:

(1) Sales data for arm's length, bona fide sales of comparable real property with and for the same existing use and per-acre property values determined by the capitalization of net income before property taxes, with sales data to be weighted 35 percent and income capitalization values to be weighted 65 percent. All sales data shall be adjusted to remove the influence of the size of the

tract on the sales price of tracts below 50 acres in size. Income capitalization values shall be derived from the respective conservation use property classifications, with consideration given to productivity of the respective major geological or geographical regions, and for this purpose:

(A) Net income before property taxes shall be determined for:

(i) Agricultural land by calculating a weighted average of all crop and pasture acreage in each district as designated by paragraph (2) of this subsection in the following manner:

(I) Crop land by calculating the five-year weighted average of per-acre net income before property taxes from the major predominant acreage crops harvested in Georgia, and as used in this subdivision, the term "predominant acreage crops" means the top acreage crops with production in no less than 125 counties of the state; and

(II) Pasture property by calculating a five-year weighted average of per-acre rental rates from pasture land; and

(ii) Forest property by calculating a five-year weighted average of per-acre net income before property taxes from hardwood and softwood harvested in Georgia. For purposes of this division, the term "property taxes" shall not include the tax under Code Section 48-5-7.5 which tax shall be considered in calculating net income; and

(B) The capitalization rate shall be based upon:

(i) The long-term financing rate available on January 1 from the Regional Federal Land Bank located in Columbia, South Carolina, and published pursuant to 26 U.S.C. Section 2032A(e)(7)(A)(ii), further referenced by regulations 26 C.F.R. 20.2032A-4(e);

(ii) The arithmetic mean of Federal Farm Credit bond yields, whose maturity is no less than five years in the future, as published in the *Wall Street Journal* on January 1 or the most recent business day of the current year, rounded to the nearest hundredth;

(iii) For the purpose of determining the income capitalization rate, divisions (i) and (ii) of this subparagraph shall be given weighted influences of 80 percent and 20 percent, respectively; and

(iv) A property tax component which shall be the five-year average true tax rate for the unincorporated area of each county located within the regions established by paragraph (2) of this subsection;

(2) The state shall be divided into an appropriate grouping of the nine crop-reporting districts as delineated by the Georgia Agricultural Statistical Service for the purpose of determining any calculation under this subsection;

(3) In no event may the current use value of any conservation use property in the table of values established by the commissioner under this subsection for the taxable year beginning January 1, 1993, increase or decrease by more than 15 percent from its current use value as set forth in the table of values established by the commissioner under this subsection for the taxable year beginning January 1, 1992. In no event may the current use value of any conservation use property in the table of values established by the commissioner under this subsection for the taxable year beginning January 1, 1994, or any subsequent taxable year increase or decrease by more than 3 percent from its current use value as set forth in the table of values established by the commissioner under this subsection for the immediately preceding taxable year; and

(4) Environmentally sensitive properties as certified by the Department of Natural Resources shall be valued according to the average value determined for property of the same or similar soil type, as determined under paragraphs (1) and (2) of this subsection.

(c) In no event may the current use value of any conservation use property increase or decrease during a covenant period by more than 3 percent from its current use value for the previous taxable year or increase or decrease during a covenant period by more than 34.39 percent from the first year of the covenant period. The limitations imposed by this subsection shall apply to the total value of all the conservation use property that is the subject of an individual covenant including any improvements that meet the qualifications set forth in paragraph (1) of subsection (a) of Code Section 48-5-7.4; provided, however, that in the event the owner changes the use of any portion of the land or adds or removes therefrom any such qualified improvements, the limitations imposed by this subsection shall be recomputed as if the new uses and improvements were in place at the time the covenant was originally entered.

§ 48-5-269.1. Adoption by commissioner and requirement of use of uniform procedural manual for appraising tangible personal property

(a) The commissioner shall adopt by rule, subject to Chapter 13 of Title 50, the "Georgia Administrative Procedure Act," and maintain an appropriate procedural manual for use by county property appraisal staff in appraising tangible real and personal property for ad valorem tax purposes.

(b) The manual adopted by the commissioner pursuant to this Code section shall be utilized by county property appraisal staff in the appraisal of tangible real and personal property for ad valorem tax purposes.

§ 48-5-270. Commissioner's authority to purchase, develop, prescribe, and improve electronic data processing systems regarding property valuation and assessment

The commissioner is authorized, from funds appropriated to the department, to develop and prescribe systems of data collection, appraisal, and assessment and any other systems relating to property valuation and assessment utilizing electronic data processing systems and equipment for use by county boards of tax assessors. The commissioner may purchase existing systems and services from other government agencies, educational institutions, or private businesses or contract with these entities for the development of information and new systems that may be utilized by county boards of tax assessors in property valuation and assessment. The commissioner shall actively seek out technological advancements and systems that will improve the uniformity, fairness, and efficiency of property valuations and assessments and include his or her recommendations in the annual budget request.

§ 48-5-271. Table of values for conservation use value of forest land

(a) The commissioner shall promulgate and county tax officials shall follow uniform rules and regulations establishing a table of values for the conservation use value of forest land conservation use property. Such values shall be the same as provided for forest land values under Code Section 48-5-269.

(b) In no event may the forest land conservation use value of any forest land conservation use property in the table of values established by the commissioner under this Code section for the taxable year beginning January 1, 2010, or any subsequent taxable year increase or decrease by more than 3 percent from its forest land conservation use value as set forth in the table of values established by the commissioner under this Code section. The limitations imposed by this subsection shall apply to the total value of all the forest land conservation use property that is the subject of an individual covenant.

§ 48-5-273. Counties to submit tax rate to commissioner

The governing authority of each county shall submit to the commissioner, at the time the county tax digest for the current year is submitted for his approval, the total county millage levy established pursuant to law for the county for the current year. The commissioner shall not consider the approval of any county tax digest unless the tax rate is submitted to him as provided in this Code section.

§ 48-5-274. Establishment of equalized adjusted property tax digest; establishment and use of average ratio; information to be furnished by state auditor; grievance procedure; information to be furnished by commissioner

(a) As used in this Code section, the term:

(1) "Assessment ratio" means the fractional relationship between the assessed value and the fair market value of the property.

(2) "Measures of central tendency" means the tendency of data to cluster around some typical or central value, such as the median ratio, the mean ratio, or the weighted mean ratio (the weighted mean ratio is also called the aggregate ratio), as defined in the Standard on Assessment-Ratio Studies published by the International Association of Assessing Officers.

(b) The state auditor shall establish on a continuing basis, no later than November 15 in each year, an equalized adjusted property tax digest for each county in the state and for the state as a whole for the current calendar year. Such digest shall exclude all real and personal property exempted from taxation and the difference between the value of all taxable property within any tax allocation district and the tax allocation increment base of such tax allocation district as defined under paragraph (15) of Code Section 36-44-3 for which consent has been obtained pursuant to Code Section 36-44-9. The state auditor may establish a unit within the Department of Audits and Accounts consisting of such number of personnel as is deemed necessary in order to establish and maintain on a continuing basis the equalized adjusted property tax digest. The equalized adjusted property tax digest shall be established and maintained as follows:

(1) Determine the locally assessed valuation of the county property tax assessment digest for the preceding calendar year, exclusive of real and personal property exempted from taxation, exclusive of the difference between the value of all taxable property within any tax allocation district and the tax allocation increment base of such tax allocation district as defined under paragraph (15) of Code Section 36-44-3 for which consent has been obtained pursuant to Code Section 36-44-9, exclusive of railroad equipment company property shown on the county railroad equipment company property tax digest, exclusive of any property subject to current use valuation on the county property tax digest, and exclusive of the locally assessed valuation of timber harvested or sold;

(2) Determine the fair market value for timber harvested or sold during the calendar year;

(3) Divide the sum of the locally assessed valuation of the county property tax assessment digest under paragraph (1) of this subsection by the ratio of assessed value to fair market value of the property established by the state auditor in accordance with paragraph (8) of this subsection;

(4) Determine the fair market value of the county railroad equipment company property tax digest for the preceding calendar year;

(5) Determine the sum of the current use valuation of the county property tax digest;

(6) Determine the total fair market value of the Public Utility Digest as established by the commissioner;

(7) The total of the sums obtained through the calculations prescribed in paragraphs (2), (3), (4), (5), and (6) of this subsection shall be known as the current equalized adjusted property tax digest of the county. The sum of the current equalized adjusted property tax digest of all counties of the state combined shall be known as the current equalized adjusted property tax digest for the state as a whole; and

(8) Establish for each county in the state the ratio of assessed value to fair market value of county property subject to taxation, excluding railroad equipment company property. The ratio shall be determined by establishing the ratio of assessed value to sales price for each of a representative number of parcels of real property, the titles to which were transferred during a period of time to be determined by the state auditor, and then by establishing the measure of central tendency for the county as a whole based upon a representative number of usable transactions studied. Any such sales price shall be adjusted upward or downward, in a manner consistent with the Standard on Ratio Studies published by the International Association of Assessing Officers or its successors, as reasonably needed to account for the effects of price changes reflected in the market between the date of sale and January 1 of the calendar year for which the equalized adjusted property tax digest is being prepared. Sales prices also shall be reduced by any portion thereof attributable to personal property, real property exempt from taxation, or standing timber included in the sales transaction. The representative number of transactions shall not include any parcel of which the sales price is not reflective of the fair market value of such property as fair market value is defined in Code Section 48-5-2. The state auditor shall supplement realty sales price data available in any county with actual appraisals of a representative number of parcels of farm property and industrial and commercial property located within the county, the titles to which were not transferred within the period of time determined by the state auditor. The state auditor may make appraisals on other types of real property located within the county when adequate realty sales data cannot be obtained on such property. The representative number of parcels of each class of real property as defined by the commissioner used for the study shall be determined by the state auditor. The state auditor may use the same ratio for other personal property, excluding motor vehicles, within the county as is finally determined for real property within the county.

(c) The assessment ratio of assessed value to fair market value of county property to be established by the state auditor for the purposes of paragraph (8) of subsection (b) of this Code section shall be established through the use of personnel of the Department of Audits and Accounts who have sufficient competence and expertise by way of education, training, and experience in the fields of property evaluation and appraisal techniques. The Department of Audits and Accounts shall use the Standard on Assessment-Ratio Studies published by the International Association of Assessing Officers or its successors to determine the

valid transactions necessary to establish accurately the measure of central tendency described in paragraph (8) of subsection (b) of this Code section; provided, however, that standard shall only be used to the extent it does not conflict with criteria enumerated in subparagraph (B) of paragraph (3) of Code Section 48-5-2.

(d) The assessment ratio of assessed value to fair market value determined for each county shall be used as provided for in this Code section until such time as a new ratio is determined on a continuing basis for each county. The state auditor shall provide to the commissioner the assessment ratio of assessed value to fair market value for all counties upon completion.

(e) On or before November 15 of each year, the state auditor shall furnish to the State Board of Education the current equalized adjusted property tax digest of each county in the state and the current equalized adjusted property tax digest for the state as a whole. In any county which has more than one school system, the state auditor shall furnish the State Board of Education a breakdown of the current county equalized adjusted property tax digest showing the amount of the digest applicable to property located within each of the school systems located within the county. At the same time, the state auditor shall furnish the governing authority of each county, the governing authority of each municipality having an independent school system, the local board of education of each school system, the tax commissioner or tax collector of each county, and the board of tax assessors of each county the current equalized adjusted property tax digest of the local school system or systems, as the case may be, and the current equalized adjusted property tax digest for the state as a whole.

(f)

(1) Each county governing authority, each governing authority of a municipality having an independent school system, and each local board of education, when aggrieved or when having an aggrieved constituent, shall have a right, upon written request made within 30 days after receipt of the digest information, to refer the question of correctness of the current equalized adjusted property tax digest of the local school system to the state auditor. The state auditor shall take any steps necessary to make a determination of the correctness of the digest and to notify all interested parties of the determination within 45 days after receiving the request questioning the correctness of the digest.

(2) **(A)** If any party questioning the correctness of the digest is dissatisfied with the determination made by the state auditor pursuant to paragraph (1) of this subsection, the party shall have the right, which must be exercised within 15 days after being notified of the determination made by the state auditor, to refer in writing the question of the correctness of the digest to a board of arbitrators.

(B) Each board of arbitrators shall consist of three members, one to be chosen by the state auditor within 15 days after receipt of a written complaint, one to be chosen by the complaining party at the time of requesting the arbitration, and one to be chosen within 15 days after selection of the first two members by the first two members of the board. In the event the two arbitrators cannot agree on a third member, the Chief Justice of the

Supreme Court of Georgia shall appoint the third member upon petition of either party with notice to the opposing party.

(C) The board of arbitrators or a majority of the board within 15 days after appointment of the full board shall render its decision regarding the correctness of the digest in question and, if correction of the digest is required, regarding the extent and manner in which the digest should be corrected. The decision of the board shall be final.

(D) The state auditor shall correct the digest in question in accordance with the decision of the board of arbitrators and shall report the corrections to the parties entitled to receive such information under this Code section.

(E) Each member of the board of arbitrators shall subscribe to an oath to perform faithfully and impartially the duties required in connection with the controversy concerning the correctness of the digest in question and to render a decision within the time required. Each member of the board of arbitrators shall be paid a sum not to exceed $250.00 for each appeal heard. In addition, each member of the board shall receive the same daily expense allowance as is provided for each member of the General Assembly and actual transportation costs when traveling by public carrier or the legal mileage rate when traveling by personal automobile. All costs of arbitration of matters arising under this Code section shall be shared and paid equally by the Department of Audits and Accounts and by the governing authority requesting the arbitration.

(3) Upon receiving notice that the current equalized adjusted property tax digest of any local school system is being questioned pursuant to paragraph (1) of this subsection, the state auditor shall notify the State Board of Education that the digest is being questioned. No computations shall be made on the basis of a questioned digest under Article 6 of Chapter 2 of Title 20, the "Quality Basic Education Act," until the digest has been corrected, if necessary, pursuant to this subsection.

(g) The commissioner shall provide to the state auditor such digest information as is needed in the calculation of the equalized adjusted property tax digests. Such information shall be provided for each county and for each local school system. For independent school systems in municipalities authorized to assess property in excess of 40 percent of fair market value pursuant to Code Section 48-5-7, the commissioner shall provide digest information to the state auditor at the assessment ratios utilized by both the municipal government and the county government or governments in which the municipality is located. If revision is made to the digest of any county or any portion of a county comprising a local school system following the initial reporting of the digest to the state auditor, the commissioner shall report any such revision to the state auditor.

§ 48-5-275. Applicability of part

This part shall apply in both the incorporated and unincorporated areas in each county of this state. The intent of this Code section is to recognize each county as a unit in applying this part without regard to other distinctions existing between incorporated and unincorporated areas within each county.

County Boards of Tax Assessors

§ 48-5-290. Creation of county board of tax assessors; appointment and number of members; commission; noneligibility of certain individuals

(a) There is established a county board of tax assessors in each of the several counties of this state.

(b) Except as provided in Code Section 48-5-309 with respect to the election of board members, each county board of tax assessors shall consist of not less than three nor more than five members to be appointed by the county governing authority.

(c) The order making an appointment to the county board of tax assessors shall be regularly entered upon the record of the superior court of the county. A certificate from the clerk of the superior court reciting the order and stating that the person appointed has taken the oath required by law shall constitute the commission of a member. No other commission shall be required. The clerk of the superior court shall transmit a copy of the certificate to the commissioner within five days of the date the oath is administered.

(d) No individual may be appointed or reappointed to a county board of tax assessors when the individual is related to a member of the county governing authority in one or more of the following degrees:

(1) Mother or mother-in-law;

(2) Father or father-in-law;

(3) Sister or sister-in-law;

(4) Brother or brother-in-law;

(5) Grandmother or grandmother by marriage;

(6) Grandfather or grandfather by marriage;

(7) Son or son-in-law; or

(8) Daughter or daughter-in-law.

Certificate #: 2017-047-01

CERTIFICATE OF APPOINTMENT

_____ County Board of Assessor Member _____

This certificate has been issued to the above named individual pursuant to Department of Revenue regulation 560-11-2-.31 and shall be posted in a prominent location readily viewable by the public in the office of the board of tax assessors.

48-5-291. Qualifications for members; approved appraisal courses; rules and regulations. (a) No individual shall serve as a member of the county board of tax assessors who:

(1) Is less than 21 years of age;

(2) Fails to make his or her residence within the county within six months after taking the oath of office as a member of the board;

(3) Does not hold a high school diploma or its equivalent;

(4) Has not successfully completed 40 hours of training either prior to or within 180 days of appointment as provided in subsection (b) of this Code section;

(5) Has not obtained and maintained a certificate issued by the commissioner; and

(6) In addition to the training required in paragraph (4) of this Code section, does not successfully complete an additional 40 hours of approved appraisal courses as provided in subsection (b) of this Code section during each two calendar years of tenure as a member of the county board of tax assessors. (b) Approved appraisal courses shall be courses of instruction covering the basic principles of appraisal and assessing of all classes and types of property including instruction in the fundamentals of Georgia law covering the appraisal and assessing of property for ad valorem tax purposes as prescribed and designated by the commissioner pursuant to Code Section 48-5-13. To ensure that the assessment functions are performed in a professional manner by competent assessors, meeting clearly specified professional qualifications, the commissioner shall develop, approve, and administer courses of instruction designed to qualify applicants or tax assessors under this Code section and to specify qualification requirements for certification. The commissioner may contract with any professional appraisal organization or firm or Institution of higher education in this state to provide the necessary courses of instruction or any part of any such course pursuant to Code Section 48-5-13.

(c) The commissioner shall promulgate such rules and regulations as may be necessary for the administration of this Code section.

Lynnette T Riley

State of Georgia Commissioner of Revenue

TERM OF OFFICE

From: **To:**

Date Issued: _____ **This certificate expires on** _____

§ 48-5-291. Qualifications for members; approved appraisal courses; rules and regulations

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(1) Is less than 21 years of age;

(2) Fails to make his or her residence within the county within six months after taking the oath of office as a member of the board;

(3) Does not hold a high school diploma or its equivalent;

(4) Has not successfully completed 40 hours of training either prior to or within 180 days of appointment as provided in subsection (b) of this Code section;

(5) Has not obtained and maintained a certificate issued by the commissioner; and

(6) In addition to the training required in paragraph (4) of this Code section, does not successfully complete an additional 40 hours of approved appraisal courses as provided in subsection (b) of this Code section during each two calendar years of tenure as a member of the county board of tax assessors.

(b) Approved appraisal courses shall be courses of instruction covering the basic principles of appraisal and assessing of all classes and types of property including instruction in the fundamentals of Georgia law covering the appraisal and assessing of property for ad valorem tax purposes as prescribed and designated by the commissioner pursuant to Code Section 48-5-13. To ensure that the assessment functions are performed in a professional manner by competent assessors, meeting clearly specified professional qualifications, the commissioner shall develop, approve, and administer courses of instruction designed to qualify applicants or tax assessors under this Code section and to specify qualification requirements for certification. The commissioner may contract with any professional appraisal organization or firm or institution of higher education in this state to provide the necessary courses of instruction or any part of any such course pursuant to Code Section 48-5-13.

(c) The commissioner shall promulgate such rules and regulations as may be necessary for the administration of this Code section.

§ 48-5-292. Ineligibility of county tax assessors to hold other offices; applicability in certain counties

(a) No member of a county board of tax assessors shall be eligible to hold any state, county, or municipal office during the time he holds such office. A member of the board may be reappointed to succeed himself as a member of the board.

(b) Reserved.

(c) In any county in this state with a population of 100,000 or more according to the United States decennial census of 1990 or any future such census, no member of a county board of tax assessors shall be eligible to hold any county property appraisal staff position during the time such person holds office as a member of a county board of tax assessors, except as otherwise provided by law.

(d) In any county in this state in which a chief appraiser or a member of the county property appraisal staff is not otherwise prohibited under this Code section from serving simultaneously as a member of the county board of tax assessors and is serving simultaneously in such capacity, such chief appraiser or member of the county property appraisal staff shall upon ceasing to serve as chief appraiser or member of the county property appraisal staff automatically cease to serve as a member of the county board of tax assessors. Any vacancy created on the county board of tax assessors under this subsection shall be filled in the manner provided under subsection (a) of Code Section 48-5-295.

§ 48-5-293. Oaths of office

Each member of the county board of tax assessors shall take an oath before the judge or the clerk of the superior court of the county to perform faithfully and impartially the duties imposed upon him by law. In addition, he shall also take the oath required of all public officers as provided in Code Section 45-3-1.

§ 48-5-294. Compensation

Each member of the county board of tax assessors shall be paid as compensation for his services an amount to be determined from time to time by the county governing authority. The compensation to be paid to a member of the board shall not be less than $20.00 per day for the time he is actually discharging the duties required of him. Attendance at required approved appraisal courses shall be part of the official duties of a member of the board and he shall be paid for each day in attendance at such courses and shall be allowed reasonable expenses necessarily incurred in connection with the courses. The compensation of the members of the board and other expenses as may necessarily be incurred in the performance of the duties of the board shall be paid from the county treasury in the same manner as other payments by the county are made.

§ 48-5-295. Terms of office; vacancies; removal by county governing authority

(a) Each member of the county board of tax assessors appointed to such office on and after July 1, 1996, shall be appointed by the county governing authority for a term of not less than three nor more than six years. A county governing authority shall, by resolution, within the range provided by this subsection, select the length of terms of office for members of its county board of tax assessors. Following the adoption of such resolution, all new appointments and reappointments to the county board of tax assessors shall be for the term lengths specified in the resolution; however, such resolution shall not have the effect of shortening or extending the terms of office of current members of the board of assessors whose terms have not yet expired. The county governing authority shall not be authorized to again change the term length until the expiration of the term of office of the first appointment or reappointment following the resolution that last changed such terms of office. If the resolution changing the terms of office of members of the board of tax assessors would result in a voting majority of the board of tax assessors having their terms expire in the same calendar year, the county governing authority shall provide in the resolution for staggered initial appointments or reappointments of a duration of not less than three nor more than six years that will prevent such an occurrence. The county governing authority shall transmit to the board of assessors a copy of the resolution setting the length of terms of members of the county board of tax assessors within ten days of the date the resolution is adopted. Any member of the county board of tax assessors shall be eligible for reappointment after review of his or her service on the board by the appointing authority. Such review shall include education and certification information furnished by the commissioner. Any member of the county board of tax assessors who fails to maintain the certification and qualifications specified pursuant to Code Section 48-5-291 shall not be eligible for reappointment until all requirements have been met. In case of a vacancy on the board at any time, whether caused by death, resignation, removal, or otherwise, the vacancy shall be immediately filled by appointment of the county governing authority. Any person appointed to fill a vacancy shall be appointed only to serve for the remainder of the unexpired term of office and shall possess the same qualifications required under this part for regular appointment to a full term of office.

(b) A member of the county board of tax assessors may be removed by the county governing authority only for cause shown for the failure to perform the duties or requirements or meet the qualifications imposed upon such member by law including, but not limited to, the duties, requirements, and qualifications specified pursuant to Code Section 48-5-295.1 and subsection (e) of Code Section 48-5-262. No member of the board who is also employed by the county as a staff appraiser under Code Section 48-5-262 and no member whose removal is attempted based on this subsection may be removed by the county governing authority during such member's term of appointment until the member has been afforded an opportunity for a hearing before the judge of the superior court of the county for recommendations by the judge of the superior court to the county governing authority regarding such removal.

(c) As used in subsection (b) of this Code section, the term "failure to perform the duties" shall include a finding by the county governing authority that the member of the county board of tax assessors has shown a pattern of decisions in his or her capacity as such member that has provided substantially incorrect assessments or substantially inconsistent tax assessments between similar properties.

(d) The provisions of subsection (b) of this Code section shall be a supplemental alternative to proceedings for removal under Code Section 48-5-296; and the existence of one remedy shall not bar the other.

§ 48-5-295.1. Performance review board

(a) The county governing authority may, upon adoption of a resolution, request that a performance review of the county board of tax assessors be conducted. Such resolution shall be transmitted to the commissioner who shall appoint an independent performance review board within 30 days after receiving such resolution. The commissioner shall appoint three competent persons to serve as members of the performance review board, one of whom shall be an employee of the department and two of whom shall be chief appraisers, provided that neither chief appraiser shall be a chief appraiser for the county under review.

(b) It shall be the duty of a performance review board to make a thorough and complete investigation of the county board of tax assessors with respect to all actions of the county board of tax assessors and appraisal staff regarding the technical competency of appraisal techniques and compliance with state law and regulations, including the Property Tax Appraisal Manual. The performance review board shall issue a written report of its findings to the commissioner and the county governing authority which shall include such evaluations, judgments, and recommendations as it deems appropriate. The county governing authority shall reimburse the members of the performance review board for reasonable expenses incurred in the performance of their duties, including mileage, meals, lodging, and costs of materials.

(c) The findings of the report of the review board under subsection (b) of this Code section or of any audit performed by the Department of Revenue at the request of the Governor may be grounds for removal of one or more members of the county board of tax assessors pursuant to subsection (b) of Code Section 48-5-295.

(d) The commissioner shall promulgate such rules and regulations as may be necessary for the administration of this Code section.

§ 48-5-295.2. Independent performance review board; written report; withholding of funds

(a) The commissioner shall appoint an independent performance review board if he or she determines, through the examination of the digest for any county in a digest review year pursuant to Code Section 48-5-342, that there is evidence which calls into question the technical competence of appraisal techniques and compliance with state law and regulations, including the Property Tax Appraisal Manual, with respect to the conservation use value of forest land.

(b) The commissioner shall appoint three competent persons to serve as members of the performance review board, one of whom shall be an employee of the department and two of whom shall be chief appraisers, provided that neither chief appraiser shall be a chief appraiser for the county under review.

(c) The performance review board shall issue a written report of its findings to the commissioner and the county governing authority which shall include such evaluations, judgments, and recommendations as it deems appropriate. The county governing authority shall reimburse the members of the performance review board for reasonable expenses incurred in the performance of their duties, including mileage, meals, lodging, and costs of materials.

(d) The findings of the report of the review board under subsection (c) of this Code section or of any audit performed by the Department of Revenue or the Department of Audits shall be grounds for the state to withhold local assistance grants pursuant to Code Section 48-5A-3; provided, however, that any portion of a local assistance grant designated for use by a board of education of any political subdivision shall not be withheld pursuant to this subsection. If the findings in the report of the performance review board indicate that the provisions of paragraph (6) of Code Section 48-5-2 have been knowingly violated by a local government in order to receive a larger local assistance grant than allowed by law, then the most recent local assistance grant requested by the local government shall be withheld by the Department of Revenue. For a second or subsequent offense, the next two requests for local assistance grants shall be withheld by the Department of Revenue.

(e) The commissioner shall promulgate such rules and regulations as may be necessary for the administration of this Code section.

§ 48-5-296. Removal from office on petition of freeholders; appeals

Whenever by petition to the judge of the superior court any 100 or more freeholders of the county allege that any member of the county board of tax assessors is disqualified or is not properly and impartially discharging his duties or is discriminating in favor of certain citizens or classes of citizens and against others, the judge shall cite the member to appear before him at a time and place to be fixed in the citation, such time to be not less than 20 nor more than 40 days from the date of the presentation of the petition, and to answer to the petition. A copy of the petition shall be attached to the citation and service of the citation may be made by any sheriff, deputy sheriff, or constable of this state. The officer making the service shall serve copies and return the original petition and citation to the clerk of the court as other process is returned. At the time and place fixed in the citation, unless postponed for reasonable cause, the judge shall hear and determine the matter without a jury and shall render such judgment and order as may be right and proper, either dismissing the petition or removing the offending member of the county board of tax assessors from office and declaring a vacancy in the office. If either party to the controversy is dissatisfied with the judgment and order of the court, the party may appeal the issue as in other cases.

§ 48-5-297. Meetings

The first meeting of the county board of tax assessors shall be held no later than ten days after the date the tax receiver or tax commissioner is required by law to submit the tax digest for the year to the county board of tax assessors. The secretary of the board shall at that time and at every meeting of the board present to the board all of the appraisal staff information relating to the digest. The county board of tax assessors must consider the staff information in the performance of their duties. The county board of tax assessors shall adhere to the assessment standards and techniques as required by law, by the commissioner, and by the State Board of Equalization. In each instance, however, the assessment placed on each parcel of property shall be the assessment established by the county board of tax assessors as provided in Code Section 48-5-306.

§ 48-5-298. Selection of chairman and secretary; employment contracts with persons to assist board; payment of expenses

(a) Each county board of tax assessors shall elect one of its members to serve as chairman for each tax year. The election of a chairman shall be the first order of business at the first meeting of the board for each tax year. At the same time, the board shall select from the county appraisal staff one appraiser to act as secretary to the board for that tax year. Each county board of tax assessors, subject to the approval of the county governing authority, may enter into employment contracts with persons to:

> **(1)** Assist the board in the mapping, platting, cataloging, indexing, and appraising of taxable properties in the county;
>
> **(2)** Make, subject to the approval of the board, reevaluations of taxable property in the county; and
>
> **(3)** Search out and appraise unreturned properties in the county.

(b) Each county board of tax assessors may enter into a contract with any municipality or political subdivision of the state to provide any information for which the board could contract pursuant to subsection (a) of this Code section.

(c) The expenses of employees engaged and work performed pursuant to this Code section shall be paid, subject to the contracts and after approval by the county governing authority, out of county funds as a part of the expenses of the board. A county board of education or independent board of education may expend funds to assist in paying the expenses incurred in discovering unreturned properties pursuant to this Code Section for the purpose of collecting unpaid school taxes. The method of such expenditure as provided in this subsection and the amount thereof shall be within the discretion of the county board of education or independent board of education.

§ 48-5-299. Ascertainment of taxable property; assessments against unreturned personal property; penalty for unreturned property; changing real property values established by appeal in prior year or stipulated by agreement

(a) It shall be the duty of the county board of tax assessors to investigate diligently and to inquire into the property owned in the county for the purpose of ascertaining what real and personal property is subject to taxation in the county and to require the proper return of the property for taxation. The board shall make such investigation as may be necessary to determine the value of any property upon which for any reason all taxes due the state or the county have not been paid in full as required by law. In all cases where the full amount of taxes due the state or county has not been paid, the board shall assess against the owner, if known, and against the property, if the owner is not known, the full amount of taxes which has accrued and which may not have been paid at any time within the statute of limitations. In all cases where taxes are assessed against the owner of property, the board may proceed to assess the taxes against the owner of the property according to the best information obtainable; and such assessment, if otherwise lawful, shall constitute a valid lien against the property so assessed.

(b) In all cases in which unreturned personal property is assessed by the board after the time provided by law for making tax returns has expired, the board shall add to the assessment of the property a penalty of 10 percent, which shall be included as a part of the taxable value for the year.

(c) When the value of real property is reduced or is unchanged from the value on the initial annual notice of assessment or a corrected annual notice of assessment issued by the board of tax assessors and such valuation has been established as the result of an appeal decision rendered by the board of equalization, hearing officer, arbitrator, or superior court pursuant to Code Section 48-5-311 or stipulated by written agreement signed by the board of tax assessors and taxpayer or taxpayer's authorized representative, the new valuation so established by appeal decision or agreement may not be increased by the board of tax assessors during the next two successive years, unless otherwise agreed in writing by both parties, subject to the following exceptions:

> **(1)** This subsection shall not apply to a valuation established by an appeal decision if the taxpayer or his or her authorized representative failed to attend the appeal hearing or provide the board of equalization, hearing officer, or arbitrator with some written evidence supporting the taxpayer's opinion of value;
>
> **(2)** This subsection shall not apply to a valuation established by an appeal decision or agreement if the taxpayer files a return at a different valuation during the next two successive years;
>
> **(3)** Unless otherwise agreed in writing by both parties, if the taxpayer files an appeal pursuant to Code Section 48-5-311 during the next two successive years, the board of tax assessors, the board of equalization, hearing officer, or arbitrator may increase or decrease the value of the real property based on the evidence presented by the taxpayer during the appeal process; and

(4) The board of tax assessors may increase or decrease the value of the real property if, after a visual on-site inspection of the property, it is found that there have been substantial additions, deletions, or improvements to such property or that there are errors in the board of tax assessors' records as to the description or characterization of the property, or the board of tax assessors finds an occurrence of other material factors that substantially affect the current fair market value of such property.

(d) When real or personal property is located within a municipality whose boundaries extend into more than one county, it shall be the duty of each board of tax assessors of a county, wherein a portion of the municipality lies, to cooperatively investigate diligently into whether the valuation of such property is uniformly assessed with other properties located within the municipality but outside the county where such property is located. Such investigation shall include, but is not limited to, an analysis of the assessment to sales ratio of properties that have recently sold within the municipality and a comparison of the average assessment level of such properties by the various counties wherein a portion of the municipality lies. The respective boards shall exchange such information as will facilitate this investigation and make any necessary adjustments to the assessment of the real and personal property that is located in their respective counties within the municipality to achieve a uniform assessment of such property throughout the municipality. Any uniformity adjustments pursuant to this subsection shall only apply to the assessment used for municipal ad valorem tax purposes within the applicable county.

MORETON ROLLESTON, JR. LIVING TRUST v. GLYNN COUNTY BOARD OF TAX ASSESSORS.

This is the second appearance of this case, which was first heard in *Moreton Rolleston, Jr. Living Trust v. Glynn County Bd. of Tax Assessors*, 228 Ga. App. 371 (491 S.E.2d 812) (1997), Division 2 vacated and remanded, 230 Ga. App. 539 (497 S.E.2d 274) (1998), pursuant to an order of the Supreme Court, S98C0078, January 5, 1998 ("*Rolleston*"). *Rolleston* held that the trial court had jurisdiction to entertain a declaratory judgment or mandamus action regarding the delay in the hearing of the appeal before the Glynn County Board of Equalization ("BOE"). On remand, the plaintiff did not amend the two pending petitions to add the Glynn County BOE and seek a mandamus nisi against them to compel them to hear and to decide the tax appeals of the Moreton Rolleston, Jr. Living Trust ("Rolleston Trust") regarding reassessments for the years 1995 and 1996. Therefore, the trial court had jurisdiction to decide only the declaratory judgment action against the Glynn County Board of Tax Assessors ("BOTA").

After March 19, 1997, the appeal was forwarded by the Glynn County BOTA to the Glynn County BOE after 180 days expired in January 1997; the Glynn County BOE set a hearing date on the appeal for April 9, 1997, which was rescheduled by Rolleston Trust for June 11, 1997.

By agreement of the BOTA and Rolleston Trust, Civil Action Case Nos. 96-01019 and 97-00422 of the Superior Court of Glynn County were consolidated for hearing on the action for declaratory judgment. The parties filed cross-motions for summary judgment. On January 28, 1999, the trial court entered its order granting to BOTA summary judgment and denied the motion for summary judgment of Rolleston Trust.

Rolleston Trust contends that the trial court erred in granting summary judgment to BOTA. We do not agree.

1. O.C.G.A. § 48-5-311 (e) (3) (Ga. L. 1994, pp. 1088, 1090, § 1) provided for automatic referral of a tax appeal from the county board of tax assessors to the county board of equalization after 180 days when the taxpayer has not been notified earlier of a determination by the county tax assessors, except when there has been a county-wide reevaluation or when the tax digest for the current year cannot be approved by the State Revenue Commissioner pursuant to O.C.G.A. § 48-5-304 (a).

O.C.G.A. § 48-5-311 (e) (6) (A) and (B) provide that, within 15 days of receipt of notice of appeal, the county board of equalization shall set a hearing date to determine the questions presented, which hearing shall not be more than 30 days and not less than 20 days from notification.

O.C.G.A. § 48-5-311 (e) (3) and (6) (A) and (B) are directory statutory provisions rather than mandatory, because a county board of equalization can become so swamped with appeals that it cannot hear all pending cases within such short statutory time periods. Where a statute directs that something be done within a certain time period, without any negative prohibition of later performance of the act, usually the provision as to time is treated as directory only and not as a limitation of authority; where no injury appears to have resulted from the delay, the later performance of the act after the time limitation does not render the act invalid. O.C.G.A. § 1-3-1; see generally *Collins v. Birchfield*, 214 Ga. App. 144, 145-147 (447 S.E.2d 38) (1994); see also *Hopping v. Cobb County Fair Assn.*, 222 Ga. 704, 706 (2) (152 S.E.2d 356) (1966); *O'Neal v. Spencer*, 203 Ga. 588 (47 S.E.2d 646) (1948); *Commr. of Ins. v. Stryker*, 218 Ga. App. 716, 719-720 (8) (463 S.E.2d 163) (1995). The fact that O.C.G.A. § 48-5-311 (e) (3) contains an exception for both county-wide reevaluations and for non-approved tax digests, both of which would delay the reassessment and appeal process, indicates that

such time periods were intended to be directory only. Since the pending appeal limits the tax bill under the reassessment to 85 percent of the current year's valuation until final determination on appeal, then the taxpayer is not harmed by any delay. See O.C.G.A. § 48-5-311 (e) (6) (D) (iii). If the taxpayer brings a mandamus action against either the county board of tax assessors or the county board of equalization, then the trial court may compel an earlier hearing under the facts and circumstances of such case. See *Fulton County Bd. of Tax Assessors v. Jones*, 264 Ga. 828 (452 S.E.2d 99) (1995); *Rolleston*, supra at 374 (1). Where, as in this case, the county board of equalization, in the exercise of due diligence and with reasonable justification for delay, sets a hearing at the earliest available date, which date falls outside the statutory time period, there has been substantial compliance with the statute. O.C.G.A. § 1- 3-1 (c); *Barton v. Atkinson*, 228 Ga. 733, 739-740 (1) (187 S.E.2d 835) (1972).

Language contained in a statute which, given its ordinary meaning, commands the doing of a thing within a certain time, when not accompanied by any negative words restraining the doing of the thing afterward, will generally be construed as merely directory and not as a limitation of authority, and this is especially so where no injury appeared to have resulted from the fact that the thing was done after the time limited by the plain wording of the Act.

Id. at 739 (1). Thus, the failure of the county board of equalization to timely hear the appeal does not nullify the reassessment.

Further, the evidence showed that both exceptions to the application of O.C.G.A. § 48-5-311 (e) (3) existed in 1995, i.e., county-wide reevaluation, and in 1996, i.e., the State Revenue Commissioner had not approved the tax digest for 1996 pursuant to O.C.G.A. § 48-5-304 (a), so that the statutory time periods would not be applicable in any event.

2. Rolleston Trust contends that O.C.G.A. § 48-5-299 (c) acted as a statutory estoppel of the reassessment for 1995 and 1996.

Under the language of O.C.G.A. § 48-5-299 (c), the value of real property established by appeal in any year by the board of equalization or superior court by valuation established or decision rendered cannot be changed by the board of tax assessors during the two successive years, unless the taxpayer returns the property at a different valuation or the purpose of the change is not for the sole purpose of changing such valuation established by appeal.

Rolleston Trust returned the property in 1995 and 1996 at the same valuation as prior years, made no changes or improvements in the property, and showed that there had been a judicial determination of valuation in 1996 for the tax years 1992, 1993, and 1994. Thus, if O.C.G.A. § 48-5-299 (c) applied, then prior to the board of assessors changing such appeal establishing valuation of such real property, the board of tax assessors had to conduct an investigation into specific factors currently affecting the fair market value of this specific real property, rather than general market forces, which may affect the real estate market in general. Such investigation shall include (1) a visual on-site inspection of the real property to ascertain if there had been (a) additions, (b) deletions, (c) improvements, or (d) the occurrence of other factors that such visual inspection would reveal and that might affect the fair market value of such property, i.e., changes in the surrounding property that a visual inspection would reveal or physical changes in the real property in question, which would affect the fair market value of the property in question; and (2) a review of the legal description, description of the improvements, description of lot size and of area of improvements, and characterization of such property in the files and records of the board of tax assessors to determine any errors. O.C.G.A. § 48-5-299 (c). Such other factors do *not* include the general rise in the value of real estate or even surrounding real estate manifested by comparable sales, because the evaluation on the earlier appeal already would have taken such existence of increase or decrease in surrounding property values into consideration and, as part of equalization, taken such other property values into consideration in arriving at the fair market

value of the specific property on appeal. Likewise, a county-wide reassessment would not be such factor, because such county-wide reassessment should have brought surrounding property into equalization with the fair market value already determined on appeal of the subject property. However, county-wide or general area reassessment would satisfy a purpose other than "the sole purpose of changing the valuation established" on appeal, because under such circumstances, equalization and uniformity of value upward or downward with comparable property would be the purpose. See Ga. Const. of 1983, Art. VII, Sec. I, Par. III; *Parsons v. Chatham County Bd. of Commrs.*, 204 Ga. App. 130, 131 (3) (a) (418 S.E.2d 459) (1992), overruled on other grounds, *Swafford v. Dade County Bd. of Tax Commrs.*, 266 Ga. 646, 647 (1) (469 S.E.2d 666) (1996). None of these steps was taken by the BOTA prior to the reassessment for either 1995 or 1996.

Rolleston Trust produced evidence that there had been no improvement or change in the condition of the property and that there was a prior tax year judicial determination of the fair market value of the property, so that O.C.G.A. § 48-5-299 (c) should become applicable. While O.C.G.A. § 48-5-299 (c) may appear to be applicable to these reassessments, such limitation on the BOTA reassessment powers are confined to the statutory appeal process only.

(a) The issues of reassessment, including the validity of a reassessment under O.C.G.A. § 48-5-299 (c), shall be raised within the statutory scheme for tax appeals promulgated by the General Assembly by appeal to the county board of equalization or arbitrators. See O.C.G.A. § 48-5-311 (e) and (f). The superior court's jurisdiction to decide issues raised by tax appeals is limited to those cases which come through O.C.G.A. § 48-5-311 (g). Since valuation and assessment of property for ad valorem purposes are executive branch functions under the separation of powers under the constitution, then the jurisdiction of the superior court in an ad valorem tax case must be by statute, because such court review of executive branch action, absent statutory authority, would be a violation of separation of powers. An action for declaratory judgment is not a substitute for an appeal under O.C.G.A. § 48-5-311 (e), but such is appropriate in this case, not for the purpose of resolving reassessment issues that should come under O.C.G.A. § 48-5-311, but to "guide the parties and prevent uncertainty and insecurity with respect to the propriety of some future act or conduct in order not to jeopardize their interests," regarding statutory application and construction. *Rolleston*, supra at 373 (1).

(b) O.C.G.A. § 48-5-299 (c) would not be available to Rolleston Trust for the tax year 1995, but such provision would be available for the tax year 1996 if, and only if, an appeal of the 1995 reassessment through O.C.G.A. § 48-5-311 (e) establishes an evaluation or O.C.G.A. § 48-5-311 (g) results in a judicial decision establishing the 1995 evaluation. This legal consequence results because Ga. L. 1994, pp. 786, 787, § 1, created by amendment O.C.G.A. § 48-5-299 (c), and § 2 of the Act states "this Act shall become effective on January 1, 1995, and shall be applicable to all taxable years beginning on or after that date." Thus, the consent judgment for the taxable years 1992, 1993, and 1994 did not constitute the condition precedent for such Code section affecting the reassessments for 1995 and 1996, even though such judicial decision was rendered in 1996, because the plain language of the Act prohibited retroactive application as to cases such as this. See O.C.G.A. § 1-3-5; *Mug A Bug Pest Control v. Vester*, 270 Ga. 407, 408 (1) (509 S.E.2d 925) (1999); *Enger v. Erwin*, 245 Ga. 753 (267 S.E.2d 25) (1980). Therefore, Rolleston Trust was not entitled to the protection of O.C.G.A. § 48-5-299 (c) for a judicial determination setting valuations for years prior to 1995 and its effective date; however, Rolleston Trust would be entitled to such protection as to an appeal establishing the valuation for the tax year 1995, which then would affect 1996 and 1997 as coming under O.C.G.A. § 48-5-299 (c).

If there is no decision on appeal establishing value, either by the board of equalization or the superior court, then the condition precedent has not been met. Thus, a settlement with BOTA prior to appeal or after appeal has begun is not a "valuation established or rendered in an appeal" absent a consent judgment entered by the board of equalization, arbitrators, or superior court.

(c) On remand and any subsequent appeal before the BOE as to the tax years 1996 and 1997, BOTA will have an opportunity to raise its constitutional attack on O.C.G.A. § 48-5-299 (c). BOTA did not raise the constitutional attack in the trial court, and such constitutional attack has not been ruled upon by the trial court. Therefore, this issue must be raised on remand and would come within the jurisdiction of the Supreme Court as a constitutional issue of first impression.

The trial court did not err in granting summary judgment to the Glynn County BOTA and denying it to Rolleston Trust.

Judgment affirmed. Blackburn, P. J., and Barnes, J., concur.

§ 48-5-299.1. Designation of board of assessors to receive tax returns

Upon designation by the tax receiver or tax commissioner pursuant to paragraph (5) of Code Section 48-5-103, it shall be the duty of the board of assessors to receive tax returns as provided under paragraph (4) of Code Section 48-5-103 or to perform all duties of tax receivers or tax commissioners relating to the receiving of applications for homestead exemptions from ad valorem tax, or both, pursuant to such designation.

§ 48-5-300. Power to summon witnesses and require production of documents; exempt documents; contempt proceedings

(a) **(1)** Except as otherwise provided in paragraph (2) of this subsection, the county board of tax assessors may issue subpoenas for the attendance of witnesses and may subpoena of any person any books, papers, or documents which may contain any information material to any question relative to the existence or liability of property subject to taxation or to the identity of the owner of property liable to taxation or relevant to other matters necessary to the proper assessment of taxes lawfully due the state or county. Such subpoenas may be issued in the name of the board, shall be signed by any one or more members of the board or by the secretary of the board, and shall be served upon a taxpayer or witness or any party required to produce documents or records five days before the day upon which any hearing by the board is scheduled at which the attendance of the party or witness or the production of such documents is required.

(2) The authority provided for in paragraph (1) of this subsection shall not apply to the following documents or records:

(A) Any income tax records or returns;

(B) Any property appraisals prior to the appeal process;

(C) All insurance policies; or

(D) Any individual tenant sales information.

(b) If any witness subpoenaed by any county board of tax assessors fails or refuses to appear, fails or refuses to answer questions propounded, or fails or refuses to produce any books, papers, or documents required to be produced by an order of the board, except upon a legal excuse which would relieve the witness of the obligation to attend as a witness or to produce such documents before the superior court if lawfully required to do so, the person so failing or refusing shall be guilty of contempt and shall be cited by the board to appear before a judge of the superior court of the county. The judge of the superior court of the county shall have the same power and jurisdiction to punish the person failing or refusing to comply

with the order for contempt and to require and compel the giving of the testimony or the production of the books and records as in cases of contempt committed in the presence of the court and as in cases pending in the court.

§ 48-5-300.1. Time period for taxation of personal property; extension by consent; refunds

(a) Except as otherwise provided in this Code section or this title, the amount of any tax imposed under this chapter with respect to personal property may be assessed at any time.

(b) Except as otherwise provided by subsection (c) of this Code section or by this title, in the case where a return or report is filed or deemed to be filed for personal property, the amount of any tax imposed by this chapter shall be assessed within three years from the date the original tax bill was paid, unless such personal property in question is the subject of an audit by the board of tax assessors.

(c) Except as otherwise provided by this title, in the case of a false or fraudulent personal property tax return or report filed with the intent to evade tax, or if the property owner has been notified of a pending audit of personal property, the amount of any tax imposed by this chapter may be assessed at any time.

(d) Where, before the expiration of the time prescribed in this Code section for the assessment of any tax imposed by this chapter with respect to personal property, both the board of tax assessors and the person subject to assessment have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the agreed upon period. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the previously agreed upon period. The board of tax assessors is authorized in any such agreement to extend similarly the period within which a claim for refund may be filed.

(e) If a claim for refund of such taxes paid for any taxable period is filed within the last six months of the period during which the board of tax assessors may assess the amount of such taxes, the assessment period shall be extended for a period of six months beginning on the day the claim for refund is filed.

(f) No action without assessment shall be brought for the collection of any such tax after the expiration of the period for assessment.

§ 48-5-301. Time for presentation of returns by tax receiver or tax commissioner

(a) Except as provided in subsection (b) of this Code section, not later than April 11 in each year the tax receiver or tax commissioner of each county shall present the tax returns of the county for the current year to the county board of tax assessors.

(b) In all counties having a population of not less than 81,300 nor more than 89,000 according to the United States decennial census of 1990 or any future such census, the tax receiver or tax commissioner of each such county shall present the tax returns of the county for the current year to the county board of tax assessors not later than March 11 of that year.

§ 48-5-302. Time for completion of revision and assessment of returns; submission of completed digest to commissioner

Each county board of tax assessors shall complete its revision and assessment of the returns of taxpayers in its respective county by July 15 of each year, except that, in all counties providing for the collection and payment of ad valorem taxes in installments, such date shall be June 1 of each year. The tax receiver or tax commissioner shall then immediately forward one copy of the completed digest to the commissioner for examination and approval.

§ 48-5-303. Correction of mistakes in digest; notification of correction

(a) The county board of tax assessors shall have authority to correct factual errors in the tax digest when discovered within three years and when such corrections are of benefit to the taxpayer. Such corrections, after approval of the county board of tax assessors, shall be communicated to the taxpayer and notice shall be provided to the tax commissioner.

(b) If a tax receiver or tax commissioner makes a mistake in the digest which is not corrected by the county board of tax assessors or county board of equalization, the commissioner, with the sanction of the Governor, shall correct the mistake by making the necessary entries in the digest furnished the commissioner. The commissioner shall notify the county governing authority and the tax collector of the county from which the digest comes of the mistake and correction.

§ 48-5-304. Approval of tax digests when assessments in arbitration or on appeal; procedure; withholding of grants by Office of Treasury and Fiscal Services

(a) The commissioner shall not approve any digest of any county when the assessed value that is in dispute for any property or properties on appeal or in arbitration exceeds 5 percent of the total assessed value of the total taxable digest of the county for the same year. In any year in which a complete revaluation or reappraisal program is implemented, the commissioner shall not approve a digest of any

county when 8 percent or more of the assessed value in dispute is in arbitration or on appeal and 8 percent or more of the number of properties is in arbitration or on appeal. When the assessed value in dispute on any one appeal or arbitration exceeds 1.5 percent of the total assessed value of the total taxable digest of the county for the same year, such appeal or arbitration may be excluded by the commissioner in making his or her determination of whether the digest may be approved under the limitations provided for in this Code section. Where appeals have been filed or arbitrations demanded, the assessment or assessments fixed by the board of tax assessors shall be listed together with the return value on the assessments and forwarded in a separate listing to the commissioner at the time the digest is filed for examination and approval.

(b) The commissioner shall not approve any digest or portion thereof for any class or strata of property where evidence exists that the county has substantially failed to comply with the provisions of this title or the rules and regulations of the commissioner for valuation of such class or strata of property. The commissioner shall adopt rules and regulations to give effect to this provision.

(c) The Office of the State Treasurer shall withhold any and all grants appropriated to any county until the county tax digest for the previous calendar year has been submitted to the commissioner as required by law.

§ 48-5-305. Valuation of property not in digest

(a) The county board of tax assessors may provide, pursuant to rules or regulations promulgated by the board and consistent with this article, the manner of ascertaining the fair market value for taxation of any real or personal property not appearing in the digest of any year within the period of the statute of limitations.

(b) It is the purpose and intent of this Code section to confer upon the county board of tax assessors full power and authority necessary to have placed upon the digest an assessment of the fair market value of all property in the county of every character which is subject to taxation and for which either state or county taxes have not been paid in full.

(c) Nothing contained in this Code section shall apply to those persons who are required to make their returns to the commissioner.

§ 48-5-306. Notice of changes made in taxpayer's return; contents; posting notice; new assessment description

(a) Method of giving annual notice of current assessment to taxpayer. Each county board of tax assessors may meet at any time to receive and inspect the tax returns to be laid before it by the tax receiver or tax commissioner. The board shall examine all the returns of both real and personal property of each

taxpayer, and if in the opinion of the board any taxpayer has omitted from such taxpayer's returns any property that should be returned or has failed to return any of such taxpayer's property at its fair market value, the board shall correct the returns, assess and fix the fair market value to be placed on the property, make a note of such assessment and valuation, and attach the note to the returns. The board shall see that all taxable property within the county is assessed and returned at its fair market value and that fair market values as between the individual taxpayers are fairly and justly equalized so that each taxpayer shall pay as nearly as possible only such taxpayer's proportionate share of taxes. The board shall give annual notice to the taxpayer of the current assessment of taxable real property. When any corrections or changes, including valuation increases or decreases, or equalizations have been made by the board to personal property tax returns, the board shall give written notice to the taxpayer of any such changes made in such taxpayer's returns. The annual notice may be given personally by leaving the notice at the taxpayer's dwelling house, usual place of abode, or place of business with some person of suitable age and discretion residing or employed in the house, abode, or business, or by sending the notice through the United States mail as first-class mail to the taxpayer's last known address. The taxpayer may elect in writing to receive all such notices required under this Code section by electronic transmission if electronic transmission is made available by the county board of tax assessors. When notice is given by mail, the county board of tax assessors' return address shall appear in the upper left corner of the face of the mailing envelope and with the United States Postal Service endorsement "Return Service Requested" and the words "Official Tax Matter" clearly printed in boldface type in a location which meets United States Postal Service regulations.

(b) Contents of notice.

(1) The annual notice of current assessment required to be given by the county board of tax assessors under subsection (a) of this Code section shall be dated and shall contain the name and last known address of the taxpayer. The annual notice shall conform with the state-wide uniform assessment notice which shall be established by the commissioner by rule and regulation and shall contain:

(A) The amount of the previous assessment;

(B) The amount of the current assessment;

(C) The year for which the new assessment is applicable;

(D) A brief description of the assessed property broken down into real and personal property classifications;

(E) The fair market value of property of the taxpayer subject to taxation and the assessed value of the taxpayer's property subject to taxation after being reduced;

(F) The name, phone number, and contact information of the person in the assessors' office who is administratively responsible for the handling of the appeal and who the taxpayer may contact if the taxpayer has questions about the reasons for the assessment change or the appeals process;

(G) If available, the website address of the office of the county board of tax assessors; and

(H) A statement that all documents and records used to determine the current value are available upon request.

(2) **(A)** In addition to the items required under paragraph (1) of this subsection, the notice shall contain a statement of the taxpayer's right to an appeal and an estimate of the current year's taxes for all levying authorities which shall be in substantially the following form:

"The amount of your ad valorem tax bill for this year will be based on the appraised and assessed values specified in this notice. You have the right to appeal these values to the county board of tax assessors. At the time of filing your appeal you must select one of the following options:

(i) An appeal to the county board of equalization with appeal to the superior court;

(ii) To arbitration without an appeal to the superior court; or

(iii) For a parcel of nonhomestead property with a fair market value in excess of $500,000.00 as shown on the taxpayer's annual notice of current assessment under this Code section, or for one or more account numbers of wireless property as defined in subparagraph (e.1)(1)(B) of Code Section 48-5-311 with an aggregate fair market value in excess of $500,000.00 as shown on the taxpayer's annual notice of current assessment under this Code section, to a hearing officer with appeal to the superior court.

"If you wish to file an appeal, you must do so in writing no later than 45 days after the date of this notice. If you do not file an appeal by this date, your right to file an appeal will be lost. For further information on the proper method for filing an appeal, you may contact the county board of tax assessors which is located at: (insert address) and which may be contacted by telephone at: (insert telephone number) ."

(B) The notice shall also contain the following statements in bold print:

"The estimate of your ad valorem tax bill for the current year is based on the previous or most applicable year's millage rate and the fair market value contained in this notice. The actual tax bill you receive may be more or less than this estimate. This estimate may not include all eligible exemptions."

(3) The annual notice required under this Code section shall be mailed no later than July 1; provided, however, that the annual notice required under this Code section may be sent later than July 1 for the purpose of notifying property owners of corrections and mapping changes.

(c) Posting notice on certain conditions. In all cases where a notice is required to be given to a taxpayer under subsection (a) of this Code section, if the notice is not given to the taxpayer personally or if the notice is mailed but returned undelivered to the county board of tax assessors, then a notice shall be posted in front of the courthouse door or shall be posted on the website of the office of the county board of tax assessors for a period of 30 days. Each posted notice shall contain the name of the owner liable to taxation, if known, or, if the owner is unknown, a brief description of the property together with a

statement that the assessment has been made or the return changed or altered, as the case may be, and the notice need not contain any other information. The judge of the probate court of the county shall make a certificate as to the posting of the notice. Each certificate shall be signed by the judge and shall be recorded by the county board of tax assessors in a book kept for that purpose. A certified copy of the certificate of the judge duly authenticated by the secretary of the board shall constitute prima-facie evidence of the posting of the notice as required by law.

(d) Records and information availability. Notwithstanding the provisions of Code Section 50-18-71, in the case of all public records and information of the county board of tax assessors pertaining to the appraisal and assessment of real property:

(1) The taxpayer may request, and the county board of tax assessors shall provide within ten business days, copies of such public records and information, including, but not limited to, a description of the methodology used by the board of tax assessors in setting the property's fair market value, all documents reviewed in making the assessment, the address and parcel identification number of all real property utilized as qualified comparable properties, and all factors considered in establishing the new assessment, at a uniform copying fee not to exceed 25 cent(s) per page;

(2) No additional charges or fees may be collected from the taxpayer for reasonable search, retrieval, or other administrative costs associated with providing such public records and information; and

(3) **(A)** The superior courts of this state shall have jurisdiction in law and in equity to entertain actions against the board of tax assessors to enforce compliance with the provisions of this subsection.

(B) In any action brought to enforce the provisions of this subsection in which the court determines that either party acted without substantial justification either in not complying with this subsection or in instituting the litigation, the court shall, unless it finds that special circumstances exist, assess in favor of the complaining party reasonable attorney's fees and other litigation costs reasonably incurred. Whether the position of the complaining party was substantially justified shall be determined on the basis of the record as a whole which is made in the proceeding for which fees and other expenses are sought.

(e) Description of current assessment. The notice required by this Code section shall be accompanied by a simple, nontechnical description of the basis for the current assessment.

(f) Rules and regulations. The commissioner shall promulgate such rules and regulations as may be necessary for the administration of this Code section.

ANNUAL NOTICE OF ASSESSMENT

Notice Date: <insert date>
This is not a tax bill **Do not send payment**
Last Date To File Appeal: <insert date>

County property records are available online at: <insert county website address>
Official Tax Matter - <year> Assessment

The amount of your ad valorem tax bill for the year shown above will be based on the appraised (100%) and assessed (40%) values specified in this notice. You have the right to appeal these values to the County Board of Tax Assessors. All documents and records used to determine the current value are available upon request. Additional information on the appeal process may be obtained at https://etax.dor.ga.gov/ptd/taxguide/appeals.aspx

At the time of filing your appeal you must select one of the following options:

(1) Appeal to the County Board of Equalization with appeal to the Superior Court. (value, uniformity, denial of exemption, taxability)
(2) To arbitration without an appeal to the Superior Court (valuation is the only grounds that may be appealed to arbitration)
(3) For a parcel of non-homestead property with a FMV in excess of $1 million, to a hearing officer with appeal to the Superior Court.

If you wish to file an appeal, you must do so in writing no later than 45 days after the date of this notice. If you do not file an appeal by this date, your right to file an appeal will be lost. Appeal forms which may be used are available at <insert forms availability location here>

For further information on the proper method of filing an appeal, you may contact the county Board of Tax Assessors which is located at <insert physical location of BOA office here> and which may be contacted by telephone at: <insert telephone #>. Your staff contacts are <insert name> and <insert name>.

Account Number	Property ID Number	Acreage	Tax Dist	Covenant Year	Homestead

Property Description				
Property Address				
Fair Market Value	Returned Value	Previous Year Value	Current Year Value	Preferential Value
100% Fair Market Value				
40% Assessed Value				

REASONS FOR NOTICE

The estimate of your ad valorem tax bill for the current year is based on the previous year's net millage rate and the fair market value contained in this notice. The actual tax bill you receive may be more or less than this estimate. This estimate may not include all eligible exemptions.

Taxing Authority	Other Exempt	Homestead Exempt	Net Taxable Value	Previous Millage	Estimated Tax

LGS-306(Rev 12/2010)

§ 48-5-307. Service of papers; fees

Whenever, pursuant to this part, any notice, subpoena, or writing is required to be given or served, the notice, subpoena, or writing may be served by any sheriff, deputy sheriff, or lawful constable. Each such officer shall be paid for his services the same fees as are paid officers for serving similar process in civil actions; and the fees shall be paid from the county treasury in the same manner as other payments by the county are made.

§ 48-5-308. Effect of part on laws granting additional authority to county boards of tax assessors

It is not the intention or the purpose of this part to repeal any law enacted prior to January 1, 1980, granting to any county board of tax assessors additional powers or authority not contained in this part.

§ 48-5-309. Applicability to counties electing members of board of tax assessors

Nothing contained in Code Sections 48-5-291 through 48-5-300 and 48-5-302 through 48-5-308 regarding appointment, terms of office, vacancies, removals, qualifications, or compensation of members of county boards of tax assessors shall apply to any county which has elected to elect the members of its county board of tax assessors.

§ 48-5-310. Temporary collection of taxes pending approval or appeal of disapproval of digest

(a) The governing authority of a county whose digest has not been approved by the commissioner may petition the superior court of the county for an order authorizing the immediate and temporary collection of taxes when:

(1) **(A)** An appeal is or has been filed as provided by law to prevent the approval of the digest by the commissioner;

(B) The digest has not otherwise been approved by the commissioner; or

(C) The digest is otherwise not enforceable or collectable by law; and

(2) The appeal, disapproval, or disability prohibits or prevents collections from being made or enforced on the digest.

(b) **(1)** The petition filed by the governing authority shall be styled "In the Matter of the (year) Tax Digest for (name of county) County." In the petition, the governing authority of the county shall assert that unless the court authorizes the immediate, temporary collection of the taxes the county authority will not be able to either:

(A) Pay the county's debts as they mature;

(B) Pay appropriate salaries of employees, other government officials, and other persons entitled to receive either compensation by or funds from the county as provided by law;

(C) Maintain an orderly and normal function of county business and governmental affairs;

(D) Maintain an adequate, proper, or desirable credit rating either to maintain or affect existing or future interest rates on bonded indebtedness or indebtedness on loans incurred or obligated by the county governing authority; or

(E) Avoid by practical means the suffering of immediate and irreparable injury, loss, damage, or any other significant matter.

(2) The petition shall further identify the last year in which the county had an approved tax digest as provided in this title and shall state the particular year for which the tax collections are sought.

(c) After the filing of the petition, a judge of the superior court in which the petition was filed shall set a time and date for a hearing on the petition. The hearing shall be held not less than ten days from the date of the filing of the petition. The court shall direct that the county governing authority have the petition published at least once prior to the hearing in the official newspaper of the county for publication of official notices. The court shall further order that the governing authority post a copy of the petition in a prominent place in the courthouse. No hearing shall be held on the petition until the petition has been so published and posted.

(d) After the petition has been filed and before the hearing, each interested party may intervene for the purpose of opposing the issuance of an order allowing the immediate and temporary collection of taxes.

(e) At the hearing on the petition, the governing authority shall bear the burden of proof of establishing the existence of one or more of the conditions set forth in subsection (b) of this Code section. The court may not issue an order allowing the temporary collection of taxes unless it finds that the evidence adduced at the hearing preponderates in favor of a finding that one of the conditions referred to in subsection (b) of this Code section exists. If the court so determines, the court shall enter an order containing findings of fact and conclusions of law to that end and shall order the temporary collection of taxes as sought by the county governing authority.

(f) In the court's order, the court shall establish the basis on which the temporary tax on each parcel of property shall be established and the manner in which the taxes shall be billed, collected, and otherwise received. The basis upon which the temporary taxes may be collected shall be one of the following:

(1) Any tax digest for the tax year in question which has been submitted to the commissioner but which has been rejected or is otherwise unenforceable;

(2) The most recently submitted and approved tax digest as amended to reflect changes in ownership of property; or

(3) Any other reasonable method which will do substantial justice to the parties under the exigencies of all the circumstances.

(g) Any taxes collected or paid after the entry of the order for collection as provided for in this Code section shall not be considered as, and shall not be deemed to be, voluntary payments. Collection or payment of such taxes after the entry of an order by the court as provided in this Code section shall not in any manner affect or limit anyone who pays the taxes from receiving and enjoying the full benefits of any adjustments, benefits, refunds, or additional assessments determined by the final disposition of the validity of the tax digest.

(h) The temporary collection of taxes on the basis ordered by the superior court shall proceed and shall be of full force and effect exactly as if the tax digest used as the basis for the court's order had been approved by the commissioner or otherwise approved or in force as provided by law, except as may be modified by court order. The court shall retain jurisdiction to issue any appropriate order necessary to enforce the court's order allowing the temporary collection of taxes.

(i)

(1) Any governing authority filing a petition seeking an order allowing the temporary collection of taxes shall serve the commissioner with a copy of the petition.

(2) The commissioner may not be joined in an action seeking the temporary collection of taxes without the commissioner's specific consent.

(j) The procedures provided by this Code section shall apply to the tax digest of any municipality using as a basis for municipal tax purposes the fair market value determined for county ad valorem tax purposes. For the purposes of this subsection, the provisions of this Code section applicable to the governing authority of a county shall also be applicable to the governing authority of any such municipality, and the methods, procedures, and conditions for temporary collection and enforcement of taxes for municipalities shall be under the same terms and conditions as provided for counties in this Code section.

§ 48-5-311. Creation of county boards of equalization; duties; review of assessments; appeals

(a) ***Definition.*** As used in this Code section, the term "appeal administrator" means the clerk of the superior court.

(a.1) Appeal administrator.

(1) The appeal administrator is vested with administrative authority in all other matters governing the conduct and business of the boards of equalization so as to provide oversight and supervision of such boards.

(2) It shall be the duty of the appeal administrator to receive any complaint filed with respect to the official actions of any member of a county board of equalization regarding technical competency, compliance with state law and regulations, or rude or unprofessional conduct or behavior toward any member of the public and to forward such complaint to the grand jury for investigation. Following an investigation, the grand jury shall issue a written report of its findings, which shall include such evaluations, judgments, and recommendations as it deems appropriate. The findings of the report may be grounds for removal of a member of the board of equalization by the grand jury for failure to perform the duties required under this Code section.

(a.2) Establishment of boards of equalization.

(1) Except as otherwise provided in this subsection, there is established in each county of this state a county board of equalization to consist of three members and three alternate members appointed in the manner and for the term set forth in this Code section. In those counties having more than 10,000 parcels of real property, the county governing authority, by appropriate resolution adopted on or before November 1 of each year, may elect to have selected one additional county board of equalization for each 10,000 parcels of real property in the county or for any part of a number of parcels in the county exceeding 10,000 parcels.

(1.1) The grand jury shall be authorized to conduct a hearing following its receipt of the report of the appeal administrator under paragraph (2) of subsection (a.1) of this Code section and to remove one or more members of the board of equalization for failure to perform the duties required under this Code section.

(2) Notwithstanding any part of this subsection to the contrary, at any time the governing authority of a county makes a request to the grand jury of the county for additional alternate members of boards of equalization, the grand jury shall appoint the number of alternate members so requested to each board of equalization, such number not to exceed a maximum of 21 alternate members for each of the boards. The alternate members of the boards shall be duly qualified and authorized to serve on any of the boards of equalization of the county. The members of each board of equalization may designate a chairperson and two vice chairpersons of each such board of equalization. The appeal administrator shall have administrative authority in all matters governing the conduct and business of the boards of equalization so as to provide oversight and

supervision of such boards and scheduling of appeals. Any combination of members or alternate members of any such board of equalization of the county shall be competent to exercise the power and authority of the board. Any person designated as an alternate member of any such board of equalization of the county shall be competent to serve in such capacity as provided in this Code section upon appointment and taking of oath.

(3) Notwithstanding any provision of this subsection to the contrary, in any county of this state having a population of 400,000 or more according to the United States decennial census of 1990 or any future such census, the governing authority of the county, by appropriate resolution adopted on or before November 1 of each year, may elect to have selected one additional county board of equalization for each 10,000 parcels of real property in the county or for any part of a number of parcels in the county exceeding 10,000 parcels. In addition to the foregoing, any two members of a county board of equalization of the county may decide an appeal from an assessment, notwithstanding any other provisions of this Code section. The decision shall be in writing and signed by at least two members of the board of equalization; and, except for the number of members necessary to decide an appeal, the decision shall conform to the requirements of this Code section.

(4) The governing authorities of two or more counties may by intergovernmental agreement establish regional boards of equalization for such counties which shall operate in the same manner and be subject to all of the requirements of this Code section specified for county boards of equalization. The intergovernmental agreement shall specify the manner in which the members of the regional board shall be appointed by the grand jury of each of the counties, shall specify which appeal administrator shall have oversight over and supervision of such regional board, and shall provide for funding from each participating county for the operations of the appeal administrator as required by subparagraph (d)(4)(C.1) of this Code section. All hearings and appeals before a regional board shall be conducted in the county in which the property which is the subject of the hearing or appeal is located.

(b) ***Qualifications of board of equalization members.***

(1) Each person who is, in the judgment of the appointing grand jury, qualified and competent to serve as a grand juror, who is the owner of real property located in the county where such person is appointed to serve, or, in the case of a regional board of equalization, is the owner of real property located in any county in the region where such person is appointed to serve, and who is at least a high school graduate shall be qualified, competent, and compellable to serve as a member or alternate member of the county board of equalization. No member of the governing authority of a county, municipality, or consolidated government; member of a county or independent board of education; member of the county board of tax assessors; employee of the county board of tax assessors; or county tax appraiser shall be competent to serve as a member or alternate member of the county board of equalization.

(2) **(A)** Each person seeking to be appointed as a member or alternate member of a county board of equalization shall, not later than immediately prior to the time of his or her appointment under subsection (c) of this Code section, file with the clerk of the superior court a uniform application form which shall be a public record. The Council of Superior

Court Clerks of Georgia created under Code Section 15-6-50.2 shall design the form which indicates the applicant's education, employment background, experience, and qualifications for such appointment.

(B)

(i) Within the first year after a member's initial appointment to the board of equalization, each member shall satisfactorily complete not less than 40 hours of instruction in appraisal and equalization processes and procedures, as prepared and required by the commissioner pursuant to Code Section 48-5-13.

(ii) On or after January 1, 2016, following the completion of each term of office, a member shall, within the first year of appointment to the subsequent term of office, complete satisfactorily not less than 20 hours of instruction in appraisal and equalization processes and procedures, as prepared and required by the commissioner for newly appointed members.

(iii) No person shall be eligible to hear an appeal as a member of a board of equalization unless, prior to hearing such appeal, such person shall satisfactorily complete the 20 hours of instruction in appraisal and equalization processes and procedures required under the applicable provisions of division (i) or (ii) of this subparagraph.

(iv) The failure of any member to fulfill the requirements of the applicable provisions of division (i) or (ii) of this subparagraph shall render such member ineligible to serve on the board; and the vacancy created thereby shall be filled in the same manner as other vacancies on the board are filled.

(C)

(i) Any person appointed to a board of equalization shall be required to complete annually a continuing education requirement of at least eight hours of instruction in appraisal and equalization procedures, as prepared and required by the commissioner pursuant to Code Section 48-5-13.

(ii) The failure of any member to fulfill the requirements of division (i) of this subparagraph shall render such member ineligible to serve on the board; and the vacancy created thereby shall be filled in the same manner as other vacancies on the board are filled.

(c) ***Appointment of board of equalization members.***

(1) Except as provided in paragraph (2) of this subsection, each member and alternate member of the county board of equalization shall be appointed for a term of three calendar years next succeeding the date of such member or such alternate member's selection. Each term shall begin on January 1.

(2) The grand jury in each county at any term of court preceding November 1 of 1991 shall select three persons who are otherwise qualified to serve as members of the county board of equalization and shall also select three persons who are otherwise qualified to serve as alternate members of the county board of equalization. The three individuals selected as alternates shall be designated as alternate one, alternate two, and alternate three, with the most recent appointee being alternate number three, the next most recent appointee being alternate number two, and the most senior appointee being alternate number one. One member and one alternate shall be appointed for terms of one year, one member and one alternate shall be appointed for two years, and one member and one alternate shall be appointed for three years. Each year thereafter, the grand jury of each county shall select one member and one alternate for three-year terms.

(3) If a vacancy occurs on the county board of equalization, the individual designated as alternate one shall then serve as a member of the board of equalization for the unexpired term. If a vacancy occurs among the alternate members, the grand jury then in session or the next grand jury shall select an individual who is otherwise qualified to serve as an alternate member of the county board of equalization for the unexpired term. The individual so selected shall become alternate member three, and the other two alternates shall be redesignated appropriately.

(4) Within five days after the names of the members and alternate members of the county board or boards of equalization have been selected, the clerk of the superior court shall cause such appointees to appear before the clerk of the superior court for the purpose of taking and executing in writing the oath of office. The clerk of the superior court may utilize any means necessary for such purpose, including, but not limited to, telephonic or other communication, regular first-class mail, or issuance of and delivery to the sheriff or deputy sheriff a precept containing the names of the persons so selected. Within ten days of receiving the precept, the sheriff or deputy sheriff shall cause the persons whose names are written on the precept to be served personally or by leaving the summons at their place of residence. The summons shall direct the persons named on the summons to appear before the clerk of the superior court on a date specified in the summons, which date shall not be later than December 15.

(5) Each member and alternate member of the county board of equalization, on the date prescribed for appearance before the clerk of the superior court and before entering on the discharge of such member and alternate member's duties, shall take and execute in writing before the clerk of the superior court the following oath:

"I, , agree to serve as a member of the board of equalization of the County of and will decide any issue put before me without favor or affection to any party and without prejudice for or against any party. I will follow and apply the laws of this state. I also agree not to discuss any case or any issue with any person other than members of the board of equalization except at any appeal hearing. I shall faithfully and impartially discharge my duties in accordance with the Constitution and laws of this state, to the best of my skill and knowledge. So help me God.

Signature of member or alternate member"

In addition to the oath of office prescribed in this paragraph, the presiding or chief judge of the superior court or the appeal administrator shall charge each member and alternate member of the county board of equalization with the law and duties relating to such office.

(d) ***Duties and powers of board of equalization members.***

(1) The county board of equalization shall hear and determine appeals from assessments and denials of homestead exemptions as provided in subsection (e) of this Code section.

(2) If, in the course of determining an appeal, the county board of equalization finds reason to believe that the property involved in an appeal or the class of property in which is included the property involved in an appeal is not uniformly assessed with other property included in the digest, the board shall request the respective parties to the appeal to present relevant information with respect to that question. If the board determines that uniformity is not present, the board may order the county board of tax assessors to take such action as is necessary to obtain uniformity, except that, when a question of county-wide uniformity is considered by the board, the board may recommend a partial or total county-wide revaluation only upon a determination by a majority of all the members of the board that the clear and convincing weight of the evidence requires such action. The board of equalization may act pursuant to this paragraph whether or not the appellant has raised the issue of uniformity.

(3) The board shall establish procedures which comply strictly with the regulations promulgated by the commissioner pursuant to subparagraph (e)(1)(D) of this Code section for the conducting of appeals before the board. The procedures shall be entered into the minutes of the board, and a copy of the procedures shall be made available to any individual upon request.

(4) **(A)** The appeal administrator shall have oversight over and supervision of all boards of equalization of the county and hearing officers. This oversight and supervision shall include, but not be limited to, requiring appointment of members of county boards of equalization by the grand jury; giving the notice of the appointment of members and alternates of the county board of equalization by the county grand jury as required by Code Section 15-12-81; collecting the names of possible appointees; collecting information from possible appointees as to their qualifications; presenting the names of the possible appointees to the county grand jury; processing the appointments as required by paragraph (4) of subsection (c) of this Code section, including administering the oath of office to the newly appointed members and alternates of the county board of equalization as required by paragraph (5) of such subsection; instructing the newly appointed members and alternates as to the training they must receive and the operations of the county board of equalization; presenting to the grand jury of the county the names of possible appointees to fill vacancies as provided in paragraph (3) of such subsection; maintaining a roster of board members and alternates, maintaining a record showing that the board members and alternates completed training, keeping attendance records of board members and alternates for the purpose of payment for service, and maintaining the uniform application forms and keeping a record of the appointment dates of board members and alternates and their terms in office; and informing the county board of equalization that it must establish by regulation procedures for conducting appeals before

the board as required by paragraph (3) of this subsection. Oversight and supervision shall also include the scheduling of board hearings, assistance in scheduling hearings before hearing officers, and giving notice of the date, time, and place of hearings to the taxpayers and the county board of tax assessors and giving notice of the decisions of the county board of equalization or hearing officer to the taxpayer and county board of tax assessors as required by division (e)(6)(D)(i) of this Code section.

(B) The county governing authority shall provide any resources to the appeal administrator that are required to be provided by paragraph (7) of subsection (e) of this Code section.

(C) The county governing authority shall provide to the appeal administrator facilities and secretarial and clerical help for appeals pursuant to subsection (e.1) of this Code section.

(C.1) The operations of the appeal administrator under this Code section shall, for budgeting purposes, constitute a distinct budget unit within the county budget that is separate from the operations of the clerk of the superior court. The appeal administrator budget unit shall contain a separate line item for the compensation of the appeal administrator for the performance of duties required under this Code section as well as separate line items for resources, facilities, and personnel as specified under subparagraphs (B) and (C) of this paragraph.

(D) The appeal administrator shall maintain any county records of all notices to the taxpayer and the taxpayer's attorney, of certified receipts of returned or unclaimed mail, and from the hearings before the board of equalization and before hearing officers for 12 months after the deadline to file any appeal to the superior court expires. If an appeal is not filed to the superior court, the appeal administrator is authorized to properly destroy any records from the hearings before the county board of equalization or hearing officers but shall maintain records of all notices to the taxpayer and the taxpayer's attorney and certified receipts of returned or unclaimed mail for 12 months. If an appeal to the superior court is filed, the appeal administrator shall file such appeal and records in the civil action that is considered open by the clerk of superior court for such appeal, and such records shall become part of the record on appeal in accordance with paragraph (2) of subsection (g) of this Code section.

(e) Appeal.

(1) **(A)** Any taxpayer or property owner as of the last date for filing an appeal may elect to file an appeal from an assessment by the county board of tax assessors to:

(i) The county board of equalization as to matters of taxability, uniformity of assessment, and value, and, for residents, as to denials of homestead exemptions pursuant to paragraph (2) of this subsection;

(ii) An arbitrator as to matters of value pursuant to subsection (f) of this Code section;

(iii) A hearing officer as to matters of value and uniformity of assessment for a parcel of nonhomestead real property with a fair market value in excess of $500,000.00 as shown on the taxpayer's annual notice of current assessment under Code Section 48-5-306, and any contiguous nonhomestead real property owned by the same taxpayer, pursuant to subsection (e.1) of this Code section; or

(iv) A hearing officer as to matters of values or uniformity of assessment of one or more account numbers of wireless property as defined in subparagraph (e.1)(1)(B) of this Code section with an aggregate fair market value in excess of $500,000.00 as shown on the taxpayer's annual notice of current assessment under Code Section 48-5-306, pursuant to subsection (e.1) of this Code section.

(A.1) The commissioner shall establish by rule and regulation a uniform appeal form that the taxpayer may use. Such uniform appeal form shall require the initial assertion of a valuation of the property by the taxpayer.

(A.2) A taxpayer's failure to return real property or whether or not such real property was deemed returned for taxation shall not affect such taxpayer's right to appeal pursuant to this Code section.

(B) In addition to the grounds enumerated in subparagraph (A) of this paragraph, any taxpayer having property that is located within a municipality, the boundaries of which municipality extend into more than one county, may also appeal from an assessment on such property by the county board of tax assessors to the county board of equalization, to a hearing officer, or to arbitration as to matters of uniformity of assessment of such property with other properties located within such municipality, and any uniformity adjustments to the assessment that may result from such appeal shall only apply for municipal ad valorem tax purposes.

(B.1) The taxpayer or his or her agent or representative may submit in support of his or her appeal an appraisal given, signed, and certified as such by a real property appraiser as classified by the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board which was performed not later than nine months prior to the date of assessment. The board of tax assessors shall consider the appraisal upon request. Within 45 days of the receipt of the taxpayer's appraisal, the board of tax assessors shall notify the taxpayer or his or her agent or representative of acceptance of the appraisal or shall notify the taxpayer or his or her agent or representative of the reasons for rejection.

(B.2) The taxpayer or his or her agent or representative may submit in support of his or her appeal the most current report of the sales ratio study for the county conducted pursuant to Code Section 48-5-274. The board of tax assessors shall consider such sales ratio study upon request of the taxpayer or his or her agent or representative.

(B.3) Any assertion of value by the taxpayer on the uniform appeal form made to the board of tax assessors shall be subject to later amendment or revision by the taxpayer by submission of written evidence to the board of tax assessors.

(B.4) If more than one property of a taxpayer is under appeal, the board of equalization, arbitrator, or hearing officer, as the case may be, shall, upon request of the taxpayer, consolidate all such appeals in one hearing and shall announce separate decisions as to each parcel or item of property. Any appeal from such a consolidated hearing to the superior court as provided in subsection (g) of this Code section shall constitute a single civil action and, unless the taxpayer specifically so indicates in the taxpayer's notice of appeal, shall apply to all such parcels or items of property.

(B.5) Within ten days of a final determination of value under this Code section and the expiration of the 30 day appeal period provided by subsection (g) of this Code section, or, as otherwise provided by law, with no further option to appeal, the county board of tax assessors shall forward such final determination of value to the tax commissioner.

(C) Appeals to the county board of equalization shall be conducted in the manner provided in paragraph (2) of this subsection. Appeals to a hearing officer shall be conducted in the manner specified in subsection (e.1) of this Code section. Appeals to an arbitrator shall be conducted in the manner specified in subsection (f) of this Code section. Such appeal proceedings shall be conducted between the hours of 8:00 A.M. and 7:00 P.M. on a business day. Following the notification of the taxpayer of the date and time of such taxpayer's scheduled hearing, the taxpayer shall be authorized to exercise a one-time option of changing the date and time of the taxpayer's scheduled hearing to a day and time acceptable to the taxpayer and the county board of tax assessors. The appeal administrator shall grant additional extensions to the taxpayer or the county board of tax assessors for good cause shown, or by agreement of the parties.

(D) The commissioner, by regulation, shall adopt uniform procedures and standards which shall be followed by county boards of equalization, hearing officers, and arbitrators in determining appeals. Such rules shall be updated and revised periodically and reviewed no less frequently than every five years. The commissioner shall publish and update annually a manual for use by county boards of equalization, arbitrators, and hearing officers.

(2) **(A)** An appeal shall be effected by e-mailing, if the county board of tax assessors has adopted a written policy consenting to electronic service, by mailing to, or by filing with the county board of tax assessors a notice of appeal within 45 days from the date of mailing the notice pursuant to Code Section 48-5-306. A written objection to an assessment of real property received by a county board of tax assessors stating the location of the real property and the identification number, if any, contained in the tax notice shall be deemed a notice of appeal by the taxpayer under the grounds listed in paragraph (1) of this subsection. A written objection to an assessment of personal property received by a county board of tax assessors giving the account number, if any, contained in the tax notice and stating that the objection is to an assessment of personal property shall be deemed a notice of appeal by the taxpayer under the grounds listed in paragraph (1) of

this subsection. The county board of tax assessors shall review the valuation or denial in question, and, if any changes or corrections are made in the valuation or decision in question, the board shall send a notice of the changes or corrections to the taxpayer pursuant to Code Section 48-5-306. Such notice shall also explain the taxpayer's right to appeal to the county board of equalization as provided in subparagraph (C) of this paragraph if the taxpayer is dissatisfied with the changes or corrections made by the county board of tax assessors.

(B) If no changes or corrections are made in the valuation or decision, the county board of tax assessors shall send written notice thereof to the taxpayer, to any authorized agent or representative of the taxpayer to whom the taxpayer has requested that such notice be sent, and to the county board of equalization which notice shall also constitute the taxpayer's appeal to the county board of equalization without the necessity of the taxpayer's filing any additional notice of appeal to the county board of tax assessors or to the county board of equalization. The county board of tax assessors shall also send or deliver all necessary papers to the county board of equalization. If, however, the taxpayer and the county board of tax assessors execute a signed agreement as to valuation, the appeal shall terminate as of the date of such signed agreement.

(C) If changes or corrections are made by the county board of tax assessors, the board shall notify the taxpayer in writing of such changes. The commissioner shall develop and make available to county boards of tax assessors a suitable form which shall be used in such notification to the taxpayer. The notice shall be sent by regular mail properly addressed to the address or addresses the taxpayer provided to the county board of tax assessors and to any authorized agent or representative of the taxpayer to whom the taxpayer has requested that such notice be sent. If the taxpayer is dissatisfied with such changes or corrections, the taxpayer shall, within 30 days of the date of mailing of the change notice, notify the county board of tax assessors to continue the taxpayer's appeal to the county board of equalization by e-mailing, if the county board of tax assessors has adopted a written policy consenting to electronic service, or by mailing to or filing with the county board of tax assessors a written notice of continuance. The county board of tax assessors shall send or deliver the notice of appeal and all necessary papers to the county board of equalization.

(D) The written notice to the taxpayer required by this paragraph shall contain a statement of the grounds for rejection of any position the taxpayer has asserted with regard to the valuation of the property. No addition to or amendment of such grounds as to such position shall be permitted before the county board of equalization.

(3) **(A)** In each year, the county board of tax assessors shall review the appeal and notify the taxpayer (i) if there are no changes or corrections in the valuation or decision, or (ii) of any corrections or changes within 180 days after receipt of the taxpayer's notice of appeal. If the county board of tax assessors fails to respond to the taxpayer within such 180 day period, the property valuation asserted by the taxpayer on the property tax return or the taxpayer's notice of appeal shall become the assessed fair market value for the taxpayer's

property for the tax year under appeal. If no such assertion of value was submitted by the taxpayer, the appeal shall be forwarded to the county board of equalization.

(B) In any county in which the number of appeals exceeds a number equal to or greater than 3 percent of the total number of parcels in the county or the sum of the current assessed value of the parcels under appeal is equal to or greater than 3 percent of the gross tax digest of the county, the county board of tax assessors may be granted an additional 180 day period to make its determination and notify the taxpayer. However, as a condition to receiving such an extension, the county board of tax assessors shall, at least 30 days before the expiration of the 180 day period provided under subparagraph (A) of this paragraph, notify each affected taxpayer of the additional 180 day review period provided in this subparagraph by mail or electronic communication, including posting notice on the website of the county board of tax assessors if such a website is available. Such additional period shall commence immediately following the last day of the 180 days provided for under subparagraph (A) of this paragraph. If the county board of tax assessors fails to review the appeal and notify the taxpayer of either no changes or of any corrections or changes not later than the last day of such additional 180 day period, then the most recent property tax valuation asserted by the taxpayer on the property tax return or on appeal shall prevail and shall be deemed the value established on such appeal unless a time extension is granted under subparagraph (C) of this paragraph. If no such assertion of value was submitted by the taxpayer, the appeal shall be forwarded to the county board of equalization.

(C) Upon a sufficient showing of good cause by reason of unforeseen circumstances proven to the commissioner at least 30 days prior to the expiration of the additional 180 day period provided for under subparagraph (B) of this paragraph, the commissioner shall be authorized, in the commissioner's sole discretion, to provide for a time extension beyond the end of such additional 180 day period. The duration of any such time extension shall be specified in writing by the commissioner and, at least 30 days prior to the expiration of the extension provided for under subparagraph (B) of this paragraph, shall be sent to each affected taxpayer and shall also be posted on the website of the county board of tax assessors if such a website is available. If the county board of tax assessors fails to make its review and notify the taxpayer and the taxpayer's attorney not later than 30 days before the last day of such time extension, the most recent property tax valuation asserted by the taxpayer on the property tax return or on the taxpayer's notice of appeal shall prevail and shall be deemed the value established on such appeal. If no such assertion of value was submitted by the taxpayer, the appeal shall be forwarded to the county board of equalization. In addition, the commissioner shall be authorized to require additional training or require such other remediation as the commissioner may deem appropriate for failure to meet the deadline imposed by the commissioner under this subparagraph.

(4) The determination by the county board of tax assessors of questions of factual characteristics of the property under appeal, as opposed to questions of value, shall be prima-facie correct in any appeal to the county board of equalization. However, the board of tax assessors shall have the burden of proving its opinions of value and the validity of its proposed assessment by a preponderance of evidence.

(5) The county board of equalization shall determine all questions presented to it on the basis of the best information available to the board.

(6) **(A)** Within 15 days of the receipt of the notice of appeal, the county board of equalization shall set a date for a hearing on the questions presented and shall so notify the taxpayer and the county board of tax assessors in writing. Such notice shall be sent by first-class mail to the taxpayer and to any authorized agent or representative of the taxpayer to whom the taxpayer has requested that such notice be sent. Such notice shall be transmitted by e-mail to the county board of tax assessors if such board has adopted a written policy consenting to electronic service, and, if it has not, then such notice shall be sent to such board by first-class mail or intergovernmental mail. Such written notice shall advise each party that he or she may request a list of witnesses, documents, or other written evidence to be presented at the hearing by the other party. Such request must be made not less than ten days prior to the hearing date, and such information shall be provided to the requesting party not less than seven days prior to the time of the hearing. Any failure to comply with this requirement shall be grounds for an automatic continuance or for exclusion of such witness, documents, or other written evidence. A taxpayer may appear before the board of equalization concerning any appeal in person, by his or her authorized agent or representative, or both. The taxpayer shall specify in writing to the board of equalization the name of any such agent or representative prior to any appearance by the agent or representative before the board.

(B) Within 30 days of the date of notification to the taxpayer of the hearing required in this paragraph but not earlier than 20 days from the date of such notification to the taxpayer, the county board of equalization shall hold such hearing to determine the questions presented.

(C) If more than one property of a taxpayer is under appeal, the board of equalization shall, upon request of the taxpayer, consolidate all such appeals in one hearing and announce separate decisions as to each parcel or item of property. Any appeal from such a consolidated board of equalization hearing to the superior court as provided in this subsection shall constitute a single civil action, and, unless the taxpayer specifically so indicates in his or her notice of appeal, shall apply to all such parcels or items of property.

(D)

(i) The board of equalization shall announce its decision on each appeal at the conclusion of the hearing held in accordance with subparagraph (B) of this paragraph before proceeding with another hearing. The decision of the county board of equalization shall be in writing, shall be signed by each member of the board, shall specifically decide each question presented by the appeal, shall specify the reason or reasons for each such decision as to the specific issues of taxability, uniformity of assessment, value, or denial of homestead exemptions depending upon the specific issue or issues raised by the taxpayer in the course of such taxpayer's appeal, shall state that with respect to the appeal no member of the

board is disqualified from acting by virtue of subsection (j) of this Code section, and shall certify the date on which notice of the decision is given to the parties. Notice of the decision shall be delivered by hand to each party, with written receipt, or given to each party by sending a copy of the decision by registered or certified mail or statutory overnight delivery to the appellant and by filing the original copy of the decision with the county board of tax assessors. Each of the three members of the county board of equalization must be present and must participate in the deliberations on any appeal. A majority vote shall be required in any matter. All three members of the board shall sign the decision indicating their vote.

(ii) Except as otherwise provided in subparagraph (g)(4)(B) of this Code section, the county board of tax assessors shall use the valuation of the county board of equalization in compiling the tax digest for the county for the year in question and shall indicate such valuation as the previous year's value on the property tax notice of assessment of such taxpayer for the immediately following year rather than substituting the valuation which was changed by the county board of equalization.

(iii)

(I) If the county's tax bills are issued before an appeal has been finally determined, the county board of tax assessors shall specify to the county tax commissioner the lesser of the valuation in the last year for which taxes were finally determined to be due on the property or 85 percent of the current year's value, unless the property in issue is homestead property and has been issued a building permit and structural improvements have occurred, or structural improvements have been made without a building permit, in which case, it shall specify 85 percent of the current year's valuation as set by the county board of tax assessors. Depending on the circumstances of the property, this amount shall be the basis for a temporary tax bill to be issued; provided, however, that a nonhomestead owner of a single property valued at $2 million or more may elect to pay the temporary tax bill which specifies 85 percent of the current year's valuation; or, such owner may elect to pay the amount of the difference between the 85 percent tax bill based on the current year's valuation and the tax bill based on the valuation from the last year for which taxes were finally determined to be due on the property in conjunction with the amount of the tax bill based on valuation from the last year for which taxes were finally determined to be due on the property, to the tax commissioner's office. Only the amount which represents the difference between the tax bill based on the current year's valuation and the tax bill based on the valuation from the last year for which taxes were finally determined to be due will be held in an escrow account by the tax commissioner's office. Once the appeal is concluded,

the escrowed funds shall be released by the tax commissioner's office to the prevailing party. The taxpayer may elect to pay the temporary tax bill in the amount of 100 percent of the current year's valuation if no substantial property improvement has occurred. The county tax commissioner shall have the authority to adjust such tax bill to reflect the 100 percent value as requested by the taxpayer. Such tax bill shall be accompanied by a notice to the taxpayer that the bill is a temporary tax bill pending the outcome of the appeal process. Such notice shall also indicate that, upon resolution of the appeal, there may be additional taxes due or a refund issued.

(II) For the purposes of this Code section, any final value that causes a reduction in taxes and creates a refund that is owed to the taxpayer shall be paid by the tax commissioner to the taxpayer, entity, or transferee who paid the taxes with interest, as provided in subsection (m) of this Code section.

(III) For the purposes of this Code section, any final value that causes an increase in taxes and creates an additional billing shall be paid to the tax commissioner as any other tax due along with interest, as provided in subsection (m) of this Code section.

(7) The appeal administrator shall furnish the county board of equalization necessary facilities and administrative help. The appeal administrator shall see that the records and information of the county board of tax assessors are transmitted to the county board of equalization. The county board of equalization shall consider in the performance of its duties the information furnished by the county board of tax assessors and the taxpayer.

(8) If at any time during the appeal process to the county board of equalization the county board of tax assessors and the taxpayer mutually agree in writing on the fair market value, then the county board of tax assessors, or the county board of equalization, as the case may be, shall enter the agreed amount in all appropriate records as the fair market value of the property under appeal, and the appeal shall be concluded. The provisions in subsection (c) of Code Section 48-5-299 shall apply to the agreed-upon valuation unless otherwise waived by both parties.

(9) Notwithstanding any other provision of law to the contrary, on any real property tax appeal made under this Code section on and after January 1, 2016, the assessed value being appealed may be lowered by the deciding body based upon the evidence presented but cannot be increased from the amount assessed by the county board of tax assessors. This paragraph shall not apply to any appeal where the taxpayer files an appeal during a time when subsection (c) of Code Section 48-5-299 is in effect for the assessment being appealed.

(e.1) Appeals to hearing officer.

(1) **(A)** For any dispute involving the value or uniformity of a parcel of nonhomestead real property with a fair market value in excess of $500,000.00 as shown on the taxpayer's

annual notice of current assessment under Code Section 48-5-306, at the option of the taxpayer, an appeal may be submitted to a hearing officer in accordance with this subsection. If such taxpayer owns nonhomestead real property contiguous to such qualified nonhomestead real property, at the option of the taxpayer, such contiguous property may be consolidated with the qualified property for purposes of the hearing under this subsection.

(B)

(i) As used in this subparagraph, the term "wireless property" means tangible personal property or equipment used directly for the provision of wireless services by a provider of wireless services which is attached to or is located underneath a wireless cell tower or at a network data center location but which is not permanently affixed to such tower or data center so as to constitute a fixture.

(ii) For any dispute involving the values or uniformity of one or more account numbers of wireless property as defined in this subparagraph with an aggregate fair market value in excess of $500,000.00 as shown on the taxpayer's annual notice of current assessment under Code Section 48-5-306, at the option of the taxpayer, an appeal may be submitted to a hearing officer in accordance with this subsection.

(2) Individuals desiring to serve as hearing officers and who are either state certified general real property appraisers or state certified residential real property appraisers as classified by the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board for real property appeals or are designated appraisers by a nationally recognized appraiser's organization for wireless property appeals shall complete and submit an application, a list of counties the hearing officer is willing to serve, disqualification questionnaire, and resume and be approved by the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board to serve as a hearing officer. Such board shall annually publish a list of qualified and approved hearing officers for Georgia.

(3) The appeal administrator shall furnish any hearing officer so selected the necessary facilities.

(4) An appeal shall be effected by e-mailing, if the county board of tax assessors has adopted a written policy consenting to electronic service, or by filing with the county board of tax assessors a notice of appeal to a hearing officer within 45 days from the date of mailing the notice of assessment pursuant to Code Section 48-5-306. A written objection to an assessment of real property or wireless property received by a county board of tax assessors stating the taxpayer's election to appeal to a hearing officer and showing the location of the real property or wireless property contained in the assessment notice shall be deemed a notice of appeal by the taxpayer.

(5) The county board of tax assessors may for no more than 90 days review the taxpayer's written appeal, and if changes or corrections are made by the county board of tax assessors, the board shall notify the taxpayer in writing of such changes. Within 30 days of the county board of tax assessors' mailing of such notice, the taxpayer may notify the county board of tax assessors in

writing that the changes or corrections made by the county board of tax assessors are not acceptable, in which case, the county board of tax assessors shall, within 30 days of the date of mailing of such taxpayer's notification, send or deliver all necessary documentation to the appeal administrator, in paper or electronic format as agreed upon by the county board of tax assessors and appeal administrator, and mail a copy to the taxpayer or, alternatively, forward the appeal to the board of equalization if so elected by the taxpayer and such election is included in the taxpayer's notification that the changes are not acceptable. If, after review, the county board of tax assessors determines that no changes or corrections are warranted, the county board of tax assessors shall notify the taxpayer of such decision. The taxpayer may elect to forward the appeal to the board of equalization by notifying the county board of tax assessors within 30 days of the mailing of the county board of tax assessor's notice of no changes or corrections. Upon the expiration of 30 days following the mailing of the county board of tax assessors' notice of no changes or corrections, the county board of tax assessors shall certify the notice of appeal and send or deliver all necessary documentation to the appeal administrator, in paper or electronic format as agreed upon by the county board of tax assessors and appeal administrator, for the appeal to the hearing officer, or board of equalization if elected by the taxpayer, and mail a copy to the taxpayer. If the county board of tax assessors fails to respond in writing, either with changes or no changes, to the taxpayer within 180 days after receiving the taxpayer's notice of appeal, the property valuation asserted by the taxpayer on the property tax return or the taxpayer's notice of appeal shall become the assessed fair market value for the taxpayer's property for the tax year under appeal.

(6) **(A)** The appeal administrator shall randomly select from such list a hearing officer who shall have experience or expertise in hearing or appraising the type of property that is the subject of appeal to hear the appeal, unless the taxpayer and the county board of tax assessors mutually agree upon a hearing officer from such list. The appeal administrator shall notify the taxpayer and the taxpayer's attorney in compliance with subsection (o) of this Code section of the name of the hearing officer and transmit a copy of the hearing officer's disqualification questionnaire and resume provided for under paragraph (2) of this subsection. If no hearing officer is appointed or if no hearing is scheduled within 180 days after the county board of tax assessors receives the taxpayer's notice of appeal, the property valuation asserted by the taxpayer on the property tax return or the taxpayer's notice of appeal shall become the assessed fair market value for the taxpayer's property for the tax year under appeal, and subsection (c) of Code Section 48-5-299 shall apply. The hearing officer, in conjunction with all parties to the appeal, shall set a time and place to hear evidence and testimony from both parties. The hearing shall take place in the county where the property is located, or such other place as mutually agreed to by the parties and the hearing officer. The hearing officer shall provide electronic or written notice to the parties personally or by registered or certified mail or statutory overnight delivery not less than ten days before the hearing. Such written notice shall advise each party that he or she may request a list of witnesses, documents, or other written evidence to be presented at the hearing by the other party. Such request must be made not less than ten days prior to the hearing date, and such information shall be provided to the requesting party not less than seven days prior to the time of the hearing. Any failure to comply with this requirement shall be grounds for an automatic continuance or for exclusion of such witnesses, documents, or other written evidence.

(B) If the appeal administrator, after a diligent search, cannot find a qualified hearing officer who is willing to serve, the appeal administrator shall transfer the certification of the appeal to the county or regional board of equalization and notify the taxpayer and the taxpayer's attorney in compliance with subsection (o) of this Code section and the county board of tax assessors of the transmittal of such appeal.

(7) The hearing officer shall swear in all witnesses, perform the powers, duties, and authority of a county or regional board of equalization, and determine the fair market value of the real property or wireless property based upon the testimony and evidence presented during the hearing. Any issues other than fair market value and uniformity raised in the appeal shall be preserved for appeal to the superior court. The board of tax assessors shall have the burden of proving its opinion of value and the validity of its proposed assessment by a preponderance of evidence. At the conclusion of the hearing, the hearing officer shall notify both parties of the decision verbally and shall either send both parties the decision in writing or deliver the decision by hand to each party, with written receipt.

(8) The taxpayer or the board of tax assessors may appeal the decision of the hearing officer to the superior court as provided in subsection (g) of this Code section.

(9) If, at any time during the appeal under this subsection, the taxpayer and the county board of tax assessors execute a signed written agreement on the fair market value and any other issues raised: the appeal shall terminate as of the date of such signed agreement; the fair market value as set forth in such agreement shall become final; and subsection (c) of Code Section 48-5-299 shall apply.

(9.1) The provisions contained in this subsection may be waived at any time by written consent of the taxpayer and the county board of tax assessors.

(10) Each hearing officer shall be compensated by the county for time expended in hearing appeals. The compensation shall be paid at a rate of not less than $100.00 per hour for the first hour and not less than $25.00 per hour for each hour thereafter as determined by the county governing authority or as may be agreed upon by the parties with the consent of the county governing authority. Compensation pursuant to this paragraph shall be paid from the county treasury or, if the parties agree to pay compensation exceeding the minimum compensation set by this Code section, by a combination of the parties as agreed upon by the parties. The hearing officer shall receive such compensation upon certification by the hearing officer of the hours expended in hearing of appeals. The attendance at any training required by the commissioner shall be part of the qualifications of the hearing officer, and any nominal cost of such training shall be paid by the hearing officer.

(11) The commissioner shall promulgate rules and regulations for the proper administration of this subsection, including, but not limited to, qualifications; training, including an eight-hour course on Georgia property law, Georgia evidence law, preponderance of evidence, burden of proof, credibility of the witnesses, and weight of evidence; disqualification questionnaire; selection; removal; an annual continuing education requirement of at least four hours of instruction in recent

legislation, current case law, and updates on appraisal and equalization procedures, as prepared and required by the commissioner; and any other matters necessary to the proper administration of this subsection. The failure of any hearing officer to fulfill the requirements of this paragraph shall render such officer ineligible to serve. Such rules and regulations shall also include a uniform appeal form which shall require the initial assertion of a valuation of the property by the taxpayer. Any such assertion of value shall be subject to later revision by the taxpayer based upon written evidence. The commissioner shall seek input from all interested parties prior to such promulgation.

(12) If the county's tax bills are issued before the hearing officer has rendered his or her decision on property which is on appeal, a temporary tax bill shall be issued in the same manner as otherwise required under division (e)(6)(D)(iii) of this Code section.

(13) Upon determination of the final value, the temporary tax bill shall be adjusted as required under division (e)(6)(D)(iii) of this Code section.

(f) Nonbinding arbitration.

(1) As used in this subsection, the term "certified appraisal" means an appraisal or appraisal report given, signed, and certified as such by a real property appraiser as classified by the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board.

(2) At the option of the taxpayer, an appeal shall be submitted to nonbinding arbitration in accordance with this subsection.

(3) **(A)** Following an election by the taxpayer to use the arbitration provisions of this subsection, an arbitration appeal shall be effected by the taxpayer by e-mailing, if the county board of tax assessors has adopted a written policy consenting to electronic service, or by filing a written notice of arbitration appeal with the county board of tax assessors. The notice of arbitration appeal shall specifically state the grounds for arbitration. The notice shall be filed within 45 days from the date of mailing the notice pursuant to Code Section 48-5-306. Within ten days of receipt of a taxpayer's notice of arbitration appeal, the board of tax assessors shall send to the taxpayer an acknowledgment of receipt of the appeal and a notice that the taxpayer shall, within 45 days of the date of transmittal of the acknowledgment of receipt of the appeal, provide to the county board of tax assessors for consideration a copy of a certified appraisal. Failure of the taxpayer to provide such certified appraisal within such 45 days shall terminate the appeal unless the taxpayer within such 45 day period elects to have the appeal immediately forwarded to the board of equalization. Prior to appointment of the arbitrator and within 45 days of the acknowledgment of the receipt of the appeal, the taxpayer shall provide a copy of the certified appraisal as specified in this paragraph to the county board of tax assessors for consideration. Within 45 days of receiving the taxpayer's certified appraisal, the county board of tax assessors shall either accept the taxpayer's appraisal, in which case that value shall become final, or the county board of tax assessors shall reject the taxpayer's appraisal by sending within ten days of the date of such rejection a written notification by certified mail of such rejection to the taxpayer and the taxpayer's attorney of record in compliance with subsection (o) of this Code section, in which case the county

board of tax assessors shall certify within 45 days the appeal to the appeal administrator of the county in which the property is located along with any other documentation specified by the person seeking arbitration under this subsection, including, but not limited to, the staff information from the file used by the county board of tax assessors. In the event the taxpayer is not notified of a rejection of the taxpayer's appraisal within such ten-day period, the taxpayer's appraisal value shall become final. In the event that the county board of tax assessors neither accepts nor rejects the value set out in the certified appraisal within 45 days after the receipt of the certified appraisal, then the certified appraisal shall become the final value. All papers and information certified to the appeal administrator shall become a part of the record on arbitration. At the time of certification of the appeal, the county board of tax assessors shall serve the taxpayer and the taxpayer's attorney of record in compliance with subsection (o) of this Code section, if any, or employee with a copy of the certification along with any other papers specified by the person seeking arbitration along with the civil action file number assigned to the appeal, if any. Within 15 days of filing the certification to the appeal administrator, the presiding or chief judge of the superior court of the circuit in which the property is located shall issue an order authorizing the arbitration.

(B) At any point, the county board of tax assessors and the taxpayer may execute a signed, written agreement establishing the fair market value without entering into or completing the arbitration process. The fair market value as set forth in such agreement shall become the final value.

(C) The arbitration shall be conducted pursuant to the following procedure:

(i) The county board of tax assessors shall, at the time the appeal is certified to the appeal administrator under subparagraph (A) of this paragraph, provide to the taxpayer a notice of a meeting time and place to decide upon an arbitrator, to occur within 60 days after the date of sending the rejection of the taxpayer's certified appraisal. Following the notification of the taxpayer of the date and time of the meeting, the taxpayer shall be authorized to exercise a one-time option of changing the date and time of the meeting to a date and time acceptable to the taxpayer and the county board of tax assessors. If the parties agree, the matter shall be submitted to a single arbitrator chosen by the parties. If the parties cannot agree on the single arbitrator, the arbitrator may be chosen by the presiding or chief judge of the superior court of the circuit in which the property is located within 30 days after the filing of a petition by either party;

(ii) In order to be qualified to serve as an arbitrator, a person shall be classified as a state certified general real property appraiser or state certified residential real property appraiser pursuant to the rules and regulations of the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board and shall have experience or expertise in appraising the type of property that is the subject of the arbitration;

(iii) The arbitrator, within 30 days after his or her appointment, shall set a time and place to hear evidence and testimony from both parties. The arbitrator shall provide written notice to the parties personally or by registered or certified mail or statutory overnight delivery not less than 21 days before the hearing. Such written notice shall advise each party that he or she may request a list of witnesses, documents, or other written evidence to be presented at the hearing by the other party. Such request must be made not less than ten days prior to the hearing date, and such information shall be provided to the requesting party not less than seven days prior to the time of the hearing. Any failure to comply with this requirement shall be grounds for an automatic continuance or for exclusion of such witnesses, documents, or other written evidence. The arbitrator, in consultation with the parties, may adjourn or postpone the hearing. Following notification of the taxpayer of the date and time of the hearing, the taxpayer shall be authorized to exercise a one-time option of changing the date and time of the hearing to a date and time acceptable to the taxpayer and the county board of tax assessors. The presiding or chief judge of the superior court of the circuit in which the property is located may direct the arbitrator to proceed promptly with the hearing and the determination of the appeal upon application of any party. The hearing shall occur in the county in which the property is located or such other place as may be agreed upon in writing by the parties;

(iv) At the hearing, the parties shall be entitled to be heard, to present documents, testimony, and other matters, and to cross-examine witnesses. The arbitrator may hear and determine the controversy upon the documents, testimony, and other matters produced notwithstanding the failure of a party duly notified to appear;

(v) The arbitrator shall maintain a record of all pleadings, documents, testimony, and other matters introduced at the hearing. The arbitrator or any party to the proceeding may have the proceedings transcribed by a court reporter;

(vi) The provisions of this paragraph may be waived at any time by written consent of the taxpayer and the board of tax assessors;

(vii) At the conclusion of the hearing, the arbitrator shall render a decision regarding the fair market value of the property subject to nonbinding arbitration;

(viii) In order to determine the fair market value, the arbitrator may consider the final value for the property submitted by the county board of tax assessors at the hearing and the final value submitted by the taxpayer at the hearing. The taxpayer shall be responsible for the cost of any appraisal by the taxpayer's appraiser;

(ix) The arbitrator shall consider the final value submitted by the county board of tax assessors, the final value submitted by the taxpayer, and evidence supporting the values submitted by the county board of tax assessors and the taxpayer. The arbitrator shall determine the fair market value of the property under appeal. The

arbitrator shall notify both parties of the decision verbally and shall either send both parties the decision in writing or deliver the decision by hand to each party, with written receipt;

(x) If the taxpayer's value is closest to the fair market value determined by the arbitrator, the county shall be responsible for the fees and costs of such arbitrator. If the value of the board of tax assessors is closest to the fair market value determined by the arbitrator, the taxpayer shall be responsible for the fees and costs of such arbitrator; and

(xi) The board of tax assessors shall have the burden of proving its opinion of value and the validity of its proposed assessment by a preponderance of evidence.

(4) If the county's tax bills are issued before an arbitrator has rendered his or her decision on property which is on appeal, a temporary tax bill shall be issued in the same manner as otherwise required under division (e)(6)(D)(iii) of this Code section.

(5) Upon determination of the final value, the temporary tax bill shall be adjusted as required under division (e)(6)(D)(iii) of this Code section.

(g) Appeals to the superior court.

(1) The taxpayer or the county board of tax assessors may appeal decisions of the county board of equalization, hearing officer, or arbitrator, as applicable, to the superior court of the county in which the property lies. By mutual written agreement, the taxpayer and the county board of tax assessors may waive an appeal to the county board of equalization and initiate an appeal under this subsection. A county board of tax assessors shall not appeal a decision of the county board of equalization, arbitrator, or hearing officer, as applicable, changing an assessment by 20 percent or less unless the board of tax assessors gives the county governing authority a written notice of its intention to appeal, and, within ten days of receipt of the notice, the county governing authority by majority vote does not prohibit the appeal. In the case of a joint city-county board of tax assessors, such notice shall be given to the city and county governing authorities, either of which may prohibit the appeal by majority vote within the allowed period of time.

(2) An appeal by the taxpayer as provided in paragraph (1) of this subsection shall be effected by e-mailing, if the county board of tax assessors has adopted a written policy consenting to electronic service, or by mailing to or filing with the county board of tax assessors a written notice of appeal. An appeal by the county board of tax assessors shall be effected by giving notice to the taxpayer. The notice to the taxpayer shall be dated and shall contain the name and the last known address of the taxpayer. The notice of appeal shall specifically state the grounds for appeal. The notice shall be mailed or filed within 30 days from the date on which the decision of the county board of equalization, hearing officer, or arbitrator is delivered pursuant to subparagraph (e)(6)(D), paragraph (7) of subsection (e.1), or division (f)(3)(C)(ix) of this Code section. Within 45 days of receipt of a taxpayer's notice of appeal and before certification of the appeal to the superior court, the county board of tax assessors shall send to the taxpayer notice that a settlement conference, in which the county board of tax assessors and the taxpayer shall confer in good faith, will be held at

a specified date and time which shall be no later than 30 days from the notice of the settlement conference, and notice of the amount of the filing fee, if any, required by the clerk of the superior court. The taxpayer may exercise a one-time option to reschedule the settlement conference to a different date and time acceptable to the taxpayer during normal business hours. After a settlement conference has convened, the parties may agree to continue the settlement conference to a later date. If at the end of the 45 day review period the county board of tax assessors elects not to hold a settlement conference, then the appeal shall terminate and the taxpayer's stated value shall be entered in the records of the board of tax assessors as the fair market value for the year under appeal and the provisions of subsection (c) of Code Section 48-5-299 shall apply to such value. If the taxpayer chooses not to participate in the settlement conference, he or she may not seek and shall not be awarded fees and costs at such time when the appeal is settled in superior court. If at the conclusion of the settlement conference the parties reach an agreement, the settlement value shall be entered in the records of the county board of tax assessors as the fair market value for the tax year under appeal and the provisions of subsection (c) of Code Section 48-5-299 shall apply to such value. If at the conclusion of the settlement conference the parties cannot reach an agreement, then written notice shall be provided to the taxpayer that the filing fees must be paid by the taxpayer to the clerk of the superior court within 20 days of the date of the conference, with a copy of the check delivered to the county board of tax assessors. Notwithstanding any other provision of law to the contrary, the amount of the filing fee for an appeal under this subsection shall be $25.00. An appeal under this subsection shall not be subject to any other fees or additional costs otherwise required under any provision of Title 15 or under any other provision of law. Immediately following payment of such $25.00 filing fee by the taxpayer to the clerk of the superior court, the clerk shall remit the proceeds thereof to the governing authority of the county which shall deposit the proceeds into the general fund of the county. Within 30 days of receipt of proof of payment to the clerk of the superior court, the county board of tax assessors shall certify to the clerk of the superior court the notice of appeal and any other papers specified by the person appealing including, but not limited to, the staff information from the file used by the county board of tax assessors, the county board of equalization, the hearing officer, or the arbitrator. All papers and information certified to the clerk shall become a part of the record on appeal to the superior court. At the time of certification of the appeal, the county board of tax assessors shall serve the taxpayer and his or her attorney of record, if any, with a copy of the notice of appeal and with the civil action file number assigned to the appeal. Such service shall be effected in accordance with subsection (b) of Code Section 9-11-5. No discovery, motions, or other pleadings may be filed by the county board of tax assessors in the appeal until such service has been made.

(3) The appeal shall constitute a de novo action. The board of tax assessors shall have the burden of proving its opinions of value and the validity of its proposed assessment by a preponderance of evidence. Upon a failure of the board of tax assessors to meet such burden of proof, the court may, upon motion or sua sponte, authorize the finding that the value asserted by the board of tax assessors is unreasonable and authorize the determination of the final value of the property.

(4) **(A)** The appeal shall be placed on the court's next available jury or bench trial calendar, at the taxpayer's election, following the filing of the appeal unless continued by the court. If only questions of law are presented in the appeal, the appeal shall be heard as soon as practicable before the court sitting without a jury. Each hearing before the court sitting

without a jury at the taxpayer's election shall be held within 30 days following the date on which the appeal is filed with the clerk of the superior court.

(B)

(i) The county board of tax assessors shall use the valuation of the county board of equalization, the hearing officer, or the arbitrator, as applicable, in compiling the tax digest for the county.

(ii)

(I) If the final determination of value on appeal is less than the valuation thus used, the tax commissioner shall be authorized to adjust the taxpayer's tax bill to reflect the final value for the year in question.

(II) If the final determination of value on appeal causes a reduction in taxes and creates a refund that is owed to the taxpayer, it shall be paid by the tax commissioner to the taxpayer, entity, or transferee who paid the taxes with interest, as provided in subsection (m) of this Code section.

(III) If the final determination of value on appeal is 85 percent or less of the valuation set by the county board of equalization, hearing officer, or arbitrator as to any real property, the taxpayer, in addition to the interest provided for in subsection (m) of this Code section, shall recover costs of litigation and reasonable attorney's fees incurred in the action. Any appeal of an award of attorney's fees by the county shall be specifically approved by the governing authority of the county.

(iii) If the final determination of value on appeal is greater than the valuation set by the county board of equalization, hearing officer, or arbitrator, as applicable, causes an increase in taxes, and creates an additional billing, it shall be paid to the tax commissioner as any other tax due along with interest, as provided in subsection (m) of this Code section.

(g.1) Valuation. The provisions in subsection (c) of Code Section 48-5-299 shall apply to the valuation, unless otherwise waived in writing by both parties, as to:

(1) The valuation established or announced by any county board of equalization, arbitrator, hearing officer, or superior court; and

(2) Any written agreement or settlement of valuation reached by the county board of tax assessors and the taxpayer as permitted by this Code section.

(h) Recording of interviews or hearings.

(1) In the course of any assessment, appeal, or arbitration, or any related proceeding, the taxpayer shall be entitled to:

(A) Have an interview with an officer or employee who is authorized to discuss tax assessments of the board of tax assessors relating to the valuation of the taxpayer's property subject to such assessment, appeal, arbitration, or related proceeding, and the taxpayer may record the interview at the taxpayer's expense and with equipment provided by the taxpayer, and no such officer or employee of the board of tax assessors may refuse to participate in an interview relating to such valuation for reason of the taxpayer's choice to record such interview; and

(B) Record, at the taxpayer's expense and with equipment provided by the taxpayer, all proceedings before the board of equalization or any hearing officer.

(2) The interview referenced in subparagraph (A) of paragraph (1) of this subsection shall be granted to the taxpayer within 30 calendar days from the postmark date of the taxpayer's written request for the interview, and the interview shall be conducted in the office of the board of assessors. The time and date for the interview, within such 30 calendar day period, shall be mutually agreed upon between the taxpayer and the taxing authority. The taxing authority may extend the time period for the interview an additional 30 days upon written notification to the taxpayer.

(3) The superior courts of this state shall have jurisdiction to enforce the provisions of this subsection directly and without the issue being first brought to any administrative procedure or hearing. The taxpayer shall be awarded damages in the amount of $100.00 per occurrence where the taxpayer requested the interview, in compliance with this subsection, and the board of assessors failed to timely comply; and the taxpayer shall be entitled to recover reasonable attorney's fees and expenses of litigation incurred in any action brought to compel such interview.

(i) Alternate members of boards of equalization.

(1) Alternate members of the county board of equalization in the order in which selected shall serve:

(A) As members of the county board of equalization in the event there is a permanent vacancy on the board created by the death, ineligibility, removal from the county, or incapacitating illness of a member or by any other circumstances. An alternate member who fills a permanent vacancy shall be considered a member of the board for the remainder of the unexpired term; or

(B) In any appeal for which an alternate member is selected for service by the appeal administrator.

(2) A hearing panel shall consist of no more than three members at any time, one of whom shall serve as the presiding member for the purpose of the hearing.

(j) Disqualification.

(1) No member of the county board of equalization and no hearing officer shall serve with respect to any appeal concerning which he or she would be subject to a challenge for cause if he or she were a member of a panel of jurors in a civil case involving the same subject matter.

(2) The parties to an appeal to the county board of equalization or to a hearing officer shall file in writing with the appeal, in the case of the person appealing, or, in the case of the county board of tax assessors, with the certificate transmitting the appeal, questions relating to the disqualification of members of the county board of equalization or hearing officer. Each question shall be phrased so that it can be answered by an affirmative or negative response. The members of the county board of equalization or hearing officer shall, in writing under oath within two days of their receipt of the appeal, answer the questions and any question which may be adopted pursuant to subparagraph (e)(1)(D) of this Code section. Answers of the county board of equalization or hearing officers shall be part of the decision of the board or hearing officer and shall be served on each party by first-class mail. Determination of disqualification shall be made by the judge of the superior court upon the request of any party when the request is made within two days of the response of the board or hearing officer to the questions. The time prescribed under subparagraph (e)(6)(A) of this Code section shall be tolled pending the determination by the judge of the superior court.

(k) Compensation of board of equalization members.

(1) Each member of the county board of equalization shall be compensated by the county per diem for time expended in considering appeals. The compensation shall be paid at a rate of not less than $25.00 per day and shall be determined by the county governing authority. The attendance at required approved appraisal courses shall be part of the official duties of a member of the board, and he or she shall be paid for each day in attendance at such courses and shall be allowed reasonable expenses necessarily incurred in connection with such courses. Compensation pursuant to this paragraph shall be paid from the county treasury upon certification by the member of the days expended in consideration of appeals or attending approved appraisal courses.

(2) Each member of the county board of equalization who participates in online training provided by the department shall be compensated by the county at the rate of $25.00 per day for each eight hours of completed training. A member shall certify under oath and file an affidavit with the appeal administrator stating the number of hours required to complete such training and the number of hours which were actually completed. The appeal administrator shall review the affidavit and, following approval thereof, shall notify the county governing authority. The Council of Superior Court Clerks of Georgia shall develop and make available an appropriate form for such purpose. Compensation pursuant to this paragraph shall be paid from the county treasury following approval of the appeal administrator of the affidavit filed under this paragraph.

(l) Military service. In the event of the absence of an individual from such individual's residence because of duty in the armed forces, the filing requirements set forth in paragraph (3) of subsection (f) of this Code section shall be tolled for a period of 90 days. During this period, any member of the immediate family of the individual, or a friend of the individual, may notify the tax receiver or the tax commissioner of the individual's absence due to military service and submit written notice of representation for the limited purpose of the appeal. Upon receipt of this notice, the tax receiver or the tax commissioner shall initiate the appeal.

(m) Interest.

(1) For the purposes of this Code section, any final value that causes a reduction in taxes and creates a refund that is owed to the taxpayer shall be paid by the tax commissioner to the taxpayer, entity, or transferee who paid the taxes within 60 days from the date of the final determination of value. Such refund shall include interest at the same rate specified in Code Section 48-2-35 which shall accrue from the due date of the taxable year in question or the date paid, whichever is later, through the date on which the final determination of value was made. In no event shall the amount of such interest exceed $150.00 for homestead property or $5,000.00 for nonhomestead property. Any refund paid after the sixtieth day shall accrue interest from the sixty-first day until paid with interest at the same rate specified in Code Section 48-2-35. The interest accrued after the sixtieth day and forward shall not be subject to the limits imposed by this subsection. The tax commissioner shall pay the tax refund and any interest for the refund from current collections in the same proportion for each of the levying authorities for whom the taxes were collected.

(2) For the purposes of this Code section, any final value that causes an increase in taxes and creates an additional billing shall be paid to the tax commissioner as any other tax due. After the tax bill notice has been mailed out, the taxpayer shall be afforded 60 days from the date of the postmark to make full payment of the adjusted bill. Once the 60 day payment period has expired, the bill shall be considered past due and interest shall accrue from the original billing due date as specified in Code Section 48-2-40 without limit until the bill is paid in full. Once past due, all other fees, penalties, and late and collection notices shall apply as prescribed in this chapter for the collection of delinquent taxes.

(n) Service of notice. A notice of appeal to a board of tax assessors under subsection (e), (e.1), (f), or (g) of this Code section shall be deemed filed as of the date of the United States Postal Service postmark, receipt of delivery by statutory overnight delivery, or, if the board of tax assessors has adopted a written policy consenting to electronic service, by transmitting a copy to the board of tax assessors via e-mail in portable document format using all e-mail addresses provided by the board of tax assessors. Service by mail, statutory overnight delivery, or electronic transmittal is complete upon such service. Proof of service may be made within 45 days of receipt of the annual notice of current assessment under Code Section 48-5-306 to the taxpayer by certificate of the taxpayer, the taxpayer's attorney, or the taxpayer's employee by written admission or by affidavit. Failure to make proof of service shall not affect the validity of service.

(o) Notice to representative. When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, and a copy of such written authorization is provided to the county board of tax assessors, all notices required to be provided to the taxpayer under this Code section, including those

regarding hearing times, dates, certifications, notice of changes or corrections, or other official actions, shall be provided to the taxpayer and the authorized agent, representative, or attorney. Upon agreement by the county board of tax assessors and the taxpayer's agent, representative, or attorney, notices required by this Code section to be sent to the taxpayer or the taxpayer's agent, representative, or attorney may be sent by e-mail. The failure to comply with this subsection with respect to a notice required under this Code section shall result in the tolling of any deadline imposed on the taxpayer under this Code section with respect to that notice.

PT-311-A (Revised Jul 2018)

APPEAL OF ASSESSMENT FOR DIGEST YEAR :

Appeal No: _____

Name		Home Phone	
Address		Work Phone	
Address		Email Address	
City	State	Zip	

Property / Appeal Type (Check One)

☐ Real ☐ Personal ☐ Motor Vehicle ☐ Manufactured Home

Property ID Number		Account Number	
Property Description			

Specify Grounds for Appeal:

Check all that apply	
Value	☐
Uniformity	☐
Taxability	☐
Exemption Denied	☐
Breach of Covenant	☐
Denial of Covenant	☐

You must select only one of the following options:

☐	BOE:appeal to the county board of equalization with appeal to the superior court (*any / all grounds*)
* ☐	ARBITRATION: to arbitration with an appeal to the superior court (valuation is only grounds that may be appealed to arbitration)
☐	HEARING OFFICER: for (1) nonhomestead real property (and contiguous real property) or (2) wireless personal property account(s) with a FMV in excess of $500,000, to a hearing officer with appeal to superior court (value and uniformity only)
* ☐	SC: Directly to Superior Court (requires consent of BOA) (any / all grounds)

** Additional Cost / Fees May apply*

Owner's value assertion (required)

Property Owner Comments

Property Class ☐ Residential ☐ Commercial ☐ Industrial ☐ Agricultural ☐ Other: _____

Signature of Property Owner or Agent **Date**

NOTE: If the appeal form is signed by an agent, a letter of authorization must accompany the filing of the appeal.

Agent's Address: _____ **Agent's Phone #** _____

_____ **Agent's Email Address:** _____

NOTE: Filing of this document will create a review of the county's assessment. Reasonable notice is herein provided that an onsite inspection of the subject property by a member of the county appraisal staff may be performed.

Assessors Use Only

	Previous Year Value	Taxpayer's Returned Value	Current Year Value
100%			
40%			

Date Received: **Received By:**

PT-311-I (Rev 2015)

APPEAL PROCESS GRID (revised pursuant to HB202)

BOARD OF TAX ASSESSORS (BTA)

PROPERTY OWNER IS MAILED ANNUAL NOTICE OF ASSESSMENT. (O.C.G.A.48-5-306)

PROPERTY OWNER FILES WRITTEN APPEAL WITHIN 45 DAYS OF DATED NOTICE.

PROPERTY OWNER MUST ELECT METHOD OF APPEAL (1) BOARD OF EQUALIZATION, (2) HEARING OFFICER, OR (3) ARBITRATION.

APPEAL HEARINGS ARE OPEN TO THE PUBLIC AND MAY BE RECORDED.

IF ARBITRATION IS ELECTED - SKIP THE NEXT FEW STEPS AND GO DIRECTLY TO ARBITRATION BOX.

IF BOARD OF EQUALIZATION OR HEARING OFFICER IS ELECTED - HAVE STAFF APPRAISER REVIEW PROPERTY VALUE AND ANY OWNER CONCERNS MENTIONED IN LETTER OF APPEAL. (Within 180 days for Board of Equalization AND within 90 days for Hearing Officer)

IF BTA CHANGES THE VALUE, THE PROPERTY OWNER (IF DISSATISFIED) MAY CONTINUE APPEAL TO BOARD OF EQUALIZATION OR HEARING OFFICER WITHIN 30 DAYS AFTER NOTIFICATION

IF BTA DOES NOT CHANGE VALUE, APPEAL IS AUTOMATICALLY FORWARDED TO BOE OR TO HEARING OFFICER. HOWEVER, IF BOTH PARTIES AGREE, THE APPEAL MAY GO DIRECTLY TO SUPERIOR COURT.

BOARDS OF EQUALIZATION

Any Property
Value, Uniformity, Taxability, Denial Of Exemption

THE APPEAL ADMINISTRATOR HAS OVERSIGHT & SUPERVISION REGARDING SCHEDULING HEARINGS, GIVING NOTICE OF HEARINGS AND DECISIONS TO PROPERTY OWNERS AND BTA.

PROPERTY OWNER OR AUTHORIZED AGENT MAY APPEAR TO PRESENT CASE

THE BOARD OF EQUALIZATION SHALL RENDER DECISION AT THE CONCLUSION OF THE HEARING

PROPERTY OWNER NOTIFIED IN WRITING OF DECISION

OCGA 48-5-299(c) APPLIES.

DECISION CAN BE APPEALED TO SUPERIOR COURT BY EITHER PARTY

HEARING OFFICER

Non-homestead Real Property and Wireless Personal Property $750,000
Value and Uniformity

THE APPEAL ADMINISTRATOR HAS OVERSIGHT & SUPERVISION REGARDING ASSISTANCE SCHEDULING HEARINGS, GIVING NOTICE OF HEARINGS AND DECISIONS TO PROPERTY OWNERS AND BTA.

PROPERTY OWNER OR AUTHORIZED AGENT MAY APPEAR TO PRESENT CASE

THE HEARING OFFICER SHALL RENDER DECISION AT THE CONCLUSION OF THE HEARING

PROPERTY OWNER AND BTA NOTIFIED IN WRITING OF DECISION.

OCGA 48-5-299(c) APPLIES.

DECISION CAN BE APPEALED TO SUPERIOR COURT BY EITHER PARTY

ARBITRATION

Any Property - Value

BTA MUST SEND ACKNOWLEDGEMENT OF RECEIPT TO TAXPAYER WITHING 10-DAYS.

WITHIN 45 DAYS OF RECEIVING ACKNOWLEDGEMENT OF RECEIPT FROM BTA, THE TAXPAYER MUST PROVIDE A CERTIFIED APPRAISAL.

THE TAXPAYER IS RESPONSIBLE FOR THE COST OF CERTIFIED APPRAISAL.

WITHIN 45 DAYS OF RECEIVING THE TAXPAYER'S CERTIFIED APPRAISAL, THE BTA MUST ACCEPT THE TAXPAYER'S APPRAISAL VALUE OR REJECT AND CERTIFY THE APPEAL TO THE APPEAL ADMINISTRATOR.

WITHIN 15 DAYS OF FILING WITH THE APPEAL ADMINISTRATOR, THE JUDGE SHALL ISSUE AN ORDER AUTHORIZING ARBITRATION

WITHIN 30 DAYS, THE ARBITRATOR SCHEDULES HEARING.

THE ARBITRATOR SHALL RENDER DECISION AT THE CONCLUSION OF THE HEARING.

WHICHEVER PARTY VALUE NOT CLOSEST TO ARBITRATOR VALUE MUST PAY THE COST OF THE ARBITRATOR.

OCGA 48-5-299(c) APPLIES.

DECISION CAN BE APPEALED TO SUPERIOR COURT BY EITHER PARTY

SUPERIOR COURT

THE APPEAL TO SUPERIOR COURT IS A JURY TRIAL AND APPELLANT MAY WISH TO CONSIDER ENGAGING AN ATTORNEY.

APPEAL MUST BE FILED WITH BOARD OF TAX ASSESSORS BY THE OWNER OR HIS/HER ATTORNEY; SETTLEMENT CONFERENCE HELD WITHIN 30 DAYS OF NOTICE SENT BY BTA.

APPELLANT PAYS $25 FILING FEE.

§ 48-5-314. Confidentiality of taxpayer records; exceptions; penalties

(a)

(1) All records of the county board of tax assessors which consist of materials other than the return obtained from or furnished by an ad valorem taxpayer shall be confidential and shall not be subject to inspection by any person other than authorized personnel of appropriate tax administrators. As an illustration of the foregoing, materials which are confidential shall include, but shall not be limited to, taxpayers' accounting records, profit and loss statements, income and expense statements, balance sheets, and depreciation schedules. Such information shall remain confidential when it is made part of an appeal file. Nothing in this Code section, however, shall prevent any disclosure necessary or proper to the collection of any tax in any administrative or court proceeding.

(2) Records which consist of materials containing information gathered by personnel of the county board of tax assessors, such as field cards, shall not be confidential and are subject to inspection at all times during office hours. The provisions of this paragraph shall not remove the confidentiality of materials such as are specified in paragraph (1) of this subsection.

(3) Failure of the county board of tax assessors to make available records which are not confidential as provided in paragraph (2) of this subsection shall be a misdemeanor.

(b) Any person who knowingly and willfully furnishes information which is confidential under this Code section to a person who is not authorized by law to receive such information shall upon conviction be subject to a civil penalty not to exceed $1,000.00.

PT311W. Rev 2010

APPEAL WAIVER AND RELEASE

Date: _____ PIN _____

Owner: _____ Address _____

_____

_____

I the undersigned after consulting with all parties do hereby cease and waive any appeal filed with the _____ County Board of Tax Assessors for tax year _____ and do not wish to pursue any further action for this year.

Signed: _____ Date: _____
(Taxpayer or Taxpayer's Agent)

Both parties (County and taxpayer) agree that:

☐	the fair market value to be	$ _____	
☐	the property to be:	☐ taxable	☐ not taxable
☐	the property to be assessed:	☐ uniform	☐ not uniform
☐	the property for homestead exemption sought:	☐ qualifies	☐ does not qualify
☐	the property for the special assessment sought:	☐ qualifies	☐ does not qualify
☐	a breach of covenant:	☐ has occurred	☐ has not occurred

Approved by board of tax assessors:

Signed: _____ Date: _____
(Chairman)

Copy to be mailed to property owner, original to filed in the appeal file.

Date Mailed to Property Owner: _____

Examination of County Tax Digests

§ 48-5-340. Purpose of article

It is the purpose and intent of this article to establish a procedure for use by the commissioner to equalize county property tax digests between counties and within counties so as to require county boards of tax assessors to make adjustments in the valuation of property to ensure uniformity and equity. The commissioner shall continue to examine the digest and exercise his responsibility to bring about property valuations that are reasonably uniform and equalized throughout the state.

§ 48-5-341. Definitions

As used in this article, the term:

(1) "Assessment bias" means any tendency or trend of assessment ratios, when analyzed by an appropriate statistical method, which reveals assessment progressivity or assessment regressivity.

(2) "Assessment progressivity" means any systematic pattern of assessment in which higher value properties are generally assessed at a larger percentage of fair market value than properties of lower value.

(3) "Assessment ratio" means the fractional relationship the assessed value of property bears to the fair market value of the property as determined in paragraph (8) of subsection (b) of Code Section 48-5-274.

(4) "Assessment regressivity" means any systematic pattern of assessment in which lower value properties are generally assessed at a larger percentage of fair market value than properties of higher value.

(5) "Assessment variance" means the absolute value of the difference between the assessment ratio for each parcel of property within each class of property and the average assessment ratio for that class and expressed as a percentage of the average assessment ratio.

(6) "Class of property" means any reasonable divisions of homogeneous groups of property that the commissioner determines are necessary to examine digests for uniformity and equalization.

(7) "Digest evaluation cycle" means a recurring period of three years beginning initially on January 1 of the first year, as so designated by the commissioner for each county, and ending on December 31 of the third year thereafter.

(8) "Digest review year" means the first year of each evaluation cycle for each county.

§ 48-5-342. Commissioner to examine digests

(a) The commissioner shall carefully examine the tax digests of the counties filed in his office. Each digest for a county in a digest review year shall be examined for the purpose of determining if the valuations of property for taxation purposes are reasonably uniform and equalized between counties and within counties.

(b) For any digest in any digest review year where the digest for the preceding digest review year was conditionally approved by the commissioner, the commissioner shall also carefully examine the digest to determine if it satisfactorily corrects the deficiencies that resulted in the digest for the preceding digest review year being conditionally approved.

(c) For each year, including each year that is not a digest review year for the county, the commissioner shall utilize the overall assessment ratio for the county as provided by the state auditor.

(d) It shall be the further duty of the commissioner to examine the itemizations of exempt properties appearing on the digest and, if in the judgment of the commissioner any properties appearing on the digest are subject to taxation, to so advise the board of tax assessors of the counties concerned with an explanation of his reasons for believing the property is subject to taxation.

(e)

> **(1)** The commissioner may, upon his or her own initiative or upon complaint by a taxpayer, examine the itemizations of properties appearing on the digest, and if in the judgment of the commissioner any properties are illegally appearing on the digest and should not be subject to taxation under this chapter, the commissioner shall strike such items from the digest and return the digest to the county for removal of such items and resubmission to the commissioner. The commissioner shall provide by rule and regulation procedures by which the county board of tax assessors may appeal such finding to the commissioner. If appealed by the board of tax assessors, the commissioner shall, after reviewing such appeal, issue a final order and include a finding as to the taxability of the digest items in dispute and shall finalize the digest in accordance therewith.
>
> **(2)** If a property has been found by the commissioner to not be subject to taxation under this chapter and again appears on the digest at any time within five years of the initial determination of nontaxability and is again determined to be nontaxable, the commissioner shall strike such item from the digest and return the digest to the county for removal of such item and resubmission to the commissioner. The commissioner shall notify the Department of Community Affairs in writing of his or her finding, and upon receipt of such notice, the qualified local government status of such county shall be revoked for a period of three years following the receipt of such notice by the Department of Community Affairs unless reinstated earlier pursuant to this subsection. Upon such revocation, the governing authority of such county, without regard to any limitation of Code Section 48-5-295, shall be specifically authorized to remove immediately every member of the board of tax assessors and reappoint new members who shall serve for the unexpired terms of the removed members. The county governing authority shall provide written notification of such

removal and new appointment to the commissioner. Upon certification of the corrected digest, the commissioner shall notify in writing the Department of Community Affairs, and upon receipt thereof, the Department of Community Affairs shall immediately reinstate the qualified local government status of such county.

(3) If a property has been found by the commissioner to not be subject to taxation under this chapter and if such nontaxable property has appeared on a county digest in any year within the preceding five-year period, then the taxpayer shall be entitled to file a petition directly with the Georgia Tax Tribunal for a refund of all such taxes illegally collected or taxes paid, interest equal to the bank prime loan rate as posted by the Board of Governors of the Federal Reserve System in statistical release H. 15 or any publication that may supersede it plus 3 percent calculated from the date of payment of such taxes, and attorney's fees in an amount of not less than 15 percent nor more than 40 percent of the total of the illegally charged taxes and accrued interest. Such petition shall name the board of tax assessors and the tax receiver or tax commissioner of the county as the respondent in their official capacities and shall be served upon such board and tax receiver or tax commissioner. Service shall be accomplished by certified mail or statutory overnight delivery. The petition shall include a summary statement of facts and law upon which the petitioner relies in seeking the requested relief. The respondents shall file a response to the petitioner's statement of facts and law which constitutes their answer with the tribunal no later than 30 days after the service of the petition. The respondents shall serve a copy of their response on the petitioner's representative or, if the petitioner is not represented, on the petitioner and shall file a certificate of service with such response. If in any case a response has not been filed within the time required by this paragraph, the case shall automatically become in default unless the time for filing the response has been extended by agreement of the parties, for a period not to exceed 30 days, or by the judge of the tribunal. The default may be opened as a matter of right by the filing of a response within 15 days of the day of the default and payment of costs. At any time before the final judgment, the judge of the tribunal, in his or her discretion, may allow the default to be opened for providential cause that prevented the filing of the response, for excusable neglect, or when the tribunal judge, from all the facts, determines that a proper case has been made for the default to be opened on terms to be fixed by the tribunal judge. The tribunal judge shall proceed to hear and decide the matter and may grant appropriate relief under the law and facts presented.

§ 48-5-342.1. Digest evaluation cycles established; time for review of digest

(a) The commissioner shall by regulation establish the digest evaluation cycles for each of the counties in this state giving weight to the number of taxable parcels in each county, the geographical location of each county, and each such county's compliance with the provisions of Code Section 48-5-343. The starting date of each county's digest evaluation cycle shall be staggered so that the digest review year of one-third of the counties shall occur each year.

(b) For those digests submitted by counties in their designated digest review year, the commissioner shall begin his or her review of the digest in accordance with Code Section 48-5-343 and shall, within 30 days after the date the state auditor furnishes to the commissioner the ratios established pursuant to paragraph (8) of subsection (b) of Code Section 48-5-274 or by August 1 of the next succeeding tax year, whichever comes later, approve or conditionally approve the digest.

§ 48-5-343. Approval of digests

(a) The commissioner shall, when a county is in its digest review year, approve the digest of any such county as being reasonably uniform and equalized if the digest meets the following criteria:

> **(1)** The average assessment ratio for each class of property within the county shall be as close to the assessments provided for in Code Section 48-5-7 as is reasonably practicable;
>
> **(2)** The average assessment variance for each class of property within the county shall not be excessive with respect to that which is reasonably practicable; and
>
> **(3)** Within each class of property, assessment ratios of the properties shall not reveal any significant assessment bias.

(b) The commissioner shall by regulation establish the statistical standards to be used in determining whether or not digests are in accordance with the uniformity requirements contained in subsection (a) of this Code section. The commissioner shall utilize information developed by the state auditor under Code Section 48-5-274.

(c) If the assessed value of the portion of the digest that does not meet the uniformity requirements constitutes 10 percent or less of the assessed value of the total digest, the commissioner may approve the digest if, in his judgment, the approval will not substantially violate the concept of uniformity and equalization.

§ 48-5-344. Conditional approval of digests

(a) If the commissioner determines that in any one or more of the counties that is in a digest review year the taxable values of property are not reasonably uniform and equalized in accordance with the requirements of subsection (a) of Code Section 48-5-343, he shall conditionally approve the digest and notify the county board of tax assessors in writing of his action.

(b) The written notification shall contain:

> **(1)** A list of specific reasons that resulted in the digest being conditionally approved;
>
> **(2)** A list of the statistical standards used by the commissioner when examining the digest; and

(3) Any other information the commissioner believes would be of assistance to the county board of tax assessors in correcting the deficiencies that resulted in the digest being conditionally approved or in otherwise making the digest reasonably uniform and equalized.

§ 48-5-345. Receipt for digest and order authorizing use; assessment if deviation from proper assessment ratio

(a)

(1) Upon the determination by the commissioner that a county tax digest is in proper form, that the property therein that is under appeal is within the limits of Code Section 48-5-304, and that the digest is accompanied by all documents, statistics, and certifications required by the commissioner, including the number, overall value and percentage of total real property parcels of appeals in each county to the boards of equalization, arbitration, hearing officer, and superior court, and the number of taxpayers' failure to appear at any hearing, for the prior tax year, the commissioner shall issue a receipt for the digest and enter an order authorizing the use of said digest for the collection of taxes. All statistics and certifications regarding real property appeals provided to the commissioner under this paragraph shall be made publicly available on the Department of Revenue website.

(2) Nothing in this subsection shall be construed to prevent the superior court from allowing the new digest to be used as the basis for the temporary collection of taxes under Code Section 48-5-310.

(b) Each year the commissioner shall determine if the overall assessment ratio for each county, as computed by the state auditor under paragraph (8) of subsection (b) of Code Section 48-5-274, deviates substantially from the proper assessment ratio as provided in Code Section 48-5-7, and if such deviation exists, the commissioner shall assess against the county governing authority additional state tax in an amount equal to the difference between the amount the state's levy, as prescribed in Code Section 48-5-8, would have produced if the digest had been at the proper assessment ratio and the amount the digest that is actually used for collection purposes will produce. The commissioner shall notify the county governing authority annually of the amount so assessed and this amount shall be due and payable not later than five days after all appeals have been exhausted or the time for appeal has expired or the final date for payment of taxes in the county, whichever comes latest, and shall bear interest at the rate specified in Code Section 48-2-40 from the due date.

(c) Beginning with tax digests on or after January 1, 2016, no county shall be subject to the assessment authorized by subparagraph (b) of this Code section.

§ 48-5-346. Effect of conditionally approving next subsequent digest

(a) **(1)** If a county tax digest for its preceding digest review year was conditionally approved and the commissioner conditionally approves the digest for the next subsequent digest review year for the same or substantially the same reasons, the commissioner shall order the payment of the specific penalty as provided in this Code section and the withholding from the county of the state grants specified in this paragraph. The Office of the State Treasurer and any other state agency or officer shall upon such order's taking effect permanently withhold from the county any funds otherwise becoming payable during the withholding period specified in subsection (b) of this Code section to the county under:

(A) The road mileage grant program specified in Article 1 of Chapter 17 of Title 36;

(B) The county appraisal staff grant program specified in Code Section 48-5-267; and

(C) The public road grant program specified in Code Section 48-14-3.

(2) In addition to the withholding of state grant funds specified in this Code section, a specific penalty is levied which shall be $5.00 per taxable parcel of real property located in the county as of January 1 of the year in which the penalty is levied and it shall be paid by the governing authority of the county to the commissioner.

(b) The withholding of the grants and moneys shall begin not later than five days after all appeals have been exhausted, or the time for appeal has expired, and shall continue until such time as the digest is satisfactorily corrected as to the deficiencies identified by the commissioner that resulted in the digest being initially conditionally approved. The levy of the specific penalty shall be made at the same time that the withholding of grants begins and it shall be paid to the commissioner within 60 days after the commissioner has notified the county of the amount of such penalty.

(c) The commissioner shall determine and publish in print or electronically annually a list of all available state grants which will be withheld in accordance with this Code section.

(d) If the digest for the preceding digest review year was conditionally approved and the commissioner conditionally approves the digest submitted in the next subsequent digest review year for different reasons, the county shall not have any penalties assessed or state grants withheld as a result of such conditional approval.

§ 48-5-348. Appeal from conditional approvals

(a) The commissioner, through a hearing officer, shall hear and determine appeals by local governing authorities on issues relating to the conditional approval of the digest by the commissioner including, but not limited to, the issue of the adequacy of the time period allowed to correct the deficiencies that resulted in the digest being conditionally approved.

(b) The hearing officer may compel the attendance of witnesses and the production of books and records or other documents from the county board of tax assessors. The hearing officer may also compel the production of appropriate records from the commissioner.

(c) With respect to any digest conditional approval by the commissioner which will not result in the withholding of state funds and the levy of specific penalties, the county governing authority shall be authorized to appeal only on the issue of the correctness of the commissioner's determination that the digest does not meet the requirements of subsection (a) of Code Section 48-5-343. With respect to any digest conditional approval by the commissioner which will result in the withholding of state funds or the penalty specified in subsection (a) of Code Section 48-5-346, the county governing authority shall be authorized to appeal on the issues of:

> **(1)** The correctness of the commissioner's determination that the digest does not meet the requirements of Code Section 48-5-343; and
>
> **(2)** The adequacy of the time period which was available to the county to correct prior deficiencies in the digest, including any issue of the adequacy of the time period allowed under Code Section 48-5-345 and any extension of time granted pursuant to any prior appeal.

(d) With respect to any additional state tax assessed against the county by the commissioner pursuant to subsection (b) of Code Section 48-5-345, the county governing authority shall be authorized to appeal on the correctness of the commissioner's determination that such an assessment is due and the accuracy of the amount so assessed.

(e) With respect to any specific penalty levied against the county by the commissioner pursuant to paragraph (2) of subsection (a) of Code Section 48-5-346, the county governing authority shall be authorized to appeal on the correctness of the commissioner's determination that such a levy is due and the accuracy of the amount so levied.

(f) Hearing officers provided for in this Code section shall be appointed by the State Board of Equalization. A hearing officer shall be assigned to hear appeals only from counties located wholly or partially in the congressional district in which the hearing officer resides.

(g) Any appeals filed pursuant to this Code section may not challenge the correctness of the information provided to the commissioner by the state auditor pursuant to Code Section 48-5-274.

§ 48-5-349.2. Procedure for appeal to department

(a)

(1) An appeal to the department shall be effected by a local governing authority by filing with the commissioner a notice of appeal within 30 days after receipt by the local board of tax assessors of the commissioner's notification of digest conditional approval or disapproval. The notice of appeal shall be accompanied by whatever records, reports, or other relevant information is required by rule or order of the commissioner.

(2) Upon receipt of an appeal of a conditional approval order of the commissioner where the specific penalty and the withholding of state grants to the county provided by Code Section 48-5-346 shall otherwise be imposed, the commissioner shall be authorized to enter into an agreement with the county specifying a detailed plan in the form required by the commissioner to ensure that the deficiencies in the digest will be corrected on or before the time of submission of the digest for the next succeeding digest review year. As a part of such agreement the commissioner shall be authorized to defer the imposition of all or part of the specific penalty and the withholding of state grants. Such deferral shall be predicated upon the county's detailed plans of correction being followed and where such a deferral has been agreed to by the commissioner and the county, the amounts deferred shall be permanently waived by the commissioner provided the agreement is faithfully completed by the county. In the event, however, the county only partially completes the agreement with the commissioner, the commissioner may, at his option, still allow all or a reduced amount of the specific penalty or withholding of funds to be waived if, in his judgment, the county's deviation from the original agreement was not unreasonable under the circumstances.

(b) Within ten days of receipt of a notice of appeal, the hearing officer shall set the date for a hearing on the appeal. At the initial hearing the hearing officer may require additional hearings or filings of additional information by any person having custody of such information. In determining whether additional hearings are needed, the hearing officer shall consider the need for such hearings in the county making the appeal for the purpose of receiving information on local factors affecting the determination of property valuations in the county.

(c)

(1) After hearing all testimony determined necessary and after reviewing all filings and information determined to be relevant and necessary, the hearing officer shall reach a decision. Each decision shall be rendered in writing.

(2) The decision shall:

(A) Specifically decide each issue presented on appeal; and

(B) Certify the date on which the notice of the decision is given.

(3) Each party to an appeal shall be furnished a copy of the decision within ten days after the issuance of the decision.

(d)

(1) The hearing officer shall be authorized to hear and grant an appeal with respect to a determination by the commissioner that a digest does not meet the requirements of subsection (a) of Code Section 48-5-343. The hearing officer may not hear and grant an appeal with respect to the correctness of the information supplied to the commissioner by the state auditor pursuant to Code Section 48-5-274. The digest shall be deemed approved in any case where an appeal is granted under this paragraph.

(2) The hearing officer shall be authorized to hear and grant an appeal with respect to the adequacy of the time period which was available to the county to correct prior deficiencies in the digest. If an appeal is granted under this paragraph, the specific penalty and the withholding of state grants to the county provided by Code Section 48-5-346 shall not be imposed during the digest evaluation cycle in which the digest review year being appealed lies.

(3) The hearing officer shall be authorized to hear and grant an appeal with respect to a determination of an additional amount due which is assessed by the commissioner pursuant to subsection (b) of Code Section 48-5-345 to the extent such appeal is not based on the correctness of the information supplied to the commissioner by the state auditor pursuant to Code Section 48-5-274. If an appeal is granted under this paragraph, the commissioner may be directed to withdraw the assessment of the additional state tax or recalculate it in accordance with the findings of the hearing officer.

(4) The hearing officer shall be authorized to hear and grant an appeal with respect to a determination of a specific penalty which is levied by the commissioner pursuant to paragraph (2) of subsection (a) of Code Section 48-5-346 to the extent such appeal is not based on the correctness of the information supplied to the commissioner by the state auditor pursuant to Code Section 48-5-274. If an appeal is granted under this paragraph, the commissioner may be directed to withdraw the levy of the specific penalty or recalculate it in accordance with the findings of the hearing officer.

§ 48-5-349.3. Appeal to superior court

The commissioner or the county governing authority dissatisfied with the decision of the hearing officer on any question of law may appeal to the superior court of the county dissatisfied with the decision. Any appeal to the superior court shall be taken, so far as is applicable, in the manner provided by law for appeals to the superior court from decisions of the commissioner.

§ 48-5-349.4. Compliance with decision of appeals board or court as correction of deficiency

Compliance by any local governing authority with the findings and decision of the hearing officer, or of the court of final review, with respect to any matter concerning the local tax digest shall be considered satisfactory correction of the deficiency involved for the purposes of Code Sections 48-5-345 and 48-5-346.

§ 48-5-349.5. Annual report

Not later than January 20, 1990, and not later than the twentieth day of January of each year thereafter, the commissioner shall submit to the Senate Finance Committee and to the Ways and Means Committee of the House of Representatives an annual report concerning the implementation of this article. Such report shall contain such statistics and other matter as may be pertinent in determining from year to year the progress of the counties of this state in achieving the purpose and intent of this article, a statement of any state funds withheld from counties pursuant to this article and of the relevant circumstances, and such other matter as may be deemed pertinent by the commissioner.

Miscellaneous Local Administration Provisions

§ 48-5-380. Refunds of taxes and license fees by counties and municipalities; time and manner of filing claims and actions for refund; authority to approve or disapprove claims

(a) As provided in this Code section, each county and municipality shall refund to taxpayers any and all taxes and license fees:

> **(1)** Which are determined to have been erroneously or illegally assessed and collected from the taxpayers under the laws of this state or under the resolutions or ordinances of any county or municipality; or
>
> **(2)** Which are determined to have been voluntarily or involuntarily overpaid by the taxpayers.

(a.1) If property owners have been billed and have remitted property tax payments to either a county or a municipality based on the fair market value of the land and subsequently the fair market value of such

land is reduced on an appeal, then the county or the municipality shall reimburse the property owner the difference between tax remitted and the final tax owed for each year in which the incorrect fair market value of the land was used in the calculations.

(b) Any taxpayer from whom a tax or license fee was collected who alleges that such tax or license fee was collected illegally or erroneously may file a claim for a refund with the governing authority of the county or municipality at any time within one year or, in the case of taxes, three years after the date of the payment of the tax or license fee to the county or municipality. The claim for refund shall be in writing and shall be in the form and shall contain the information required by the appropriate governing authority. The claim shall include a summary statement of the grounds upon which the taxpayer relies. In the event the taxpayer desires a conference or hearing before the governing authority in connection with any claim for a refund, the taxpayer shall so specify in writing in the claim. If the claim conforms to the requirements of this Code section, the governing authority shall grant a conference at a time specified by the governing authority. The governing authority shall consider information contained in the taxpayer's claim for a refund and such other information as is available. The governing authority shall approve or disapprove the taxpayer's claim and shall notify the taxpayer of its action. In the event any claim for refund is approved, the governing authority shall proceed under subsection (a) of this Code section to give effect to the terms of that subsection. No refund provided for in this Code section shall be assignable. Submitting a request for refund to the governing authority is not a prerequisite to bringing suit.

(c) The filing of a request for a refund with the governing authority under subsection (b) of this Code section shall act to stay the time period for initiating suit for a refund. Following the filing of a request for refund with the governing authority, no suit may be commenced until the earlier of the governing authority's denial of the request for refund or the expiration of 90 days from the date of filing the claim. Alternatively, any taxpayer may forgo requesting a refund from the governing authority under subsection (b) of this Code section and elect to proceed directly to filing suit.

(d) Any refunds approved or allowed under this Code section shall be paid from funds of the county, the municipality, the county board of education, the state, or any other entity to which the taxes or license fees were originally paid. Refunds shall be paid within 60 days of the approval of the taxpayer's claim or within 60 days of the entry of a final decision in any action for a refund.

(e) The governing authority of any county, by resolution, and the governing authority of any municipality, by ordinance, shall adopt rules and regulations governing the administration of this Code section and may delegate the administration of this Code section, including the approval or disapproval of claims where the reason for the claim is based on an obvious clerical error, to an appropriate department in local government. In disputed cases where there is no obvious error, the approval or disapproval of claims may not be delegated by the governing authority.

(f) Nothing contained in subsections (b) or (c) of this Code section shall be deemed the exclusive remedy to seek a refund nor deprive taxpayers of the right to seek a refund mandated by subsection (a) by any other cause of action available at law or equity.

(g) Under no circumstances may a suit for refund be commenced more than five years from the date of the payment of taxes or fees at issue.

Ad Valorem Taxation of Motor Vehicles and Mobile Homes

GENERAL PROVISIONS

§ 48-5-440. Definitions

As used in this article, the term:

(1) "Antique or hobby or special interest motor vehicle" means a motor vehicle which is 25 years old or older as indicated by the model year or a motor vehicle which has been designed and manufactured to resemble an antique or historical vehicle.

(1.1) "Commercial vehicle" means a truck, truck-tractor, trailer, or semitrailer which is a commercial vehicle:

(A) Registered or registerable under the International Registration Plan pursuant to Code Section 40-2-88; or

(B) Would otherwise be registerable under the International Registration Plan pursuant to Code Section 40-2-88 except that such vehicle is only engaged in intrastate commerce.

(2) "Driver educational motor vehicle" means a motor vehicle which is furnished and assigned to a public school in this state for use by the school in a program of driver education when the assignment is authorized and approved by the local board of education.

(2.1) "Initial registration period" has the same meaning as provided in paragraph (.1) of subsection (a) of Code Section 40-2-21.

(3) "Mobile homes" means manufactured homes and relocatable homes as defined in Part 2 of Article 2 of Chapter 2 of Title 8. Any mobile home which qualifies the taxpayer for a homestead exemption under the laws of this state shall not be considered a mobile home nor subject to this article. This article shall not apply to dealers engaged in the business of selling mobile homes at wholesale or retail and 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.

(4) "Motor vehicle" means a vehicle which is designed primarily for use upon the public roads. Such term shall not include heavy-duty equipment as defined in paragraph (2) of Code Section 48-5-500 which is owned by a nonresident and operated in this state.

(5) "Owner" has the same meaning as provided in paragraph (.2) of subsection (a) of Code Section 40-2-21.

(6) "Registration period" has the same meaning as provided in paragraph (1) of subsection (a) of Code Section 40-2-21.

§ 48-5-441. Classification of motor vehicles and mobile homes as separate classes of tangible property for ad valorem taxation purposes; procedures prescribed in article exclusive

(a)

(1) For the purposes of ad valorem taxation, motor vehicles shall be classified as a separate and distinct class of tangible property. Such class of tangible property shall be divided into two distinct and separate subclasses of tangible property with one subclass including heavy-duty equipment motor vehicles as defined in Code Section 48-5-505 and the other subclass including all other motor vehicles. The procedures prescribed by this article for returning motor vehicles, excluding heavy-duty equipment motor vehicles as defined in Code Section 48-5-505, for taxation, determining the applicable rates for taxation, and collecting the ad valorem tax imposed on motor vehicles shall be exclusive.

(2) This subsection shall not apply to motor vehicles subject to Code Section 48-5-441.1.

(b) For the purposes of ad valorem taxation, mobile homes shall be classified as a separate and distinct class of tangible property. The procedures prescribed by this article for returning mobile homes for taxation, determining the applicable rates for taxation, and collecting the ad valorem tax imposed on mobile homes shall be exclusive.

(c)

(1) For the purposes of ad valorem taxation, commercial vehicles shall be classified as a separate and distinct class of tangible property. The procedures prescribed by this article for returning commercial vehicles for taxation and for determining the valuation of commercial vehicles shall be exclusive and as provided for in Code Section 48-5-442.1. All other procedures prescribed by this article for the taxation of motor vehicles shall be applicable to the taxation of commercial vehicles.

(2) This subsection shall not apply to motor vehicles subject to Code Section 48-5-441.1.

§ 48-5-441.1. Classification of motor vehicles for purposes of ad valorem taxation

In accordance with Article VII, Section I, Paragraph III(b)(3) of the Georgia Constitution, motor vehicles subject to the provisions of Code Section 48-5C-1 shall be classified as a separate and distinct class of tangible property for the purposes of ad valorem taxation.

§ 48-5-442. Preparation and distribution of uniform evaluation of motor vehicles for tax purposes

(a)

(1) **(A)** For the taxable year beginning January 1, 2001, only, the commissioner shall prepare and distribute to each of the tax collectors and tax commissioners a uniform evaluation of all motor vehicles for use as the taxable value of the motor vehicles subject to this article. Each evaluation shall reflect the value which would result from taking 75 percent of the current fair market value and 25 percent of the current wholesale value for all motor vehicles as determined by the commissioner.

(B) For all taxable years beginning on or after January 1, 2002, the commissioner shall prepare at least annually and distribute to each of the tax collectors and tax commissioners a uniform evaluation of all motor vehicles for use as the taxable value of the motor vehicles subject to this article. Each evaluation shall reflect the average of the current fair market value and the current wholesale value for all motor vehicles as determined by the commissioner.

(2) The commissioner shall prepare annually and distribute to each of the tax collectors and tax commissioners uniform procedures for the evaluation of all mobile homes subject to this article.

(b) Notwithstanding subsection (a) of this Code section, all antique and hobby or special interest motor vehicles, as defined in Code Section 48-5-440, shall, notwithstanding true fair market value if any, be deemed by the commissioner to have a fair market value of $100.00 in the uniform evaluation prepared and distributed annually by the commissioner.

(c) This Code section shall not apply to commercial vehicles.

§ 48-5-442.1. Definitions; determination of valuation of commercial vehicle for ad valorem tax purposes

(a) As used in this Code section, the term:

(1) "Georgia fleet mileage ratio" means a fraction, the numerator of which is the total miles driven in Georgia by all commercial vehicles registered in Georgia under the International Registration Plan pursuant to Code Section 40-2-88, and the denominator of which is the total miles driven within and without Georgia by such commercial vehicles.

(2) "Gross capital cost" means the freight on board, delivered cost of a commercial vehicle to the purchaser of such commercial vehicle but shall not include any excise or use taxes paid as a part of such purchase.

(b) The valuation of a commercial vehicle, trailer, or semitrailer for ad valorem tax purposes shall be determined as follows:

(1) The gross capital cost of a commercial vehicle, trailer, or semitrailer shall be multiplied by a percentage factor representing the remainder of such vehicle's value after depreciation according to a depreciation schedule which the commissioner shall annually prepare and distribute to each of the tax collectors and tax commissioners. Except as provided in paragraph (2) of this subsection, the resulting value of such commercial vehicle, trailer, or semitrailer shall be assessed at the rate of 40 percent of such value for ad valorem tax purposes in this state; or

(2) For a trailer, a semitrailer, or a commercial vehicle which is not registered in Georgia under the International Registration Plan pursuant to Code Section 40-2-88, the assessment calculated under paragraph (1) of this subsection shall be multiplied by the Georgia fleet mileage ratio. The resulting apportioned value shall be the Georgia assessed value of the commercial vehicle, trailer, or semitrailer for ad valorem tax purposes in this state.

§ 48-5-443. Ad valorem tax rate

Ad valorem taxes imposed on motor vehicles and mobile homes subject to this article shall be at the assessment level and mill rate levied by the taxing authority on tangible property for the previous calendar year.

§ 48-5-444. Place of return of motor vehicles and mobile homes

(a)

(1) For purposes of this subsection, the term "functionally located" means located in a county in this state for 184 days or more during the immediately preceding calendar year. The 184 days or more requirement of this subsection shall mean the cumulative total number of days during such calendar year, which days may be consecutive.

(2) **(A)** Except as otherwise provided in paragraph (3) of this subsection, each motor vehicle owned by a resident of this state shall be returned:

(i) In the county where the owner claims a homestead exemption;

(ii) If no such exemption is claimed, then in the county of the owner's domicile; or

(iii) If the motor vehicle is primarily used in connection with some established business enterprise located in a different county, in the county where the business is located.

(B) A motor vehicle owned by a resident of this state may be registered in the county where the vehicle is functionally located if the vehicle is a passenger car as defined in paragraph (41) of Code Section 40-1-1. Such vehicle shall first be returned for taxation as provided in subparagraph (A) of this paragraph. This subparagraph shall not apply with respect to any vehicle which is used by a student enrolled in a college or university in this state in a county other than the student's domicile.

(C) Each motor vehicle owned by a nonresident shall be returned in the county where the motor vehicle is situated.

(3) **(A)** As used in this paragraph, the term:

(i) "Family owned qualified farm products producer" shall have the same meaning as provided in paragraph (2) of Code Section 48-5-41.1.

(ii) "Passenger car" shall have the same meaning as provided for in paragraph (41) of Code Section 40-1-1.

(iii) "Truck" shall have the same meaning as provided for in paragraph (70) of Code Section 40-1-1.

(B) If a passenger car or truck is primarily used in connection with some established farm operated by a family owned qualified farm products producer located in a county other than the county where the owner claims a homestead exemption or the county of the owner's domicile, such passenger car or truck shall be returned in the county where the farm operated by a family owned qualified farm products producer is located.

(4) Any person who shall knowingly make any false statement in any application for the registration of any vehicle, in transferring any certificate of registration, or in applying for a new certificate of registration shall be guilty of false swearing, whether or not an oath is actually administered to such person, if such statement shall purport to be under oath. On conviction of such offense, such person shall be punished as provided by Code Section 16-10-71.

(b) Mobile homes shall be returned in the county where situated unless the mobile home is primarily used in connection with some established business enterprise located in a different county, in which case it shall be returned in the county where the business is located.

§ 48-5-448. Value of all returned motor vehicles and mobile homes included in tax digest

(a) The value of all motor vehicles returned for taxation during the previous calendar year shall be added to the regular digest at the time the regular digest is transmitted to the commissioner or at such other time as the digest is required to be compiled.

(b) The value of all mobile homes returned for taxation during each calendar year shall be added to the regular digest at the time the regular digest is transmitted to the commissioner or at such other time as the digest is required to be compiled.

(c) The total of the regular digest and the value of returns required to be added pursuant to this Code section shall constitute the tax digest.

§ 48-5-450. Contesting tax assessments; filing affidavit of illegality; bond; trial in superior court; appeal

Any owner who contests the assessment of an ad valorem tax against a motor vehicle may purchase the license plate without payment of the ad valorem tax, and any owner who contests the assessment of an ad valorem tax against a mobile home may secure a decal for the year in question, by filing with the tax collector or tax commissioner an affidavit of illegality to the assessment together with a surety bond issued by a surety company authorized to do business in this state or, in lieu of such bond, a bond approved by the clerk of the superior court of the county or a cash bond. Whatever bond is filed shall be in an amount equal to the tax and any penalties and interest which may be found to be due. The bond shall be made payable to the tax collector or tax commissioner and shall be conditioned upon the payment of taxes and penalties ultimately found to be due. The affidavit of illegality and the bond shall be transferred immediately by the tax collector or tax commissioner to the superior court, shall be filed in the superior court, and shall be tried as affidavits of illegality are tried in tax cases. Any owner who contests the value assessment of a motor vehicle or mobile home may appeal such assessed value as provided for in Code Section 48-5-311, insofar as applicable.

§ 48-5-451. Penalty for failure to make return or pay tax on motor vehicle or mobile home

(a) Except as otherwise provided in subsection (b) of this Code section, every owner of a motor vehicle or a mobile home, in addition to the ad valorem tax due on the motor vehicle or mobile home, shall be liable for a penalty of 10 percent of the tax due or $5.00, whichever is greater, for the failure to make the return or pay the tax in accordance with this article.

(b) Any Georgia resident who voluntarily cancels the registration of his or her motor vehicle pursuant to Code Section 40-2-10 shall not be assessed any penalty for failure to pay the tax due on a motor vehicle under subsection (a) of this Code section for any such period of time. Any such person shall remain liable for the ad valorem tax due on a motor vehicle he or she owns. This subsection shall not apply to motor vehicles subject to Code Section 48-5-441.1. The commissioner shall promulgate any necessary rules and forms to implement the provisions of this subsection.

560-11-9-.08 Mobile Home Digest. Amended.

(3) On or before January 5th of each year, and before the county's digest is submitted to the tax commissioner, a county's board of tax assessors shall meet to receive and inspect the tax returns and location permits for the county's mobile homes that have been reported to the tax commissioner during the preceding twelve months.
(a) If any mobile homes have not been reported or returned to the tax commissioner by January 5th of each year, then the county board of tax assessors shall have the authority to add those mobile homes to the county's digest.

(4) For each mobile home listed in a county's digest, the county's board of tax assessors shall develop a valuation which, in the board's judgment, best represents the fair market value that the mobile home will have as of January 1 of the tax year for which the digest is being prepared.

(a) This valuation shall include any improvements to the mobile home and shall reflect any changes to the value of the mobile home resulting from market changes or physical depreciation as of January 1 of the tax year for which the digest is being prepared.

(5) On or before January 5th of each year, a county's board of tax assessors shall return to the tax commissioner the mobile home digest with the proposed assessments.

560-11-9-.09 Appeals.

(1) A mobile home owner who disagrees with the county board of tax assessor's assessment of their mobile home(s) on the ad valorem property tax bill may challenge such assessment by either electing to:

(a) Appeal the assessed value of the mobile home in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311 as follows:

1. Filing a notice of appeal with the county's board of tax assessors within 45 days of date printed on the ad valorem property tax bill, or by April 1st, whichever occurs later.

MOTOR VEHICLES

§ 48-5-470. Exemption of driver educational motor vehicles from ad valorem taxation

Driver educational motor vehicles are declared to be public property used exclusively for public purposes and are exempted from any and all ad valorem taxes imposed by any tax jurisdiction in this state.

§ 48-5-470.1. Exemption of motor vehicles used for transporting persons with disabilities or disabled students to or from educational institutions

All motor vehicles owned by a school or educational institution and used principally for the purpose of transporting persons with disabilities or disabled students to or from such school or educational institution are exempted from any and all ad valorem taxes imposed by any tax jurisdiction in this state. The exemption provided for in this Code section shall apply only when such school or educational institution is qualified as an exempt organization under the United States Internal Revenue Code, Section 501(c)(3), as such section exists on January 1, 1984.

§ 48-5-470.2. Exemption of vans and buses owned by religious groups

Vans and buses owned by religious groups and used exclusively for the purpose of maintaining and operating exempt properties owned by such groups or for the exclusive purpose of transporting individuals to religious services or trips sponsored by such religious groups designed to promote religious, educational, or charitable purposes and not for the purposes of producing private or corporate profit and income distributable to shareholders in corporations owning such property or to other owners of such property or for any private purposes are exempted from any and all ad valorem taxes imposed by any tax jurisdiction in this state.

§ 48-5-471. Motor vehicles subject to ad valorem taxation

(a) Every motor vehicle owned in this state by a natural person is subject to ad valorem taxation by the various tax jurisdictions authorized to impose an ad valorem tax on property as provided in Code Section 48-5-473; provided, however, that under no circumstances shall such ad valorem taxation be collected more than one time per calendar year with respect to the same motor vehicle. Every vehicle owned in this state by an entity other than a natural person is, except as specifically provided in Code Section 48-5-472, subject to ad valorem taxation by the various tax jurisdictions authorized to impose an ad valorem tax on property as provided in Code Section 48-5-473; provided, however, that under no circumstances shall such ad valorem taxation be collected more than one time per calendar year with respect to the same motor vehicle. Taxes shall be charged against the owner of the property, if known, and, if unknown, against the specific property itself.

(b)

(1) Any motor vehicle wholly owned in this state by a nonresident member of the armed forces of the United States temporarily stationed in this state as a result of military orders shall not acquire a tax situs in this state and such motor vehicle shall not be required to be returned for taxation in this state. Not more than one motor vehicle jointly owned by such member of the armed forces of the United States together with such member's nonresident spouse, when such nonresident spouse temporarily resides in this state at the temporary domicile of such member of the armed forces of the United States for the primary purpose of residing together as a family with such member of the armed forces of the United States, shall not acquire a tax situs in this state and such motor vehicle shall not be required to be returned for taxation in this state.

(2) This subsection shall not apply to any motor vehicle that is used in the conduct of a business.

(3) Nothing in this subsection shall be construed to excuse the members of the armed forces of the United States or spouses from returning such motor vehicles for ad valorem taxation as may be required by the laws of their state of permanent domicile.

§ 48-5-472. Ad valorem taxation of motor vehicles owned and held by dealers for retail sale

(a) For the purpose of this Code section, the term "dealer" means any person who is engaged in the business of selling motor vehicles at retail and who holds a valid current dealer's identification number issued by the department.

(b) Motor vehicles which are owned by a dealer and held in inventory for sale or resale shall constitute a separate subclassification of motor vehicles within the motor vehicle classification of tangible property for ad valorem taxation purposes. The procedures prescribed in this article for returning motor vehicles for ad valorem taxation, determining the applicable rates for taxation, and collecting the ad valorem taxes imposed

on motor vehicles do not apply to such motor vehicles which are owned by a dealer. Such motor vehicles which are owned by a dealer shall not be returned for ad valorem taxation, shall not be taxed, and no taxes shall be collected on such motor vehicles until they are transferred and then become subject to taxation as provided in Code Section 48-5-473.

§ 48-5-473. Returns for taxation; application for and issuance of license plates upon payment of taxes due

(a)

(1) Except as provided in paragraph (2) of this subsection, every owner of a motor vehicle subject to taxation under this article shall be required to return the motor vehicle for taxation and pay the taxes due on the motor vehicle at the time the owner applies or is required by law to apply for registration of the motor vehicle and for the purchase of a license plate for the motor vehicle during the owner's registration period.

(2) **(A)** In all counties for which a local Act has not been enacted pursuant to Code Section 40-2-21, the final date for payment of ad valorem taxes shall be the last day of the owner's registration period and the lien for such taxes shall attach at midnight on the last day of the owner's registration period if the vehicle has not been registered but only if the vehicle is still owned on such date by such owner.

(B) In all counties for which a local Act has been enacted pursuant to Code Section 40-2-21, the final date for payment of ad valorem taxes shall be the last day of the owner's registration period and the lien for such taxes on such motor vehicle shall attach on the first day of the owner's registration period.

(C) A motor vehicle shall not be returned for taxation and no ad valorem taxes shall be due, payable, or collected at the time a vehicle is registered during any initial registration period for such vehicle.

(D) A motor vehicle shall not be returned for taxation and no ad valorem taxes shall be due, payable, or collected at the time of a transfer of the vehicle.

(3) Notwithstanding any other provision of this Code section to the contrary, under no circumstances shall such ad valorem taxation be collected more than one time per calendar year with respect to the same motor vehicle.

(b) Notwithstanding subsection (a) of this Code section, in the case of an antique or hobby or special interest motor vehicle, as defined in Code Section 48-5-440, the owner or owners shall certify at the time of returning the antique or hobby or special interest motor vehicle for taxation, paying the taxes due on the motor vehicle, and purchasing a license plate for the motor vehicle or at the time of the first sale or transfer of the motor vehicle that the vehicle is an antique or hobby or special interest motor vehicle as defined in Code

Section 48-5-440, and, upon said certification, said vehicle shall be registered and a license plate issued with the imposition of an ad valorem tax based on $100.00 valuation; provided, however, that taxes shall be due at the time of registration or at the time required by law for registration during the owner's registration period as provided in subsection (a) of this Code section.

(c) Notwithstanding subsection (a) of this Code section, within the motor vehicle classification of property for ad valorem taxation purposes, motor vehicles held in inventory for sale or resale by an entity which is engaged in the business of selling motor vehicles and which has a current distinguishing dealer's identification number issued by the department shall constitute a separate subclassification of property for ad valorem taxation purposes and shall not be the subject of ad valorem taxation until such time

§ 48-5-474. Application for registration and purchase of license plate constitutes return; form of application

The application for registration of a motor vehicle and for the purchase of a license plate for the motor vehicle shall constitute the return of that motor vehicle for ad valorem taxation but only if ad valorem taxes are due at the time of registration. The state revenue commissioner is directed to prescribe a form for the application for registration which shall provide the information needed by the tax commissioner or tax collector in determining the amount of taxes due under this article.

§ 48-5-478. Constitutional exemption from ad valorem taxation for disabled veterans

(a) A motor vehicle owned by or leased to a disabled veteran who is a citizen and resident of this state and on which such disabled veteran actually places the free disabled veteran motor vehicle license plate he or she receives pursuant to Code Section 40-2-69 is hereby exempted from all ad valorem taxes for state, county, municipal, and school purposes. As used in this Code section, the term "disabled veteran" shall have the same meaning as that term is defined in paragraph (1) of subsection (a) of Code Section 48-5-48.

(b) Once a disabled veteran has established his or her eligibility for such ad valorem tax exemption by being 100 percent totally disabled, he or she shall be entitled to receive such ad valorem tax exemption in succeeding years thereafter. A disabled veteran who claims 100 percent total disability shall furnish proof of such disability through a letter from the United States Department of Veterans Affairs.

(c) Once a disabled veteran has established his or her eligibility for such ad valorem tax exemption but his or her disability has not been adjudicated a 100 percent total disability, he or she shall be entitled to such ad valorem tax exemption in succeeding years upon furnishing, on an annual basis, proof of his or her status as a disabled veteran through a letter from the United States Department of Veterans Affairs.

(d) In the event of the death of the disabled veteran who received such ad valorem tax exemption pursuant to this Code section, upon complying with the motor vehicle laws relating to registration and licensing of motor vehicles, his or her unmarried surviving spouse or minor child may continue to receive the exemption.

§ 48-5-478.1. Ad valorem taxation; exemption of certain motor vehicles owned by former prisoners of war

(a) As used in this Code section, the term "prisoners of war" shall have the same meaning as provided for in subsection (a) of Code Section 40-2-73, as amended.

(b) Any former prisoner of war who is a citizen and resident of Georgia and who attaches or presents a true copy of a Department of Defense Form 214, a military 201 file, or similar sufficient proof of his or her former prisoner of war status with his or her ad valorem tax return is granted an exemption from all ad valorem taxes for state, county, municipal, and school purposes on one vehicle such former prisoner of war owns.

(c) The unremarried surviving spouse of a deceased former prisoner of war who is a citizen and resident of Georgia and who attaches or presents a true copy of a Department of Defense Form 214, a military 201 file, or similar sufficient proof of the former prisoner of war status of the deceased former prisoner of war with his or her ad valorem tax return is granted an exemption from all ad valorem taxes for state, county, municipal, and school purposes on one vehicle such unremarried surviving spouse owns.

§ 48-5-478.2. Veterans awarded Purple Heart exempt from ad valorem taxes provided license plate issued under Code Section 40-2-84

A single motor vehicle owned by or leased to a veteran of the armed forces of the United States who has been awarded the Purple Heart citation and who is a citizen and resident of Georgia and on which such veteran actually places a motor vehicle license plate he or she receives from the State of Georgia pursuant to Code Section 40-2-84 is hereby exempted from all ad valorem taxes for state, county, municipal, and school purposes.

§ 48-5-478.3. Tax exemption for veterans awarded Medal of Honor

A single motor vehicle owned by or leased to a veteran of the armed forces of the United States who has been awarded the Medal of Honor and who is a citizen and resident of Georgia and on which such veteran actually places the motor vehicle license plates he or she receives from the State of Georgia pursuant to Code Section 40-2-68 is hereby exempted from all ad valorem taxes for state, county, municipal, and school purposes.

§ 48-5-478.4. Exemption from ad valorem taxes for motor vehicle owned by veterans' organization

(a) As used in this Code section, the term "veterans organization" means any organization or association chartered by the Congress of the United States which is exempt from federal income taxes but only if such organization is a post or organization of past or present members of the armed forces of the United States organized in the State of Georgia with at least 75 percent of the members of which are past or present members of the armed forces of the United States and where no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(b) A single motor vehicle owned by or leased to a veterans organization is hereby exempted from all ad valorem taxes for state, county, municipal, and school purposes.

MOBILE HOMES

§ 48-5-490. Mobile homes owned on January 1 subject to ad valorem taxation

Every mobile home owned in this state on January 1 is subject to ad valorem taxation by the various taxing jurisdictions authorized to impose an ad valorem tax on property. Taxes shall be charged against the owner of the property, if known, and, if unknown, against the specific property itself.

§ 48-5-492. Issuance of mobile home location permits; issuance and display of decals

(a) Each year every owner of a mobile home subject to taxation under this article shall obtain on or before April 1 from the tax collector or tax commissioner of the county of taxation of the mobile home a mobile home location permit. The issuance of the permit by the tax collector or tax commissioner shall be evidenced by the issuance of a decal, the color of which shall be prescribed for each year by the commissioner. Each decal shall reflect the county of issuance and the calendar year for which the permit is issued. The decal shall be prominently attached and displayed on the mobile home by the owner.

(b) Except as provided for mobile homes owned by a dealer, no mobile home location permit shall be issued by the tax collector or tax commissioner until all ad valorem taxes due on the mobile home have been paid. Each year every owner of a mobile home situated in this state on January 1 which is not subject to taxation under this article shall obtain on or before April 1 from the tax collector or tax commissioner of the county where the mobile home is situated a mobile home location permit. The issuance of the permit shall be evidenced by the issuance of a decal which shall reflect the county of issuance and the calendar year for which the permit is issued. The decal shall be prominently attached and displayed on the mobile home by the owner.

§ 48-5-493. Failure to attach and display decal; penalties; venue for prosecution

(a)

> **(1)** It shall be unlawful to fail to attach and display on a mobile home the decal as required by Code Section 48-5-492.
>
> **(2)** Any person who violates paragraph (1) of this subsection shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than $100.00 nor more than $300.00, except that upon receipt of proof of purchase of a decal prior to the date of the issuance of a summons, the fine shall be $50.00; provided, however, that in the event such person owns more than one mobile home in an individual mobile home park, then the maximum fine under this paragraph for such person with respect to such mobile home park shall not exceed $1,000.00.

(b)

> **(1)** It shall be unlawful for any person to move or transport any mobile home which is required to and which does not have attached and displayed thereon the decal provided for in Code Section 48-5-492.

(2) Any person who violates paragraph (1) of this subsection shall be guilty of a misdemeanor and shall be punished by a fine of not less than $200.00 nor more than $1,000.00 or by imprisonment for not more than 12 months, or both.

(c) Violation of subsection (a) or (b) of this Code section may be prosecuted in the magistrate court of the county where the mobile home location permit is to be issued in the manner prescribed for the enforcement of county ordinances set forth in Article 4 of Chapter 10 of Title 15.

§ 48-5-494. Returns for taxation; application for and issuance of mobile home location permits upon payment of taxes due

Each year every owner of a mobile home subject to taxation under this article shall return the mobile home for taxation and shall pay the taxes due on the mobile home at the time the owner applies for the mobile home location permit, or at the time of the first sale or transfer of the mobile home after December 31, or on April 1, whichever occurs first. If the owner returns such owner's mobile home for taxation prior to the date that the application for the mobile home location permit is required, such owner shall apply for the permit at the time such owner returns the mobile home for taxation.

§ 48-5-495. Collection procedure when taxing county differs from county of purchaser's residence

When a mobile home is purchased from a seller who is required to return the mobile home for ad valorem taxation in a county other than the purchaser's county of residence, the tax collector or tax commissioner of the county in which the mobile home is returned for taxation shall collect the required ad valorem taxes due and, at the request of the purchaser, shall transmit to the purchaser an appropriate certificate which shall indicate that all ad valorem taxes due on the mobile home have been paid. Upon receipt of the certificate, the tax collector or tax commissioner of the purchaser's county of residence shall issue the required mobile home location permit and decal.

Heavy Duty Construction Equipment Used by Non-Residents

§ 48-5-500. Definitions

As used in this part, the term:

(1) "Construction purposes" does not include mining activities or the transportation of materials used in or produced by forestry activities.

(2) "Heavy-duty equipment" means any motor vehicle used primarily off the open road for construction purposes, but shall include all road construction equipment whose gross weight exceeds 16,000 pounds, but shall not include inventory on hand for sale by duly licensed heavy-duty equipment dealers.

§ 48-5-501. Equipment subject to ad valorem taxation

Except as exempted by law, heavy-duty equipment used for construction purposes which is owned by a nonresident and operated in this state after January 1 of any year and which was brought into Georgia from a state which subjects to taxation heavy-duty equipment owned by residents of this state and taken into such other state after the initial tax assessment date in such other state shall be subject to ad valorem taxation the same as if such heavy-duty equipment had been held or owned in this state on January 1, except that such ad valorem tax shall be prorated with respect to the number of months remaining in the year.

Farm Equipment

§ 48-5-504. Self-propelled farm equipment as subclassification of motor vehicle for ad valorem taxation purposes

(a) As used in this Code section, the term:

(1) "Dealer" means any person who is engaged in the business of selling farm equipment at retail.

(2) "Farm equipment" means any vehicle as defined in Code Section 40-1-1 which is self-propelled and which is designed and used primarily for agricultural, horticultural, forestry, or livestock raising operations.

(b) Self-propelled farm equipment which is owned by a dealer and held in inventory for sale or resale shall constitute a separate subclassification of motor vehicle within the motor vehicle classification of tangible property for ad valorem taxation purposes. The procedures prescribed in this chapter for returning self-propelled farm equipment for ad valorem taxation, determining the application rates for taxation, and collecting the ad valorem taxes imposed on self-propelled farm equipment do not apply to self-propelled farm equipment which is owned by a dealer and held in inventory for sale or resale. Such self-propelled farm equipment which is owned by a dealer and held in inventory for sale or resale shall not be returned for ad valorem taxation, shall not be taxed, and no taxes shall be collected on such self-propelled farm equipment until it is transferred and then otherwise, if at all, becomes subject to taxation as provided in this chapter.

Aircraft Held in Dealer's Inventory

§ 48-5-504.20. Exemption for aircraft owned by a dealer and held in inventory for sale or resale

(a) As used in this Code section, the term:

(1) "Aircraft" means any vehicle which is self-propelled and which is capable of flight.

(2) "Dealer" means any person who is engaged in the business of selling aircraft at retail.

(b) Aircraft which is owned by a dealer and held in inventory for sale or resale shall constitute a separate classification of tangible property for ad valorem taxation purposes. The procedures prescribed in this chapter for returning aircraft for ad valorem taxation, determining the application rates for taxation, and collecting the ad valorem taxes imposed on aircraft do not apply to aircraft which is owned by a dealer and held in inventory for sale or resale. Such aircraft which is owned by a dealer and held in inventory for sale or resale shall not be returned for ad valorem taxation and shall not be taxed; and no taxes shall be collected on such aircraft until it is transferred and then otherwise, if at all, becomes subject to taxation as provided in this chapter.

Watercraft and All-Terrain Vehicles Held in Inventory for Resale

§ 48-5-504.40. Watercraft and all-terrain vehicles held in inventory for resale exempt from taxation for limited period of time

(a) As used in this Code section, the term:

(1) "All-terrain vehicle" shall have the same meaning as provided for in paragraph (3) of Code Section 40-1-1.

(2) "Dealer" means any person who is engaged in the business of selling watercraft or all-terrain vehicles at retail.

(3) "Watercraft' means any vehicle which is self-propelled or which is capable of self-propelled water transportation, or both.

(b) Watercraft and all-terrain vehicles owned by a dealer and held in inventory for sale or resale shall constitute a separate classification of tangible property for ad valorem taxation purposes. The procedures prescribed in this chapter for returning watercraft or all-terrain vehicles for ad valorem taxation, determining the application rates for taxation, and collecting the ad valorem taxes imposed on watercraft or all-terrain vehicles do not apply to watercraft or all-terrain vehicles owned by a dealer and held in inventory for sale or resale. Such watercraft or all-terrain vehicles owned by a dealer and held in inventory for sale or resale shall not be returned for ad valorem taxation and shall not be taxed, and no taxes shall be collected on such watercraft or all-terrain vehicles until they are transferred and then otherwise, if at all, become subject to taxation as provided in this chapter.

§ 40-1-1. Definitions

"**(3)** 'All-terrain vehicle' means ~~any~~ a motorized vehicle ~~designed~~ originally manufactured for ~~off-road~~ off-highway use which is equipped with ~~four low-pressure~~ three or more nonhighway tires, ~~a seat designed to be straddled by the operator, and handlebars for steering~~ is 80 inches or less in width with a dry weight of 2,500 pounds or less, and is designed for or capable of cross-country travel on or immediately over land, water, snow, ice, marsh, swampland, or other natural terrain."

Ad Valorem Taxation of Heavy-Duty Equipment Motor Vehicles

§ 48-5-505. Definitions

As used in this article, the term:

(1) "Dealer" means any person who is engaged in the business of selling heavy-duty equipment motor vehicles at retail and who holds a valid current dealer's resale tax exemption number.

(2) "Heavy-duty equipment motor vehicle" means a motor vehicle with all its attachments and parts which is self-propelled, weighs 5,000 pounds or more, and is primarily designed and used for construction, industrial, maritime, or mining uses, provided that such motor vehicles are not required to be registered and have a license plate.

§ 48-5-506. Heavy-duty equipment motor vehicles; dealers

(a) The provisions of this article shall apply only to heavy-duty equipment motor vehicles and dealers as defined in Code Section 48-5-505.

(b) The provisions of Part 2 of Article 10 of this chapter shall apply to all other heavy-duty equipment motor vehicles and dealers not provided for in subsection (a) of this Code section.

§ 48-5-507. Change of method of evaluating heavy-duty equipment motor vehicles for ad valorem taxes; purpose

(a) Except as provided in subsections (b) and (c) of this Code section, every heavy-duty equipment motor vehicle owned in this state by a natural person or other entity is subject to ad valorem taxation by the various tax jurisdictions authorized to impose an ad valorem tax on property only if owned by such natural person or entity on the first day of January of any taxable year. Taxes shall be charged against the owner of the property, if known, and, if unknown, against the specific property itself. The owner shall return the heavy-duty equipment motor vehicle for taxation as provided in Article 1 of this chapter.

(b)

(1) Any and all purchases of heavy-duty equipment motor vehicles by dealers for the purpose of resale shall be exempt from ad valorem tax at the time of the purchase by the dealer.

(2) Any person or entity which purchases a heavy-duty equipment motor vehicle from a dealer shall, for the taxable year in which the heavy-duty equipment motor vehicle is purchased only, return such heavy-duty equipment motor vehicle for ad valorem taxation purposes, within 30 days of the end of the month in which such purchase is made, to the appropriate county and shall pay a tax for such taxable year. Upon receipt of such return, the tax commissioner shall within five days prepare and bill the purchaser for the ad valorem tax. Such tax shall be equal to 33 1/3 percent of the amount derived by multiplying the amount of ad valorem tax which would otherwise be due on the heavy-duty equipment motor vehicle and shall be based on the selling price to the end user times 40 percent, thus deriving the taxable assessment, times the tax rate imposed by the tax authority for the preceding tax year, by a fraction the numerator of which is the number of months remaining in the calendar year not counting the month of purchase and the denominator of which is 12. In no event shall the ad valorem tax due be less than $100.00 for the year of purchase. The taxes levied under this subsection shall be due 60 days after the billing therefor.

(3) Any ad valorem tax due shall be based on the selling price of the heavy-duty equipment motor vehicle purchased.

(4) In the event that any heavy-duty equipment motor vehicle is purchased other than for resale by a person or entity not domiciled in this state, at the time of the sale the dealer shall collect the ad valorem tax which would be applicable for the county where the heavy-duty equipment motor vehicle was held in inventory at the time of the sale. Each dealer, on or before the last day of the month following a sale to such person or entity, shall transmit returns and remit the ad valorem taxes collected to the tax commissioner of the county where the heavy-duty equipment motor vehicle was held in inventory at the time of the sale. Such returns shall show all sales and purchases taxable under this article during the preceding calendar month. The returns required by this subsection shall be made upon forms prescribed, prepared, and furnished by the state revenue commissioner. If any dealer liable for any tax, interest, or penalty imposed by this article sells out his or her business's heavy-duty equipment motor vehicles or quits the business, he or she shall make a final return and payment within 30 days after the date of selling or quitting the business. Any dealer who does not collect tax as required under this paragraph or who fails to properly remit taxes collected under this paragraph shall be liable for the tax and the tax commissioner shall collect such tax, penalty, and interest in the same manner that other taxes are collected.

(c) Except as otherwise provided in this subsection, heavy-duty equipment motor vehicles which are owned by a dealer are not included within the distinct subclassification of tangible property made by this article for all other heavy-duty equipment motor vehicles. The procedures prescribed in this article for returning heavy-duty equipment motor vehicles for ad valorem taxation, determining the applicable rates for taxation, and collecting the ad valorem taxes imposed on heavy-duty equipment motor vehicles do not apply to heavy-duty equipment motor vehicles which are owned by a dealer. Heavy-duty equipment motor vehicles which are owned by a dealer shall not be returned for ad valorem taxation, shall not be taxed, and no taxes shall be collected on such heavy-duty equipment motor vehicles until they become subject to taxation as provided in subsections (a) and (b) of this Code section. No heavy-duty equipment motor vehicle held by a dealer in inventory for resale shall be subject to ad valorem taxation unless such heavy-duty equipment motor vehicle was in the dealer's inventory on January 1 of the taxable year and

continued to remain in such dealer's inventory on December 20 of such taxable year, in which case the dealer shall be required to return the heavy-duty equipment motor vehicle for ad valorem taxation on December 21 of that taxable year. The assessed value of each heavy-duty equipment motor vehicle owned by a dealer shall be 40 percent of the fair market value of the heavy-duty equipment motor vehicle on January 1 of that taxable year. The tax commissioner shall prepare and mail a tax bill within five days of receipt of such dealer's return. The taxes levied under this subsection shall be due 60 days after the billing therefor.

(d) Within 30 days of the last day of a month during which there is a sale of any heavy-duty equipment motor vehicle other than for resale, the dealer shall mail to the tax commissioner of the county where the purchaser is domiciled a statement notifying the tax commissioner of the sale which shall include information such as the date of the sale, the selling price, and the name and address of the purchaser. Such statement shall be upon forms prescribed, prepared, and furnished by the state revenue commissioner.

(e) The failure of any person or entity to return property as required by this Code section shall subject such person or entity to penalties as provided in Code Section 48-5-299. The failure of any person or entity to pay the taxes as required by this Code section shall subject such person or entity to penalties and interest as provided by Code Section 48-2-44.

§ 48-5-507.1. Effect of rental status on dealer's inventory

If the nature of the dealer's business is primarily the sale of heavy-duty equipment motor vehicles, then for purposes of this article, the rental of a heavy-duty equipment motor vehicle by the dealer to a customer shall not be deemed to have removed the vehicle from the dealer's inventory.

§ 48-5-508. Rules and regulations; affidavits of illegality contesting the assessment of ad valorem tax

Any taxpayer who contests the value assessment of a heavy-duty equipment motor vehicle as defined in this article may appeal such assessed value as provided for in Code Section 48-5311 except that such appeal shall be effected by mailing to or filing with the tax commissioner a notice of appeal within 60 days of the date the tax bill is mailed by the tax commissioner. Such appeal, to be properly filed, must be accompanied by a payment equal to 85 percent of the amount of such tax bill. The tax commissioner shall forward such notice of appeal to the board of tax assessors and the appeal shall be processed in accordance with Code Section 48-5-311.

§ 48-5-509. Compliance

The commissioner shall be authorized to promulgate rules and regulations to facilitate and ensure compliance with the provisions of this article.

Ad Valorem Taxation of Public Utilities

§ 48-5-510. Definitions

As used in this article, the term:

(1) "Chief executive officer" means the owner, president, general manager, or agent having control of a public utility's offices or property in this state.

(2) "Pertinent business factors" means data that reflect the use of the public utility's property including, but not limited to, data relating to gross revenue, net income, tons of freight carried, revenue ton miles, passenger miles, car miles, and comparable data.

(3) "Pertinent mileage factors" means factual information as to the linear miles of the public utility's track, wire, lines, pipes, routes, similar operational routes, and miles traveled by the public utility's rolling stock or other property.

§ 48-5-511. Returns of public utilities to commissioner; itemization and fair market value of property; other information; apportionment to more than one tax jurisdiction

(a) The chief executive officer of each public utility shall be required to make an annual tax return of all property located in this state to the commissioner. The return shall be made to the commissioner on or before March 1 in each year and shall be current as of January 1 preceding.

(b) The returns of each public utility shall be in writing and sworn to under oath by the chief executive officer to be a just, true, and full return of the fair market value of the property of the public utility without any deduction for indebtedness. Each class or species of property shall be separately named and valued as far as practicable and shall be taxed like all other property under the laws of this state. The returns shall also include the capital stock, net annual profits, gross receipts, business, or income (gross, annual, net, or any other kind) for which the public utility is subject to taxation by the laws of this state. Each parcel of real estate included in the return shall be identified by its street address. If the commissioner is unable to locate the property by its street address after exercising due diligence in attempting to locate the property, then the commissioner may request more information from the taxpayer to help identify the exact location of the property. Such additional information may include a map or parcel identification information.

(c)

(1) Each chief executive officer shall apportion, under rules and regulations promulgated by the commissioner, the fair market value of his public utility's properties to this state, if the public utility owns property in states other than this state, and between the several tax jurisdictions in this state.

(2) In promulgating the regulations specifying the method of apportionment, the commissioner shall consider:

(A) The location of the various classes of property;

(B) The gross or net investment in the property;

(C) Any other factor reflecting the public utility's investment in property;

(D) Pertinent business factors reflecting the utility of the property;

(E) Pertinent mileage factors; and

(F) Any other factors which in the commissioner's judgment are reasonably calculated to apportion fairly and equitably the property between the various tax jurisdictions.

(3) Any reasonable value directly attributable to property physically located in one jurisdiction in this state shall not be apportioned to any other jurisdiction in this state.

§ 48-5-524 Annual report by commissioner to each county board of tax assessors of all public utility property within county; contents; availability for public inspection.

(a) At least once each year, the commissioner shall make a report to the board of tax assessors in each county as to the return of property located within the county for purposes of ad valorem taxation by each person required to make returns of the value of its properties and franchises to the commissioner under this article and Article 9 of this chapter. Each report shall be itemized by public utility and by parcel of real property or type of personal property returned and shall specify clearly the value returned by the utility for each parcel of real property or type of personal property together with any change as to value made by the commissioner, by the State Board of Equalization or, where appropriate, by both.

(b) A copy of each report made under this Code section shall be made reasonably available for public inspection at the office of the county board of tax assessors and at the office of the commissioner or at such other reasonably accessible place within the headquarters building of the department as may be designated by the commissioner.

Ad Valorem Taxation of Qualified Timberland Property

§ 48-5-600. Definitions

As used in this article, the term:

(1) 'Bona fide production of trees' means the good faith, real, actual, and genuine production of trees for commercial uses.

(2) 'Qualified owner' means an individual or entity that meets the conditions of Code Section 48-5-603.

(3) 'Qualified timberland property' means timberland property that meets the conditions of Code Section 48-5-604.

(4) 'Timberland property' means tangible real property that has as its primary use the bona fide production of trees for the primary purpose of producing timber for commercial uses.

§ 48-5-600.1. Classification of qualified timberland property; exclusive

In accordance with Article VII, Section I, Paragraph III(f.1) of the Constitution of Georgia, qualified timberland property shall be classified as a separate and distinct class of tangible property. The procedures prescribed by this article for appraisal and valuation of such property and for appeals of the assessed value of such property shall be exclusive.

§ 48-5-601. Determination of fair market value; access to property; delivery to county tax officials

(a) Qualified timberland property shall be returned to the commissioner between January 1 and April 1 each year.

(b) The fair market value of qualified timberland property shall be determined through an annual appraisal conducted by the commissioner in accordance with the qualified timberland property appraisal manual provided for in Code Section 48-5-602.

(c) The commissioner shall have access to qualified timberland property for the purpose of conducting appraisals, provided that prior notice has been given to the qualified owner of such property.

(d) The commissioner shall ensure that the appraisal values of qualified timberland property are delivered to county tax officials by July 1 of each year.

(e) Notwithstanding anything in this chapter to the contrary, pursuant to Article VII, Section I, Paragraph III(f.1) of the Constitution, the value of qualified timberland property shall be at least 175 percent of such property's forest land conservation value determined pursuant to this chapter.

§ 48-5-602. Adoption and maintenance of qualified timberland property manual

(a) The commissioner shall adopt by rule, subject to Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act,' and maintain a qualified timberland property appraisal manual that shall be used by the commissioner in the appraisal of qualified timberland property for ad valorem tax purposes.

(b) The commissioner shall provide for a period of consultation with the Georgia Agricultural Statistical Service, Cooperative Extension Service, Georgia Forestry Association, and State Forestry Commission prior to the adoption of the qualified timberland property appraisal manual.

(c) **(1)** Such manual shall be proposed and published on or before June 1, 2019, and annually thereafter.

(2) Published manuals shall apply to the tax year following the tax year in which they are published.

(3) This annual publication requirement shall not be construed to require annual adjustments, revisions, or modifications to the appraisal methodology.

(d) Such manual shall contain:

(1) Complete parameters for the appraisal of qualified timberland property;

(2) A table of regional values for qualified timberland property based on the geographic locations and productivity levels within the state; and

§ 48-5-603. Certification as qualified owner; requirements

The commissioner shall certify as a qualified owner any individual or entity registered to do business in this state that is engaged in the bona fide production of trees for the primary purpose of producing timber for commercial uses, provided that such individual or entity:

(1) Registers with the commissioner; and

(2) Certifies to the commissioner that such individual or entity is engaged in the bona fide production of trees.

§ 48-5-604. Certification as qualified timberland property; requirements; annual updating; audit; filing with county tax officials

(a) Upon application by a qualified owner, the commissioner shall certify as qualified timberland property any timberland property that is titled to a qualified owner, provided that:

(1) The timberland property is at least 50 contiguous acres;

(2) The production of trees on the timberland property is being done for the purpose of making a profit and is the primary activity taking place on the property;

(3) A consistent effort has been clearly demonstrated in land management in accordance with accepted commercial forestry practices, which may include reforestation, periodic thinning, undergrowth control of unwanted vegetation, fertilization, prescribed burning, sales of timber, and maintenance of firebreaks; and

(4) Such qualified owner:

(A) Submits a list of all parcels to the commissioner that contain timberland property and that identify the specific portions of such parcels that such owner certifies are timberland property; and

(B) Certifies that such timberland property is used for the bona fide production of trees and that:

(i) There is a reasonable attainable economic salability of the timber products within a reasonable future time; and

(ii) The production of trees is being done for the purpose of making a profit and is the primary activity taking place on the property.

(b)

(1) The qualified owner's submission provided for in paragraph (4) of subsection (a) of this Code section shall be certified by the qualified owner and shall be updated annually filed together with such qualified owner's return required by subsection (a) of Code Section 48-5-601. If such conditions are not met annually, the real property at issue shall be decertified as qualified timberland property and the commissioner shall notify the respective county tax officials of such decertification by April 15 of the respective year.

(2) The commissioner shall be authorized to conduct an audit of any list submitted pursuant to this Code section.

(c) The commissioner shall file certifications of qualified timberland property with the respective county tax officials in which any of such real property exists by April 15 each year.

§ 48-5-605. Appeal of commissioner's decisions by taxpayer or county board

(a) A taxpayer or county board of tax assessors may appeal the commissioner's decisions related to:

(1) Such taxpayer's status as a qualified owner;

(2) The certification or noncertification of such taxpayer's timberland as qualified timberland property; or

(3) The appraised value of such taxpayer's qualified timberland property.

(b)

(1) Such appeals shall be made as an appeal to the Georgia Tax Tribunal in accordance with Chapter 13A of Title 50 within 30 days of the commissioner's publication of such decision.

(2) The Georgia Tax Tribunal shall issue a final decision on such appeals on or before September 1 of the year in which an appeal is filed.

§ 48-5-606. Appeal of commissioner's decisions by taxpayers or groups

(a) A taxpayer, group of taxpayers, county board of tax assessors, or association representing taxpayers may appeal the commissioner's decisions related to the commissioner's complete parameters for the appraisal of qualified timberland property required by paragraph (1) of subsection (d) of Code Section 48-5-602.

(b)

(1) Such appeals shall be made as an appeal to the Georgia Tax Tribunal in accordance with Chapter 13A of Title 50 within 60 days of the commissioner's publication of such manual.

(2) The Georgia Tax Tribunal shall issue a final decision on such appeals on or before September 1 of the year in which an appeal is filed.

§ 48-5-607. Adoption of forms and regulations

The commissioner shall be authorized to prescribe such forms and promulgate such rules and regulations as are necessary to implement this article.

Special Assessment of Forest Land Conservation Use Property

§ 48-5A-1. Definitions

As used in this chapter, the term:

(1) "Applicable rollback" means a:

(A) Rollback of an ad valorem tax millage rate pursuant to subsection (a) of Code Section 48-8-91 in a county or municipality that levies a local option sales tax;

(B) Rollback of an ad valorem tax millage rate pursuant to subparagraph (c)(2)(C) of Code Section 48-8-104 in a county or municipality that levies a homestead option sales tax;

(C) Subtraction from an ad valorem millage rate pursuant to Code Section 20-2-334 in a local school system that receives a state school tax credit;

(D) Reduction of an ad valorem tax millage rate pursuant to the development of a service delivery strategy under Code Section 36-70-24; and

(E) Reduction of an ad valorem tax millage rate pursuant to paragraph (2) of subsection (a) of Code Section 33-8-8.3 in a county that collects insurance premium tax.

(2) "County millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by a county for county purposes and applying to forest land conservation use properties in the county, including any millage levied for those special districts reported on the 2004 ad valorem tax digest certified to and received by the commissioner on or before December 31, 2004, but not including any millage levied for purposes of bonded indebtedness and not including any millage levied on behalf of a county school district for educational purposes.

(3) "Fiscal authority" means the individual authorized to collect ad valorem taxes for a county or municipality which levies ad valorem taxes.

(4) "Forest land conservation use property" means a forest land conservation use property qualified for special assessment and taxation under Code Section 48-5-7.7 and Article VII, Section I, Paragraph III(f) of the Constitution.

(5) "Forest land conservation use value" means the same as such term is defined in paragraph (5) of Code Section 48-5-2 and shall not include the value of standing timber on such property.

(6) "Forest land fair market value" means the same as such term is defined in paragraph (6) of Code Section 48-5-2.

(7) "Municipal millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by a municipality for municipal purposes and applying to forest land conservation use properties in the municipality, including any millage levied for those special tax districts reported on the 2004 City and Independent School Millage Rate Certification certified to and received by the commissioner on or before December 31, 2004, but not including any millage levied for purposes of bonded indebtedness and not including any millage levied on behalf of an independent school district for educational purposes.

(8) "School millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied on behalf of a county or independent school district for educational purposes and applying to forest land conservation use properties in the county or independent school district, not including any millage levied for purposes of bonded indebtedness and not including any millage levied for county or municipal purposes.

(9) "State millage rate" means the state millage levy.

§ 48-5A-2. Funds for forest land conservation

In each year the General Assembly shall appropriate to the department funds for forest land conservation use assistance grants to counties, municipalities, and county or independent school districts pursuant to Article VII, Section I, Paragraph III(f) of the Constitution. The General Appropriations Act shall specify the amount appropriated subject to the limitations of this chapter.

§ 48-5A-3. Local assistance grants

(a) Pursuant to the appropriation of funds as provided in Code Section 48-5A-2, such grants shall be allotted to each county, municipality, and county or independent school district in the state as provided in this Code section.

(b) The revenue reduction to each county, municipality, and county or independent school district shall be calculated by subtracting the aggregate forest land conservation use value of qualified properties from the aggregate forest land fair market value of qualified properties for the applicable tax year and the resulting amount shall be multiplied by the millage rate of the county, municipality, or county or independent school district.

(c)

(1) **(A)** Immediately following the actual preparation of ad valorem property tax bills, each county fiscal authority shall notify the department of the amount of the reduction pursuant to the implementation of Article VII, Section I, Paragraph III(f) of the Constitution.

(B) If the forest land conservation use property is located in a county where forest land conservation use value causes an ad valorem tax revenue reduction of 3 percent or less pursuant to Article VII, Section I, Paragraph III(f) of the Constitution, in each taxable year in which such reduction occurs, the assistance grant to the county shall be in an amount equal to 50 percent of the amount of such reduction.

(C) If the forest land conservation use property is located in a county where forest land conservation use value causes an ad valorem tax revenue reduction of more than 3 percent pursuant to Article VII, Section I, Paragraph III(f) of the Constitution, in each taxable year in which such reduction occurs, the assistance grants to the county shall be as follows:

(i) For the first 3 percent of such reduction amount, in an amount equal to 50 percent of the amount of such reduction; and

(ii) For the remainder of such reduction amount, in an amount equal to 100 percent of the amount of such remaining reduction amount.

(2) **(A)** Immediately following the actual preparation of ad valorem property tax bills, each county or independent school district's fiscal authority shall notify the department of the amount of the reduction pursuant to the implementation of Article VII, Section I, Paragraph III(f) of the Constitution.

(B) If the forest land conservation use property is located in a county or independent school district where forest land conservation use value causes an ad valorem tax revenue reduction of 3 percent or less pursuant to Article VII, Section I, Paragraph III(f) of the Constitution, in each taxable year in which such reduction occurs, the assistance grant to the county or independent school district shall be in an amount equal to 50 percent of the amount of such reduction.

(C) If the forest land conservation use property is located in a county or independent school district where forest land conservation use value causes an ad valorem tax revenue

reduction of more than 3 percent pursuant to Article VII, Section I, Paragraph III(f) of the Constitution, in each taxable year in which such reduction occurs, the assistance grant to the county or independent school district shall be as follows:

(i) For the first 3 percent of such reduction amount, in an amount equal to 50 percent of the amount of such reduction; and

(ii) For the remainder of such reduction amount, in an amount equal to 100 percent of the amount of such remaining reduction amount.

(3) **(A)** Immediately following the actual preparation of ad valorem property tax bills, each municipality's fiscal authority shall notify the department of the amount of the reduction pursuant Article VII, Section I, Paragraph III(f) of the Constitution.

(B) If the forest land conservation use property is located in a municipality where forest land conservation use value causes an ad valorem tax revenue reduction of 3 percent or less to Article VII, Section I, Paragraph III(f) of the Constitution, in each taxable year in which such reduction occurs, the assistance grant to the municipality shall be in an amount equal to 50 percent of the amount of such reduction.

(C) If the forest land conservation use property is located in a municipality where forest land conservation use value causes an ad valorem tax revenue reduction of more than 3 percent pursuant to Article VII, Section I, Paragraph III(f) of the Constitution, in each taxable year in which such reduction occurs, the assistance grant to the municipality shall be as follows:

(i) For the first 3 percent of such reduction amount, in an amount equal to 50 percent of the amount of such reduction; and

(ii) For the remainder of such reduction amount, in an amount equal to 100 percent of the amount of such remaining reduction amount.

§ 48-5A-4. Administration

The commissioner shall administer this chapter and shall adopt rules and regulations for the administration of this chapter, including specific instructions to local governments procedures.

§ 48-5A-5. Retention of funds for administrative costs

Pursuant to Article VII, Section I, Paragraph III(f) of the Constitution, the commissioner shall deduct and retain an amount equal to 3 percent of an assistance grant upon distribution of such assistance grant to a county, municipality, or county or independent school district as an administrative fee to provide for the costs of administering Article 13 of Chapter 5 of this title.

§ 48-5A-6 Value of local assistance grants

(a) For 2019, the value of the local assistance grant to any county shall be increased by an amount equal to 80 percent of the difference between the value of the local assistance grant such county received for 2018 and the amount for which such county is eligible to receive in 2019.

(b) For 2020, the value of the local assistance grant to any county shall be increased by an amount equal to 60 percent of the difference between the value of the local assistance grant such county received for 2018 and the amount for which such county is eligible to receive in 2020.

(c) For 2021, the value of the local assistance grant to any county shall be increased by an amount equal to 40 percent of the difference between the value of the local assistance grant such county received for 2018 and the amount for which such county is eligible to receive in 2021.

(d) For 2022, the value of the local assistance grant to any county shall be increased by an amount equal to 20 percent of the difference between the value of the local assistance grant such county received for 2018 and the amount for which such county is eligible to receive in 2022.

ALTERNATIVE AD VALOREM TAX ON MOTOR VEHICLES

§ 48-5C-1. (For effective date, see note.) Definitions; exemption from taxation; allocation and disbursement of proceeds collected by tag agents; fair market value of vehicle appealable; report

(a) As used in this Code section, the term:

(.1) "Disabled first responder" means a law enforcement officer, fireman, publicly employed emergency medical technician, or a surviving spouse of such an individual, receiving payments pursuant to Code Section 45-9-85 due to total permanent disability, partial permanent disability, organic brain damage, or death occurring in the line of duty, provided that such law enforcement officer, fireman, or publicly employed emergency medical technician is not facing pending charges for and has not been convicted of a crime related to his or her conduct in the line of duty, and his or her state licensure as a law enforcement officer, fireman, or emergency medical technician is not subject to pending action for suspension or revocation and has not been revoked or suspended due to his or her bad conduct.

(1) "Fair market value of the motor vehicle" means:

(A) For a used motor vehicle purchased from a new or used car dealer other than under a seller financed sale arrangement, the ~~average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner and based upon a nationally recognized motor vehicle industry pricing guide for fair market and wholesale market values in determining the taxable value of a motor vehicle under Code Section 48-5-442~~ retail selling price of the motor vehicle, ~~and, in the case of a used car dealer~~, less any reduction for the trade-in value of another motor vehicle;

(B) For a used motor vehicle purchased from a person other than a new or used car dealer or purchased under a seller financed sale arrangement, the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner and based upon a nationally recognized motor vehicle industry pricing guide for fair market and wholesale market values in determining the taxable value of a motor vehicle under Code Section 48-5-442; provided, however, that, if the motor vehicle ~~which~~ is not listed in such current motor vehicle ad valorem assessment manual, the fair market value ~~from the bill of sale or~~ shall be the value from a reputable used car market guide designated by the commissioner~~, whichever is greater,~~ and, in the case of a motor vehicle purchased from a new or used car dealer under a seller financed sale arrangement, less any reduction for the trade-in value of another motor vehicle;

(C) Upon written application and supporting documentation submitted by an applicant under this Code section, a county tag agent may deviate from the fair market value as defined in subparagraph ~~(A),~~ (B~~), or (D)~~ of this paragraph based upon mileage and condition of the used vehicle. Supporting documentation may include, but not be limited to, bill of sale, odometer statement, and values from reputable pricing guides. The fair market value as determined by the county tag agent pursuant to this subparagraph shall be appealable as provided in subsection (e) of this Code section;

(D) For a new motor vehicle, ~~the greater of~~ the retail selling price ~~or the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner in determining the taxable value of a motor vehicle under Code Section 48-5-442~~, less any reduction for the trade-in value of another motor vehicle and any rebate. The retail selling price shall include any charges for labor, freight, delivery, dealer fees and similar charges, tangible accessories, dealer add-ons, and mark-ups, but shall not include any federal retailers' excise tax or extended warranty, service contract, maintenance agreement, or similar products itemized on the dealer's invoice to the customer or any finance, insurance, and interest charges for deferred payments billed separately. No reduction for the trade-in value of another motor vehicle shall be taken unless the name of the owner and the vehicle identification number of such trade-in motor vehicle are shown on the bill of sale;

(E) For a motor vehicle that is leased:

> **(i)** In the case of a motor vehicle that is leased to a lessee for use primarily in the lessee's trade or business and for which the lease agreement contains a provision for the adjustment of the rental price as described in Code Section 40-3-60, the agreed upon value of the motor vehicle less any reduction for the trade-in value of another motor vehicle and any rebate; or
>
> **(ii)** In the case of a motor vehicle that is leased other than described in division (i) of this subparagraph, the total of the base payments pursuant to the lease agreement plus any down payments.
>
> The term "any down payments" as used in this subparagraph shall mean cash collected from the lessee at the inception of the lease which shall include cash supplied as a capital cost reduction; shall not include rebates, noncash credits, or net trade allowances; and shall include any upfront payments collected from the lessee at the inception of the lease except for taxes or fees imposed by law and monthly lease payments made in advance; or

(F) For a kit car which is assembled by the purchaser from parts supplied by a manufacturer, the ~~greater of the~~ retail selling price of the kit ~~or the average of the current fair market value and the current wholesale value of the motor vehicle if listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner and based upon a nationally recognized motor vehicle industry pricing guide~~

~~for fair market and wholesale market values in determining the taxable value of a motor vehicle under Code Section 48-5-442~~. A kit car shall not include a rebuilt or salvage vehicle.

(2) "Immediate family member" means spouse, parent, child, sibling, grandparent, or grandchild.

(3) "Loaner vehicle" means a motor vehicle owned by a dealer which is withdrawn temporarily from dealer inventory for exclusive use as a courtesy vehicle loaned at no charge for a period not to exceed 30 days within a 366 day period to any one customer whose motor vehicle is being serviced by such dealer.

(4) "Rental charge" means the total value received by a rental motor vehicle concern for the rental or lease for 31 or fewer consecutive days of a rental motor vehicle, including the total cash and nonmonetary consideration for the rental or lease, including, but not limited to, charges based on time or mileage and charges for insurance coverage or collision damage waiver but excluding all charges for motor fuel taxes or sales and use taxes.

(5) "Rental motor vehicle" means a motor vehicle designed to carry 15 or fewer passengers and used primarily for the transportation of persons that is rented or leased without a driver.

(6) "Rental motor vehicle concern" means a person or legal entity which owns or leases five or more rental motor vehicles and which regularly rents or leases such vehicles to the public for value.

(7) "Trade-in value" means the value of the motor vehicle as stated in the bill of sale for a vehicle which has been traded in to the dealer in a transaction involving the purchase of another vehicle from the dealer.

(b)

(1) **(A)** Except as otherwise provided in this subsection, any motor vehicle for which a title is issued in this state on or after March 1, 2013, shall be exempt from sales and use taxes to the extent provided under paragraph (95) of Code Section 48-8-3 and shall not be subject to the ad valorem tax as otherwise required under Chapter 5 of this title. Any such motor vehicle shall be titled as otherwise required under Title 40 but shall be subject to a state title fee and a local title fee which shall be alternative ad valorem taxes as authorized by Article VII, Section I, Paragraph III(b)(3) of the Georgia Constitution. Motor vehicles registered under the International Registration Plan shall not be subject to state and local title ad valorem tax fees but shall continue to be subject to apportioned ad valorem taxation under Article 10 of Chapter 5 of this title.

(B)

(i) Reserved.

(ii) The combined state and local title ad valorem tax shall be at a rate equal to 7 percent of the fair market value of the motor vehicle; provided, however, that, beginning on January 1, 2020, and continuing through June 30, 2023, such rate shall be equal to 6.6 percent of the fair market value of the motor vehicle.

(iii) Beginning on July 1, 2019, the state and local title ad valorem tax proceeds each month shall be distributed by each county remitting 35 percent of the funds to the state revenue commissioner as provided in subparagraph (c)(2)(A) of this Code section and distributing 65 percent of the funds as provided in paragraph (3) of subsection (c) of this Code section.

(iv) The state revenue commissioner shall promulgate such rules and regulations as may be necessary and appropriate to implement and administer this Code section, including, but not limited to, rules and regulations regarding appropriate public notification of rate amounts and rules and regulations regarding appropriate enforcement and compliance procedures and methods for the implementation and operation of this Code section. The state revenue commissioner shall promulgate a standardized form to be used by all dealers of new and used vehicles in this state in order to ease the administration of this Code section. The state revenue commissioner may promulgate and implement rules and regulations as may be necessary to permit seller financed sales of used vehicles to be assessed 2.5 percentage points less than the rate specified in division (ii) of this subparagraph.

(C) The application for title and the state and local title ad valorem tax fees provided for in subparagraph (A) of this paragraph shall be paid to the tag agent in the county where the motor vehicle is to be registered and shall be paid at the time the application for a certificate of title is submitted or, in the case of an electronic title transaction, at the time when the electronic title transaction is finalized. In an electronic title transaction, the state and local title ad valorem tax fees shall be remitted electronically directly to the county tag agent. A dealer of new or used motor vehicles shall make such application for title and state and local title ad valorem tax fees on behalf of the purchaser of a new or used motor vehicle for the purpose of submitting or, in the case of an electronic title application, finalizing such title application and remitting state and local title ad valorem tax fees. The state and local title ad valorem tax fees provided for in this chapter shall be imposed on the purchaser, including a lessor, that acquires title to the motor vehicle; provided, however, that a lessor that pays such state and local title ad valorem tax fees may seek reimbursement for such state and local title ad valorem tax fees from the lessee.

(D) There shall be a penalty imposed on any person who, in the determination of the commissioner, falsifies any information in any bill of sale used for purposes of determining the fair market value of the motor vehicle. Such penalty shall not exceed $2,500.00 as a state penalty and shall not exceed $2,500.00 as a local penalty as determined by the commissioner. Such determination shall be made within 60 days of the commissioner receiving information of a possible violation of this paragraph.

(E) Except in the case in which an extension of the registration period has been granted by the county tag agent under Code Section 40-2-20, a dealer of new or used motor vehicles that makes an application for title and collects state and local title ad valorem tax fees from a purchaser of a new or used motor vehicle and does not submit or, in the case of an electronic title transaction, finalize such application for title and remit such state and local title ad valorem tax fees to the county tag agent within 30 days following the date of purchase shall be liable to the county tag agent for an amount equal to 5 percent of the

amount of such state and local title ad valorem tax fees. An additional penalty equal to 10 percent of the amount of such state and local title ad valorem tax fees shall be imposed if such payment is not transmitted within 60 days following the date of purchase. An additional penalty equal to 15 percent of the amount of such state and local title ad valorem tax fees shall be imposed if such payment is not transmitted within 90 days following the date of purchase, and an additional penalty equal to 20 percent of the amount of such state and local title ad valorem tax fees shall be imposed if such payment is not transmitted within 120 days following the date of purchase. An additional penalty equal to 25 percent of the amount of such state and local title ad valorem tax fees shall be imposed for each subsequent 30 day period in which the payment is not transmitted.

(F) A dealer of new or used motor vehicles that makes an application for title and collects state and local title ad valorem tax fees from a purchaser of a new or used motor vehicle and converts such fees to his or her own use shall be guilty of theft by conversion and, upon conviction, shall be punished as provided in Code Section 16-8-12.

(2) A person or entity acquiring a salvage title pursuant to subsection (b) of Code Section 40-3-36 shall not be subject to the fee specified in paragraph (1) of this subsection but shall be subject to a state title ad valorem tax fee in an amount equal to 1 percent of the fair market value of the motor vehicle. Such state title ad valorem tax fee shall be an alternative ad valorem tax as authorized by Article VII, Section I, Paragraph III(b)(3) of the Georgia Constitution.

(c)

(1) The amount of proceeds collected by tag agents each month as state and local title ad valorem tax fees, state salvage title ad valorem tax fees, administrative fees, penalties, and interest pursuant to subsection (b) of this Code section shall be allocated and disbursed as provided in this subsection.

(2) For the 2013 tax year and in each subsequent tax year, the amount of such funds shall be disbursed within 20 days following the end of each calendar month as follows:

(A) State title ad valorem tax fees, state salvage title ad valorem tax fees, administrative fees, penalties, and interest shall be remitted to the state revenue commissioner who shall deposit such proceeds in the general fund of the state less an amount to be retained by the tag agent not to exceed 1 percent of the total amount otherwise required to be remitted under this subparagraph to defray the cost of administration. Such retained amount shall be remitted to the collecting county's general fund. Failure by the tag agent to disburse within such 20 day period shall result in a forfeiture of such administrative fee plus interest on such amount at the rate specified in Code Section 48-2-40; and

(B) Local title ad valorem tax fees, administrative fees, penalties, and interest shall be designated as local government ad valorem tax funds. The tag agent shall then distribute the proceeds as specified in paragraph (3) of this subsection, less an amount to be retained by the tag agent not to exceed 1 percent of the total amount otherwise required to be remitted under this subparagraph to defray the cost of administration. Such retained amount shall be remitted to the collecting county's general fund. Failure by the tag agent

to disburse within such 20 day period shall result in a forfeiture of such administrative fee plus interest on such amount at the rate specified in Code Section 48-2-40.

(3) Beginning July 1, 2019, the portion of the title ad valorem tax fee proceeds to be retained by the county pursuant to division (b)(1)(B)(iii) of this Code section shall be distributed as follows:

(A) The tag agent of the county shall within 20 days following the end of each calendar month allocate and distribute to the water and sewerage authority for which the county has levied an ad valorem tax in accordance with a local constitutional amendment, and in a county in which a sales and use tax is levied for purposes of a metropolitan area system of public transportation, as authorized by the amendment to the Constitution set out at Ga. L. 1964, p. 1008, the governing body of the transportation authority created by the Metropolitan Atlanta Rapid Transit Authority Act of 1965, Ga. L. 1965, p. 2243, as amended, and the amendment to the Constitution set out at Ga. L. 1964, p. 1008, an amount of those proceeds necessary to offset any reduction in:

(i) Ad valorem taxes on motor vehicles collected under Chapter 5 of this title on behalf of such water and sewerage authority during calendar year 2012; and

(ii) With respect to the transportation authority, the monthly average portion of the sales and use tax levied for purposes of a metropolitan area system of public transportation applicable to any motor vehicle titled in a county which levied such tax in 2012.

Such amount of tax under division (ii) of this subparagraph may be determined by the commissioner for counties which levied such tax in 2012, and in any counties which subsequently levy a tax pursuant to a metropolitan area system of public transportation, as authorized by the amendment to the Constitution set out at Ga. L. 1964, p. 1008, the governing body of the transportation authority created by the Metropolitan Atlanta Rapid Transit Authority Act of 1965, Ga. L. 1965, p. 2243, as amended, and the amendment to the Constitution set out at Ga. L. 1964, p. 1008, the commissioner may determine what amount of sales and use tax would have been collected in calendar year 2012, had such tax been levied. The amount of the reduction to be offset under this subparagraph with respect to division (i) of this subparagraph shall be calculated by the county governing authority by subtracting the amount of title ad valorem tax on motor vehicles collected under Chapter 5 of this title on behalf of such water and sewerage authority in the current calendar month from one-twelfth of the amount of such ad valorem tax on motor vehicles collected on behalf of such water and sewerage authority in calendar year 2012. The amount of the reduction to be offset under this subparagraph with respect to division (ii) of this subparagraph shall be calculated by the county governing authority by subtracting the amount of sales tax collected or determined to have been collected on such motor vehicles by the state revenue commissioner in the current calendar month in any such county from one-twelfth of the amount of sales and use tax collected, or determined to have been collected, on such motor vehicles, by the state revenue commissioner in calendar year 2012 in such county. In the event that the local title ad valorem tax proceeds are insufficient to offset fully such reduction in ad valorem taxes on motor vehicles

or the portion of the sales and use tax described in division (ii) of this subparagraph, the tag agent shall allocate a proportionate amount of the proceeds to such water and sewerage authority and the transportation authority, as appropriate, and any remaining shortfall shall be paid from the following month's local title ad valorem tax fee proceeds. In the event that a shortfall remains, the tag agent shall continue to first allocate local title ad valorem tax fee proceeds to offset such shortfalls until the shortfall has been fully repaid;

(B) As to the proceeds remaining after the distribution provided for in subparagraph (A) of this paragraph, with regard to the proceeds associated with and collected on motor vehicle titles for motor vehicles registered in the unincorporated areas of the county, the tag agent of the county shall within 20 days following the end of each calendar month allocate and distribute 51 percent of such proceeds to the county governing authority and distribute 49 percent of such proceeds to the board of education of the county school district; and

(C) As to the proceeds remaining after the distribution provided for in subparagraph (A) of this paragraph, with regard to the proceeds associated with and collected on motor vehicle titles for motor vehicles registered in the incorporated areas of the county, the tag agent of the county shall within 20 days following the end of each calendar month allocate such proceeds by the municipality from which the proceeds were derived and then, for each such municipality, distribute 28 percent of such proceeds to the county governing authority and 23 percent of such proceeds to the governing authority of such municipality, and the remaining 49 percent of such proceeds shall be distributed to the board of education of the county school district; provided, however, that, if there is an independent school district in such municipality, then such remaining 49 percent of such proceeds shall be distributed to the board of education of the independent school district.

(d)

(1) **(A)** Upon the death of an owner of a motor vehicle which has not become subject to paragraph (1) of subsection (b) of this Code section, the immediate family member or immediate family members of such owner who receive such motor vehicle pursuant to a will or under the rules of inheritance shall, subsequent to the transfer of title of such motor vehicle, continue to be subject to ad valorem tax under Chapter 5 of this title and shall not be subject to the state and local title ad valorem tax fees provided for in paragraph (1) of subsection (b) of this Code section unless the immediate family member or immediate family members make an affirmative written election to become subject to paragraph (1) of subsection (b) of this Code section. In the event of such election, such transfer shall be subject to the state and local title ad valorem tax fees provided for in paragraph (1) of subsection (b) of this Code section.

(B) Upon the death of an owner of a motor vehicle which has become subject to paragraph (1) of subsection (b) of this Code section, the immediate family member or immediate family members of such owner who receive such motor vehicle pursuant to a will or under the rules of inheritance shall be subject to a state title ad valorem tax fee in an amount equal to one-quarter of 1 percent of the fair market value of the motor vehicle and a local title ad valorem tax fee in an amount equal to one-quarter of 1 percent of the fair market value of the motor vehicle. Such title ad valorem tax fees shall be an

alternative ad valorem tax as authorized by Article VII, Section I, Paragraph III(b)(3) of the Georgia Constitution.

(2) **(A)** Upon the transfer from an immediate family member of a motor vehicle which has not become subject to paragraph (1) of subsection (b) of this Code section, the immediate family member or immediate family members who receive such motor vehicle shall, subsequent to the transfer of title of such motor vehicle, continue to be subject to ad valorem tax under Chapter 5 of this title and shall not be subject to the state and local title ad valorem tax fees provided for in paragraph (1) of subsection (b) of this Code section unless the immediate family member or immediate family members make an affirmative written election to become subject to paragraph (1) of subsection (b) of this Code section. In the event of such election, such transfer shall be subject to the state and local title ad valorem tax fees provided for in paragraph (1) of subsection (b) of this Code section.

(B) Upon the transfer from an immediate family member of a motor vehicle which has become subject to paragraph (1) of subsection (b) of this Code section, the immediate family member who receives such motor vehicle shall transfer title of such motor vehicle to such recipient family member and shall be subject to a state title ad valorem tax fee in an amount equal to one-quarter of 1 percent of the fair market value of the motor vehicle and a local title ad valorem tax fee in an amount equal to one-quarter of 1 percent of the fair market value of the motor vehicle. Such title ad valorem tax fees shall be an alternative ad valorem tax as authorized by Article VII, Section I, Paragraph III(b)(3) of the Georgia Constitution.

(C) Any title transfer under this paragraph shall be accompanied by an affidavit of the transferor and transferee that such persons are immediate family members to one another. There shall be a penalty imposed on any person who, in the determination of the state revenue commissioner, falsifies any material information in such affidavit. Such penalty shall not exceed $2,500.00 as a state penalty and shall not exceed $2,500.00 as a local penalty as determined by the state revenue commissioner. Such determination shall be made within 60 days of the state revenue commissioner receiving information of a possible violation of this paragraph.

(3) Any individual who:

(A) Is required by law to register a motor vehicle or motor vehicles in this state which were registered in the state in which such person formerly resided; and

(B) Is required to file an application for a certificate of title under Code Section 40-3-21 or 40-3-32

shall be required to pay state and local title ad valorem tax fees in an amount equal to 3 percent of the fair market value of the motor vehicle.

(4) The state and local title ad valorem tax fees provided for under this Code section shall not apply to corrected titles, replacement titles under Code Section 40-3-31, or titles reissued to the same owner pursuant to Code Sections 40-3-50 through 40-3-56.

(5) Any motor vehicle subject to state and local title ad valorem tax fees under paragraph (1) of subsection (b) of this Code section shall continue to be subject to the title, license plate, revalidation decal, and registration requirements and applicable fees as otherwise provided in Title 40 in the same manner as motor vehicles which are not subject to state and local title ad valorem tax fees under paragraph (1) of subsection (b) of this Code section.

(6) Motor vehicles owned or leased by or to the state or any county, consolidated government, municipality, county or independent school district, or other government entity in this state shall not be subject to the state and local title ad valorem tax fees provided for under paragraph (1) of subsection (b) of this Code section; provided, however, that such other government entity shall not qualify for the exclusion under this paragraph unless it is exempt from ad valorem tax and sales and use tax pursuant to general law.

(7) **(A)** Any motor vehicle which is exempt from sales and use tax pursuant to paragraph (30) of Code Section 48-8-3 shall be exempt from state and local title ad valorem tax fees under this subsection.

(B) Any motor vehicle which is exempt from ad valorem taxation pursuant to Code Section 48-5-478, 48-5-478.1, 48-5-478.2, or 48-5-478.3 shall be exempt from state and local title ad valorem tax fees under paragraph (1) of subsection (b) of this Code section.

(C) Each disabled first responder shall be allowed an exemption from state and local title ad valorem tax fees under paragraph (1) of subsection (b) of this Code section levied on a maximum of $50,000.00 in aggregate of the fair market value combined for all motor vehicles that he or she registers in this state during any three-year period.

(7.1) **(A)** As used in this paragraph, the term "for-hire charter bus or motor coach" means a motor vehicle designed for carrying more than 15 passengers and used for the transportation of persons for compensation.

(B) In the case of for-hire charter buses or motor coaches, the person applying for a certificate of title shall be required to pay title ad valorem tax fees in the amount of 50 percent of the amount which would otherwise be due and payable under this subsection at the time of filing the application for a certificate of title, and the remaining 50 percent shall be paid within 12 months following the filing of such application.

(8) There shall be a penalty imposed on the transfer of all or any part of the interest in a business entity that includes primarily as an asset of such business entity one or more motor vehicles, when, in the determination of the state revenue commissioner, such transfer is done to evade the payment of state and local title ad valorem tax fees under this subsection. Such penalty shall not exceed $2,500.00 as a state penalty per motor vehicle and shall not exceed $2,500.00 as a local penalty per motor vehicle, as determined by the state revenue commissioner, plus the amount of the state and local title ad valorem tax fees. Such determination shall be made within 60 days of the state revenue commissioner receiving information that a transfer may be in violation of this paragraph.

(9) Any owner of any motor vehicle who fails to submit within 30 days of the date such owner is required by law to register such vehicle in this state an application for a first certificate of title

under Code Section 40-3-21 or a certificate of title under Code Section 40-3-32 shall be required to pay a penalty in the amount of 10 percent of the state title ad valorem tax fees and 10 percent of the local title ad valorem tax fees required under this Code section and, if such state and local title ad valorem tax fees and the penalty are not paid within 60 days following the date such owner is required by law to register such vehicle, interest at the rate of 1 percent per month shall be imposed on the state and local title ad valorem tax fees due under this Code section, unless a temporary permit has been issued by the tax commissioner. The tax commissioner shall grant a temporary permit in the event the failure to timely apply for a first certificate of title is due to the failure of a lienholder to comply with Code Section 40-3-56, regarding release of a security interest or lien, and no penalty or interest shall be assessed. Such penalty and interest shall be in addition to the penalty and fee required under Code Section 40-3-21 or 40-3-32, as applicable.

(10) The owner of any motor vehicle for which a title was issued in this state on or after January 1, 2012, and prior to March 1, 2013, shall be authorized to opt in to the provisions of this subsection at any time prior to February 28, 2014, upon compliance with the following requirements:

(A)

(i) The total amount of Georgia state and local title ad valorem tax fees which would be due from March 1, 2013, to December 31, 2013, if such vehicle had been titled in 2013 shall be determined; and

(ii) The total amount of Georgia state and local sales and use tax and Georgia state and local ad valorem tax under Chapter 5 of this title which were due and paid in 2012 for that motor vehicle and, if applicable, the total amount of such taxes which were due and paid for that motor vehicle in 2013 and 2014 shall be determined; and

(B)

(i) If the amount derived under division (i) of subparagraph (A) of this paragraph is greater than the amount derived under division (ii) of subparagraph (A) of this paragraph, the owner shall remit the difference to the tag agent. Such remittance shall be deemed local title ad valorem tax fee proceeds; or

(ii) If the amount derived under division (i) of subparagraph (A) of this paragraph is less than the amount derived under division (ii) of subparagraph (A) of this paragraph, no additional amount shall be due and payable by the owner.

Upon certification by the tag agent of compliance with the requirements of this paragraph, such motor vehicle shall not be subject to ad valorem tax as otherwise required under Chapter 5 of this title in the same manner as otherwise provided in paragraph (1) of subsection (b) of this Code section.

(11) **(A)** In the case of rental motor vehicles owned by a rental motor vehicle concern, the state title ad valorem tax fee shall be in an amount equal to .625 percent of the fair market value of the motor vehicle, and the local title ad valorem tax fee shall be in an amount equal to .625 percent of the fair market value of the motor vehicle, but only if in the

immediately prior calendar year the average amount of sales and use tax attributable to the rental charge of each such rental motor vehicle was at least $400.00 as certified by the state revenue commissioner. If, in the immediately prior calendar year, the average amount of sales and use tax attributable to the rental charge of each such rental motor vehicle was not at least $400.00, this paragraph shall not apply and such vehicles shall be subject to the state and local title ad valorem tax fees prescribed in division (b)(1)(B)(ii) of this Code section.

(B) Such title ad valorem tax fees shall be an alternative ad valorem tax as authorized by Article VII, Section I, Paragraph III(b)(3) of the Georgia Constitution.

(12) A loaner vehicle shall not be subject to state and local title ad valorem tax fees under paragraph (1) of subsection (b) of this Code section for a period of time not to exceed 366 days commencing on the date such loaner vehicle is withdrawn temporarily from inventory. Immediately upon the expiration of such 366 day period, if the dealer does not return the loaner vehicle to inventory for resale, the dealer shall be responsible for remitting state and local title ad valorem tax fees in the same manner as otherwise required of an owner under paragraph (9) of this subsection and shall be subject to the same penalties and interest as an owner for noncompliance with the requirements of paragraph (9) of this subsection.

(13) Any motor vehicle which is donated to a nonprofit organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code shall, when titled in the name of such nonprofit organization, not be subject to state and local title ad valorem tax fees under paragraph (1) of subsection (b) of this Code section but shall be subject to state and local title ad valorem tax fees in the amount of 1 percent of the fair market value of the motor vehicle. Such title ad valorem tax fees shall be an alternative ad valorem tax as authorized by Article VII, Section I, Paragraph III(b)(3) of the Georgia Constitution.

(14) **(A)** A lessor of motor vehicles that leases motor vehicles for more than 31 consecutive days to lessees residing in this state shall register with the department. The department shall collect an annual fee of $100.00 for such registrations. Failure of a lessor to register under this subparagraph shall subject such lessor to a civil penalty of $2,500.00.

(B) A lessee residing in this state who leases a motor vehicle under this paragraph shall register such motor vehicle with the tag agent in such lessee's county of residence within 30 days of the commencement of the lease of such motor vehicle or beginning residence in this state, whichever is later.

(C) A lessor that leases a motor vehicle under this paragraph to a lessee residing in this state shall apply for a certificate of title in this state within 30 days of the commencement of the lease of such motor vehicle.

(15) There shall be no liability for any state or local title ad valorem tax fees in any of the following title transactions:

(A) The addition or substitution of lienholders on a motor vehicle title so long as the owner of the motor vehicle remains the same;

(B) The acquisition of a bonded title by a person or entity pursuant to Code Section 40-3-28 if the title is to be issued in the name of such person or entity;

(C) The acquisition of a title to a motor vehicle by a person or entity as a result of the foreclosure of a mechanic's lien pursuant to Code Section 40-3-54 if such title is to be issued in the name of such lienholder;

(D) The acquisition of a title to an abandoned motor vehicle by a person or entity pursuant to Chapter 11 of Title 40 if such person or entity is a manufacturer or dealer of motor vehicles and the title is to be issued in the name of such person or entity;

(E) The obtaining of a title to a stolen motor vehicle by a person or entity pursuant to Code Section 40-3-43;

(F) The obtaining of a title by and in the name of a motor vehicle manufacturer, licensed distributor, licensed dealer, or licensed rebuilder for the purpose of sale or resale or to obtain a corrected title, provided that the manufacturer, distributor, dealer, or rebuilder shall submit an affidavit in a form promulgated by the commissioner attesting that the transfer of title is for the purpose of accomplishing a sale or resale or to correct a title only;

(G) The obtaining of a title by and in the name of the holder of a security interest when a motor vehicle has been repossessed after default in accordance with Part 6 of Article 9 of Title 11 if such title is to be issued in the name of such security interest holder;

(H) The obtaining of a title by a person or entity for purposes of correcting a title, changing an odometer reading, or removing an odometer discrepancy legend, provided that, subject to subparagraph (F) of this paragraph, title is not being transferred to another person or entity;

(I) The obtaining of a title by a person who pays state and local title ad valorem tax fees on a motor vehicle and subsequently moves out of this state but returns and applies to retitle such vehicle in this state;

(J) The obtaining of a replacement title on a vehicle that is not less than 15 years old upon sufficient proof provided to the commissioner that such title no longer exists;

(K) The transfer of a title made as a result of a business reorganization when the owners, partners, members, or stockholders of the business being reorganized maintain the same proportionate interest or share in the newly formed business reorganization;

(L) The transfer of a title from a company to an owner of the company for the purpose of such individual obtaining a prestige or special license plate for the motor vehicle;

(M) The transfer of a title from an owner of a company to the company; and

(N) The transfer of a title from one legal entity in which an individual holds an ownership interest of at least 50 percent to another legal entity in which the same individual holds an

ownership interest of at least 50 percent, provided that the alternative ad valorem tax imposed by this chapter has been levied on such motor vehicle and has been paid by the transferring entity or such individual.

(16) It shall be unlawful for a person to fail to obtain a title for and register a motor vehicle in accordance with the provisions of this chapter. Any person who knowingly and willfully fails to obtain a title for or register a motor vehicle in accordance with the provisions of this chapter shall be guilty of a misdemeanor.

(17) **(A)** Any person who purchases a 1963 through ~~1985~~ 1989 model year motor vehicle for which such person obtains a title shall be subject to this Code section, but the state title ad valorem tax fee shall be in an amount equal to 0.5 percent of the fair market value of such motor vehicle, and the local title ad valorem tax fee shall be in an amount equal to 0.5 percent of the fair market value of such motor vehicle.

(B) The owner of a 1962 or earlier model year motor vehicle who obtains a conditional title pursuant to Code Section 40-3-21.1 for such motor vehicle shall be authorized to opt in to the provisions of this subsection upon the payment of a state title ad valorem tax fee in an amount equal to 0.5 percent of the fair market value of such motor vehicle and a local title ad valorem tax fee in an amount equal to 0.5 percent of the fair market value of such motor vehicle. Upon certification by the tag agent of compliance with the requirements of this subparagraph, such motor vehicle shall not be subject to ad valorem tax as otherwise required under Chapter 5 of this title in the same manner as otherwise provided in paragraph (1) of subsection (b) of this Code section.

(18) **(A)** Upon the transfer of title as the result of a divorce decree or court order of a motor vehicle which has not become subject to paragraph (1) of subsection (b) of this Code section, the person who receives such motor vehicle shall, subsequent to the transfer of title of such motor vehicle, continue to be subject to the ad valorem tax under Chapter 5 of this title and shall not be subject to the state and local title ad valorem tax fees provided for in paragraph (1) of subsection (b) of this Code section unless such person makes an affirmative written election to become subject to paragraph (1) of subsection (b) of this Code section. In the event of such election, such transfer shall be subject to the state and local title ad valorem tax fees provided for in paragraph (1) of subsection (b) of this Code section.

(B) Upon the transfer of title as the result of a divorce decree or court order of a motor vehicle which has become subject to paragraph (1) of subsection (b) of this Code section, the person who receives such motor vehicle shall, at the time of the transfer of title of such motor vehicle, be subject to a state title ad valorem tax fee in an amount equal to one-half of 1 percent of the fair market value of the motor vehicle and a local title ad valorem tax fee in an amount equal to one-half of 1 percent of the fair market value of the motor vehicle. Such title ad valorem tax fees shall be an alternative ad valorem tax as authorized by Article VII, Section I, Paragraph III(b)(3) of the Georgia Constitution.

(C) Any title transfer under this paragraph shall be accompanied by an affidavit of the transferee that such transfer is pursuant to a divorce decree or court order, and the transferee shall attach such decree or order to the affidavit. There shall be a penalty

imposed on any person who, in the determination of the state revenue commissioner, falsifies any material information in such affidavit. Such penalty shall not exceed $2,500.00 as a state penalty and shall not exceed $2,500.00 as a local penalty as determined by the state revenue commissioner. Such determination shall be made within 60 days of the state revenue commissioner receiving information of a possible violation of this paragraph.

(e) The fair market value of any motor vehicle subject to this Code section shall be appealable in the same manner as otherwise authorized for a motor vehicle subject to ad valorem taxation under Code Section 48-5-450; provided, however, that the person appealing the fair market value shall first pay the full amount of the state and local title ad valorem tax prior to filing any appeal. If the appeal is successful, the amount of the tax owed shall be recalculated and, if the amount paid by the person appealing the determination of fair market value is greater than the recalculated tax owed, the person shall be promptly given a refund of the difference.

(f) Beginning in 2014, on or before January 31 of each year, the department shall provide a report to the chairpersons of the House Committee on Ways and Means and the Senate Finance Committee showing the state and local title ad valorem tax fee revenues collected pursuant to this chapter and the motor vehicle ad valorem tax proceeds collected pursuant to Chapter 5 of this title during the preceding calendar year.

(g) A motor vehicle dealer shall be authorized to apply to the county tag agent of the county in which such motor vehicle is registered for a refund of state and local title ad valorem taxes on behalf of the person who purchased a motor vehicle from such dealer. Such dealer shall promptly pay to such purchaser any refund received by the dealer which is owed to the purchaser, and in any event, such payment shall be made no later than ten days following the receipt of such refund by the dealer. The county tag agent shall approve or deny the request for refund within 30 days after the filing of the application for refund. If the county tag agent denies the refund, the county tag agent shall specify the reasons for such denial. The motor vehicle dealer shall be authorized to appeal such denial to the commissioner within 30 days following such denial.

Rules of Evidence

§ 24-1-1. Purpose and construction of the rules of evidence

The object of all legal investigation is the discovery of truth. Rules of evidence shall be construed to secure fairness in administration, eliminate unjustifiable expense and delay, and promote the growth and development of the law of evidence to the end that the truth may be ascertained and proceedings justly determined.

§ 24-1-2. Applicability of the rules of evidence

(a) The rules of evidence shall apply in all trials by jury in any court in this state.

(b) The rules of evidence shall apply generally to all nonjury trials and other fact-finding proceedings of any court in this state subject to the limitations set forth in subsections (c) and (d) of this Code section.

(c) The rules of evidence, except those with respect to privileges, shall not apply in the following situations:

> **(1)** The determination of questions of fact preliminary to admissibility of evidence when the issue is to be determined by the court under Code Section 24-1-104;
>
> **(2)** Criminal proceedings before grand juries;
>
> **(3)** Proceedings for extradition or rendition;
>
> **(4)** Proceedings for revoking parole;
>
> **(5)** Proceedings for the issuance of warrants for arrest and search warrants except as provided by subsection (b) of Code Section 17-4-40;
>
> **(6)** Proceedings with respect to release on bond;
>
> **(7)** Dispositional hearings and custody hearings in juvenile court; or
>
> **(8)** Contempt proceedings in which the court, pursuant to subsection (a) of Code Section 15-1-4, may act summarily.

(d)

(1) In criminal commitment or preliminary hearings in any court, the rules of evidence shall apply except that hearsay shall be admissible.

(2) In in rem forfeiture proceedings, the rules of evidence shall apply except that hearsay shall be admissible in determining probable cause or reasonable cause.

(3) In presentence hearings, the rules of evidence shall apply except that hearsay and character evidence shall be admissible.

(4) In administrative hearings, the rules of evidence as applied in the trial of nonjury civil actions shall be followed, subject to special statutory rules or agency rules as authorized by law.

(e) Except as modified by statute, the common law as expounded by Georgia courts shall continue to be applied to the admission and exclusion of evidence and to procedures at trial.

§ 24-1-4. Judicial notice

The existence and territorial extent of states, their forms of government, symbols of nationality, the laws of nations, all laws and resolutions of the General Assembly and the journals of each branch thereof as published by authority, the laws of the United States and of the several states thereof as published by authority, general customs of merchants, the admiralty and maritime courts of the world and their seals, the political constitution and history of our own government as well as the local divisions of our own state, the seals of the several departments of the government of the United States and of the several states of the Union, and all similar matters of public knowledge shall be judicially recognized without the introduction of proof.

OFFENSES AGAINST PUBLIC ADMINISTRATION

PERJURY AND RELATED OFFENSES

§ 16-10-71. False swearing

(a) A person to whom a lawful oath or affirmation has been administered commits the offense of perjury when, in a judicial proceeding, he knowingly and willfully makes a false statement material to the issue or point in question.

(b) A person convicted of the offense of perjury shall be punished by a fine of not more than $1,000.00 or by imprisonment for not less than one nor more than ten years, or both. A person convicted of the offense of perjury that was a cause of another's being imprisoned shall be sentenced to a term not to exceed the sentence provided for the crime for which the other person was convicted. A person convicted of the offense of perjury that was a cause of another's being punished by death shall be punished by life imprisonment.

Return form:

SECTION D: TAXPAYER'S DECLARATION AND SIGNATURE

"I do solemnly swear that I have carefully read (or have heard read) and have duly considered the questions propounded in the foregoing tax list, and that the value placed by me on the property returned, as shown by the list, is the true market value thereof; and I further swear that I returned, for the purpose of being taxed thereon, every species of property that I own in my own right or have control of either as agent, executor, administrator, or otherwise; and that in making this return, for the purpose of being taxed thereon, I have not attempted either by transferring my property to another or by any other means to evade the laws governing taxation in this state. I do further swear that in making this return I have done so by estimating the true worth and value of every species of property contained therein".

TAXPAYER OR AGENT'S SIGNATURE _____ DATE _____

Filing of this document will create a review of the county's value of the property being returned. Reasonable notice is hereby provided that an onsite inspection by a member of the county appraisal staff may be required. Said property visit will be for the purpose of determining the correctness of the information contained in the county's appraisal record for the improvement date and condition of the property.

Homestead form:

AFFIDAVIT OF APPLICANT

I, the undersigned, do solemnly swear that the statements made in support of this application are true and correct, that I am the bona fide owner of the property described in this application, that I shall occupy or actually occupied same on Jan 1 of the year for which application is made, that I am an eligible applicant for the homestead exemption applied for, qualifying or meeting the definition of the word "applicant" as defined in O.C.G.A. § 48-5-40 and that no transaction has been made in collusion with another for the purpose of obtaining a homestead exemption contrary to law.

Sworn to and subscribed to before me this ___ day of _____, 20____ Applicant's Signature: _____

_____ [ ] APPROVED [ ] DENIED _____ _____

Tax Commissioner or Tax Receiver Board of Tax Assessors Date

STATE GOVERNMENT

ADMINISTRATIVE PROCEDURE

§ 50-13-3. Adoption of rules of organization and practice; public inspection and validity of rules, policies, orders, decisions, and opinions

(a) In addition to other rule-making requirements imposed by law, each agency shall:

(1) Adopt as a rule a description of its organization, stating the general course and method of its operations and the methods whereby the public may obtain information or make submissions or requests;

(2) Adopt rules of practice setting forth the nature and requirements of all formal and informal procedures available, including a description of all forms and instructions used by the agency;

(3) Make available for public inspection all rules and all other written statements of policy or interpretations formulated, adopted, or used by the agency in the discharge of its functions; and

(4) Make available for public inspection all final orders, decisions, and opinions except those expressly made confidential or privileged by statute.

(b) No agency rule, order, or decision shall be valid or effective against any person or party nor may it be invoked by the agency for any purpose until it has been published or made available for public inspection as required in this Code section. This provision is not applicable in favor of any person or party who has actual knowledge thereof.

§ 50-13-15. Rules of evidence in contested cases; official notice; conducting hearings by utilizing remote telephonic communications

In contested cases:

(1) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded. The rules of evidence as applied in the trial of civil nonjury cases in the superior courts shall be followed. When necessary to ascertain facts not reasonably susceptible of proof under such rules, evidence not admissible thereunder may be admitted, except where precluded by statute, if it is of a type commonly relied upon by reasonably prudent men in the conduct of their affairs or if it consists of a report of medical, psychiatric, or psychological evaluation of a type routinely submitted to and relied upon by an agency in the normal course of its business. Agencies shall give effect to the rules of privilege recognized by law. Objections to evidentiary offers may be made and shall be noted in the record. Subject to these requirements, when a hearing will be expedited and the interest of the parties will not be prejudiced substantially, any part of the evidence may be received in written form;

(2) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available. Upon request, parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to the superior courts of this state;

(3) A party may conduct such cross-examination as shall be required for a full and true disclosure of the facts;

(4) Official notice may be taken of judicially cognizable facts. In addition, official notice may be taken of generally recognized technical or scientific facts within the agency's specialized knowledge. Parties shall be notified either before or during the hearing, by reference in preliminary reports or otherwise, of the material noticed, including any staff memoranda or data, and they shall be afforded an opportunity to contest the material so noticed. The agency's experience, technical competence, and specialized knowledge may be utilized in the evaluation of the evidence; and

(5) Any hearing which is required or permitted hereunder may be conducted by utilizing remote telephonic communications if the record reflects that all parties have consented to the conduct of the hearing by use of such communications and that such procedure will not jeopardize the rights of any party to the hearing.

§ 50-14-1. Meetings to be open to public; limitation on action to contest agency action; recording; notice of time and place; access to minutes; teleconference

(a) As used in this chapter, the term:

(1) "Agency" means:

(A) Every state department, agency, board, bureau, office, commission, public corporation, and authority;

(B) Every county, municipal corporation, school district, or other political subdivision of this state;

(C) Every department, agency, board, bureau, office, commission, authority, or similar body of each such county, municipal corporation, or other political subdivision of the state;

(D) Every city, county, regional, or other authority established pursuant to the laws of this state; and

(E) Any nonprofit organization to which there is a direct allocation of tax funds made by the governing body of any agency as defined in this paragraph which constitutes more than 33 1/3 percent of the funds from all sources of such organization; provided, however, that this subparagraph shall not include hospitals, nursing homes, dispensers of pharmaceutical products, or any other type organization, person, or firm furnishing medical or health services to a citizen for which they receive reimbursement from the state whether directly or indirectly; nor shall this term include a subagency or affiliate of such a nonprofit organization from or through which the allocation of tax funds is made.

(2) "Executive session" means a portion of a meeting lawfully closed to the public.

(3) **(A)** "Meeting" means:

(i) The gathering of a quorum of the members of the governing body of an agency at which any official business, policy, or public matter of the agency is formulated, presented, discussed, or voted upon; or

(ii) The gathering of a quorum of any committee of the members of the governing body of an agency or a quorum of any committee created by the governing body at which any official business, policy, or public matter of the committee is formulated, presented, discussed, or voted upon.

(B) "Meeting" shall not include:

(i) The gathering of a quorum of the members of a governing body or committee for the purpose of making inspections of physical facilities or property under the jurisdiction of such agency at which no other official business of the agency is to be discussed or official action is to be taken;

(ii) The gathering of a quorum of the members of a governing body or committee for the purpose of attending state-wide, multijurisdictional, or regional meetings to participate in seminars or courses of training on matters related to the purpose of the agency or to receive or discuss information on matters related to the purpose of the agency at which no official action is to be taken by the members;

(iii) The gathering of a quorum of the members of a governing body or committee for the purpose of meeting with officials of the legislative or executive branches of the state or federal government at state or federal offices and at which no official action is to be taken by the members;

(iv) The gathering of a quorum of the members of a governing body of an agency for the purpose of traveling to a meeting or gathering as otherwise authorized by this subsection so long as no official business, policy, or public matter is formulated, presented, discussed, or voted upon by the quorum; or

(v) The gathering of a quorum of the members of a governing body of an agency at social, ceremonial, civic, or religious events so long as no official business, policy, or public matter is formulated, presented, discussed, or voted upon by the quorum.

This subparagraph's exclusions from the definition of the term "meeting" shall not apply if it is shown that the primary purpose of the gathering or gatherings is to evade or avoid the requirements for conducting a meeting while discussing or conducting official business.

(b)

(1) Except as otherwise provided by law, all meetings shall be open to the public. All votes at any meeting shall be taken in public after due notice of the meeting and compliance with the posting and agenda requirements of this chapter.

(2) Any resolution, rule, regulation, ordinance, or other official action of an agency adopted, taken, or made at a meeting which is not open to the public as required by this chapter shall not be binding. Any action contesting a resolution, rule, regulation, ordinance, or other formal action of an agency based on an alleged violation of this provision shall be commenced within 90 days of the date such contested action was taken or, if the meeting was held in a manner not permitted by law, within 90 days from the date the party alleging the violation knew or should have known about the alleged violation so long as such date is not more than six months after the date the contested action was taken.

(3) Notwithstanding the provisions of paragraph (2) of this subsection, any action under this chapter contesting a zoning decision of a local governing authority shall be commenced within the time allowed by law for appeal of such zoning decision.

(c) The public at all times shall be afforded access to meetings declared open to the public pursuant to subsection (b) of this Code section. Visual and sound recording during open meetings shall be permitted.

(d)

(1) Every agency subject to this chapter shall prescribe the time, place, and dates of regular meetings of the agency. Such information shall be available to the general public and a notice containing such information shall be posted at least one week in advance and maintained in a conspicuous place available to the public at the regular place of an agency or committee meeting subject to this chapter as well as on the agency's website, if any. Meetings shall be held in accordance with a regular schedule, but nothing in this subsection shall preclude an agency from canceling or postponing any regularly scheduled meeting.

(2) For any meeting, other than a regularly scheduled meeting of the agency for which notice has already been provided pursuant to this chapter, written or oral notice shall be given at least 24 hours in advance of the meeting to the legal organ in which notices of sheriff's sales are published in the county where regular meetings are held or at the option of the agency to a newspaper having a general circulation in such county at least equal to that of the legal organ; provided, however, that, in counties where the legal organ is published less often than four times weekly, sufficient notice shall be the posting of a written notice for at least 24 hours at the place of regular meetings and, upon written request from any local broadcast or print media outlet whose place of business and physical facilities are located in the county, notice by telephone, facsimile, or e-mail to that requesting media outlet at least 24 hours in advance of the called meeting. Whenever notice is given to a legal organ or other newspaper, that publication shall immediately or as soon as practicable make the information available upon inquiry to any member of the public. Upon written request from any local broadcast or print media outlet, a copy of the meeting's agenda shall be provided by facsimile, e-mail, or mail through a self-addressed, stamped envelope provided by the requestor.

(3) When special circumstances occur and are so declared by an agency, that agency may hold a meeting with less than 24 hours' notice upon giving such notice of the meeting and subjects expected to be considered at the meeting as is reasonable under the circumstances, including notice to the county legal organ or a newspaper having a general circulation in the county at least equal to that of the legal organ, in which event the reason for holding the meeting within 24 hours and the nature of the notice shall be recorded in the minutes. Such reasonable notice shall also include, upon written request within the previous calendar year from any local broadcast or print media outlet whose place of business and physical facilities are located in the county, notice by telephone, facsimile, or e-mail to that requesting media outlet.

(e)

(1) Prior to any meeting, the agency or committee holding such meeting shall make available an agenda of all matters expected to come before the agency or committee at such meeting. The agenda shall be available upon request and shall be posted at the meeting site as far in advance of

the meeting as reasonably possible, but shall not be required to be available more than two weeks prior to the meeting and shall be posted, at a minimum, at some time during the two-week period immediately prior to the meeting. Failure to include on the agenda an item which becomes necessary to address during the course of a meeting shall not preclude considering and acting upon such item.

(2) **(A)** A summary of the subjects acted on and those members present at a meeting of any agency shall be written and made available to the public for inspection within two business days of the adjournment of a meeting.

(B) The regular minutes of a meeting subject to this chapter shall be promptly recorded and such records shall be open to public inspection once approved as official by the agency or its committee, but in no case later than immediately following its next regular meeting; provided, however, that nothing contained in this chapter shall prohibit the earlier release of minutes, whether approved by the agency or not. Such minutes shall, at a minimum, include the names of the members present at the meeting, a description of each motion or other proposal made, the identity of the persons making and seconding the motion or other proposal, and a record of all votes. The name of each person voting for or against a proposal shall be recorded. It shall be presumed that the action taken was approved by each person in attendance unless the minutes reflect the name of the persons voting against the proposal or abstaining.

(C) Minutes of executive sessions shall also be recorded but shall not be open to the public. Such minutes shall specify each issue discussed in executive session by the agency or committee. In the case of executive sessions where matters subject to the attorney-client privilege are discussed, the fact that an attorney-client discussion occurred and its subject shall be identified, but the substance of the discussion need not be recorded and shall not be identified in the minutes. Such minutes shall be kept and preserved for in camera inspection by an appropriate court should a dispute arise as to the propriety of any executive session.

(f) An agency with state-wide jurisdiction or committee of such an agency shall be authorized to conduct meetings by teleconference, provided that any such meeting is conducted in compliance with this chapter.

(g) Under circumstances necessitated by emergency conditions involving public safety or the preservation of property or public services, agencies or committees thereof not otherwise permitted by subsection (f) of this Code section to conduct meetings by teleconference may meet by means of teleconference so long as the notice required by this chapter is provided and means are afforded for the public to have simultaneous access to the teleconference meeting. On any other occasion of the meeting of an agency or committee thereof, and so long as a quorum is present in person, a member may participate by teleconference if necessary due to reasons of health or absence from the jurisdiction so long as the other requirements of this chapter are met. Absent emergency conditions or the written opinion of a physician or other health professional that reasons of health prevent a member's physical presence, no member shall participate by teleconference pursuant to this subsection more than twice in one calendar year.

CHAPTER 2

DEPARTMENT OF REVENUE LOCAL GOVERNMENT SERVICES DIVISION RULES AND REGULATIONS

CHAPTER 560-11 LOCAL GOVERNMENT SERVICES DIVISION

560-11-1 ORGANIZATION

560-11-1-.01 Administration: Function

The Local Government Services Division of the Revenue Department is charged with the responsibility of the overall supervision of the ad valorem tax laws of the State; including the approval of annual ad valorem tax digests; the training of county tax assessors, appraisers, appraisal vendors, tax commissioners, county hearing officers, and members of county boards of equalization; the central assessment of public utility properties for ad valorem tax purposes, including collection of railroad equipment company fees and Public Service Commission fees for maintenance of the Public Service Commission and the distribution of Tennessee Valley Authority payments in lieu of tax; the reporting, remitting and refunding of unclaimed property; the distribution of sales and use tax proceeds, forestland assistance grants, e911 pre-paid wireless fees, international registration plan alternate ad valorem tax, and homeowner tax relief grants; and the granting of extensions when authorized by the State Revenue Commissioner.

560-11-2 SUBSTANTIVE REGULATIONS

560-11-2-.16. Real Estate Transfer Tax-Filing Declaration Forms

(1) Except as provided for in paragraph (2) of this rule, any deed, instrument or other writing which conveys any lands, tenements, or other realty must be accompanied by Form PT-61 (1 original and 3 copies). Said form shall be properly completed and signed by the seller or his authorized agent and by the buyer or his authorized agent, prior to such instrument being presented to the Clerk of Superior

Court for recording. As used herein, "properly completed" shall be deemed to include the following TYPED or LEGIBLY PRINTED information:

(a) Seller's Information - The form shall contain the complete name, street mailing address, city, state and zip code of the seller and the month, day and year the sale occurred.

(b) Buyer's Information - The form shall contain complete name, street mailing address, city, state zip code of the buyer for the purpose of receiving tax notices and billings. The intended use of the property by the buyer at the time of the transfer shall be listed and designated as being residential (R), agricultural (A), commercial (C), or industrial (I).

(c) Property Information - The complete description of the property being conveyed, the county name where the property is located shall be listed and the city name (if the property lies within the limits of a city). The number of acres of property, map and parcel number, district, land lot and sublot and block shall be shown.

(d) Value and Tax Information - The actual value of the consideration received by the seller for the real and personal property conveyed to the buyer shall be shown separately on the form(PT-61) prescribed in subsection (c) of Code section 48-6-4. This consideration total should reflect all cash, other property or goods, and the assumption of mortgages or other obligations. If the actual value of the consideration is not known, the estimated fair market value of real and personal property conveyed should be shown, separately, along with an estimate of the value of the personal property conveyed. The amount of any lien or encumbrance prior to the transfer and not removed thereby shall be shown.

1. The actual consideration or the fair market value, if the actual consideration is not readily determinable, of the real property conveyed less any liens or encumbrances existing prior to the sale and not removed by the sale shall be the basis upon which the tax is computed. The phrase "ten dollars and other valuable consideration" or other similar phrases are not proper disclosures of consideration. This basis shall be shown along with the tax due.

2. The actual consideration of personal property conveyed shall be shown separately on the form and may be deducted from the basis upon which the tax is computed if the estimate of personal property is accompanied by appropriate evidence of its accuracy.

(e) Other Information - Any other information requested on the most current version of form PT-61 shall be listed.

(f) Certification - The seller or seller's authorized agent shall certify that all the items of information entered on the transfer form PT-61 are true and correct (to the best of his knowledge and belief) and that he is aware that the making of any willful false statement of material facts will subject him to the provision of the penal law relative to the making and filing of false instruments.

1. The buyer or buyer's authorized agent shall acknowledge that, by law, he is required to file a timely property tax return on all improved and unimproved real property subject to tax on January 1. The buyer or buyer's authorized agent further acknowledges that the property described on form PT-61 has not been sub-divided or improved during the year of the transfer and if no tax return is filed, he will be deemed to have returned it at the same valuation as was finally determined for the year in which the transfer took place.

2. By filing the form PT-61, the buyer is not relieved from the responsibility of filing a new timely return where the property transferred has been split from an existing property or where there have been substantial changes or new improvements to the property, nor would the filing of the form PT-61 relieve the buyer from filing an application for homestead or other exemptions to which he may be entitled.

560-11-2-.20 Classification of Real and Personal Property on Individual Ad Valorem Tax Returns

(1) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable real and personal property returned or assessed for county taxation shall be identified according to the following classifications. Real Property receiving preferential assessment under O.C.G.A. § 48-5-7.1, 48-5-7.2, 48-5-7.3 or 48-5-7.6 or current use assessment under O.C.G.A. § 48-5-7.4 or 48-5-7.7 shall be included in the classification specifically designated for those properties and not included in the general use classification that might otherwise be appropriate.

(a) Residential - This classification shall apply to all land utilized, or best suited to be utilized as a single family homesite, the residential improvements and other nonresidential homesite improvements thereon. For the purposes of this subparagraph, duplexes and triplexes shall also be considered single-family residential improvements.

1.This classification shall also apply to all personal property owned by individuals that has not acquired a business situs elsewhere and is not otherwise utilized for agricultural, commercial or industrial purposes.

(b) Residential Transitional - This classification shall apply to the residential improvement and up to no more than five acres of land underneath the improvement and comprising the homesite the value of which is influenced by its proximity to or location in a transitional area and which is receiving a current use assessment under O.C.G.A. § 48-5-7.4.

(c) Agricultural - This classification shall apply to all real and personal property currently utilized or best suited to be utilized as an agricultural unit. It shall include the single family homesite that is an integral part of the agricultural unit, the residential improvement, the non-residential homesite improvements, the non-homesite agricultural land, and the production and storage improvements.

1.This classification shall also apply to all personal property owned by individuals that is not connected with the agricultural unit but has not acquired a business situs elsewhere and the personal property connected with the agricultural unit which shall include the machinery, equipment, furniture, fixtures, livestock, products of the soil, supplies, minerals and off-road vehicles.

(d) Preferential - This classification shall apply to land and improvements primarily used for bona fide agricultural purposes and receiving preferential assessment under O.C.G.A. § 48-5-7.1.

(e) Conservation Use - This classification shall apply to all land and improvements primarily used in the good faith production of agriculture products or timber and receiving current use assessment under O.C.G.A. § 48-5-7.4.

(f) Environmentally Sensitive - This classification shall apply to all land certified as environmentally sensitive property by the Georgia Department of Natural Resources and receiving current use assessment under O.C.G.A. § 48-5-7.4.

(g) Brownfield Property - This classification shall apply to all land certified "Brownfield Property" by the Environmental Protections Division of the Department of Natural Resources and receiving preferential assessment under O.C.G.A. § 48-5-7.6.

(h) Forest Land Conservation Use Property - This classification shall apply to all land and improvements primarily used in the good faith production of timber receiving current use assessment under O.C.G.A. § 48-5-7.7.

(i) Commercial - This classification shall apply to all real and personal property utilized or best suited to be utilized as a business unit the primary nature of which is the exchange of goods and services at either the wholesale or retail level. This classification shall include multi-family dwelling units having four or more units.

(j) Historic - This classification shall apply to up to two acres of land and improvements thereon designated as rehabilitated historic property or landmark historic property and receiving preferential assessment under O.C.G.A. § 48-5-7.2 or O.C.G.A. § 48-5-7.3.

(k) Industrial - This classification shall apply to all real and personal property utilized or best suited to be utilized as a business unit, the primary nature of which is the manufacture or processing of goods destined for wholesale or retail sale.

(l) Utility - This classification shall apply to the property of companies that are required to file an ad valorem tax return with the State Revenue Commissioner, and shall include all the real and personal property of railroad companies and public utility companies and the flight equipment of airline companies.

(2) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable real property returned or assessed for county taxation shall be further stratified into the following strata:

(a) Improvements - This stratum shall include all in-ground and above ground improvements that have been made to the land including lease hold improvements. This stratum excludes all production and storage improvements utilized in the operation of a farm unit and those improvements auxiliary to residential or agricultural dwellings included in the Production/Storage/Auxiliary stratum.

1.The Board of Tax Assessors are given the option under this regulation to place the value of residential auxiliary buildings in this stratum or in the Production/Storage/Auxiliary stratum described in subparagraph (2)(f) of this Regulation.

2.This stratum does not include the land.

(b) Operating Utility - This stratum shall include all real and personal property of a public utility, tangible and intangible, utilized in the conduct of usual and ordinary business.

1.Real and personal property of a public utility not utilized in the conduct of usual and ordinary business shall be designated non-operating property and shall be included in the appropriate alternative strata.

(c) Lots - This stratum shall include all land where the market indicates the site is sold on a front footage or buildable unit basis rather than by acreage.

(d) Small Tracts - This stratum shall include all land that is normally described and appraised in terms of small acreage, which is of such size as to favor multiple uses.

(e) Large Tracts - This stratum shall include all land that is normally described and appraised in terms of large acreage, which is of such size as to limit multiple uses, e.g., cultivatable lands, pasture lands, timber lands, open lands, wastelands and wild lands.

1.The acreage breakpoint between small tracts and large tracts shall be designated by the Board of Tax Assessors as being that point where the market price per acre reflects distinct and pronounced change as the size of the tract changes. In the event this break point cannot easily be determined, the Board of Tax Assessors shall designate a reasonable break point not less than five (5) acres but not greater than twenty-five (25) acres.

(f) Production/Storage/Auxiliary - This stratum shall include those improvements auxiliary to residential or agricultural dwellings not included in the Improvements stratum described in subparagraph (2)(a) of this regulation and all improvements to land that are utilized by an agricultural unit for the storage or processing of agricultural products.

(g) Other Real - This stratum shall include leasehold interests, mineral rights, and all real property not otherwise defined in this paragraph.

(3) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable personal property returned or assessed for county taxation shall be further stratified into the following strata:

(a) Aircraft - This stratum shall include all airplanes, rotorcraft and lighter-than-air vehicles, including airline flight equipment required to be returned to the State Revenue Commissioner.

(b) Boats - This stratum shall include all craft that are operated in and upon water. This stratum shall include the motors, but not the land transport vehicles.

(c) Inventory - This stratum shall include all raw materials, goods in process and finished goods. This stratum shall include all consumable supplies used in the process of manufacturing, distributing, storing or merchandising of goods and services. This stratum shall not include inventory receiving freeport exemption under O.C.G.A. § 48-5-48-2.

This stratum shall also include livestock and other agricultural products.

(d) Freeport Inventory - This stratum shall include all inventory receiving the Freeport exemption under O.C.G.A. Sec. 48-5-48-2 and 48-5-48.6.

(e) Furniture/Fixtures/Machinery/Equipment-This stratum shall include all fixtures, furniture, office equipment, computer software and hardware, production machinery, offroad vehicles, equipment, farm tools and implements, and tools and implements of trade of manual laborers.

(f) Other Personal - This stratum shall include all personal property not otherwise defined in this paragraph.

560-11-2-.21 Classification of Tangible Property on County Tax Digests

(1) The tax receiver or tax commissioner of each county shall list all taxable real and personal property on the digest using the classifications and strata specified in Regulation 560-11-2-.20.

(a) The tax receiver or tax commissioner shall further identify the properties listed on the digest by use of a two-digit code, the first character of which shall designate the property classification and the second character of which shall designate the stratum. The code is more particularly described as follows:

1st Digit - CLASSIFICATION

A - Agricultural

B - Brownfield Property

C - Commercial

F - FLPA Fair Market Value (for reimbursement purposes)

H - Historic

I - Industrial

J - FLPA Conservation Use

P - Preferential

R - Residential

T - Residential Transitional

U - Utility

V - Conservation Use

W - Environmentally Sensitive

2nd Digit - REAL PROPERTY STRATA

1 - Improvements

2 - Operating Utility

3 - Lots

4 - Small Tracts

5 - Large Tracts

6 - Production/Storage/Auxiliary

9 - Other Real

2nd Digit - PERSONAL PROPERTY STRATA

A - Aircraft

B - Boats

F - Furniture/Fixtures/Machinery/Equipment

I - Inventory

P - Freeport Inventory

Z - Other Personal

(2) The chairman of the board of assessors shall certify to the tax receiver or tax commissioner a list of all properties, the assessed value of which were changed by the board from the values appearing on the previous year's digest. This list shall not include previously unreturned real and personal property. It shall also exclude divisions and consolidations of property and those changes that are mere transfers of ownership.

(a) The list shall show the final assessed values on the previous year's digest and the assessed values placed on the current year's digest and shall be consolidated by the tax receiver or tax commissioner using the same classifications as are used to classify property appearing on the digest. This list shall be submitted by the tax receiver or tax commissioner to the State Revenue Commissioner at the time and in the manner the tax digest is submitted.

(3) The tax receiver or tax commissioner of each county shall also enter the total assessed value of motor vehicle property with the consolidation of all assessed values of taxable property on the digest.

(4) The tax receiver or tax commissioner of each county shall also enter the total assessed value of mobile home property with the consolidation of all assessed values of taxable property on the digest.

(5) The tax receiver or tax commissioner of each county shall also enter the total assessed value of timber harvested or sold during the calendar year immediately preceding the year of the digest, with the consolidation of all assessed values of taxable property on the digest.

(6) The tax receiver or tax commissioner of each county shall also enter the total assessed value of heavy duty equipment property with the consolidation of all assessed values of taxable property on the digest.

560-11-2-.22 Motor Vehicle Assessments

Annually the State Revenue Commissioner shall prepare and publish a manual of motor vehicle assessments for the various types of motor vehicle property in Georgia. In addition the State Revenue Commissioner shall calculate as nearly and completely as is practical the assessed values on motor vehicle prebill applications furnished to the various county tax collectors. In all cases the assessed valuations appearing in the published motor vehicle assessment manual shall be the assessed value of a specific motor vehicle. Provided, however, that when the assessed valuation as calculated on the motor vehicle prebill application for a specific vehicle differs from the assessed valuation for the same vehicle published in the motor vehicle assessment manual by twenty-five dollars ($25.00) or less, the county tax collector is authorized to accept the prebill valuation as being correct for that specific vehicle for the current year.

560-11-2-.24 County Appraisal Staff - County Classes

The counties of this State shall be classified according to the following classes for the purpose of determining minimum appraisal staff requirements:

(a) Class I - Counties having less than 3,000 parcels of real property.

(b) Class II - Counties having at least 3,000, but less than 8,000 parcels of real property.

(c) Class III - Counties having at least 8,000, but less than 15,000 parcels of real property.

(d) Class IV -- Counties having at least 15,000, but less than 25,000 parcels of real property.

(e) Class V -- Counties having at least 25,000, but less than 35,000 parcels of real property.

(f) Class VI -- Counties having at least 35,000, but less than 50,000 parcels of real property.

(g) Class VII -- Counties having at least 50,000, but less than 100,000 parcels of real property.

(h) Class VIII -- Counties having at least 100,000 or more parcels of real property.

(i) For the purpose of a Joint County Appraisal Staff any two or more governing authorities may by intergovernmental agreement combine the appraisal staffs and under such agreement the parcels of real property within the counties subject to the agreement shall be totaled and the counties shall be deemed one county for the purposes of determining the class of the counties and the resulting staff requirements.

(j) For the purpose of intergovernmental agreements where one or more members of the county appraisal staff are shared, the parcels of real property within the counties subject to the agreement shall not be totaled and the counties shall retain their separate character for the purposes of determining the class of the counties and the resulting staff requirements.

560-11-2-.25 County Appraisal Staff - Qualifications. Amended

(1) County appraisal staff shall be classified into four classifications: Appraiser I, Appraiser II, Appraiser III, and Appraiser IV, with qualifications as follows:

(a) Appraiser I -- Under supervision and direction as an Appraiser trainee, the Appraiser I is expected to learn and do the more routine technical work in the appraisal of real and/or personal property for tax assessment purposes. The Appraiser I must:

1. be not less than twenty-one (21) years of age;

2. successfully complete the appraiser examination set for this level by the State Revenue Commissioner;

3. be in good physical and mental health;

4. hold a high school diploma or its equivalent;

5. have the aptitude to learn to perform tasks assigned including reviewing maps, photography, etc., to locate property; visiting the property and gathering all information necessary to determine value; performing basic research on building costs and sales data; computing appraisal values for real and/or personal property.

(b) Appraiser II -- Under supervision and direction, the Appraiser II makes appraisals of real and/or personal property of the more common types and assists his superiors in the supervision and direction of Appraiser I personnel. The Appraiser II must:

1. be not less than twenty-one (21) years of age;

2. hold a high school diploma or its equivalent;

3. be in good physical and mental health and have the ability to meet and relate to the general public well;

4. be able to make field appraisals of the average types of real and/or personal property. In this regard, he must be able to perform research on and inspect the property to gather all information necessary for appraisals such as size, zoning, use, location, quality of construction, depreciation, and market data;

5. have the ability and aptitude to learn under supervision the appraisal techniques, etc., involved in the appraisal of the more complex types of property.

(c) Appraiser III -- The Appraiser III must have the ability to make accurate appraisals of all types and classes of real and/or personal property within his jurisdiction. He must be able to effectively supervise and direct the activities of subordinate personnel. The Appraiser III must:

1. be not less than twenty-one (21) years of age;

2. hold a high school diploma or its equivalent;

3. have the ability to correctly apply the three approaches to valuation in appraising properties within his jurisdiction;

4. have the ability to organize and direct the activities of subordinate personnel;

5. have the ability to perform all phases of mass appraisal and revaluation work within his jurisdiction including the ability to develop pricing and valuation schedules for the valuation of all land, improvements and personal property.

(d) Appraiser IV -- The Appraiser IV supervises the work of subordinate appraisers in the appraisal of rural, residential, commercial and industrial properties for tax assessment purposes. The Appraiser IV must:

1. have a complete knowledge of mass appraisal techniques;

2. have the ability to direct all phases of revaluation;

3. have the ability to organize effectively and direct properly the work activities of his subordinate personnel;

4. have the ability to plan and conduct necessary training programs for subordinate appraisal personnel;

5. have the ability to direct office procedures and techniques related to the appraisal-assessment process;

6. have the ability to effectively deal with the general public and with other governmental agencies;

7. be not less than twenty-one (21) years of age;

8. be a graduate of an accredited college or university with at least five (5) years of increasingly responsible experience in the appraisal field. Two (2) years of appraisal experience may be substituted for each year of college required.

(2) All county appraisal staff members must, prior to employment, successfully complete an examination approved by the Revenue Commissioner and designed to test the applicant's knowledge of appraisal techniques on all classes and types of property. These examinations shall be prepared by the Revenue Commissioner and shall be offered in regional locations at least quarterly, the sites and times to be determined by the Revenue Commissioner. The Board of Tax Assessors in each county shall be advised of dates, locations for such exams.

(3) All county appraisal staff members must successfully complete at least forty (40) hours of approved appraisal courses during each two years of tenure as an appraiser. "Approved appraisal courses" as used herein shall mean:

(a) courses designed for appraisers and offered regionally by the Revenue Commissioner, or

(b) courses offered by the Revenue Commissioner as a part of the annual short course for tax assessors in conjunction with the University of Georgia, or

(c) courses offered by and approved by the International Association of Assessing Officers, or

(d) courses at least 10 hours in length offered by either the Society of Real Estate Appraisers or the American Institute of Real Estate Appraisers and approved for course work toward the Award for the SRA or MAI designations.

560-11-2-.27 County Board of Tax Assessors – Vacancy

When there is a vacancy on a county's board of tax assessors, the county's governing authority shall immediately fill the vacancy by appointing a new member whose qualifications are in conformity with O.C.GA. § 48-5-291.

560-11-2-.28 County Appraisal Staff - Duties

(1) The county appraisal staff required by law shall be responsible for the appraisal for ad valorem tax purposes of all taxable property, real and personal, that the county board of tax assessors is required to assess. These appraisers shall be made in the manner and at the times required by law.

(2) The county appraisal staff shall be responsible for the proper maintenance of all tax records and maps for the county in a proper and current condition, and the staff shall have custody of such records.

(3) The county appraisal staff shall be responsible for preparing annual assessments on all property required to be assessed by the Board of Tax Assessors. Such assessments shall conform to the requirements of law and shall be turned over to the Board of Tax Assessors for approval on the date requested by the Board of Assessors.

(4) The county appraisal staff shall prepare annual appraisals on all tax exempt property in the county and shall submit such appraisals to the Board of Tax Assessors.

(5) Each county appraisal staff member shall successfully complete at least forty (40) hours of training courses prepared and offered by the State Revenue Commissioner during each two (2) years of tenure as staff appraiser. Such training courses shall be offered at least annually in regional locations the sites and dates to be determined by the Revenue Commissioner. Each year the Commissioner shall furnish a listing of the locations and dates of such courses to the Board of Tax Assessors of each county.

(6) The requirements of paragraphs 1, 2, and 3 of this Regulation shall not be effective until such time as the county shall have reached full minimum staff employment as required by law.

(7)

(a) Individuals performing services under assessment contracts to render advice or assistance to the county board of tax assessors in the assessment and equalization of taxes the establishment of property valuations, or the defense of such valuations shall adhere to state mandated appraisal laws and regulations required under Title 43 including any appraisal certification and training required under Title 43 of Georgia Code. In addition, such individuals shall successfully complete 4 hours of approved appraisal courses annually as follows:

(i) courses designed for appraisers and offered regionally by the State Revenue Commissioner, or

(ii) courses offered as a part of the annual short course for tax assessors through the University of Georgia and the Carl Vinson Institute of Government, or

(iii) courses offered online in partnership with the Department of Revenue and the University of Georgia and Carl Vinson Institute of Government, or

(iv) courses offered by and approved by the International Association of Assessing Officers, or

(v) courses approved by the Georgia Department of Revenue and offered by the Georgia Association of Assessing Officials,

(b) The annual training requirement in this regulation shall not apply to any employee or vendor who is only performing administrative tasks; who is only collecting data to be used by a county's appraisal staff in the appraisal process; or to any vendor or employee of a vendor who is only providing mapping services as opposed to creating and updating assessment records in addition to mapping.

560-11-2-.31 County Board of Tax Assessors-Qualifications

(1) 'Approved Appraisal Courses' under O.C.G.A. § 48-5-291 shall be only those courses approved by the Local Government Services Division of the Georgia Department of Revenue.

(2) 'Two Calendar Years of Tenure' under § 48-5-291 shall mean any calendar twenty-four (24) month period beginning on the date the assessor is appointed.

(3) 'Certificate' as issued by the Commissioner under O.C.G.A. § 48-5-291 shall mean a certificate issued by the Revenue Commissioner officially and specifically for the purpose of designating an assessor as certified pursuant to § 48-5-291(a)(5). 'Certificate' shall not mean any certificate issued specifically for the successful completion of approved appraisal courses. No duties or responsibilities may be executed by a board of tax assessors having a majority of members who do not have a valid 'Certificate.' A 'Certificate' shall be:

(a) Issued to each board of assessor member upon the Revenue Commissioner's receipt of the oath of office signed by the assessor member along with, if available, proof of high school education;

(b) Printed with an expiration date coinciding with the tax assessor's term of office;

(c) Posted in a prominent location readily viewable by the public in the office of the board of tax assessors; and

1. A Certificate may be revoked for a direct and clear violation of state law and regulations governing the duties and responsibilities of the board of tax assessors.

(i) Revenue Commissioner or his delegates shall have the authority to revoke.

(ii) A board of tax assessor whose 'Certificate' has been revoked may not vote in any legal Board of Assessors meeting and their attendance shall not count as a member necessary to constitute a quorum. Any attendance by such revoked member shall be duly noted in the minutes of that meeting.

(I) Notice of revocation will be provided to:

(A) The individual board of assessor member whose certificate is revoked;

(B) The county board of tax assessors Chairperson; and

(C) The county governing authority.

(iii) Revocation of a Certificate shall remain in effect until such time as the ex-board member becomes compliant with Georgia law and regulations governing the duties, certification, training requirements, and qualifications of the board of tax

assessors and certification has been reinstated by the Revenue Commissioner or his delegates.

(iv) Revocation of an assessor member's Certificate pursuant to subsection (b) of Code Section 48-5-295 may be grounds for permanent removal from a county's board of tax assessors by the Revenue Commissioner.

(v) Revocation of a Certificate may be appealed by the assessor member in writing to the Revenue Commissioner, by way of the Director of the Local Government Services Division. All evidence and arguments to be considered must be included in the written appeal.

(I) Appeals must be filed within 30 days of revocation date printed on the notice.

(II) Extensions to the 30 day appeal filing period may be granted by the Director of Local Government Services.

(4) A member of a county board of tax assessors may be reappointed to succeed himself as a member of the board so long as the reappointment does not act to circumvent the certification, training requirements, and qualifications of O.C.G.A. § 48-5-290, O.C.G.A. § 48-5-291, O.C.G.A. § 48-5-292 and this Regulation.

560-11-2-.34 County Boards of Equalization-Definitions

(1) 'Uniform Appeal Form' referred to O.C.G.A. § 48-5-311 shall be known as form PT-311.

(2) 'Taxability' under O.C.G.A. § 48-5-311 shall mean whether property is exempt from ad valorem taxation as provided under law.

(3) 'Uniformity of Assessment' under O.C.G.A. § 48-5-311 shall have the meaning as provided for in the Georgia Constitution, Article VII, Section I, Paragraph III.

(4) 'Value' under O.C.G.A. § 48-5-311 shall mean the fair market value as defined in O.C.G.A. § 48-5-2(3).

560-11-2-.35 County Boards of Equalization-Disqualification

(1) Before any appeal is heard by the members of a County Board of Equalization, each member of the Board shall certify, either verbally or in writing to all other members of the Board hearing the appeal, that he or she is not disqualified from hearing the appeal by virtue of the requirements as provided in O.C.G.A. § 48-5-311(j).

(2) Pursuant to O.C.G.A. § 48-5-311(j), either party to the appeal may ask that those members of the Board hearing the appeal, to answer questions relating to his or her ability to serve as a member of the Board for that particular appeal, such as:

(a) Are you related by blood or marriage to the appellant in this case, or to any member of the Board of Tax Assessors or its staff?

(b) Are you related by blood or marriage to any person duly appointed to represent the appellant or the county's board of tax assessors in this case?

(c) Are you employed, or is any member of your immediate family employed, by the parties in this case?

(d) Do you have any financial or legal interest in the property subject to appeal in this case?

(e) Have you formed any opinion that precludes you from setting a valuation on the property in question in accordance with Georgia law, which requires all property to be appraised at its fair market value, or from equalizing the assessments at 40% of fair market value?

(f) Have you discussed the facts of this appeal with anyone other than a fellow Board of Equalization member?

(g) Do you know of any other reason that you cannot render a fair and just decision regarding the property in question?

(3) The members of a Board of Equalization shall answer all such questions under the previously taken oath pursuant to O.C.G.A. § 48-5-311(c)(5).

(4) The Judge of Superior Court shall make necessary determinations of disqualification on the request of either party made as required by law.

560-11-2-.36 County Boards of Equalization-Chairman

(1) Prior to a hearing of the Board of Equalization, the members of each Board of Equalization may designate one of its members to serve as Chairman. The Appeal Administrator shall decide which hearings each regular and alternate member of the Board of Equalization shall preside over.

(2) The Chairman shall be responsible for certifying all documents with respect to any matter heard by the Board. The Chairman shall have the authority to sign on behalf of the Board any notifications setting the location of a hearing and the hearing's date(s).

(3) The Chairman shall have the authority to administer oaths, grant continuances, and reprimand or exclude from the hearing any person for any improper conduct.

560-11-2-.56 Review of County Tax Digest by the State Revenue Commissioner

(1) General.

(a) County boards of tax assessors are required by the State Constitution and state law to continuously maintain assessments of property that are reasonably uniform and that are based on fair market value as defined in § 48-5-2 (except as otherwise stated in § 48-5-6 and § 48-5-7(c.3)). The Department is required by law to periodically review the county digests to determine if the digests are in compliance with such laws.

(b) This Regulation imposes no additional requirements on the county boards of tax assessors. It merely sets forth the statistical and other methods that are used by the Department in making its determination. The Department does not determine when to revalue property. Each county board of tax assessors determines for itself when it believes a revaluation of property is necessary for legal compliance. Failure to revalue property shall not in and of itself be a basis for assessment of any penalty.

(c) Any digest submitted shall be reviewed utilizing information established by the State Auditor to determine whether or not the county tax digest is in accordance with the uniformity requirements of § 48-5-343.

(2) Review of County Tax Digest by the State Revenue Commissioner.

(a) County Notification: In the event a county fails to meet the standards set forth in paragraphs (c) through (k) of subparagraph (2) of this Regulation, the Commissioner shall immediately notify the county. The notification shall include the findings of the State Auditor regarding assessment bias and assessment ratio, and any additional information the Commissioner believes would be of assistance to the county board of tax assessors to establish uniform values.

(b) Property Classes: For purposes of this regulation the real and personal property of each county shall be classified into five classes of property:

1. Residential (including Residential Transitional and Historic);

2. Agricultural (including Preferential, Conservation Use, Environmentally Sensitive)

3. Commercial;

4. Industrial; (including Brownfield)

5. Utility.

(c) Average Level of Assessment: The Commissioner shall maintain uniformity among the classes of property by setting standards for the average level of assessment for each.

(d) Standard For Level of Assessment: The standard for level of assessment for all classes of property will be in compliance with the Code if the upper limit of a ninety-five percent confidence interval about the average level of assessment, as established by the State Auditor, is equal to or greater than thirty-six percent, or the lower limit of a ninety-five percent confidence interval about the average level of assessment as established by the State Auditor, is less than forty-four percent.

(e) Uniformity Within a Class of Property: The average assessment variance for each class of property shall be ensured by the coefficient of dispersion of the sample for each class, as established by the State Auditor.

(f) Standard for Uniformity: The standard for uniformity will be deemed to have been met if the resulting coefficient does not exceed fifteen percent for the residential class of property or twenty percent for the non-residential classes of property.

(g) Residential Class of Property: If the State Auditor adds non-residential observations to the residential sample to determine statistics applicable to the residential class of property, the standard of uniformity for the residential class of property shall be the same as for the non-residential classes of property.

(h) Assessment Bias: The level of assessment bias within each class of property shall be measured by the price-related differential as established by the State Auditor. It shall be deemed to be in compliance if the resulting price-related differential is in the range of 0.95 to 1.10, inclusive.

(i) Magnitude of Deficiency: If a class of property constitutes ten percent or less of the assessed value of the total digest, and does not meet the uniformity requirements the Commissioner may approve the digest if, in his judgment, the approval will not substantially violate the concept of uniformity and equalization.

(j) Overall Average Assessment: The overall average assessment ratio for the county shall be the weighted mean of the average level of assessment of the classes of property as established by the State Auditor.

(k) Deviation of Overall Average Assessment: If the overall average assessment ratio is less than thirty-six percent, the digest shall be deemed to deviate substantially from the proper assessment ratio. The Commissioner shall assess against the county governing authority additional state tax in an amount equal to the difference between the amount the state's levy of one-quarter mill would have produced if the digest had been at the proper assessment ratio, and the amount the digest actually used for collection purposes would produce.

(3) Digest Review by Department.

(a) County boards of tax assessors are required by the State Constitution and state law to continuously maintain assessments of property that are reasonably uniform and that are based on fair market value. The Department is required by law to periodically review the county digests to determine if the digests are in compliance with such laws.

(b) The Department does not determine when to revalue property. Each county board of tax assessors determines for itself when all classes of property should be valued in accordance with § 48-5-299(a). This regulation imposes no additional requirements on the county boards of tax assessors. The Department's digest review cycle is only established to validate that counties are meeting the 40% of fair market value requirement of § 48-5-7, and no particular period or schedule of revaluations is required of the counties by the Department for approval of a county digest. Failure to revalue property shall not in and of itself be a basis for assessment of any penalty.

(c) The digest review cycle for each county commencing January 1, 2008, shall be as follows:

1. January 1, 2010 and every third January 1 thereafter for the following counties: Atkinson, Bacon, Baker, Baldwin, Barrow, Bibb, Bulloch, Carroll, Chattahoochee, Cherokee, Clarke, Clinch, Coffee, Dougherty, Emanuel, Fannin, Fayette, Franklin, Fulton, Gilmer, Glascock, Glynn, Gordon, Greene, Hall, Haralson, Irwin, Jasper, Jenkins, Johnson, Lumpkin, McIntosh, Meriwether, Murray, Muscogee, Newton, Oglethorpe, Paulding, Peach, Pickens, Pike, Putnam, Randolph, Screven, Stewart, Sumter, Tattnall, Tift, Toombs, Turner, Twiggs, Union and Wheeler.

2. January 1, 2008 and every third January 1 thereafter for the following counties: Bartow, Bleckley, Brooks, Calhoun, Candler, Chatham, Chattooga, Cobb, Colquitt, Cook, Crawford, Dawson, Douglas, Early, Echols, Effingham, Forsyth, Grady, Gwinnett, Habersham, Harris, Hart, Henry, Houston, Jones, Lamar, Lanier, Laurens, Lee, Liberty, Lincoln, Long, Lowndes, Macon, Madison, Marion, McDuffie, Monroe, Montgomery, Pierce, Polk, Rockdale, Spalding, Taliaferro, Terrell, Treutlen, Upson, Ware, Warren, Wayne, Wilcox, Wilkes and Worth.

3. January 1, 2009 and every third January 1 thereafter for the following counties: Appling, Banks, Ben Hill, Berrien, Brantley, Bryan, Burke, Butts, Camden, Catoosa, Charlton, Clay, Clayton, Columbia, Coweta, Crisp, Dade, Decatur, DeKalb, Dodge, Dooly, Elbert, Evans, Floyd, Hancock, Heard, Jackson, Jeff Davis, Jefferson, Miller, Mitchell, Morgan, Oconee, Pulaski, Quitman, Rabun, Richmond, Schley, Seminole, Stephens, Talbot, Taylor, Telfair, Thomas, Towns, Troup, Walker, Walton, Washington, Webster, White, Whitfield and Wilkinson.

(4) If all three of the following circumstances exist, the Commissioner may require the county tax receiver or tax commissioner to submit the digest being used for the collection of taxes. That digest may be reviewed by the Commissioner to determine if the valuations are reasonably uniform and equalized between and within counties and to determine if any grants should be withheld or any specific penalty assessed:

(a) The county tax receiver or tax commissioner has failed to submit the digest by the due date and has exhausted any extensions of the due date granted by the Commissioner;

(b) The county governing authority has successfully petitioned the superior court under § 48-5-310 to authorize the temporary collection of taxes on the basis of a temporary digest; and

(c) The property under appeal or subject to appeal is less than the maximum allowable under § 48-5-304(a).

560-11-2-.58 Rollback of Millage Rate When Digest Value Increased by Reassessments

(1) Purpose and scope. This Rule has been adopted by the Commissioner pursuant to O.C.G.A. § 48-2-12, and O.C.G.A. § 48-5-32.1 to provide specific procedures applicable to the certification of assessed taxable value of property to the appropriate authorities, computation of a rollback millage rate, and under certain circumstances, advertising the intent to increase property tax and holding required public hearings.

(2) Definitions. For the purposes of implementing this Rule, the following terms are defined to mean:

(a) "Certified tax digest" shall mean the total taxable net assessed value on the annual tax digest that has been or will be certified by the tax receiver or tax commissioner to the Department of Revenue.

(b) "Levying authority" shall mean a county, a municipality, or a consolidated city-county governing authority or other governing authority of a political subdivision of this state that exercises the power to levy property taxes to carry out the governing authority's purposes.

(c) "Mill" shall mean one one-thousandth of a United States dollar.

(d) "Millage rate" shall mean the net ad valorem tax levy, in mills, that is established by the recommending or levying authority to be applied to the net assessed value of taxable property within such authority's taxing jurisdiction for purposes of financing, in whole or in part, the recommending or levying authority's maintenance and operating expenses.

(e) "Millage equivalent" shall mean the number of mills that would result when the total net assessed value added to or deducted by reassessments of existing real property from the prior tax year's assessed value is divided by the certified tax digest for the current tax year and the result is multiplied by the prior tax year's millage rate.

(f) "Net assessed value" shall mean the taxable assessed value of property after all exemptions have been deducted.

(g) "Property tax" shall mean a tax imposed by applying a millage rate that has been established by a recommending or levying authority to the net assessed value of real property subject to ad valorem taxation within a taxing jurisdiction.

(h) "Recommending authority" shall mean a county, independent, or area school board of education that exercises the power to cause the levying authority to levy property taxes to carry out the purposes of such board of education.

(i) "Rollback rate" shall mean the previous year's millage rate plus or minus the millage equivalent of the total net assessed value added to or deducted by reassessments of existing real property.

1. The rollback rate shall be calculated for the county governing authority and county school board by the county tax commissioner.

2. The rollback rate shall be calculated for the municipal governing authority and independent municipal school by the municipal tax collector.

(j) "Taxing jurisdiction" shall mean all the real property within a county or municipality, subject to the levy of a specific levying authority or the recommended levy of a specific recommending authority.

(k) "Total net assessed value added by reassessments of existing real property" shall mean the total net assessed value added to or deducted from the certified tax digest as a result of revaluation by the board of tax assessors of existing real property that has not been improved since the previous tax digest year. Total net assessed value added to or deducted from reassessments of existing real property shall not include net assessment changes that result from zoning changes or net assessment changes relative to classification or declassification of real property for conservation or preferential agricultural use or for historic preservation purposes.

(3) Calculation of rollback rate. The rollback rate shall be determined in the manner provided in this paragraph.

(a) Estimating the certified tax digest. The recommending or levying authority may utilize an estimate of the certified tax digest to facilitate the establishment of a millage rate earlier in the year; however, the accuracy requirements of paragraph (5)(b) of this Rule must still be met before the actual certified tax digest is presented to the Commissioner for approval.

(b) Certification of digest to recommending and levying authorities. As soon as the total net assessed value of the certified tax digest can be accurately estimated or determined, the tax receiver or tax commissioner shall certify to the recommending and levying authorities of each taxing jurisdiction the total net assessed value of all taxable property within each respective taxing jurisdiction. Such certification shall separately show the total net assessed value added to or deducted by reassessments of existing real property and the total net assessed value of all remaining taxable property.

(c) Determination of rollback rate. Based on the total net assessed value of the actual or estimated certified tax digest for the current year and the actual certified tax digest and millage rate for the previous year, the levying authority or recommending authority shall determine the rollback rate with the assistance of the tax receiver or tax commissioner. The rollback rate shall be calculated using Form PT-32.1 as provided by the Department and in the manner defined in subparagraph (i) of paragraph (2) of this Rule.

(4) Advertisement of rollback rate, press release and public hearing. The procedures for the advertising of the rollback rate, issuing the required press release and holding public hearings shall be as provided in this paragraph.

(a) Procedure when rollback rate not exceeded. Whenever a recommending or levying authority proposes to adopt a millage rate that does not exceed the rollback rate calculated as defined in subparagraph (i) of paragraph (2) of this Rule, such authority shall adopt the millage rate at an advertised public meeting and at a time and place which is convenient to the taxpayers of the taxing jurisdiction, in accordance with O.C.G.A. § 48-5-32.

(b) Procedure when rollback rate is exceeded. Whenever a recommending or levying authority proposes to establish a general maintenance and operation millage rate that would require increases beyond the rollback rate calculated in subparagraph (i) of paragraph (2) of this Rule, such authority shall advertise its intent to do so and conduct at least three public hearings in accordance with O.C.G.A. § 48-5-32.1 and this subparagraph.

1. Schedule of public hearings. The recommending or levying authority shall schedule the public hearings required by O.C.G.A. § 48-5-32.1 at convenient times and places to afford the public an opportunity to respond to the notice of property tax increase and make their opinions on the increase known to such authority. The scheduling shall conform to the following requirements:

(i) Convenient public hearings. Two of the three public hearings required by this paragraph shall be held at times and places that are convenient to the public and at least five business days apart. One of the three public hearings required by this paragraph shall begin between 6 PM and 7 PM, inclusive, on a business weekday. Such public hearing may be held on a day in which another public hearing under this Rule also is scheduled, but only if such other hearing is to begin no later than 12:00 noon.

(ii) Combination with other public hearings. A public hearing required by this paragraph may be combined with the public hearing required by O.C.G.A. § 36-81-5(f) to be held at least one week prior to the meeting of the governing authority at which adoption of the budget ordinance or resolution will be considered. Additionally, a public hearing required by this paragraph may be combined with the meeting at which the levying or recommending authority will be setting a millage rate that must be advertised in accordance with the provisions of O.C.G.A. § 48-5-32.

(iii) Timing of public hearings. All public hearings required by this paragraph shall be held before the millage rate is finally established.

2. Advertisement of public hearings. The recommending or levying authority shall advertise the public hearings required by O.C.G.A. § 48-5-32.1 in a manner that affords the public a timely notice of the time and place where the public hearings on the intention of such authority to increase taxes will be held. The advertisements shall conform to the following requirements:

(i) Location of advertisement. Each advertisement for a public hearing required by O.C.G.A. § 48-5-32.1 shall be prominently displayed in a newspaper of general circulation serving the residents of the unit of local government placing the

advertisement and shall not appear in the section of the newspaper where legal notices appear. The recommending authority or levying authority shall post such advertisement on its website at least one week prior to each hearing.

(ii) Size of Advertisement. Each published advertisement required by O.C.G.A. § 48-5-32.1 must be 30 square inches or larger.

(iii) Frequency of advertisement. Each advertisement for a public hearing required by O.C.G.A. § 48-5-32.1 shall be published on a date that precedes the date of such public hearing by at least one week. Each advertisement shall be at least five business days apart, however, when two public hearings required by O.C.G.A. § 48-5-32.1 have been scheduled on the same day in accordance with subparagraph (4)(b)(1)(i) of this Rule, both hearings may be advertised in the same day's edition of the newspaper provided they are combined in such a manner that makes it clear to the public that two separate hearings on the same subject matter are being held.

(iv) Combining with other advertisements. The advertisements required by this subparagraph may be combined with the advertisements required by O.C.G.A. § 36-81-5(e) and O.C.G.A. § 48-5-32(b), provided the notice required to be published by O.C.G.A. § 48-5-32.1 precedes and appears at the top of the report required to be published by O.C.G.A. § 48-5-32.

(v) Form of advertisement. The advertisements required by this Rule shall read exactly as provided by this Rule and not be reworded in any manner, with the exception that a brief reason or explanation for the tax increase may be included. The advertisements required of this Rule shall read as follows, with the heading that reads **"NOTICE OF PROPERTY TAX INCREASE"** appearing in all upper case and in either a bold font or a font size that is larger than the remaining body of the notice:

NOTICE OF PROPERTY TAX INCREASE

The (name of recommending authority or levying authority) has tentatively adopted a millage rate which will require an increase in property taxes by (percentage increase over rollback rate) percent.

All concerned citizens are invited to the public hearing on this tax increase to be held at (place of meeting) on (date and time).

Times and places of additional public hearings on this tax increase are at (place of meeting) on (date and time).

This tentative increase will result in a millage rate of (proposed millage rate) mills, an increase of (millage rate increase above the roll-back rate) mills. Without this tentative tax increase, the millage rate will be no more than (roll-back millage rate)

mills. The proposed tax increase for a home with a fair market value of (average home value from previous year's digest rounded to the nearest $25,000) is approximately [increase) and the proposed tax increase for nonhomestead property with a fair market value of (average nonhomestead property value from previous year's digest rounded to nearest $25,000) is approximately [increase).

(vi) Determination of average dollar increase. The proposed tax increase for an average home shall be calculated by multiplying the millage rate increase above the rollback rate times the average current year taxable value for properties which are granted homestead exemption. The proposed tax increase for an average nonhomestead property shall be calculated by multiplying the millage rate increase above the rollback rate times the average current year taxable value for real property which has not been granted homestead exemption.

(vii) Determination of percentage increase. The "percentage increase over rollback rate" number that appears in the advertisements required by this subparagraph shall be determined by subtracting or adding the rollback rate from the proposed millage rate, dividing this difference by the rollback rate and expressing the results as a percentage.

(viii) Press release. At the same time the first advertisement is made in accordance with this Rule, the recommending or levying authority shall also provide a press release to the local media that announces such authority's intention to seek an increase in property taxes and the dates, times, and locations of the public hearings thereon. The press release may contain such other information as the recommending or levying authority deems may help the public understand the necessity for and purpose of the hearings.

(5) Certification to Commissioner to accompany digest. Upon the submission by the tax receiver or tax commissioner of the tax digest and accompanying certifications, the Commissioner will make a determination of whether the recommending and levying authorities have complied with the provisions of O.C.G.A. § 48-5-32.1 and this Rule before issuing an authorization to collect taxes pursuant to O.C.G.A. § 48-5-345.

(a) Evidence of compliance. The Commissioner shall not accept for review or issue an order authorizing the collection of taxes for any certified tax digest from any county tax receiver or tax commissioner that does not simultaneously submit evidence that the provisions of O.C.G.A. § 48-5-32.1 and this Rule have been met. Such evidence shall include Form PT-32.1 showing the calculation of the rollback rate, the actual millage rate established, a statement from the chairman of the board of tax assessors attesting to the total net assessed value added by the reassessment of existing real property, a statement from the tax collector or tax commissioner attesting to the accuracy of the digest information appearing on the form, and a statement from a responsible authority attesting to the fact that the hearings were actually held in accordance with such published advertisements. When the actual millage rate exceeds the rollback rate, such evidence shall also include copies of the published "Notice of Property Tax Increase" showing the times and places when and where the required public hearings were held and a copy of the required press release provided to the local media. A copy of the web-based publication of the Notice of Tax

Increase advertisement must be certified by the respective governing or recommending authority establishing such tax increase.

(b) Incorrectly determined rollback rate. When the Commissioner determines that the recommending or levying authority has incorrectly determined the rollback rate and has established a millage rate that is in excess of the correct rollback rate and failed to advertise a notice of tax increase and held the required public hearings or has advertised a percentage tax increase that is less than the actual tax increase, the Commissioner shall not accept the digest for review or issue an Order authorizing the collection of taxes, except in that instance when such incorrect rollback rate overestimates the taxes that may be levied without the required public hearings by less than 3 percent, in which case the digest may be accepted for review if all other digest submission requirements have otherwise been met.

(c) Reductions to advertised millage rates. When the recommending authority or levying authority adopts a final millage rate below the rate that has been the subject of the hearings required by O.C.G.A. § 48-5-32.1, such authority shall not be required to begin anew the procedures and hearings required by O.C.G.A. § 48-5-32.1 and this Rule.

560-11-2-.62 Appraisal Staff Definitions

"Assessment contractor" means a person or individual who contracts with a county to render advice or assistance to the county board of tax assessors in the assessment and equalization of taxes, the establishment of property valuations, or the defense of such valuations. Such contracted services may include timber appraisals, real and personal property appraisals, personal property auditing, and tax parcel mapping; but shall not include legal services, or clerical, and administrative services. Persons or individuals performing services as an Assessment Contractor must meet education requirements as set forth in Department regulations.

"Chief appraiser" means a fulltime member of a county appraisal staff who has received the designation of Appraiser III or IV from the Georgia Department of Revenue Georgia Certification Program for Tax Officials and who has been designated by such county board of assessors as chief appraiser.

"County appraisal staff" are individuals employed by a county to perform tax appraisals for the purpose of producing an annual ad valorem tax digest. The governing authorities of any two or more counties may execute an intergovernmental agreement to provide for the sharing of one or more individual appraisal staff members following consultation with the county boards of assessors.

"Designated county appraiser", as used in Georgia Code Section 48-5-267, means a county appraisal staff member who has earned the Certified Assessment Evaluator or Certified Personal Evaluator designation as conferred by the International Association of Assessing Officials or the Georgia Certified Appraiser designation conferred by the Georgia Association of Assessing Officials.

"Joint County Appraisal Staff" means individuals employed under an intergovernmental agreement between two or more counties to perform tax appraisals for the purpose of producing the annual ad valorem tax digests for each participating county subject to such intergovernmental agreement.

560-11-5 TAXATION OF STANDING TIMBER

560-11-5-.02 Definitions

(1) For the purpose of implementing O.C.G.A. Section 48-5-7.5 and these regulations, the following terms are defined to mean:

(a) "Applicable millage rates" shall mean the millage levied by the taxing authority on tangible property for the preceding calendar year.

(b) "Sale" of standing timber shall mean the arm's length, bona fide sale of standing timber for harvest separate and apart from the underlying land and shall not include the simultaneous sale of a tract of land and the standing timber thereon.

(c) "Standing timber" shall be defined to include softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood. Such term shall not include any of the following:

1. Orchard trees, ornamental or Christmas trees;

2. By-products of standing timber such as straw, cones, leaves or turpentine;

3. By-products of harvesting such as bark or stumps that are not included in the consideration between buyer and seller in lump sum or unit price sales; or

4. Fuel wood harvested by the owner from his own property which is used exclusively for heating purposes within the premises occupied by said owner.

(d) "Timber product classes" shall be defined as follows:

1) softwood pulpwood,

2) hardwood pulpwood,

3) softwood chip-n-saw,

4) softwood saw timber,

5) hardwood saw timber,

6) softwood poles,

7) softwood posts,

8) hardwood posts,

9) softwood fuel wood chips,

10) hardwood fuel wood chips,

11) softwood fuel wood firewoodand

12) hardwood fuel wood firewood.

(e) "Total property tax digest" means the total net assessed value to which the levy for maintenance and operations purposes shall be applied, and consists of all taxable tangible real and personal property appearing on the county tax digest for the applicable tax year including motor vehicle property, mobile home property and property of railroad and public utility companies.

560-11-5-.03 Taxable Timber Sales and Harvests

(1) Where standing timber is sold by timber deed, contract, lease, agreement, or otherwise to be harvested within a three-year period after the date of the sale and for a lump sum price, the standing timber to be harvested within said three-year period shall be assessed for taxation as of the date of the sale. The tax shall be levied based upon the total lump sum price paid by the purchaser in an arm's length bona fide sale.

(a) Ad valorem taxes shall be assessed as of the date of the sale and shall be payable by the seller who shall remit the amount of the taxes due to the purchaser in the form of a negotiable instrument payable to the tax collector or tax commissioner. The purchaser shall remit the seller's negotiable instrument to the tax collector or tax commissioner within five business days after receipt from the seller along with a report of the sale using form PT-283T or a computer generated form PT-283T as approved by the Commissioner, and the tax collector or tax commissioner shall promptly deliver a receipt to the seller showing the tax has been paid. The purchaser shall be personally liable for the tax if he does not remit the seller's negotiable instrument as required or if he fails to collect the negotiable instrument from the seller and in any event he shall remit the taxes due to the tax collector or tax commissioner within five business days of the date of the sale. With said remittance, a copy of the report form PT-283T or a computer generated form PT-283T as approved by the Commissioner, shall also be furnished by the purchaser to the board of tax assessors.

(b) Any standing timber described in any sale instrument which is not harvested within three years after the date of the sale shall later be assessed for taxation following its future harvest or sale. In the event it is later harvested by the original purchaser, the board of tax assessors shall use the

table of values prescribed by the Commissioner in Regulation 560-11-5-.05 (1), and the taxes shall be paid by the original purchaser; otherwise, upon its sale or harvest after three years, the procedures for taxation shall be according to the manner in which such timber is sold or harvested.

(c) The ad valorem taxes on lump sum sales shall be paid to the tax collector or tax commissioner prior to and as a prerequisite for the filing for record with the clerk of superior court any instrument conveying the standing timber upon which taxes are due and payable, and no such instrument shall be recorded unless it has entered upon or attached thereto a certificate from the tax collector or tax commissioner showing that the taxes have been paid.

(2) Where standing timber is sold, in an arm's length, bona fide sale, by timber deed, contract, lease, agreement, or otherwise by unit prices, the purchaser shall furnish to the seller and to the board of tax assessors a report form PT-283T or a computer generated form PT-283T as approved by the Commissioner, reflecting the total dollar value paid to the seller as well as the individual volumes of timber harvested identified by timber product classes. The report shall cover all timber harvested through the last business day of the immediately preceding calendar quarter and it shall be furnished to the seller and the board of tax assessors within 45 days after the end of the calendar quarter during which the timber is harvested. A copy of the report PT-283T or a computer generated form PT-283T as approved by the Commissioner shall also be furnished by the seller to the board of tax assessors within 60 days after the end of each calendar quarter.

(a) Ad valorem taxes shall be payable to the tax collector or tax commissioner as specified by Regulation 560-11-5-.04 (3) based upon the fair market value of the harvested timber which shall be the total dollar values paid by the purchaser in the arm's length, bona fide sale.

(3) Where standing timber is harvested by the owner of such timber from his own land, the owner shall, within 45 days after the end of the calendar quarter, file with the board of tax assessors a report form PT-283T or a computer generated form PT-283T as approved by the Commissioner of the volumes harvested through the last business day of the calendar quarter.

(a) Ad valorem taxes on owner harvest timber shall be payable to the tax collector or tax commissioner within 45 days after the end of the calendar quarter, based upon the fair market value of the harvested timber which shall be the total dollar values calculated using the average standing timber price schedule specified by Regulation 560-11-5-.05 (1).

(4) Every sale and every harvest of standing timber occurring on or after January 1, 1992 that has not been previously taxed shall be a taxable event, with the exception of those sales of standing timber not to be harvested within three years. Where standing timber is sold or harvested (excepting only a sale not for harvest within three years) in any manner which is not a reportable taxable event under these Regulations as a lump sum sale, a unit price sale, or an owner harvest, such timber shall be subject to ad valorem taxation. Any such sale or harvest shall be reported and taxed under whichever provisions of this Regulation is most nearly applicable.

(a) Where, at the time of harvest, the standing timber owner does not own the underlying land and has not acquired such timber under a taxable lump sum or unit price sale, as would be the case where timber has been acquired prior to January 1, 1992, the harvest of such timber shall be a taxable event and shall be treated as an owner harvest, with the exception that the reporting

requirement and the payment of taxes due shall be the responsibility of the owner of the standing timber instead of the underlying landowner.

560-11-5-.04 Procedures for Timber Taxation

(1) Standing timber shall be assessed for ad valorem taxation only once upon its sale or harvest as required by O.C.G.A. 48-5-7.5 and these Regulations. Said tax shall be levied upon the 100% fair market value of such timber as prescribed using applicable millage rates for each taxing jurisdiction.

(2) Where, with respect to any taxable event, the board of tax assessors has reason to believe that the reported sale is other than an arm's length, bona fide sale or that the reported volumes or values of the transaction are incorrect, the board may inquire into the transaction and make corrections to the fair market value of the timber in the same manner as changes to the fair market value of other taxable, tangible property are made. In any such instance, the taxpayer notification procedures, the appeal rights and remedies, and the hearing procedures shall all be accomplished in the same manner that other ad valorem tax assessments and appeals are accomplished.

(3) The tax collector or tax commissioner shall prepare and mail, on a quarterly basis, tax bills for ad valorem taxes due on sales and harvests other than lump sum sales and owner harvests. Except as otherwise provided in these Regulations, such taxes shall be payable by the landowner within 30 days after receipt of the tax bill. For the purpose of this Regulation, receipt of the tax bill shall be presumed to have occurred within one day after the date of mailing for taxpayers who are residents of the county and within three days after the date of mailing for taxpayers who are not residents of the county.

560-11-5-.05 Average Standing Timber Price Schedule

(1) Within 60 days after the end of each calendar year, the Commissioner shall provide the board of tax assessors of each county with a table of the weighted average prices paid for the various timber product classes in each county or region of the State. In preparing this table of standing timber values, the Commissioner, so far as is reasonable and applicable, shall consider reports received by the Department of prices paid, as well as information prepared by and recommendations received from the Georgia Forestry Commission. The Commissioner may also consider commercially available sources of average sales prices. The most recent table of standing timber values furnished by the Commissioner shall be used by the board of tax assessors to determine the fair market value of harvested timber subject to taxation for taxable events other than taxable lump sum sales or taxable unit price sales. Taxpayer appeals of such determinations by the board of tax assessors shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311.

(2) In addition to the filing with appropriate county authorities of reports of standing timber harvests and sales, purchasers shall, within 45 days after the end of the quarter, file with the Commissioner composite quarterly reports, using form PT-283TQ, of all purchases by county of standing timber by lump sum sales and unit price sales reflecting total volumes and total prices paid for the various timber product classes

purchased during the preceding calendar quarter. Such quarterly reports shall not be subject to the penalty provisions of O.C.G.A. Section 48-5-7.5. Such quarterly reports shall be subject to the confidentiality provisions of O.C.G.A. Section 48-2-15.

560-11-6 CONSERVATION USE PROPERTY

560-11-6-.02 Definitions

For the purposes of implementing O.C.G.A. Section 48-5-7.4, O.C.G.A. Section 48-5-269 and these Regulations, the following terms are defined to mean:

(a) "Beneficial interest," in addition to legal ownership or control, means the right to derive any profit, benefit, or advantage by way of a contract, stock ownership or interest in an estate;

(b) "Contiguous" means real property within a county that abuts, joins, or touches and has the same undivided common ownership. If an applicant's tract is divided by a public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track, then the applicant has, at the time of the initial application, a one-time election to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track.

(c) "Continued Covenant" means a covenant entered and carried forward, for the remainder of the original or renewal covenant term, by a qualified subsequent owner who has acquired all or a part of a property;

(d) "Good Faith Production" means:

1. A viable utilization of the property for the primary purpose of any good faith production, including, but not limited to, subsistence farming or commercial production, from or on the land of agricultural products or timber;

2. The primary use of the property shall include, but not be limited to:

(i) Raising, harvesting, or storing crops;

(ii) Feeding, breeding, or managing livestock or poultry;

(iii) Producing plants, trees, fowl, or animals;

(iv) Production of aquaculture, horticulture, floriculture, forestry, dairy, livestock, poultry, or apiarian products; or

(v) Land conservation and ecological forest management in which commercial production of wood and wood fiber products may be undertaken primarily for conservation and restoration purposes rather than financial gain.

3. Factors which may be considered in determining if such property is primarily used for good faith production of agricultural products or timber may include, but are not limited to:

(i) The nature of the terrain;

(ii) the density of the marketable product on the land;

(iii) the past usage of the land;

(iv) the economic merchantability of the agricultural product; and

(v) the utilization or non-utilization of recognized care, cultivation, harvesting, and like practices applicable to the product involved and any implemented plans thereof;

(e) "Maintenance in its natural condition" means to manage the land in such a manner that would not ruin, erode, harm, damage, or spoil the nature, distinctiveness, identity, appearance, utility or function that originally characterized the property as environmentally sensitive under O.C.G.A. Section 48-5-7.4(a)(2);

(f) "Mineral exploration" means the examination and investigation of land by drilling, boring, sinking shafts, driving tunnels, or other means, for the purpose of discovering the presence and extent of valuable minerals. Such term does not include the excavation of any such minerals after discovery;

(g) "Primary purpose or primary use" means the principal use to which the property is devoted, as distinct from an incidental, occasional, intermediate or temporary use for some other purpose not detrimental to or in conflict with its primary purpose, i.e., the devotion to and utilization of the property for the full time necessary and customary to accommodate the predominant use, e.g. the growing season, the crop cycle or planting to harvest cycle;

(h)"Qualifying use" means the primary use to which the property is devoted that qualifies the property for current use valuation under O.C.G.A. Section 48-5-7.4;

(i) "Renewal Covenant" means an additional ten year covenant entered upon the expiration of a previous ten year covenant; provided, however, that the owner may enter into a renewal contract in the ninth year of a covenant period;

(j) "Tract" means a parcel of property, less underlying property excluded from the covenants for residences, that is delineated by legal boundaries, levying authorities tax district boundaries, or other boundaries designated by the tax assessors to facilitate the proper identification of property on their maps and records.

(k) "Underlying Property" means the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less for which the taxpayer has provided documents which delineate the legal boundaries so as to facilitate the proper identification of such property on the board of tax assessors maps and records.

560-11-6-.03 Qualification Requirements

In addition to those requirements of O.C.G.A. 48-5-7.4, the following qualification requirements shall apply:

(a) Property that otherwise qualifies for current use valuation as bona fide agricultural property shall exclude the entire value of any residence and its 'underlying property'. This provision for excluding the 'underlying property' of a residence from eligibility in the conservation use covenant shall only apply to property that is first made subject to a covenant or is subject to the renewal of a previous covenant. Additionally, the taxpayer shall provide any one of the following types of legal descriptions regarding such 'underlying property':

1. A plat of the 'underlying property' prepared by a licensed land surveyor, showing the location and measured area of the 'underlying property' in question;

2. A written legal description of the 'underlying property' delineating the legal metes and bounds and measured area of the 'underlying property' in question; or

3. Such other alternative property boundary description as mutually agreed upon by the taxpayer and county assessor. An acceptable alternative property boundary description may include a parcel map drawn by the county cartographer or GIS technician.

(b) The owner of a tract, lot, or parcel of land totaling less than 10 acres, after the appropriate underlying property is excluded for residential use, shall be required by the tax assessor to submit additional relevant records regarding proof of bona fide conservation use for qualified property that is either first made subject to a covenant or is subject to a renewal of a previous covenant and the following provisions shall apply:

1. If the owner of the subject property provides proof that such owner has filed with the Internal Revenue Service a Schedule E, reporting farm related income or loss, or a Schedule F, with Form 1040, or, if applicable, a Form 4835, pertaining to such property, the provisions requiring additional relevant records regarding proof of bona fide conservation use, shall not apply to such property;

2. Prior to a denial of eligibility for conservation use assessment, the tax assessor shall conduct and provide proof of a visual on-site inspection of the property; and

3. The tax assessors shall provide reasonable notice to the property owner before conducting such visual, on-site inspection of the property for the purposes of determining final eligibility.

(c) No property shall qualify for current use valuation as residential transitional property unless it is devoted to use by a single family and occupied more or less continually by the owner as the primary place of abode and for which the owner is eligible to claim a homestead exemption. The property that otherwise qualifies for current use valuation as residential transitional property shall be limited to the real property consisting of the residential improvement and no more than the contiguous five acres of land;

(d) In determining whether or not an applicant or the property in question qualifies for current use valuation provided for environmentally sensitive properties, the board of tax assessors shall require the applicant to submit a certification by the Department of Natural Resources as required by O.C.G.A. 12-2-4(k) that the specific property is environmentally sensitive property as defined by O.C.G.A. 48-5-7.4. Additionally, the board of tax assessors may require accompanying documentation or information including but not limited to:

1. Evidence of the legal ownership of the property;

2. Evidence that the past usage of the property demonstrates it has not been developed or significantly altered or otherwise rendered unfit for its natural environmental purpose; and

3. Evidence that the property has been and will continue to be maintained in its natural condition;

(e) In determining whether or not an applicant or the property in question qualifies for current use valuation provided for constructed storm water wetland conservation use properties, the board of tax assessors shall require the applicant to submit a certification by the Department of Natural Resources as required by O.C.G.A. 12-2-4 that the specific property is constructed storm-water wetlands of the free-water surface type property as defined by O.C.G.A. 48-5-7.4. Additionally, the board of tax assessors may require accompanying documentation or information including but not limited to:

1. Evidence of the legal ownership of the property;

2. A plat of the tract in question prepared by a licensed land surveyor, showing the location and measured area of the tract;

3. A certification by a licensed professional engineer that the specific design used for the constructed storm-water wetland was recommended by the engineer as suitable for such site after inspection and investigation; and

4. Information on the actual cost of constructing and an estimated cost of operating the storm-water wetland, including without limitation a description of all incorporated materials, machinery, and equipment.

(f) No property shall maintain current use valuation as constructed storm water wetland conservation use property unless the owner of such property files with the board of tax assessors on or before the last day for filing ad valorem tax returns for each tax year for which conservation use valuation is sought an annual inspection report from a licensed professional engineer certifying that as of the date of such report the property is being maintained in a proper state of repair so as to accomplish the objectives for which it was designed.

(g) No property shall qualify for current use valuation as conservation use property if such valuation would result in any person who has a beneficial interest in such property receiving any benefit from current use valuation on more than 2,000 acres in this state in any tax year. Any person so affected shall be entitled to the benefits of current use valuation on no more than 2,000 acres of such land in this state;

(h) Except as necessary to effect the provisions of the 2,000 acre limitation, a taxing jurisdiction boundary, or to exclude any property which is under a separate covenant as residential transitional property, each covenant must encompass the entire tract of property for which the conservation use valuation is sought. In those instances where inclusion of the total acreage of a tract would cause the owner to exceed the 2,000 acre limitation, the owner shall be permitted to designate so much of a contiguous area of the tract that will equal but not exceed the 2,000 acre limitation.

560-11-6-.04 Applications

(1) All applications for current use assessment shall be made using forms adopted by the commissioner for that purpose. Forms PT-283A, PT-283E, PT-283R, PT-283S (Rev. 09/06) and applicable questionnaires are hereby adopted and prescribed for use by the applicant seeking current use assessment. The application shall be filed with the board of tax assessors of the county in which the property is located. A board of tax assessors may not require additional information from an applicant for purposes of determining eligibility of property for current use assessment except as otherwise provided in O.C.G.A. § 48-5-7.4 and these regulations. However, the board of tax assessors must consider any additional information submitted by the applicant in support of their application for current use assessment.

(2) In those counties where U.S. Department of Agriculture, Natural Resources Conservation Service soil survey maps are available, it shall be the responsibility of the board of tax assessors to delineate the soil types on the tax records of the applicant's property.

(3) In those counties where the board of tax assessors has not been able to obtain U.S. Department of Agriculture, Natural Resources Conservation Service soil survey maps, the board of tax assessors shall determine the soil types of the applicant's property using the best information available.

(4) Applications for current use valuation provided for environmentally sensitive properties may be filed without certification by the Department of Natural Resources; provided, however, that the specific property is stipulated to be environmentally sensitive. Failure to file such certification with the board of tax assessors within thirty (30) days of the last day for filing the application for current use assessment may result in the application being denied by the board of tax assessors.

(5) Applications for current use valuation provided for constructed storm water wetland conservation use properties shall not be certified as meeting the criteria of bona fide constructed storm-water wetlands of the free-water surface type unless an authorized employee or agent of the local governing authority has inspected the site before, during, and after construction of the storm-water wetland to determine that the property is being used for controlling or abating pollution of surface or ground waters of this state by storm-water runoff or by otherwise enhancing the water quality of surface or ground waters of this state.

(6) Application for conservation use value assessment may be withdrawn prior to the current year's "final assessment" as defined in these regulations.

(7) If a qualified owner has entered into an original bona fide conservation use covenant and subsequently acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the ten-year period of the original covenant subject to the following provisions:

> **(a)** The subsequently acquired qualified property shall be less than 50 acres; and
>
> **(b)** Such subsequently acquired property may not be subject to another existing current use covenant or preferential assessment.
>
> **(c)** For the purpose of establishing the entry date of the original covenant, the assessor shall use the January 1st assessment date of the first year for which the original covenant is in effect.
>
> **(d)** The covenant application for the contiguous acreage to be added to an existing covenant shall be made for the add-on acreage only and shall reference the existing original covenant by parcel number.

(8) When property receiving current use assessment and subject to a conservation use covenant is transferred to a new owner and the new owner fails to apply for continuation of the current use assessment on or before the deadline for filing tax returns in the year following the year in which the transfer occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event the board of tax assessors shall send to both the transfer or and the transferee a notice of the board's intent to assess a penalty for breach of the covenant. The notice shall be entitled "Notice of Intent to Assess Penalty for Breach of a Conservation Use Covenant" and shall set forth the following information:

> **(a)** the requirement of the new owner of the property to apply for continuation of the current use assessment within thirty (30) days of the date of postmark of the notice;
>
> **(b)** the requirement of the new owner of the property to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant;
>
> **(c)** the change to the assessment if the covenant is breached; and
>
> **(d)** the amount of penalty if the covenant is breached.

(9) In the event the new owner fails to apply during the period provided for in paragraph (7) of this regulation, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the new owner's lack of qualification or intent not to continuously devote the property to an applicable bona fide qualifying use. In such event the board of tax assessors shall be authorized to declare the covenant in breach and assess a penalty.

(10) When property receiving current use assessment and subject to a conservation use covenant is transferred to an estate or heirs by virtue of the death of a covenant owner, and the estate or heirs fail to apply for a continuation of the current use assessment on or before the deadline for filing tax returns in the year following the year in which the death occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event in which case the board of tax assessors shall send to any remaining parties to the covenant, whether the estate or the heirs a notice entitled "Notice of Intent to Terminate a Conservation Use Covenant." The notice shall set forth the following:

> **(a)** the requirement of the estate or heirs to the property currently receiving current use assessment to apply for a continuation of the current use assessment within thirty (30) days of the date of postmark of the notice;
>
> **(b)** the requirement of the estate or heirs to the property currently receiving current use assessment to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant; and
>
> **(c)** the change to the assessment if the covenant is breached.

(11) In the event the estate or heirs fail to apply during the period provided for in paragraph (9) of this regulation, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the estate or heirs' lack of qualification or intent not to continuously devote the property to an applicable bona fide qualifying use. In such event the board of tax assessors shall be authorized to declare the covenant in breach without penalty.

(12) All approved applications for current use assessment shall be filed with the clerk of the superior court in the county where the property is located.

> **(a)** the fee of the clerk of the superior court for recording approved applications shall be paid by the owner of the property with the application for current use assessment.
>
> **(b)** the board of tax assessors shall collect the recording fee from the applicant seeking current use assessment and such recording fee to be in the amount provided for in Article 2 of Chapter 6 of Title 15 and shall be paid to the clerk of the superior court when the application is filed with the clerk.
>
> **(c)** if the application for current use assessment is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to O.C.G.A. § 48-5-306 and shall return any filing fee paid by the applicant.

(13) At such time as property ceases to be eligible for current use assessment, the owner of the property shall file an application for release of current use assessment with the county board of tax assessors.

(a) The board of tax assessors shall approve the release upon verification that all taxes and penalties have been satisfied.

(b) The board of tax assessors shall file the approved release in the office of the clerk of the superior court in the county in which the original covenant for current use assessment was filed. No fee shall be paid to the clerk of the superior court for recording such release.

560-11-6-.05 Change of Qualifying Use

(1) During the covenant period the owner may change, without penalty, the use of the property from one qualifying use to another qualifying use, such as from timber land to agricultural land, but such owner shall be required to give notice of any such change to the board of tax assessors on or before the last day for the filing of a tax return in the county for the tax year for which the change is sought. Failure to so notify the board of tax assessors of the change in use may constitute a breach of covenant effective upon the date of discovery of the breach.

(2) When the qualifying use of property receiving current use assessment and subject to a conservation use covenant is changed to another qualifying use and the owner fails to notify the board of tax assessors on or before the deadline for filing tax returns in the year following the year in which the change in use occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event the board of tax assessors shall send to the owner a notice of the board's intent to assess a penalty for the breach of the covenant. The notice shall be entitled "Notice of Intent to Assess Penalty for Breach of a Conservation Use Covenant" and shall set forth the following information:

(a) the requirement of the owner of the property currently receiving current use assessment to notify the board of tax assessors of the current qualifying use of the property within thirty (30) days of the date of postmark of the notice;

(b) the requirement of the new owner of the property currently receiving current use assessment to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant;

(c) the change to the assessment if the covenant is breached; and

(d) the amount of penalty if the covenant is breached.

(3) In the event the new owner fails to respond to the notice provided for in paragraph (2) of this regulation by providing information concerning the change in use of the property to the board of tax assessors, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the owner's lack of response. The board of tax assessors shall be authorized to declare the covenant in breach and assess a penalty.

(4) In those instances where the property owner has duly notified the tax assessors that the use of the property has been changed from one qualifying use to another qualifying use, the board of tax assessors shall re-calculate the current use valuation of the property for said tax year in accordance with the valuation standards and tables prescribed by these Regulations for the new qualifying use. However, the limitation on valuation increases or decreases provided for by O.C.G.A. § 48-5-269 shall be applied to the recomputed valuation as if the owner had originally covenanted the property in the new qualifying use.

(5) In addition to the provisions for property subject to the covenant to lie fallow or idle pursuant to O.C.G.A. § 48-5-7.4(p)(2), allowing conservation use property to lie fallow due to economic or financial hardship shall not be considered a change of qualifying use nor a breach of the covenant provided the owner notifies the board of tax assessors on or before the last day for filing a tax return in the county of the land lying fallow and does not allow the land to lie fallow for more than two years within any five-year period.

560-11-6-.06 Breach of Covenant

(1) If a breach of covenant occurs during a tax year but before the tax rate is established for that year, the penalty for that partially completed year shall be calculated based upon the tax rate in effect for the immediately preceding tax year. However, the tax due for the partially completed year shall be the same as would have been due absent a breach.

(2) If a breach occurs on all or part of the property that was the subject of an original covenant and was transferred in accordance with O.C.G.A. § 48-5-7.4(i), then the breach shall be deemed to have occurred on all of the property that was the subject of the original covenant. The penalty shall be assessed pro rata against each of the parties to the covenant in proportion to the tax benefit enjoyed by each during the life of the original covenant.

(3) The breach shall be deemed to occur upon the occasion of any event which would otherwise disqualify the property from receiving the benefit of current use valuation. The lien against the property for penalties and interest shall attach as of the date of such disqualifying event.

(4) If a covenant is breached by the original covenantor or a transferee who is related to the original covenantor within the fourth degree of civil reckoning, and where such breach occurs during the sixth through tenth years of a renewal covenant, the penalty imposed shall be the amount by which current use assessment has reduced taxes otherwise due for each year in which such renewal covenant was in effect, plus interest at the rate specified in O.C.G.A. § 48-2-40 from the date the covenant was breached.

(5) Before a penalty is assessed, notice shall be provided to the taxpayer by the board of tax assessors that the covenant has been breached. This notice shall include the specific grounds of the breach, provide to the taxpayer notice to cease and desist the alleged breach activity, and notify the taxpayer that they have thirty (30) days to correct the breach.

(6) If the board of tax assessors determines that a breach has occurred and the taxpayer has not corrected the situation within the time limit specified, the taxpayer has the right to appeal the determination of the breach to the board of equalization as provided in O.C.G.A. § 48-5-311.

560-11-6-.07 Valuation of Qualified Property

Annually, and in accordance with the provisions and requirements of O.C.G.A. 48-5-269, the Commissioner shall propose and promulgate by regulation as specified by the Georgia Administrative Procedure Act, tables and standards of value for current use valuation of properties whose qualifying use is as bona fide conservation use properties. Once adopted by the Commissioner, these tables and standards of value shall be published and otherwise furnished to the boards of tax assessors and shall serve as the basis upon which current use valuation of such qualified properties shall be calculated for the applicable tax year.

(a) Conservation use land shall be divided into two use groups consisting of nine soil productivity classes each. These two use groups shall be agricultural land (crop land and pasture land) and timber land. The Commissioner shall determine the appropriate soil characteristics or site index factors for each of these eighteen soil productivity classes for use as a guide for the assessors. In those counties where the Soil Conservation Service of the U.S. Department of Agriculture has classified the soil according to its productivity, the Commissioner shall instead prepare and publish a table converting the Soil Conservation Service's codes into the eighteen soil productivity classes.

(b) The state shall be divided into the following areas for the purpose of accumulating the income and market information necessary to determine conservation use values:

1. For the purpose of determining the income of crop land and pasture land, the state shall be divided into an appropriate grouping of the nine crop-reporting districts as delineated by the Georgia Agricultural Statistical Service and which shall be referred to as agricultural districts;

2. For the purpose of determining the income of timber land, the agricultural districts shall be combined into timber zones as follows: agricultural districts #1, #2 and #3 shall compose timber zone #1, agricultural districts #4, #5 and #6 shall compose timber zone #2, and agricultural districts #7, #8 and #9 shall compose timber zone #3;

3. For the purpose of determining the market value of agricultural land and timber land, the state shall be divided into an appropriate grouping of the nine crop-reporting districts as delineated by the Georgia Agricultural Statistical Service. Such areas shall be referred to as market regions.

(c) Sixty-five percent of the conservation use value shall be attributable to the capitalization of net income from the property and this component of total value shall be determined as follows:

1. For crop land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre net income from those major predominant acreage crops harvested in at least 125 counties of Georgia ("base crops"). In making this calculation, the Commissioner, utilizing the latest information either published or about to be published in the Georgia Department of Agriculture's edition of Georgia Agricultural Facts and the United States Department of Agriculture Economic Research Service's Costs of Production-Major Field Crops, shall:

(i) For each year, determine for each of the nine agricultural districts the yield per acre for each of the base crops;

(ii) For each year, determine for each of the nine agricultural districts the acres harvested of each of the separate base crops and the total acres harvested of all the base crops;

(iii) For each year, determine a state-wide price received per unit of yield for each of the base crops;

(iv) For each year, determine a state-wide cost of production consisting of the typical costs incurred in the production of the base crops, including, but not limited to, the reasonable cost of planting, harvesting, overhead, interest on operating loans, insurance and management;

(v) For each year, using the determinations herein, compute for each of the nine agricultural districts, the weighted net income per acre by summing the results of the computation of each base crop's net income obtained by multiplying the yield per acre times the percentage of total acreage times the price received and then making a reduction to account for the cost of production;

(vi) Compute for each of the nine agricultural districts, the per acre income valuation by capitalizing the average per acre weighted net income before property taxes, utilizing the rate of capitalization provided for in O.C.G.A. 48-5-269 plus the effective ad valorem tax rate;

2.

(i) For pasture land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre rental rates of pasture property. In making this calculation, the Commissioner, utilizing the latest information available, shall:

(ii) Compute for each of the nine agricultural districts, the per acre income valuation by capitalizing the average per acre rental rates weighted by the acreage of hay harvested each year utilizing the rate of capitalization provided for in O.C.G.A. 48-5-269;

3.

(i) The income valuation derived for crop land and pasture land shall be combined into the income valuation for agricultural land by calculating and applying a weighted average of all crop and pasture acreage in each agricultural district.

(ii) Using soil productivity data from the Soil Conservation Service of the U.S. Department of Agriculture, determine productivity influence factors by calculating the relationships between the volumes of corn that will grow on the soils

contained within each of the nine productivity classes. Apply these factors to the per acre income valuation of agricultural land to determine the income valuations for each of the nine soil productivity classes.

4. For timber land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre net income from hardwood and softwood harvested in Georgia. In making this calculation the Commissioner shall:

(i) For each timber category and zone, determine for the immediately preceding five years for which information is available, the unit prices received by the sellers of standing timber in Georgia from reports received by the Commissioner of actual sales, from information furnished by the Georgia Forestry Commission, from commercially prepared publications of average sales prices, or from a combination of these sources;

(ii) For each timber category and zone, determine the average volumes of the various types of timber harvested annually in Georgia;

(iii) For each timber category and zone, compute the gross income each year from the harvests of timber by multiplying the unit price for each year times the annual average harvest volumes of each type of timber harvested;

(iv) For each timber zone, determine the acres of softwood timber land and hardwood timber land;

(v) For each timber zone, compute the weighted gross income per acre for each year by dividing the gross income from the harvest of softwoods each year by the acreage of softwood timberland; dividing the gross income from the harvest of hardwoods each year by the acreage of hardwood timberland and weighting the two resulting per acre gross incomes by the percentage of acres of softwood and hardwood timberland to total acres of timberland;

(vi) For each timber zone, determine the costs of production of timber for each year including, but not limited to, the cost of site preparation, planting, seedlings, prescribed burnings, management, marketing costs and ad valorem taxes due on the harvest or sale of timber;

(vii) For each timber zone, determine the acreages of timberland annually receiving production treatments, i.e. site preparation, planting and burning;

(viii) For each timber zone, compute the production expenses per acre incurred each year by multiplying the expense by the appropriate factor, i.e. multiply the cost of site preparation per acre by the percentage of acres annually receiving this treatment, multiply the harvest tax millage by the weighted gross income per acre;

(ix) For each timber zone, compute the net income per acre for each year by subtracting the production expenses incurred during the year from the weighted gross income per acre for that year;

(x) For each timber zone, calculate the per acre income valuation by capitalizing the average per acre net income before property taxes, utilizing the rate of capitalization provided for in O.C.G.A. 48-5-269 plus the effective ad valorem tax rate;

(xi) Determine productivity influence factors by calculating the relationships between the volumes of Loblolly Pine grown on each of the nine productivity classes of soil and apply these factors to the per acre income valuation for the benchmark land, to determine the income valuations for each of the nine soil productivity classes.

(d) Thirty-five percent of the conservation use value shall be attributable to values produced by a market study consisting of sales data from arms length bona fide sales of comparable real property with and for the same existing use. In determining this increment of total value, the Commissioner shall:

1. Gather a statistically valid sample of qualified sales of agricultural and timber properties;

2. Calculate a residual land value for each sale in the sample by adjusting the sales price to remove any portion representing value attributable to any component of the sale other than the land;

3. Utilizing the residual land value sale prices, determine, as far as is practical, the relationships between the average sales price per acre for each of the nine soil productivity classes in each of the market regions.

(e) Environmentally sensitive properties and constructed storm water wetland conservation use properties shall be classified by the board of tax assessors as being within the timber land use group and shall be valued according to the current use value determined for timber land of the same or similar soil productivity class.

(f) The current use value for land lying under water, such as ponds, lakes or streams, shall be the value determined for the lowest productivity level of the predominate adjacent land use.

(g) Land utilized for an orchard or vineyard shall be classified as crop land. The trees, shrubs or vines shall be considered an improvement to the land and separately valued.

(h) Current use valuation for qualified bona fide residential transitional property shall be determined annually by the board of tax assessors by the consideration, as applicable, of the current use of such property, its annual productivity, if any, and sales data of comparable real property with and for the same existing use.

(i) Except as otherwise provided, the total current use valuation for any property, including qualified improvements, whose qualifying use is as bona fide conservation use property for any year during the covenant period shall not be increased or decreased by more than three percent from the current use valuation for the immediately preceding tax year or be increased or

decreased during the entire covenant period by more than 34.39 percent from its current use valuation for the first year of the covenant period. The limitations imposed herein shall apply to the total value of all the conservation use property that is the subject of an individual covenant including any improvements that meet the qualifications set forth in O.C.G.A. 48-5-7.4(a)(1); provided, however, that in the event the owner changes the use of any portion of the land, such as from timber land to agricultural land, or adds or removes therefrom any such qualified improvements, the limitations imposed by this subsection shall be recomputed as if the new uses and improvements were in place at the time the covenant was originally entered. This limitation on increases or decreases shall not apply to the current use valuation of residential transitional property.

560-11-6-.08 Appeals

(1) Applications for current use valuation as conservation use property or residential transitional property provided by O.C.G.A. Section 48-5-7.4 shall be approved or denied by the county board of tax assessors. If the application is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to O.C.G.A. Section 48-5-306. Such notice shall include the following simple non-technical assessment reason in bold font " **CONSERVATION USE COVENANT APPLICATION DENIED."** Appeals from the denial of an application shall be made in the same manner, according to the same time requirements, and decided in the same manner that other ad valorem tax assessment appeals are made pursuant to O.C.G.A. Section 48-5-311.

(2) For the first year of the covenant period the taxpayer shall be notified by the board of assessors of the current use valuation placed on the property for that year. Appeals shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311.

(3) During the covenant period the taxpayer shall be given notification of any change in the current use valuation made by the board of tax assessors for the then current tax year. Appeals shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311.

(4) Appeals regarding the current use valuation of conservation use property under paragraphs (2) and (3) of this regulation may be made contesting the board of tax assessor's initial determination or subsequent change of the qualifying use of the property, the soil classification of any part or all of the qualified property, the valuation of any qualified improvements, the assessment ratio utilized with regard to the qualified property; as well as with regard to any alleged errors that may have been made by the assessors in the application of the tables and standards of value prescribed by the Commissioner. An appeal, however, may not be made to the local board of tax assessors concerning the tables or standards of value prescribed by the Commissioner pursuant to Regulation 560-11-6-.09.

(5) The tax assessors shall continue to notify the taxpayer of any changes to the fair market value of the covenanted property, and such notice shall conform to the provisions of O.C.G.A. Section 48-5-306. A taxpayer desiring to appeal such changes shall do so in the same manner as other assessment appeals are made pursuant to O.C.G.A. Section 48-5-311.

560-11-6-.09 Table of Conservation Use Land Values

(1) For the purpose of prescribing the 2019 current use values for conservation use land, the state shall be divided into the following nine Conservation Use Valuation Areas (CUVA 1 through CUVA 9) and the following accompanying table of per acre land values shall be applied to each acre of qualified land within the CUVA for each soil productivity classification for timber land (W1 through W9) and agricultural land (A1 through A9):

(a) CUVA #1 counties: Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Murray, Paulding, Polk, Walker, and Whitfield. Table of per acre values: W1 877, W2 787, W3 715, W4 656, W5 601, W6 557, W7 522, W8 479, W9 437, A1 1,593, A2 1,506, A3 1,396, A4 1,280, A5 1,154, A6 1,033, A7 917, A8 805, A9 689;

(b) CUVA #2 counties: Barrow, Cherokee, Clarke, Cobb, Dawson, DeKalb, Fannin, Forsyth, Fulton, Gilmer, Gwinnett, Hall, Jackson, Lumpkin, Oconee, Pickens, Towns, Union, Walton, and White. Table of per acre values: W1 1,188, W2 1,075, W3 970, W4 878, W5 809, W6 760, W7 716, W8 658, W9 597, A1 1,745, A2 1,556, A3 1,384, A4 1,223, A5 1,096, A6 978, A7 877, A8 796, A9 716;

(c) CUVA #3 counties: Banks, Elbert, Franklin, Habersham, Hart, Lincoln, Madison, Oglethorpe, Rabun, Stephens, and Wilkes. Table of per acre values: W1 1,188, W2 1,075, W3 970, W4 878, W5 809, W6 740, W7 623, W8 506, W9 424, A1 1,328, A2 1,208, A3 1,081, A4 958, A5 835, A6 754, A7 619, A8 518, A9 437;

(d) CUVA #4 counties: Carroll, Chattahoochee, Clayton, Coweta, Douglas, Fayette, Haralson, Harris, Heard, Henry, Lamar, Macon, Marion, Meriwether, Muscogee, Pike, Schley, Spalding, Talbot, Taylor, Troup, and Upson. Table of per acre values: W1 857, W2 767, W3 696, W4 638, W5 555, W6 518, W7 450, W8 389, W9 316, A1 1,089, A2 975, A3 894, A4 799, A5 701, A6 582, A7 504, A8 391, A9 281;

(e) CUVA #5 counties: Baldwin, Bibb, Bleckley, Butts, Crawford, Dodge, Greene, Hancock, Houston, Jasper, Johnson, Jones, Laurens, Monroe, Montgomery, Morgan, Newton, Peach, Pulaski, Putnam, Rockdale, Taliaferro, Treutlen, Twiggs, Washington, Wheeler, and Wilkinson. Table of per acre values: W1 730, W2 676, W3 621, W4 568, W5 513, W6 462, W7 404, W8 350, W9 291, A1 807, A2 702, A3 653, A4 597, A5 533, A6 453, A7 371, A8 293, A9 214;

(f) CUVA #6 counties: Bulloch, Burke, Candler, Columbia, Effingham, Emanuel, Glascock, Jefferson, Jenkins, McDuffie, Richmond, Screven, and Warren. Table of per acre values: W1 722, W2 663, W3 605, W4 551, W5 492, W6 436, W7 378, W8 319, W9 260, A1 915, A2 803, A3 736, A4 676, A5 597, A6 497, A7 404, A8 310, A9 218;

(g) CUVA #7 counties: Baker, Calhoun, Clay, Decatur, Dougherty, Early, Grady, Lee, Miller, Mitchell, Quitman, Randolph, Seminole, Stewart, Sumter, Terrell, Thomas, and Webster. Table of per acre values: W1 773, W2 703, W3 641, W4 575, W5 507, W6 443, W7 378, W8 310, W9 245, A1 1,065, A2 965, A3 857, A4 745, A5 639, A6 535, A7 414, A8 314, A9 212;

(h) CUVA #8 counties: Atkinson, Ben Hill, Berrien, Brooks, Clinch, Coffee, Colquitt, Cook, Crisp, Dooly, Echols, Irwin, Jeff Davis, Lanier, Lowndes, Telfair, Tift, Turner, Wilcox, and Worth. Table of

per acre values: W1 841, W2 762, W3 682, W4 605, W5 526, W6 450, W7 370, W8 293, W9 238, A1 1,075, A2 1,016, A3 917, A4 818, A5 719, A6 621, A7 479, A8 389, A9 287;

(i) CUVA #9 counties: Appling, Bacon, Brantley, Bryan, Camden, Charlton, Chatham, Evans, Glynn, Liberty, Long, McIntosh, Pierce, Tattnall, Toombs, Ware, and Wayne. Table of per acre values: W1 851, W2 767, W3 696, W4 619, W5 537, W6 464, W7 385, W8 307, W9 238, A1 997, A2 960, A3 862, A4 767, A5 672, A6 575, A7 479, A8 382, A9 287.

560-11-9 UNIFORM PROCEDURES FOR MOBILE HOMES

560-11-9-.01 Purpose and Scope

(1) These regulations have been adopted by the Commissioner pursuant to O.C.G.A. Section 48-2-12 and O.C.G.A. Section 48-5-442 in order to provide specific policies and procedures of the Department applicable to the valuation and collection of ad valorem tax on mobile homes pursuant to Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated.

(2) The procedures prescribed by Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated and these rules and regulations for returning mobile homes for taxation, determining applicable rates for taxation, and collecting the ad valorem tax on mobile homes shall be exclusive of all other property.

(3) These regulations shall become effective January 1, 1998.

560-11-9-.02 Definitions

As used in these regulations, the term:

(1) Reserved.

(2) "Mobile home" means a manufactured home or relocatable home as defined in Part 2 of Article 2 of Chapter 2 of Title 8 of the Official Code of Georgia Annotated. Any mobile home which qualifies the taxpayer for a homestead exemption under the laws of this state and any mobile home held in inventory for sale by a dealer engaged in the business of selling mobile homes at wholesale or retail shall not be subject to these regulations.

560-11-9-.03 Return of Mobile Homes

(1) Every mobile home owned in this state on January 1 is subject to ad valorem taxation by the various taxing jurisdictions authorized to impose an ad valorem tax on property. Taxes shall be charged against the owner of the mobile home, if known, and, if unknown, against the specific mobile home itself.

(2) On or before April 1 of each year, or at the time of the first sale or transfer before April 1, every owner of a mobile home shall return such mobile home for taxation and pay the taxes due on the mobile home in the county where the mobile home is situated on January 1.

> **(a)** In those instances where a mobile home is primarily used in connection with an established business where there is a reasonable expectation that the mobile home will be moved about in such a manner that it will not be more or less permanently situated in a single county as of January 1, such mobile home shall be returned and the taxes due paid in the county where the business is located.
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> **(b)** In those instances where a mobile home has been moved from the county where it was more or less permanently located on January 1, it shall nevertheless be returned and the taxes paid in such county, however, the owner may submit reasonable evidence of such tax payment to the tax commissioner of the county where the mobile home is now situated and that tax commissioner shall issue a mobile home location permit for such county.
>
> **(c)** Where there has been a sale or transfer of a mobile home and the new owner seeks a mobile home location permit in a county other than that in which the previous owner was required to return the mobile home and pay the taxes due, the new owner, in the absence of satisfactory evidence obtained from the old owner that taxes have been paid, may request from the tax commissioner of such county a certificate indicating that all taxes outstanding have been paid. Upon receipt of the certificate from the new owner, the tax commissioner of the county where the mobile home is now situated shall issue the required mobile home location permit.
>
> **(d)** Upon sale of a mobile home by a dealer after January 1, the dealer shall complete and provide to the purchaser Form PT-41. The purchaser shall submit Form PT-41 to the tax commissioner at the time the mobile home location permit is obtained. Upon receipt of Form PT-41, the tax commissioner shall collect any outstanding taxes from prior years that may be unpaid, and shall then issue the required mobile home location permit for the current year without payment of tax. The tax commissioner shall retain one copy of Form PT-41 and distribute a copy to the purchaser, the dealer, the board of tax assessors, and the Motor Vehicle Division.

560-11-9-.04 Issuance of Permits; Display of Decals

(1) Each year every owner of a mobile home subject to taxation under Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated shall on or before April 1 and at the time of returning such mobile home for taxation, pay all taxes due to the tax commissioner on such mobile home and obtain a mobile home location permit.

(2) The tax commissioner shall not issue such location permit until all outstanding taxes due on the mobile home, including delinquent taxes, interest and penalties, are paid.

(3) The tax commissioner shall give the taxpayer a decal as evidence of the payment of all outstanding taxes and the issuance of a mobile home location permit.

> **(a)** The mobile home decal shall be in the color and form prescribed each year by the Commissioner and shall reflect the county of issuance and the calendar year for which the permit is issued.
>
> **(b)** The mobile home decal shall be attached to the mobile home of the owner immediately after receiving it from the tax commissioner. The local governing authority may by local ordinance provide for a uniform manner of displaying such decal that facilitates the enforcement of this Regulation. In the absence of such an ordinance, the decal shall be prominently displayed on the mobile home in a manner that makes it clearly visible to appraisal officials that come on the premises to inspect the mobile home.

(4) Any person acquiring a mobile home after January 1 of each year shall obtain from the tax commissioner a mobile home location permit by April 1 or within 45 days of acquisition, whichever occurs later, upon satisfactory evidence that all outstanding taxes due on the mobile home, including delinquent taxes, interest and penalties, if any, have been paid.

(5) Each year every owner of a mobile home situated in this state on January 1 which is not subject to taxation under Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, by virtue of its qualifying the owner for a homestead exemption or if acquired from a dealer after January 1, shall nevertheless obtain a mobile home decal from the tax commissioner by April 1, or within 45 days of acquisition, whichever occurs later. The decal shall be designed, attached and displayed as provided in this Regulation.

560-11-9-.05 Inspections and Citations

(1) It shall be the duty of the county property appraisal staff to annually inspect each mobile home located in the county to determine if the owner is properly displaying the decal evidencing the issuance of a mobile home location permit. The staff may schedule the inspections throughout the year or during any portion of the year as meets their annual workflow management needs.

(2) The property appraisal staff shall notify the owner, if known, or the occupant, if the owner is not known, of each mobile home for which a decal is not properly displayed, of the requirements of O.C.G.A. Section 48-5-492 and these regulations to secure and display such decal. The notice shall also describe the penalty under O.C.G.A. Section 48-5-493 and Regulation 560-11-9-.11 for failure to properly display such decal.

(3) The county governing authority may appoint an agent authorized under O.C.G.A. Section 15-10-63 to issue citations to owners failing to properly display mobile home decals. Such agent may be a member of the board of tax assessors, a member of the appraisal staff or some other designee suitable to the county

governing authority. The county governing authority shall notify the county appraisal staff of the name of the authorized agent within 5 days of the agent's appointment.

(4) Within 30 days after the end of each calendar quarter, or more frequently at the property appraisal staff's discretion, the property appraisal staff shall forward to the tax commissioner and the authorized agent, if one has been appointed, a list of mobile homes discovered during the quarter, if any, that are not displaying the required mobile home decal. The list shall contain the information set forth in Regulation 560-11-9-.08 (1) to enable these officials to locate and identify each mobile home thereon.

(5) The authorized agent, if one has been appointed, upon receipt of the list set forth in this Regulation, shall issue a citation to the owner of each mobile home for which a mobile home decal is not attached. If the authorized agent is a member of the board of tax assessors or the property appraisal staff, the notice required in Section 2 of this Regulation and the citation required in this Section may be issued to the owner simultaneously.

(6) Within 30 days of the date the citation is issued, but not earlier than 15 days from the date the citation is issued, the county shall impose the appropriate fines upon and prosecute the subject of the citation as provided in O.C.G.A. Section 48-5-493.

(7) Nothing in this Regulation shall prohibit or limit the county authorities from providing other methods for prosecution of an owner failing under O.C.G.A. Section 48-5-492 and these regulations to secure and display a mobile home decal.

560-11-9-.07 Valuation Methods

(1) Beginning January 1, 1999 and effective for the tax year 1999 and each subsequent tax year, the fair market value of all mobile homes subject to taxation under Article 10 of Chapter 5 of Title 48 shall be determined by the county board of tax assessors in accordance with these regulations. For the tax year 1998, the tax commissioner shall continue to use the procedures as shown in the manual provided by the Commissioner to determine the fair market value of all mobile homes.

(2) The valuation methods employed by the county board of tax assessors shall result in a fair market value, as fair market value is defined in O.C.G.A. Section 48-5-2, of each mobile home as of January 1 of the tax year for which the digest is being prepared.

(3) The county board of tax assessors may use any combination of the following when arriving at the value for each mobile home, however, the approach used may not differ substantially from that employed to arrive at the value for a mobile home subject to tax under Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated. For any valuation guides that may be used, the board shall select those most likely to reflect the value of each mobile home as of January 1 and make any further adjustments deemed necessary to arrive at a January 1 valuation.

> **(a)** The appropriate periodic edition of the National Automobile Dealers Association's Manufactured Housing Appraisal Guide;
>
> **(b)** The appropriate periodic edition of the Marshall & Swift Residential Valuation System; and

(c) Any other valuation model using commonly accepted appraisal techniques including, but not limited to, quality classes, unit cost, observed obsolescence and value tables for structural additions.

(4) Each mobile home shall be assessed at 40 percent of the fair market value determined in accordance with this Regulation.

(5) Reserved.

560-11-9-.08 Mobile Home Digest

(1) On the tenth day of each month, a county's tax commissioner shall report to the board of tax assessors a list of all mobile homes for which during the preceding month:

(a) Location permits were issued, and

(b) Returns for taxation were sent.

(2) The monthly reporting requirement may be changed by a signed written agreement between the tax commissioner and the board of tax assessors, but shall not be sent less than once per calendar year or later than December 1st.

(a) The list sent by the county's tax commissioner shall contain the following information regarding each mobile home:

(1) Manufacturer, model, and year;

(2) Serial number;

(3) Size;

(4) Owner's name and address;

(5) Map and parcel number (if a map and parcel number has previously been assigned by the board of tax assessors);

(6) The mobile home's physical location, street address, lot number, and park name (if applicable and known);

(7) Tax district; and

(8) Assessment (if set by the board of tax assessors).

(3) On or before January 5th of each year, and before the county's digest is submitted to the tax commissioner, a county's board of tax assessors shall meet to receive and inspect the tax returns and

location permits for the county's mobile homes that have been reported to the tax commissioner during the preceding twelve months.

(a) If any mobile homes have not been reported or returned to the tax commissioner by January 5th of each year, then the county board of tax assessors shall have the authority to add those mobile homes to the county's digest.

(4) For each mobile home listed in a county's digest, the county's board of tax assessors shall develop a valuation which, in the board's judgment, best represents the fair market value that the mobile home will have as of January 1 of the tax year for which the digest is being prepared.

(a) This valuation shall include any improvements to the mobile home and shall reflect any changes to the value of the mobile home resulting from market changes or physical depreciation as of January 1 of the tax year for which the digest is being prepared.

(5) On or before January 5th of each year, a county's board of tax assessors shall return to the tax commissioner the mobile home digest with the proposed assessments.

(6) The total assessed value of the mobile home digest shall be added to the county's consolidated summary at the time the county's official digest is transmitted to the Revenue Commissioner, or at such other time as the digest is required to be compiled.

(a) The assessed value on the mobile home digest shall be used by the tax commissioner for the purpose of calculating tax bills.

(7) Effective January 1, 1999, when a mobile home is returned for taxation after the mobile home digest has been delivered by the board of tax assessors to the county's tax commissioner, the county's tax commissioner shall, within 10 days of receipt of the return, forward it to the county's board of tax assessors. Within 10 days of receiving the return, the county's board of tax assessors shall assess the mobile home's fair market value and notify the county's tax commissioner of the assessment.

(a) The tax commissioner shall then bill the owner pursuant to Regulation 560-11-9-.10.

(b) The owner of the mobile home shall be afforded an opportunity to appeal and receive a temporary bill pursuant to Regulation 560-11-9-.09.

(c) Such returns shall be designated "Not On Digest" by the tax commissioner and accounted for as such in their official accounts.

560-11-9-.09 Appeals

(1) A mobile home owner who disagrees with the county board of tax assessor's assessment of their mobile home(s) on the ad valorem property tax bill may challenge such assessment by either electing to:

(a) Appeal the assessed value of the mobile home in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311 as follows:

1. Filing a notice of appeal with the county's board of tax assessors within 45 days of date printed on the ad valorem property tax bill, or by April 1st, whichever occurs later.

2. After an appeal has been filed, the county's board of tax assessors shall notify the county's tax commissioner within 10 days of said appeal. A temporary tax bill, like those in O.C.G.A. § 48-5-311(E)(6)(d)(iii)(I), shall be issued for every mobile home which is on appeal. A mobile home owner shall pay their temporary tax bill by April 1, if the appeal is not yet resolved, or upon receipt, if temporary tax bill is issued after April 1. Upon payment of temporary tax bill, the county's tax commissioner shall issue a mobile home location permit. Nothing in this Regulation shall prevent the county's tax commissioner from assessing penalties and interest against a mobile home owner who receives a temporary tax bill after April 1 because said owner failed to return their mobile home by April 1.

3. Once there is a determination regarding the appeal, the county's board of tax assessors shall, within 10 days, notify the county's tax commissioner of the final assessment established by such appeal. If necessary, the county's tax commissioner shall then, within 10 days, bill the taxpayer for any additional ad valorem property taxes due or issue a refund, if there has been an overpayment of taxes.

(b) Secure a location permit for the year in question by filing with the county's tax commissioner an affidavit of illegality and by filing either 1) a surety bond issued by a State authorized surety company or 2) a bond approved by the clerk of superior court of the county or 3) a cash bond, pursuant to O.C.G.A. Section 48-5-450.

(2) If the owner of a mobile home, subsequent to paying the tax without having filed an appeal or affidavit of illegality, believes that the tax has been illegally or erroneously assessed and collected, then the owner may file with the county governing authority a request for a refund. Such request may be filed within three years of the date of payment of the tax under the provisions of O.C.G.A. § 48-5-380.

(a) Only errors of fact or law which have resulted in erroneous or illegal taxation shall be considered. A mobile home owner's claim based on mere dissatisfaction with an assessment shall not constitute that the assessment was erroneous or illegal within the meaning of O.C.G.A. § 48-5-380.

560-11-9-.12 Notice of Right to Appeal Mobile Home Valuation

Any proposed assessment or ad valorem property tax bill sent to an owner of a mobile home(s), by a county's board of tax assessor, shall contain the following sentence in bold:

> **"If you feel that your mobile home's value is too high for ad valorem taxation purposes, you should file an appeal or tax return with County Board of Tax Assessors for an opportunity to have your mobile home's value reduced."**

560-11-11 FOREST LAND PROTECTION

560-11-11-.01 Definitions

(1) As used in this Regulatory Chapter, the term:

(a) "Application" shall mean the application for QFLP designation, which includes a three part form consisting of: Section A - Application; Section B - Questionnaire; and Section C -Covenant. All three parts of the application shall be completed by the applicant seeking the QFLP designation.

(b) "Contiguous" shall mean real property within a county that abuts, joins, or touches and has the same undivided common ownership.

1. If an applicant's tract is divided by a county boundary, public roadway, public easements, public right-of-way, natural boundary, land lot line or railroad tracks then the applicant has, at the time of the initial application, a one-time election to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right-of-way, natural boundary, land lot line or railroad track.

(c) "Department" shall mean the Georgia Department of Revenue.

(d) "Entity registered to do business in this state" shall mean any firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision, whether public, private, or quasi-public that is registered to do business with the Secretary of the State of Georgia or that has been created by a court.

(e) "FLPA" shall mean the Georgia Forest Land Protection Act of 2008 as codified in O.C.G.A. § 48-5-7.7.

(f) "Forest Land" shall mean the timbered area of a tract of land as determined by the Local Board of Tax Assessors.

(g) "Good Faith Subsistence" shall mean the use of the forest land in a manner that minimizes change or damage to the natural state of the forest land.

(h) "Local Board of Tax Assessors" shall mean the local board of tax assessors in any county where the application for QFLP designation is filed and the real property is located.

(i) "Notice of Breach" shall mean the notice sent by the Local Board of Tax Assessors in the county where the breach has occurred.

(j) "Permissible Breach" shall mean a breach enumerated in O.C.G.A. § 48-5-7.7(p), which will serve to terminate the QFLP Covenant. However, the breaching party is not subject to penalties and interest.

(k) "Plat" shall mean a legible drawing done on, at a minimum, 8 /12; x 11 20lb paper sufficiently delineating the boundaries of the tract of real property for which QFLP designation is sought.

1. All Plats shall be drawn with the top of the page being north.

(l) "Primary Use" shall mean a use of the tract which is

1 .According to O.C.G.A. § 48-5-7.7(b)(2)(C).

2. As set forth on the Department's application form and is approved by the Local Board of Tax Assessors.

(m) "QFLP" stands for Qualified Forest Land Property of greater than 200 acres

1. That meets the qualifications set forth in FLPA.

2. That has been approved by the Local Board of Tax Assessors.

3. For which a QFLP Covenant has been

(i) Signed on behalf, or by all parties owning an undivided interest in the fee simple tract; and

(ii) Recorded in any appropriate county's real property index.

(n) "QFLP Covenant" shall mean the fifteen (15) year covenant required by O.C.G.A. § 48-5-7.7. The form of the covenant shall be in the manner prescribed by the Commissioner.

(o) "Secondary Use" shall mean secondary uses of the tract as specified in the FLPA as determined by the Local Board of Tax Assessors.

(p) "Underlying Property" means the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less, for which the taxpayer has provided documents which delineate the property boundaries so as to facilitate the proper identification of such property on the covenant applicant and the board of tax assessors maps and records.

560-11-11-.02 Withdrawing or Amending an Application for QFLP

(1) An application for QFLP may be amended or withdrawn at any time prior to the initial approval or denial of such QFLP application by the local county board of tax assessors by giving notification of such amendment or withdrawal.

(2) The notification for amending or withdrawing the application shall be considered received by the local board of assessors when hand delivered or when date stamped by the United States Postal Service.

560-11-11-.03 QFLP Qualifications

(1) The Local Board of Tax Assessors shall be responsible for approving all QFLP applications.

(2) Real property for which QFLP designation is sought shall meet all requirements as set forth in O.C.G.A. § 48-5-7.7 and

(a) At least one-half of area of the applicant's tract of real property for which QFLP designation is sought must be used for a Qualifying Purpose as set forth in O.C.G.A. § 48-5-7.7, and Department regulations;

(b) The portion of the tract not being used for a Qualifying Purpose must not be used for any other type of business other than as set forth in O.C.G.A. § 48-5-7.7; and

(c) Uses of any portion of the tract not being used for a Qualifying Purpose may be deemed acceptable uses by the Local Board of Tax Assessors, and therefore not in breach of the QFLP Covenant, provided that

1. The Local Board of Tax Assessors determines that such portion is

(i) Minimally managed so that it does not contribute significantly to erosion or other environmental or conservation problems; or

(ii) Being used for any secondary uses as listed in O.C.G.A. § 48-5-7.7(b)(2)(C).

(3) Area around cellular phone tower pads used or maintained as part of the pad, shall not constitute a breach of the QFLP Covenant if

(a) The tract is less than 2,000 acres the total area of the pads does not exceed six (6) acres, or

(b) For tracts larger than 2,000 acres, the total area of cellular phone tower pads does not exceed six (6) acres for every 2,000 acres.

(c) Any roadway to the cellular phone tower pads shall not be included in the determination of the six (6) acre maximum.

(4) To obtain QFLP designation for a contiguous tract of real property located in multiple counties, the applicant must enter into a single QFLP Covenant for the entire contiguous tract. This QFLP Covenant must be approved and recorded in each county where the contiguous tracts are located.

(a) If one or more counties deny a QFLP application, any portions of the contiguous tract which are approved, may still be eligible for QFLP designation provided that

1. Any remaining tract or tracts meets the minimum qualifications as set forth in O.C.G.A. § 48-5-7.7, and Department regulations.

2. The QFLP Covenant is signed by all owners and the appropriate Local Board(s) of Tax Assessors; and

3. Recorded in the appropriate county's real property index.

(5) The QFLP Covenant shall be effective upon the county signing and recording the QFLP Covenant in the real property index.

(a) Any appeals to the denial of QFLP designation or failure by the Local Board of Tax Assessors to sign the Covenant, shall be made in the manner provided for in O.C.G.A. § 48-5-311.

1 .If an appeal is not resolved until the subsequent year after the filing of the application and the applicant receives a favorable decision on the appeal the applicant shall be entitled to the benefits derived from the QFLP Covenant beginning in the year for which the application was filed.

(6) Property that otherwise qualifies for a Forest Land Conservation Use Covenant shall exclude the entire value of any residence and its underlying property. This provision for excluding the underlying property of a residence from eligibility in the conservation use covenant shall only apply to property that is first made subject to a covenant or is subject to the renewal of a previous covenant. Additionally, in conjunction with the covenant application, the taxpayer shall provide any one of the following types of property boundary descriptions regarding such underlying property:

(a) A plat of the underlying property prepared by a licensed land surveyor, showing the location and measured area of the underlying property in question;

(b) A written legal description of the underlying property delineating the legal metes and bounds and measured area of the underlying property in question; or

(c) Such other alternative property boundary description as mutually agreed upon by the taxpayer and county assessors. An acceptable alternative property boundary description may include a parcel map drawn by the county cartographer or GIS technician.

560-11-11-.04 QFLP Application

(1) The Commissioner hereby adopts the form in Regulation 560-11-11-.11 Exhibit (A), as the Form to be used by all counties as the application for the FLPA.

(2) All applicants for QFLP designation shall include with their application

(a) A plat of the tract for which QFLP designation is sought.

(b) A written legal description of the tract.

(3) If a legal description or plat is contested by the county, then the county shall have the burden to prove its assertion that the plat or legal description as provided by the applicant is deficient.

560-11-11-.05 Period for Local Board of Assessors to Approve or Deny QFLP Applications

(1) A Local Board of Tax Assessors shall have one hundred twenty days from receipt of an application for QFLP designation to approve or deny such application.

(2) The application must be filed with the Local Board of Tax Assessors no later than the last day for filing ad valorem tax appeals of the annual notice of assessment, except that in the case of property which is the subject of a tax appeal of the annual notice of assessment under O.C.G.A. § 48-5-311, an application for forest land conservation use assessment may be filed at any time while such appeal is pending.

(3) Upon approval, the Local Board of Tax Assessors must notify the applicant within thirty (30) days of its decision and provide the QFLP Covenant to the applicant for signatures.

(4) Upon denial of an Application, the Local Board of Tax Assessors must notify the applicant in the manner provided for in O.C.G.A. § 48-5-306.

(5) If an Application is denied by the Local Board of Tax Assessors, any fees advanced by the applicant shall be returned to the applicant within thirty (30) days of the denial by the Local Board of Tax Assessors.

560-11-11-.06 QFLP Covenant

(1) All contiguous tracts of an owner within a county for which forest land conservation use assessment is sought shall be in a single covenant unless otherwise required by law.

(2) The QFLP Covenant shall

(a) Be signed and recorded in any county where the tract is located and owner(s) have made application and received approval for QFLP designation.

1. The QFLP Covenant shall be signed by all owner(s) of record of the tract.

2. An individual may sign on behalf of the owner(s) of record by providing that such person has established that individual has sufficient legal authority satisfactory to the Local Board of Tax Assessors, to act on behalf of the owner(s).

(b) Have an effective date of January 1 of the year for which the application was filed and the QFLP Covenant is signed by all required parties.

(3) An applicant receiving a favorable ruling for an appeal shall receive all benefits derived from the QFLP Covenant beginning in the year for which the application was filed, irrespective of if the appeal is not resolved until subsequent year(s).

(4) The QFLP Covenant and benefits derived therefrom shall not extend to any portion of the tract for which the QFLP Covenant has not yet been signed and recorded in that county's real property index.

560-11-11-.07 Notice of Breach

(1) The Notice of Breach shall be sent within thirty (30) days from the day that the breach is reported to or discovered by the Local Board of Tax Assessors to

(a) The owner(s) of record of the real property in breach.

(b) The Local Board of Tax Assessors in every other county where the QFLP is located.

(2) The Notice of Breach shall include the following:

(a) The location of the breach;

(b) The date the breach was reported or discovered;

(c) An explanation of the breach;

(d) Whether the remedy is remediation or cease and desist of the breach;

(e) The date by which the remedy must be completed; and

(f) The penalty for not remedying or ceasing or desisting the breach.

(3) The thirty (30) day period for the owner to remedy the breach shall not begin until the owner has received a Notice of Breach that complies with the requirements set forth in this Regulation.

560-11-11-.08 Notification and Inspection Concerning QFLP in Breach of Covenant

(1) The owner(s) of record of the tract of real property in breach shall have thirty (30) days from the date of receipt of the Notice of Breach by any owner of record to remedy the breach as specified in the Notice of Breach.

(2) Beginning on the first day after the thirty (30) day period for an owner(s) of record of the tract of real property to remedy the breach, the Local Board of Tax Assessors shall have forty-five (45) days in which to conduct a physical inspection of the real property to determine if the prescribed remedy has been completed.

(3) The Local Board of Tax Assessors shall have fifteen (15) days from the date of the physical inspection or the end of the inspection period, whichever is later, to send a written notice to the owner(s) of record of the tract, and any counties that encompass the tract subject to the breached QFLP Covenant, to inform the owner(s) whether the tract of real property is in compliance with the QFLP Covenant.

(a) Failure to inspect the tract of real property shall be deemed a determination that the tract is in compliance with the QFLP Covenant.

(4) If a QFLP Covenant covers multiple counties then the Local Board of Tax Assessors in the county where the breach has occurred shall send the same written notifications to the Local Board of Tax Assessors in all affected counties where the QFLP Covenant is in force and effect.

(a) Such written notifications shall be sent within the same time period, and in the same manner, as the written notification sent to the owner(s) of record notifying them of the breach and the determination of whether or not the tract is in compliance with the QFLP Covenant.

(5) Appeals concerning notice, inspection or any other issue, must be made in the manner provided for in O.C.G.A. § 48-5-311.

(6) Notifications required by this Regulation that are sent by the Local Board of Tax Assessors to owner(s) of record of the tract subject to QFLP Covenant; and to any other counties where the tract is located and subject to the QFLP Covenant, shall be sent via certified mail by the United States Postal Service, commercial delivery service, commercial courier, or personal service to the last known address of the owner(s) of record.

560-11-11-.09 Release of Covenant

(1) When a tract of real property is no longer eligible as a QFLP due to a non-remedied breach, or at the expiration of the QFLP Covenant, the owner of such tract of real property shall file an application with the Local Board of Tax Assessors for release of the tract of real property from the QFLP Covenant

(a) Within sixty (60) days of the last day the tract was eligible as QFLP; or

(b) Within sixty (60) days of the last day of the QFLP Covenant.

(2) The Local Board of Tax Assessors must within fifteen (15) days from receipt of an application for release, determine if all taxes and penalties, if applicable, have been paid and satisfied on the tract of real property.

(a) Upon approval of the application for release of the tract real property from the QFLP Covenant, the Local Board of Tax Assessors shall have fifteen (15) days to

1. Provide written notification to the applicant that the release has been approved.

2. File the release with the office of the Clerk of Superior Court in the county where the original QFLP Covenant was filed, and provide a copy to the applicant.

(3) If an application for release is denied, the Local Board of Tax Assessors shall send written notification to the applicant within fifteen (15) days of receipt of such application and it shall include the reason(s) for denial.

(a) Appeals resulting from denial of release shall be made in the manner provided for in O.C.G.A. § 48-5-311.

560-11-11-.10 Penalty for Breach

(1) If a breach should occur during the QFLP Covenant period then a penalty shall be imposed by the Local Board of Tax Assessors.

(a) The method for calculating the amount of the penalty owed is set forth in O.C.G.A § 48-5-7.7(m).

(b) Penalties and interest imposed pursuant to O.C.G.A. § 48-5-7.7, shall constitute a lien against that portion of the property which is subject of the original covenant, and shall be collected in the same manner as unpaid ad valorem taxes.

(2) If all or part of the tract subject of the original QFLP Covenant is transferred during a the covenant period to another qualified owner, and following such transfer the acquiring owner and/or transferring owner cause a breach of the covenant, then:

(a) Any county affected by the breach must seek recovery of penalties and interest from the breaching party by any judicial means including but not limited to; foreclosure of the breaching party's property.

(3) Activities listed in O.C.G.A. § 48-5-7.7(q) shall not constitute a breach of the QFLP Covenant.

(4) If a contiguous tract is subject to a QFLP Covenant in multiple counties then a breach occurring in any of the counties where the contiguous tract is located shall constitute a breach of the entire contiguous tract. The owner of the contiguous tract shall be assessed all penalties and interest resulting from the breach of the QFLP Covenant.

(5) If a breach occurs solely as the result of a Permissible Breach then no penalty shall be assessed but the QFLP Covenant will be terminated.

560-11-11-.12 Table of Forest Land Protection Act Land Use Values

(1) For the purpose of prescribing the 2019 current use values for conservation use land, the state shall be divided into the following nine Forest Land Protection Act Valuation Areas (FLPAVA 1 through FLPAVA 9) and the following accompanying table of per acre land values shall be applied to each acre of qualified land within the FLPAVA for each soil productivity classification for timber land (W1 through W9):

(a) FLPAVA #1 counties: Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Murray, Paulding, Polk, Walker, and Whitfield. Table of per acre values: W1 877, W2 787, W3 715, W4 656, W5 601, W6 557, W7 522, W8 479, W9 437;

(b) FLPAVA #2 counties: Barrow, Cherokee, Clarke, Cobb, Dawson, DeKalb, Fannin, Forsyth, Fulton, Gilmer, Gwinnett, Hall, Jackson, Lumpkin, Oconee, Pickens, Towns, Union, Walton, and White. Table of per acre values: W1 1,188, W2 1,075, W3 970, W4 878, W5 809, W6 760, W7 716, W8 658, W9 597;

(c) FLPAVA #3 counties: Banks, Elbert, Franklin, Habersham, Hart, Lincoln, Madison, Oglethorpe, Rabun, Stephens, and Wilkes. Table of per acre values: W1 1,188, W2 1,075, W3 970, W4 878, W5 809, W6 740, W7 623, W8 506, W9 424;

(d) FLPAVA #4 counties: Carroll, Chattahoochee, Clayton, Coweta, Douglas, Fayette, Haralson, Harris, Heard, Henry, Lamar, Macon, Marion, Meriwether, Muscogee, Pike, Schley, Spalding, Talbot, Taylor, Troup, and Upson. Table of per acre values: W1 857, W2 767, W3 696, W4 638, W5 555, W6 518, W7 450, W8 389, W9 316;

(e) FLPAVA #5 counties: Baldwin, Bibb, Bleckley, Butts, Crawford, Dodge, Greene, Hancock, Houston, Jasper, Johnson, Jones, Laurens, Monroe, Montgomery, Morgan, Newton, Peach, Pulaski, Putnam, Rockdale, Taliaferro, Treutlen, Twiggs, Washington, Wheeler, and Wilkinson. Table of per acre values: W1 730, W2 676, W3 621, W4 568, W5 513, W6 462, W7 404, W8 350, W9 291;

(f) FLPAVA #6 counties: Bulloch, Burke, Candler, Columbia, Effingham, Emanuel, Glascock, Jefferson, Jenkins, McDuffie, Richmond, Screven, and Warren. Table of per acre values: W1 722, W2 663, W3 605, W4 551, W5 492, W6 436, W7 378, W8 319, W9 260;

(g) FLPAVA #7 counties: Baker, Calhoun, Clay, Decatur, Dougherty, Early, Grady, Lee, Miller, Mitchell, Quitman, Randolph, Seminole, Stewart, Sumter, Terrell, Thomas, and Webster. Table of per acre values: W1 773, W2 703, W3 641, W4 575, W5 507, W6 443, W7 378, W8 310, W9 245;

(h) FLPAVA #8 counties: Atkinson, Ben Hill, Berrien, Brooks, Clinch, Coffee, Colquitt, Cook, Crisp, Dooly, Echols, Irwin, Jeff Davis, Lanier, Lowndes, Telfair, Tift, Turner, Wilcox, and Worth. Table of per acre values: W1 841, W2 762, W3 682, W4 605, W5 526, W6 450, W7 370, W8 293, W9 238;

(i) FLPAVA #9 counties: Appling, Bacon, Brantley, Bryan, Camden, Charlton, Chatham, Evans, Glynn, Liberty, Long, McIntosh, Pierce, Tattnall, Toombs, Ware, and Wayne. Table of per acre values: W1 851, W2 767, W3 696, W4 619, W5 537, W6 464, W7 385, W8 307, W9 238.

560-11-11-.13 Valuation of Additional Qualified Property which is Contiguous to the Property in the Original Covenant

(1) If a qualified owner has entered into an original forest land conservation use covenant and subsequently acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the fifteen (15) year period of the original covenant; provided, however, that such subsequently acquired qualified property shall be less than two hundred (200) acres.

(2) If the qualified owner makes such an election, then additional qualified property shall be valued in accordance with O.C.G.A. § 48-5-269.

(a) When calculating the additional qualified property's initial value, this initial value shall not be subject to the three percent (3%) limitation provided for in O.C.G.A. 48-5-271(b).

560-11-12 COUNTY BOARD OF EQUALIZATION HEARINGS

560-11-12-.01 Applicability of Rules

(1) The rules in this Chapter shall apply to and govern ad valorem tax assessment appeal hearings held by the county boards of equalization including those formed by intergovernmental agreement.

(2) The actions, decisions and orders of a county's board of equalization are:

(a) Subject to the appeals procedures as provided in this section.

(b) Empowered to exercise the same degree of authority and perform the same actions as hearing officers under O.C.G.A. § 50-13-13.

560-11-12-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof

The hearings held under these Regulations shall only be as formal as is necessary to preserve order and be compatible with the principles of justice.

(1) Parties shall have the right to be represented by legal counsel.

(2) The parties have a right to obtain, not less than seven (7) days prior to the date of the hearing, the documentary evidence and the names and addresses of the witnesses to be used at the hearing by making a written request to the Board of Equalization and to the other party not less than 10 days prior to the date of the hearing. Any such documentary evidence or witnesses not provided upon a timely written request may be excluded from the hearing at the discretion of the Board of Equalization.

(3) The parties shall also have the right to respond and present evidence on all issues involved and to cross examine all witnesses.

(4) The standard of proof on all issues in the hearing shall be a preponderance of the evidence. A preponderance of the evidence is established when one party's evidence is of greater weight or is more convincing than the evidence offered in opposition to it, in that, the evidence, when taken as a whole, shows that the fact in dispute has been proven by one party to be more probable than not.

(5) When a hearing is being held regarding a county's board of tax assessors' tax assessment, the county board of tax assessors shall have the burden of proof in regards to value, not taxability.

(a) If a hearing is being held regarding a property tax exemption, then the party seeking the property tax exemption shall have the burden of proving entitlement.

(6) The county board of tax assessors shall present its case first, unless a taxpayer elects to present first.

560-11-12-.03 Evidence; Official Notice

(1) The rules of evidence in hearings covered by this Chapter shall be substantially as follows:

(a) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded;

1. The rules of evidence as applied in the trial of civil non-jury cases in the superior courts shall be followed as far as practicable.

2. Evidence not admissible under superior court rules may be admitted when necessary to discover facts not reasonably understood from the previously admitted evidence.

3. Except where precluded by statute, if the evidence presented it is of a type commonly relied upon by reasonably prudent persons, the county board of equalization has discretion as to whether to admit the evidence or not.

(b) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available;

1. Upon request, parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to the superior courts of Georgia;

(c) A party may conduct such cross-examination as required for a full and true disclosure of the facts;

(d) Official notice may be taken of judicially recognizable facts and generally recognized technical facts or records within the agency's specialized knowledge.

1. The parties shall be notified of any material so noticed and shall be afforded the opportunity to contest such material at the hearing.

560-11-12-.04 Continuances and Postponements

(1) Matters set for hearing may be continued or postponed within the sound discretion of the Board of Equalization upon timely motion by either party.

(2) The Board of Equalization may on its own motion continue or postpone the hearing.

560-11-12-.05 Subpoena Forms; Service

(1) Either party may obtain subpoena forms from Clerk of Superior Court by making a timely request.

(2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

560-11-12-.06 Transcripts of Hearing

(1) Any party may request that the hearing be conducted before a court reporter, or recorded in audio and/or video.

(2) The request shall be in writing and include an agreement by the requesting party that he or she shall pay the costs incurred by the request or that he or she shall procure at his or her own cost and on his or her own initiative, the court reporting or recording services for the hearing.

(3) Regardless of who makes the arrangements or requests the transcript, or tape or video record be made, the original transcript, or tape or video record of the proceedings shall be submitted to the board of equalization chairman prior to the close of the hearing record if the transcript, or tape or video is to be made part of the record.

560-11-12-.07 Case Presentment

In accordance with the Georgia Administrative Procedure Act, a party shall be entitled to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts.

560-11-12-.08 Ruling; Decision

(1) The decision of the County Board of Equalization shall clearly state the Board of Equalization's ruling regarding the property's value, uniformity, or taxability, where applicable.

(2) The decision of the County Board of Equalization shall be rendered pursuant to O.C.G.A. § 48-5-311(e)(6)(D)(i).

(3) When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, the decision of the County Board of Equalization shall be provided to such agent, representative, or attorney pursuant to O.C.G.A. § 48-5-311(o).

560-11-12-.09 Hearing Location

A hearing conducted by a county's board of equalization under this Chapter, shall be held in the county where the property is located unless all parties agree to hold the hearing at a mutually agreed upon location.

560-11-13 COUNTY HEARING OFFICERS

560-11-13-.01 Applicability of Rules

(1) The rules in this Chapter shall apply to and govern ad valorem tax assessment appeal hearings held by a county hearing officer, pursuant to O.C.G.A. § 48-5-311.

(2) The actions, decisions and orders of a county hearing officer are subject to the appeals procedures as provided in this section and O.C.G.A. § 48-5-311.

(3) The county hearing officer is empowered to exercise the same degree of authority and perform the same actions as hearing officers under O.C.G.A. § 50-13-13.

560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof

The hearings held under these Regulations shall only be as formal as is necessary to preserve order and be compatible with the principles of justice.

(1) Parties shall have the right to be represented by legal counsel. Documents or other written evidence to be presented at the hearing by a party must be provided to the other party not less than seven (7) days prior to the time of the hearing and that any failure to comply with this requirement shall be grounds for an automatic continuance or for exclusion of such documents or other written evidence. The decision to continue a proceeding or exclude documents or records shall be within in the discretion of the hearing officer.

(2) The parties shall also have the right to respond and present evidence on all issues involved and to cross-examine all witnesses.

(3) The standard of proof on all issues in the hearing shall be a preponderance of the evidence. A preponderance of the evidence is established when one party's evidence is of greater weight or is more convincing than the evidence offered in opposition to it, in that, the evidence, when taken as a whole, shows that the fact in dispute has been proven by one party to be more probable than not.

(4) When a hearing is being held regarding a county's board of tax assessors' tax assessment, the county board of tax assessors shall have the burden of proof in regards to fair market value and the validity of proposed assessment, not taxability.

(a) If a hearing is being held regarding a property tax exemption, then the party seeking the property tax exemption shall have the burden of proving entitlement.

(5) The county board of tax assessors shall present its case first, unless a taxpayer elects to present first and the hearing officer, in his or her discretion, allows it.

560-11-13-.03 Evidence; Official Notice

(1) The rules of evidence in hearings covered by this Chapter shall be substantially as follows:

(a) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded;

1. The rules of evidence as applied in the trial of civil non-jury cases in the superior courts shall be followed as far as practicable.

2. Evidence not admissible under superior court rules may be admitted when necessary to discover facts not reasonably understood from the previously admitted evidence.

3. Except where precluded by statute, if the evidence presented it is of a type commonly relied upon by reasonably prudent persons, a hearing officer has discretion as to whether to admit the evidence or not.

(b) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available;

1. Upon request, parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to the superior courts of Georgia;

(c) A party may conduct such cross-examination as required for a full and true disclosure of the facts;

(d) Official notice may be taken of judicially recognizable facts and generally recognized technical facts or records within the agency's specialized knowledge.

1. The parties shall be notified of any material so noticed and shall be afforded the opportunity to contest such material at the hearing.

560-11-13-.04 Continuances and Postponements

(1) Matters set for hearing may be continued or postponed within the sound discretion of the county hearing officer upon timely motion by either party.

(2) The county hearing officer may on his own motion continue or postpone the hearing.

560-11-13-.05 Subpoena Forms; Service

(1) Either party may obtain subpoena forms from the Clerk of Superior Court by making a timely request.

(2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

560-11-13-.06 Transcripts of Hearing

(1) Any party may request that the hearing be conducted before a court reporter, or recorded in audio and/or video.

(2) The request shall be in writing and include an agreement by the requesting party that he or she shall pay the costs incurred by the request or that he or she shall procure at his or her own cost and on his or her own initiative, the court reporting or recording services for the hearing.

(3) Regardless of who makes the arrangements or requests the transcript, or tape or video record be made, the original transcript, or tape or video record of the proceedings shall be submitted to the county hearing officer prior to the close of the hearing record if the transcript, or tape or video is to be made part of the record.

560-11-13-.07 Case Presentment

In accordance with the Georgia Administrative Procedure Act, a party shall be entitled to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts.

560-11-13-.08 Ruling; Decision

(1) The decision of the county hearing officer shall clearly state the ruling regarding the property's value and uniformity, where applicable.

(2) The decision of the county hearing officers shall be rendered pursuant to O.C.G.A. § 48-5-311 (e.1)(7).

(3) When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, the decision of the county hearing officer shall be provided to such agent, representative, or attorney pursuant to O.C.G.A. § 48-5-311(o).

560-11-13-.09 Hearing Location

A hearing conducted by a county hearing officer under this Chapter, shall be held in the county where the property is located unless all parties agree to hold the hearing at a mutually agreed upon location.

560-11-13-.10 Swearing In Witnesses

(1) Before a witness is allowed to testify at a hearing, the witness must first be sworn-in by swearing or affirming to tell the truth.

> **(a)** The county hearing officer shall be responsible for swearing in all witnesses and must administer the following oath:
>
> "Do you swear or affirm to tell the truth, the whole truth, and nothing but the truth, so help you God?"

560-11-13-.11 Hearing Officer Procedural Form

A county hearing officer shall follow the procedures as outlined in Hearing Officer Procedure Form-1 when conducting an administrative hearing under this Chapter.

560-11-13-.12 Hearing Officers and the Administrative Procedures Act

The Administrative Procedures Act is not applicable, but where referenced in this Chapter, the Administrative Procedures Act was used as a guideline for the Regulations in order to ensure due process.

560-11-14 STATE AND LOCAL TITLE AD VALOREM TAX FEE

560-11-14-.01 Definitions

(1) As used in O.C.G.A. § 48-5C-1 and in these regulations, the term:

(a) "Commercial motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-8.3.

(b) "Commissioner" means the State Revenue Commissioner.

(c) "County tag agent" or "tag agent" means those persons that have been designated as tag agents of the commissioner as provided for in O.C.G.A. § 40-2-23.

(d) "Date of purchase" means the date so provided on the application for certificate of title.

(e) "Dealer" or "dealership" shall have the same meaning as a dealer of new or used motor vehicles as provided for in O.C.G.A. § 40-3-2(3).

(f) "Department" means the Department of Revenue.

(g) "Electronic Title and Registration" means an electronic process by which a dealer, through a vendor authorized by the commissioner, initiates the motor vehicle titling and registration process and by which the application for certificate of title is considered received by the county tag agent.

(h) "Fair market value" means:

1. For a new motor vehicle which is purchased, the greater of the retail selling price or the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner in determining the taxable value of a motor vehicle under Code Section 48-5-442, less any reduction for the trade-in value of another motor vehicle and any rebate or any cash discounts provided by the selling dealer and taken at the time of sale. The retail selling price shall include any charges for labor, freight, delivery, dealer fees, and similar charges and dealer add-ons and mark-ups, but shall not include any extended warranty or maintenance agreement itemized on the dealer's invoice to the customer or any finance, insurance, and interest charges for deferred payments billed separately.

2. For a new motor vehicle which is leased, either

(A) The greater of the agreed upon value of the vehicle pursuant to the lease agreement or the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner in

determining the taxable value of a motor vehicle under Code Section 48-5-442, less any reduction for the trade-in value of another motor vehicle and any rebate or any cash discounts provided by the selling dealer and taken at the time of sale. The agreed upon value shall include any charges for labor, freight, delivery, dealer fees, and similar charges and dealer add-ons and mark-ups, but shall not include any extended warranty or maintenance agreement itemized on the dealer's invoice to the customer or any finance, insurance, and interest charges for deferred payments billed separately; or

(B) The total of the base payments, including down payments, pursuant to the lease agreement.

The term "down payments" as used in this subparagraph means cash collected from the lessee at the inception of the lease which shall include cash supplied as a capital cost reduction; shall not include rebates, noncash credits, or net trade allowances; and shall include any up front payments collected from the lessee at the inception of the lease except for taxes or fees imposed by law and monthly lease payments made in advance.

(C) The lessor and the lessee shall make an election on a form prescribed by the commissioner as to which of the above-referenced values, (1)(h)2.(A) or (1)(h)2.(B) of this regulation, shall be the fair market value of the vehicle.

3. For a used motor vehicle, the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner and based upon a nationally recognized motor vehicle industry pricing guide for fair market and wholesale market values in determining the taxable value of a motor vehicle under Code Section 48-5-442, and, in the case of a used car dealer, less any reduction for the trade-in value of another motor vehicle.

4. For a used motor vehicle which is not so listed in such current motor vehicle ad valorem assessment manual, the value from the bill of sale or the value from a reputable used car market guide designated by the commissioner, whichever is greater, and, in the case of a used car dealer, less any reduction for the trade-in value of another motor vehicle.

(i) "Immediate family member" means a spouse, parent, child, sibling, grandparent, or grandchild and includes those who have attained such immediate family member status through a legal determination recognized in this state.

(j) "International Registration Plan" means the international reciprocal registration agreement for commercial motor vehicles and all amendments thereto as provided for in O.C.G.A. § 40-2-88.

(k) "Loaner vehicle" means a motor vehicle owned by a dealer which is withdrawn temporarily from dealer inventory for exclusive use as a courtesy vehicle loaned at no charge for a period not to exceed thirty (30) days within a 366-day period to any one customer whose motor vehicle is being serviced by such dealer.

(l) "Motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(33).

(m) "New motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(34).

(n) "Month" means a period of thirty (30) consecutive calendar days.

(o) "Owner" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(39).

(p) "Person" means any individual, firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision, whether public, private, or quasi-public.

(q) "Proceeds" means the combined state ad valorem title tax fee, local ad valorem title tax fee, administrative fee, penalties, and interest.

(r) "Rebuilt title" shall have the same meaning as provided for in O.C.G.A. § 40-3-37.

(s) "Rental charge" means the title value received by a rental motor vehicle concern for the rental or lease for thirty-one (31) or fewer consecutive days of a rental motor vehicle, including the total cash and nonmonetary consideration for the rental or lease, including, but not limited to, charges based on time or mileage and charges for insurance coverage or collision damage waiver but excluding all charges for motor fuel taxes or sales and use taxes.

(t) "Rental motor vehicle" means a motor vehicle designed to carry fifteen (15) or fewer passengers and used primarily for the transportation of persons that is rented or leased without a driver.

(u) "Rental motor vehicle concern" means a person or legal entity which owns or leases five (5) or more rental motor vehicles and which regularly rents or leases such vehicles to the public for value.

(v) "Salvage motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-3-2(11).

(w) "Salvage title" shall have the same meaning as provided for in O.C.G.A. § 40-3-36.

(x) "Sales and use tax" means combined state and local sales and use tax as imposed by Chapter 8 of Title 48, unless otherwise specifically provided for in O.C.G.A. § 48-5C-1 or these regulations to refer only to state sales and use tax, or local sales and use tax, respectively.

(y) "Tax collector" or "tax commissioner" means those persons that have been designated as tag agents of the commissioner as provided for in O.C.G.A. § 40-2-23.

(z) "Used motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(74).

560-11-14-.05 Family Inheritance, Devise or Bequest

(1) If the motor vehicle was subject to ad valorem tax under Chapter 5 of Title 48 upon the death of the owner, such motor vehicle shall continue to be subject to the same unless such immediate family member makes an affirmative written election to instead become subject to the state and local title ad valorem tax fee.

> **(a)** Such affirmative written election shall be made on a form prescribed by the commissioner which shall be submitted to the county tag agent along with the application for certificate of title and accompanied by the state and local title ad valorem tax fee. If such form is not so submitted, the motor vehicle shall remain subject to ad valorem taxation under Chapter 5 of Title 48.

(2) If the motor vehicle was subject to the state and local title ad valorem tax fee upon the death of the owner, such motor vehicle shall be subject to a reduced state and local ad valorem title tax fee rate as provided by subsection (d) of O.C.G.A. § 48-5C-1.

(3) An immediate family member acquiring a motor vehicle by way of inheritance, devise, or bequest from a deceased owner shall complete an affidavit signed before a notary public affirming his or her relationship to the deceased as an immediate family member and entitlement to the vehicle. Such affidavit shall be submitted to the county tag agent accompanied by a copy of letters of testamentary, a copy of the will of the deceased, or other documentation approved by the commissioner to evidence the immediate family member relationship to the deceased and entitlement to the vehicle.

560-11-14-.06 Family Transfer

(1) If the motor vehicle was subject to ad valorem tax under Chapter 5 of Title 48 upon the transfer to the immediate family member, such motor vehicle shall continue to be subject to the same unless such immediate family member makes an affirmative written election to instead become subject to the state and local title ad valorem tax fee.

> **(a)** Such affirmative written election shall be made on a form prescribed by the commissioner which shall be submitted to the county tag agent along with the application for certificate of title and accompanied by the state and local title ad valorem tax fee. If such form is not so submitted, the motor vehicle shall remain subject to ad valorem taxation under Chapter 5 of Title 48.

(2) If the motor vehicle was subject to the state and local title ad valorem tax fee upon the transfer to the immediate family member, such motor vehicle shall be subject to a reduced state and local ad valorem title tax fee rate as provided by subsection (d) of O.C.G.A. § 48-5C-1.

(3) Both the transferor and the transferee shall complete an affidavit signed before a notary public affirming their relationship as immediate family members and the acquiring member's entitlement to the vehicle. Such affidavit shall be submitted to the county tag agent.

560-11-14-.07 Salvage and Rebuilt Motor Vehicles

(1) Any person applying for a salvage title shall be subject to the state title ad valorem tax fee rate as provided by O.C.G.A. § 48-5C-1(b)(2). Such person shall submit the application for a salvage certificate of title together with the state title ad valorem tax fee to the commissioner.

> **(a)** Due to the salvage value of motor vehicles not being captured in the assessment manuals utilized by the department, the commissioner shall designate a standardized valuation for salvage motor vehicles to be used for purposes of the state title ad valorem tax fee. Such valuation shall be considered the fair market value of the motor vehicle.

(2) Any person who acquires a salvage motor vehicle who intends to rebuild such motor vehicle shall make the vehicle available to the commissioner for inspection and shall make application for a rebuilt title to the commissioner. Such person shall be directed to the county tag agent for payment of the state and local title ad valorem tax fee, as applicable.

560-11-14-.08 International Registration Plan

(1) Motor vehicles registered under the International Registration Plan shall not be subject to state and local title ad valorem tax fees but shall continue to be subject to apportioned ad valorem taxation under Article 10 of Chapter 5 of this title.

(2) Except as otherwise provided in O.C.G.A. § 48-5C-1, all other statutes and regulations governing commercial motor vehicles subject to the International Registration Plan remain in effect and such motor vehicles continue to be subject to the International Fuel Tax Agreement (IFTA).

560-11-14-.09 Loaner Vehicles and Dealer Inventory

(1) A motor vehicle used by a dealership as a loaner vehicle shall not be subject to the state and local title ad valorem tax fee so long as such motor vehicle is not withdrawn from inventory beyond the permissible time period as provided by part (2) of this regulation.

(2) Loaner vehicles are exempt from state and local title ad valorem tax fees when used as a loaner vehicle for 366 days or fewer, commencing on the date such loaner vehicle is registered as a loaner vehicle at the county tag office. Immediately upon the expiration of such 366 day period, if the dealer does not cancel or transfer the registration of such loaner vehicle at the county tag office and return the loaner vehicle to inventory for resale the dealer shall be responsible for remitting the state and local title ad valorem tax fee in the same manner as otherwise required of an owner under O.C.G.A. § 48-5C-1(d)(9) and shall be subject to the same penalties and interest as an owner for noncompliance.

560-11-14-.10 Non-Profit Organizations

(1) Any motor vehicle which is donated to a non-profit organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, for the purpose of being transferred to another person shall, when titled in the name of such nonprofit organization, be subject to a reduced rate of the state and local title ad valorem tax fee.

(2) The reduced rate under part (1) of this regulation shall be the rate applicable to salvage motor vehicles provided under O.C.G.A. § 48-5C-1(b)(2).

(3) In order to obtain the reduced rate, qualifying non-profit organizations shall provide at the time of application for certificate of title proof of their tax exempt status under Section 501(c)(3) of the Internal Revenue Code and shall certify on a form prescribed by the commissioner that such motor vehicle was donated to such organization for the purpose of being transferred to another person.

560-11-14-.11 Rental Motor Vehicle Concern Certification

(1) Rental motor vehicle concerns shall qualify for a reduced rate of the state and local title ad valorem tax fee as provided by this regulation.

(2) In the case of rental motor vehicles owned by such rental motor vehicle concerns:

> **(a)** The state and local title ad valorem tax fee rate shall be as provided in O.C.G.A. § 48-5C-1(d).

(3) To qualify for the rates as provided in part (2) of this regulation:

> **(a)** In the immediately prior calendar year the rental motor vehicle concern must have had an average amount of sales and use tax attributable to the rental charge of each rental motor vehicle of at least $400.
>
> **(b)** The rental motor vehicle concern must obtain certification by the commissioner as provided by part (4) of this regulation.

(4) Certification Process

> **(a)** The application for certification as a qualified rental motor vehicle concern shall be made on a form prescribed by the commissioner.
>
> **(b)** The rental motor vehicle concern shall obtain certification on an annual basis in order to continue to qualify for the rates as provided in part (2) of this regulation. Such certification shall be valid as of March 1 and shall continue until the end of February of the subsequent calendar year.

560-11-14-.12 Exemptions

(1) The state and local title ad valorem tax fee shall not apply to:

(a) Corrected titles.

(b) Replacement titles under O.C.G.A. § 40-3-31.

(c) Titles reissued to the same owner pursuant to O.C.G.A. §§ 40-3-50, 40-3-51, 40-3-52, 40-3-53, 40-3-54, 40-3-55, or 40-3-56.

(d) Any other exemption in subsection (d)(15) of O.C.G.A. § 48-5C-1.

(2) Motor vehicles owned or leased by or to the state or any county, consolidated government, municipality, county or independent school district, or other government entity in this state shall not be subject to the state and local title ad valorem tax fees provided for in O.C.G.A. § 48-5C-1; provided, however, that such other government entity shall not qualify for such exclusion unless it is exempt from ad valorem tax and sales and use tax pursuant to general law.

(3) The state and local title ad valorem tax fee shall not apply to a qualified person as provided in this part:

(a) Any qualified service connected disabled veteran pursuant to O.C.G.A. § 48-8-3(30)when the veteran received a grant from the United States Department of Veterans Affairs to purchase and specially adapt a vehicle to his disability may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their disabled status and receipt of the veteran's grant.

(b) Any qualified disabled veteran pursuant to O.C.G.A. § 48-5-478 may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their disabled status.

1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a disabled veteran's license plate to such vehicle as provided for in O.C.G.A. § 40-2-69.

2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.

(c) Any qualified veteran pursuant to O.C.G.A. § 48-5-478.1 who is a citizen and resident of Georgia and is a former prisoner of war or their unremarried surviving spouse may apply for an exemption of the state and local title ad valorem tax fee. Such veteran or their unremarried surviving shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating the veteran's designation as a former prisoner of war.

1. A veteran or their unremarried surviving spouse shall be granted an exemption provided that the veteran has met the requirements of O.C.G.A. § 40-2-73.

2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.

(d) Any qualified veteran pursuant to O.C.G.A. § 48-5-478.2 who is a citizen and resident of Georgia and was awarded the Purple Heart may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their award of the Purple Heart.

1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a Purple Heart license plate to such vehicle as provided for in O.C.G.A. § 40-2-84.

2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.

(e) Any qualified veteran pursuant to O.C.G.A. § 48-5-478.3 who is a citizen and resident of Georgia and was awarded the Medal of Honor may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their award of the Medal of Honor.

1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a Medal of Honor license plate to such vehicle as provide for in O.C.G.A. § 40-2-68.

2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.

560-11-14-.14 Used Car Market Guide

The commissioner shall designate a reputable used car market guide for use in determining the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee for a which a value is not listed in the current motor vehicle ad valorem assessment manual.

560-11-14-.15 Fraudulent Transfers and False Information

(1) There shall be a penalty imposed on any person who, in the determination of the commissioner, falsifies any information in any bill of sale used for purposes of determining fair market value. Such penalty shall not exceed $2,500 as a state penalty and $2,500 as a local penalty as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.

(2) There shall be a penalty imposed on any person who, in the determination of the commissioner, falsifies any material information in any affidavit required for purposes of title transfers between immediate family members. Such penalty shall not exceed $2,500 as a state penalty and $2,500 as a local penalty as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.

(3) There shall be a penalty imposed on the transfer of all or any part of the interest in a business entity that includes primarily as an asset of such business entity one or more motor vehicles when, in the determination of the commissioner, such payment is done to evade the payment of state and local title ad valorem tax fees. Such penalty shall not exceed $2,500 as a state penalty per motor vehicle and $2,500 as a local penalty per motor vehicle as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.

(4) In the event the county tag agent has reason to believe that a violation of this regulation has occurred, or upon request of the commissioner following receipt of information of a possible violation of this regulation, the county tag agent shall provide the commissioner the following items, as applicable: the original or a certified copy of the alleged falsified bill of sale or affidavit, a written statement of the facts of the allegation, and any other supporting evidence relevant to the allegation.

(5) The commissioner shall make a determination and any assessment of penalties within sixty (60) days from the date the commissioner received information that a violation under this regulation may have occurred.

560-11-14-.16 Appeals

(1) Any owner who contests the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee may appeal such decision by either filing with the tax commissioner an affidavit of illegality as outlined in part (2) of this regulation, or by filing an appeal with the board of tax assessors as outlined in part (3) of this regulation, or by appealing the fair market value of the motor vehicle to the county tag agent as provided in Code Section 48-5C-1(a)(1)(C).

(2) An owner may contest the fair market value of a motor vehicle for purposes of state and local title ad valorem tax fee, by filing an appeal as outlined in O.C.G.A. § 48-5-450; provided, however, that the person appealing the fair market value shall first pay the full amount of the state and local title ad valorem tax prior to filing an appeal. Such appeal shall be made by filing with the tax commissioner an affidavit of illegality to the assessment.

(3) As an alternative to filing an affidavit of illegality, any owner who contests the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee may appeal such value in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. § 48-5-311.

> **(a)** The time allowed for the filing of a written appeal shall be forty-five (45) days from the deadline date for the payment of the tax.
>
> **(b)** The person appealing the fair market value shall first pay the full amount of the state and local title ad valorem tax prior to filing an appeal. Upon receipt of an appeal, the tax assessors shall immediately notify the tax commissioner that an appeal has been filed by the taxpayer.
>
> **(c)** Further appeals to the board of equalization and superior court are to be handled as provided in O.C.G.A. § 48-5-311.

560-11-15 ILLEGAL DIGEST ENTRY REVIEW

560-11-15-.01 Definitions

(1) "Commissioner" means the Commissioner of the Georgia Department of Revenue and shall include any person delegated authority by the Commissioner to administer the provisions of this Chapter and O.C.G.A. § 48-5-342.

(2) "Digest" means the total listing of taxable assessments on the annual tax roll of a given county that has been certified by the tax receiver or county tax commissioner to the Department of Revenue for the purpose of gaining authorization for billing and collecting ad valorem tax.

(3) "Illegal Digest Entry" means a real property parcel or other interest in real property that is identified by the Commissioner as appearing illegally on a certified digest because such property is not subject to taxation under Chapter 5 of Title 48. The term shall not apply to disputes concerning value or exemptions utilized to calculate taxable value.

(4) "Same Property" means a real property parcel or other interest in real property, utilizing substantially the same address or county provided description, which was previously determined to be an Illegal Digest Entry.

560-11-15-.02 Commissioner's Determination of Property Illegally Appearing on a County Digest

(1) The Commissioner may, upon his or her own initiative, determine whether any property is illegally appearing on a Digest.

(2) The Commissioner may, upon a written complaint filed with the Department by a taxpayer, determine whether a property is illegally appearing on a Digest. Complaints as to valuation or exempt status of a particular parcel or other interest in real property shall not be considered under this Chapter.

(3) Upon making a determination of illegality, the Commissioner shall strike any Illegal Digest Entry from the Digest and return the Digest to the county tax commissioner and county board of tax assessors for removal of the Illegal Digest Entry and resubmission of the Digest to the Commissioner.

(4) A determination letter shall be issued by the Commissioner to the county board of tax assessors and a copy of such letter will be furnished to the taxpayer.

560-11-15-.03 Appeal of Commissioner's Determination

(1) The county board of tax assessors may appeal the Commissioner's decision to remove property from the Digest by filing an appeal pursuant to this Chapter.

(2) The appeal shall be in writing, signed by the chairman of the county board of tax assessors, and filed with the office of the Commissioner by the county board of tax assessors within 45 days of the date of mailing of the Commissioner's letter of determination.

(3) A copy of the appeal filed with the Commissioner shall be mailed to the taxpayer by the county board of tax assessors.

560-11-15-.04 Nature of the Appeal; Hearing Procedure; Evidence

(1) The county board of tax assessors shall have the right to an appeal hearing before the Commissioner and shall have the right to be represented by legal counsel and to present evidence.

(2) Documents or other written evidence to be presented at the appeal hearing must be provided to the Commissioner not less than seven (7) days prior to the time of the hearing. The weight and sufficiency of such evidence shall be determined within the sole discretion of the Commissioner.

560-11-15-.05 Ruling; Decision

Upon decision pursuant to an appeal, the Commissioner shall issue a final decision to the county board of tax assessors as to whether the property in question is illegally appearing on the Digest and shall mail a copy to the taxpayer. The decision of the Commissioner shall order the removal or inclusion of the item on the Digest.

560-11-15-.06 Recurring Illegal Digest Entries for Same Property; Revocation of Qualified Status; Reinstatement

(1) If the Same Property is found by the Commissioner on a Digest within five (5) years of removal under this Chapter, the Commissioner will make a determination on whether the property is an Illegal Digest Entry.

(2) Where the Commissioner finds such property illegally appearing on the county Digest within five (5) years of removal under this Chapter, the Commissioner shall provide notice in writing to the county board of tax assessors of such finding of illegality. The county board of tax assessors may file an appeal pursuant to this Chapter to the Commissioner's notice no later than 45 days of the date of mailing by the Commissioner of such notice. A copy of such appeal filed with the Commissioner shall be mailed to the taxpayer.

(3) Where the finding of Illegal Digest Entry is upheld after hearing, or upon failure of the county board of tax assessors to file an appeal, the Commissioner will issue a final decision and serve such final decision on the Department of Community Affairs for appropriate action pursuant to O.C.G.A. § 48-5-342. The Commissioner shall return the Digest to the county for removal of the property and for Digest resubmission Upon resubmission of the corrected Digest by the county and approval by the Commissioner, the Department will notify the Department of Community Affairs of such corrective action pursuant to O.C.G.A. § 48-5-342.

(4) Where the finding of Illegality of Digest Entry is overturned after hearing, the Commissioner will promptly approve the Digest as originally submitted and will issue a final decision in accordance therewith.

CHAPTER 3 - APM

560-11-10 APPRAISAL PROCEDURES MANUAL

560-11-10-.01 Purpose and Scope

(1) Purpose. This appraisal procedures manual has been developed in accordance with Code section 48-5-269.1 which directs the Revenue Commissioner to adopt by rule, subject to Chapter 13 of Title 50, the "Georgia Administrative Procedure Act," and maintain an appropriate procedural manual for use by the county property appraisal staff in appraising tangible real and personal property for ad valorem tax purposes.

(2) Specific procedures. In order to facilitate the mass appraisal process, specific procedures are provided within this Chapter which are designed to arrive at a basic appraisal value of real and personal property. These specific procedures are designed to provide fair market value under normal circumstances. When unusual circumstances are affecting value, they should be considered. In all instances, the appraisal staff will apply Georgia law and generally accepted appraisal practices to the basic appraisal values required by this manual and make any further valuation adjustments necessary to arrive at the fair market values.

(3) Board of tax assessors. The county board of tax assessors shall require the appraisal staff to observe the procedures in this manual when performing their appraisals. The county board of tax assessors may not adopt local procedures that are in conflict with Georgia law or the procedures required by this manual. The county board of tax assessors must consider the appraisal staff information in the performance of their duties. In each instance, however, the assessment placed on each parcel of property shall be the assessment established by the county board of tax assessors as provided in Code section 48-5-306.

(4) Other appraisal procedures. The appraisal staff may use those generally accepted appraisal practices set forth in the Uniform Standards of Professional Appraisal Practice, published by the Appraisal Foundation, and the standards published by the International Association of Assessing Officers, as they may be amended from time to time, to the extent such practices do not conflict with this manual and Georgia law.

560-11-10-.02 Definitions

(1) Definitions. When used in this Chapter, the definitions found in this Rule shall apply.

(a) Absorption rate. "Absorption rate" means the rate at which the real estate market can absorb real property of a given type.

(b) Appraiser. "Appraiser" means a member of the county appraisal staff, who serves the board of tax assessors and whose position was created pursuant to Part 1 of Article 5 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated. This term does not limit its meaning to a single appraiser and may mean one or more members of the county appraisal staff.

(c) Basic cost approach. "Basic cost approach" means a cost approach procedure, used in the mass appraisal of personal property, which uses standard estimates of the most common factors affecting the value of such property. The basic cost approach is intended to provide a uniform estimate of personal property value.

(d) Depreciation. "Depreciation" means the loss of value due to any cause. It is the difference between the market value of a structural improvement or piece of equipment and its reproduction or replacement cost as of the date of valuation. Depreciation is divided into three categories, physical deterioration, functional obsolescence, and economic obsolescence. Depreciation may be further characterized as curable or incurable depending upon the difficulty or practicality of restoring the lost value through repair or maintenance.

(e) Economic life. "Economic life" means the period during which property may reasonably be expected to perform the function for which it was designed or intended.

(f) Economic obsolescence. "Economic obsolescence" means a form of depreciation that measures a loss of value from negative influence external to the real or personal property. It results when the desirability or useful life of real or personal property is impaired due to forces such as changes in optimum use, legislative enactment that restricts or impairs productivity, and changes in supply and demand relationships. Economic obsolescence is normally incurable.

(g) Effective age. "Effective age" means the age of an improvement to property as compared with other property performing like functions. It is the actual ageless the age that has been taken off by face-lifting, structural reconstruction, removal of functional inadequacies, modernization of equipment, and similar repairs and overhauls. It is an age that reflects a true remaining life for the property, taking into account the typical life expectancy of buildings or equipment of its class and usage.

(h) Fair market value. "Fair market value" means fair market value as defined in Code section 48-5-2(3).

(i) Final assessment. "Final assessment" means the assessed value of real property as stated on the Annual Notice of Assessment as approved by the Board of Assessors. Amendments to "Final assessment" for real property are prohibited absent a clerical error or some other lawful basis; and in the case of personal property, the appraisal staff has completed its audit of the personal property pursuant to Rule 560-11-10-.08(4)(d) within the three year statute of limitations.

(j) Functional obsolescence. "Functional obsolescence" means a form of depreciation that measures a loss of value from a design deficiency or appearance in the market of a more innovative design. Some functional obsolescence may be curable and some functional obsolescence may be incurable.

(k) Inventory. "Inventory", means goods held for sale or lease or furnished under contracts for service; also, supplies, packing materials, spare parts, raw materials, work in process or materials used or consumed in a business.

(l) Large acreage tract. "Large acreage tract" means a rural land tract that is greater in acreage than the small acreage break point.

(m) Mass appraisal. "Mass appraisal" means the process of valuing a universe of properties as of a given date using standard methodology, employing common data and allowing for statistical testing.

(n) Most Recent Arm's Length Sale. As referenced in OCGA 48-5-2(3), transactions must occur prior to the statutory date of valuation to become eligible for the value limitations imposed in 48-5-2(3). Furthermore, where the exchange of property is defined as an arm's length transaction, the sum of the value of the exchanged real estate property components, land and improvements, in the year following the property exchange shall not exceed the transaction's sale price adjusted for non-real estate values such as but not limited to, timber, personal property, etc. The adjustment to the value of the real estate shall remain in effect for at least the digest year following the transaction. With respect to changes in the exchanged real estate property components since the time of exchange (sale date), the value of new improvements, value of additions to existing improvements (footprint of exchanged structure has been altered), major remodeling or renovations to existing structures (footprint of exchanged structure has not been altered), and adjustments to land due to consolidation of tracts, new surveys, zoning changes, land use changes, etc. shall be added to the sales price adjusted values. In the event an exchanged real estate property structure is renovated or remodeled, the term major shall be construed such that both the property owner and BOA would reasonably conclude a major renovation/remodeling has occurred. If either party, acting reasonably, could debate that the renovation/remodeling effort was not major in nature, the renovation/remodeling effort does not qualify and shall not be added to the sales price adjusted values. Any modifications made to the exchanged real estate property after the sale date that result in a lower value of the exchanged property shall be considered in the final valuation of property for the digest.

(o) Original cost. "Original cost" means, in the case of machinery, equipment, furniture, personal fixtures, and trade fixtures in the hands of the final user, all the direct costs associated with acquiring, transporting and installing such property at the site where it is to be used. This includes the cost of the property to the property owner, the cost of transporting the property to its present site, the cost of any on-site assembly or customized modification of the property, the cost of installing the property, the cost of installing personal fixtures and trade fixtures necessary for the proper operation of the property, and any sales or use tax paid on the property. Original cost is equivalent to original cost new if the property owner was the first to put the personal property into service.

(p) Original cost new. "Original cost new" means, in the case of machinery, equipment, furniture, personal fixtures, and trade fixtures in the hands of the final user, all the direct costs associated with acquiring, transporting and installing such property at the site where it is to be used. This includes the historical cost of the property at the time it was first put into service new, the cost of transporting the property to its present site, the cost of any on-site assembly or customized modification of the property, the cost of installing the property, the cost of installing personal fixtures and trade fixtures necessary for the proper operation of the property, and any sales or use tax paid on the property. Original cost new is equivalent to original cost if the property owner was the first to put the personal property into service.

(q) Paired sales analysis. "Paired sales analysis" means the comparing of the sale prices of similar properties, some with and some without a particular characteristic, in order to determine what portion of the difference in sales price might be attributable to such characteristic.

(r) Personal fixtures. "Personal fixtures" means personal property that has been set-up or installed on land or in a building or in a group of buildings and is not permanently attached to such land or buildings. A consideration for whether personal property is a personal fixture is whether its removal would cause significant damage to such property or to the real property on which it has been set-up or installed. The term personal fixtures shall not include trade fixtures. Personal fixtures are classified as personal property. Examples of personal fixtures are desks, shelving, display cases and gondolas.

(s) Personal property. "Personal property" means tangible personal property that may be seen, weighed, measured, felt, or touched or which is in any other manner perceptible to the senses. Personal property shall include trade fixtures. For the purposes of this Rule, personal property shall not include the capital stock of all corporations; money, notes, bonds, accounts, or other credits, secured or unsecured; patent rights, copyrights, franchises, and any other classes and kinds of property defined by law as intangible personal property.

(t) Physical deterioration. "Physical deterioration" means a form of depreciation that measures the loss of utility of real or personal property over time from wear and tear, age, and exposure to the elements. Some physical deterioration may be curable and some physical deterioration may be incurable.

(u) Ready market. "Ready market" means a market, possibly global, where exchanges of machinery, equipment, personal fixtures and trade fixtures occur with such regularity and under such conditions as to provide a reliable measure of fair market value. Five conditions that may indicate a ready market are: the items of personal property being sold within the market are reasonable substitutes for each other; there are an adequate number of buyers and sellers of the personal property in the market, no one of whom can measurably affect price; there is an absence of artificial restraints and unusual incentives in the market; the item of personal property is reasonably free to be moved where it will receive the greatest return and buyers are reasonably free to buy where the price is lowest; and buyers and sellers are knowledgeable and informed about market conditions.

(v) Real estate. "Real estate" means the physical parcel of land, improvements to the land, improvements attached to the land, real fixtures and appurtenances such as easements.

(w) Real fixtures. "Real fixtures" means personal property that has been installed or attached to land or a building or group of buildings and is intended to remain permanently in its place. A consideration for whether personal property is a real fixture is whether its removal would cause significant damage to such property or to the real property to which it is attached. The term real fixtures shall not include trade fixtures. Real fixtures are classified as real property. Examples of real fixtures are plumbing, heating and cooling, and lighting fixtures.

(x) Real property. "Real property" means the bundle of rights, interests, and benefits connected with the ownership of real estate. Real property does not include the intangible benefits associated with the ownership of real estate, such as the goodwill of a going business concern.

(y) Replacement cost. "Replacement cost" for real property means the cost required to construct a similar structure with like utility as the subject property using modern design, materials, and workmanship. Replacement cost for personal property means the current cost of a similar new item having the nearest equivalent utility as the subject property.

(z) Reproduction cost. "Reproduction cost" for real property means the cost required to construct an identical or exact replica structure of the subject property. Reproduction cost for personal property means the current cost of duplicating an identical new item.

(aa) Residual value. "Residual value" means the value of personal property that is at the end of its normally expected economic life but still in use.

(bb) Rural land. "Rural land" means any land that normally lies outside corporate limits, planned subdivisions, commercial sites, and industrial sites.

(cc) Salvage value. "Salvage value" means the value of personal property that is at the end of its normally expected economic life and has been taken out of use.

(dd) Small acreage break point. "Small acreage break point" means the point, expressed as a number of acres, at which the slope of a trend line, drawn through the plotted qualified sales of rural land on a graph, reflects a distinct and pronounced change. Such graph uses the dollars per acre on the vertical axis and numbers of acres on the horizontal axis. The small acreage break point should show the point below which the market factors of accessibility and desirability of the land primarily influence value, and above which the productivity of the soil and suitability for timber growth primarily influence value.

(ee) Small acreage tract. "Small acreage tract" means a rural land tract that is equal to or smaller in acres than the small acreage break point.

(ff) Tax situs. "Tax situs" means the location of personal property for ad valorem tax purposes.

(gg) Trade fixtures. "Trade fixtures" means fixtures that are owned and temporarily installed or attached to a rented space or building by a tenant and used in conducting a business. For personal property to be classified as trade fixtures the lease or rental agreement has to show intent for the fixtures to be removed by the owner at the termination of the lease. Fixtures that revert to the landlord when the lease is terminated are not trade fixtures. Property shall not be classified as a trade fixture when the cost of removal, or damage that removal would cause to the realty, or to

the fixture itself, clearly indicates that a tenant is unlikely to remove such fixture at the termination of the lease. Trade fixtures shall be classified as personal property.

(hh) Transitional real property. "Transitional real property" means any real property that is undergoing a change in use, such as residential, agricultural, commercial, or industrial, and has not been firmly established in its new use. Change in use may be evidenced by recent zoning changes, purchase by a known developer, affidavits of intent, or close proximity to property exposed to these market factors.

(ii) Trend. "Trend" means an observable tendency of behavior such as stable economic direction over extended periods despite temporary fluctuations.

560-11-10-.08 Personal Property Appraisal

(1) Personal property identification. The appraisal staff shall identify personal property, determine its taxability, and classify it for addition to the county ad valorem tax digest in accordance with this paragraph.

(a) Distinguishing personal property. The appraiser shall be required to correctly identify personal property and distinguish it from real property where the proper valuation procedures, as set forth in this Rule, may be followed.

1. Examples. As used in this Chapter, personal property shall be that property defined in Rule 560-11-10-.02(1)(r). This Rule shall provide illustrations to assist the appraiser in the proper interpretation of the definition. However, these illustrations should not be construed in a manner that conflicts with the definition. Examples of personal property are tangible items such as aircraft; boats and motors; inventories of retail stock, finished manufactured or processed goods, goods in process, raw materials and supplies; furniture, personal fixtures, trade fixtures, machinery and equipment.

2. Identification of trade fixtures. When property the appraiser believes is a trade fixture has not been returned by the tenant, the appraiser shall require the tenant to produce their lease agreement and shall carefully review the agreement before making a recommendation to the board of tax assessors regarding the classification of the property in question. The appraiser shall inform the tenant that they may redact, at their option, any information relating to the payments that are required by the lease agreement.

(b) Assessment date. Code section 48-5-10 provides that each return by a property owner shall be for property held and subject to taxation on January 1 of the tax year. The appraisal staff shall base their decisions regarding the taxability, tax situs, uniform assessment, and valuation of personal property on the circumstances of such property on January 1 of the tax year for which the assessment is being prepared. When personal property is transferred to a new owner or converted to a new use, the circumstances of such property on January 1 shall nevertheless be considered as controlling.

(c) Freeport exemptions.

1. Mailing applications. The appraisal staff shall, by U. S. mail, send a new freeport exemption application to any person, firm or corporation that was approved for freeport exemption by the board of tax assessors for the tax year proceeding the tax year for which the application is to be made. The application provided by the appraisal staff shall be deposited with the local post office no later than the 15th day after the official who is responsible for receiving returns has opened the books for returns. The failure of the appraisal staff to comply with this requirement shall not relieve a person, firm or corporation from the responsibility to timely file a freeport application.

2. Reviewing applications. The appraisal staff shall, upon receipt of a freeport application, reconcile the figures reported on such form to any inventory totals that may have been returned by the property owner. The appraisal staff may obtain relevant information as is available from financial records or other records of the property owner when needed to reconcile the figures reported on the application. Once the appraisal staff has completed the reconciliation of the freeport application, they shall forward the application and their recommendations, along with any supporting documentation, to the board of tax assessors. When the appraisal staff recommends the freeport application be denied, in whole or in part, they shall include the reasons for their recommendation.

(d) Tax situs. The appraisal staff shall inquire into the proper tax situs of personal property before preparing the proposed assessment to ensure that the property owner is made subject to only those taxes that may legally be levied. The tax situs inquiry shall be sufficiently specific to determine whether the property is subject to tax by each of the authorities authorized to levy taxes in the county.

1. General tax situs. Unless otherwise provided in subparagraph (d) of this paragraph, the appraisal staff shall consider the tax situs of personal property to be as provided in this subparagraph.

(i) Tax situs of personal property of Georgia residents. The appraisal staff shall consider the tax situs of personal property owned by a Georgia resident as being the domicile of the owner unless such property has acquired a business situs elsewhere. The appraisal staff shall consider the tax situs of personal property owned by a Georgia resident and used in connection with a business as being the location of the business. In making the determination of tax situs, the appraisal staff shall consider such factors as the principal location of the personal property, the base from which its operations normally originate and whether the personal property is connected with some business enterprise that is situated more or less permanently in the county, as distinguished from an enterprise whose location is merely transitory or temporary. When personal property used in connection with a business is moved about in such a manner that it is not predominantly located during the year in one place, the appraisal staff shall consider the headquarters of the business as the tax situs.

(ii) Tax situs of personal property of non-residents. The appraisal staff shall consider the tax situs of personal property owned by non-residents as being where the property is located. The appraisal staff shall recommend to the board of tax assessors a "no tax situs" status for any personal property owned by a nonresident

who does not maintain a place of business in Georgia and who gives the personal property to a commercial printer in Georgia for printing services to be performed in Georgia.

2. Tax situs of boats. In accordance with Code section 48-5-16(d), the appraisal staff shall consider the tax situs of a boat to be the tax district wherein lies the domicile of the owner, even when the boat is located within another tax district in the county. When the boat is functionally located for recreational or convenience purposes for 184 days or more in a county other than where the owner is domiciled, the appraisal staff shall consider the tax situs of the boat to be where it is functionally located.

3. Tax situs of aircraft. In accordance with Code section 48-5-16(e), the appraisal staff shall consider the tax situs of an aircraft to be the tax district wherein lies the domicile of the owner, even when the aircraft is located within another tax district in the county. When the aircraft's primary home base is in a county other than where the owner is domiciled, the appraisal staff shall consider the tax situs of the aircraft to be where it is principally hangered or tied down and out of which its flights normally originate.

4. Tax situs of foreign merchandise in transit. The appraisal staff shall recommend to the board of tax assessors a "no tax situs" status for foreign merchandise that is in transit through this state. The recommendation of "no tax situs" shall be made regardless of the fact that while the foreign merchandise is in the warehouse it is assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled, or repackaged. The grant of "no tax situs" status shall be liberally construed. In deciding whether goods are foreign, the appraisal staff shall determine if the point of origin is a non-domestic shipping port. In deciding whether goods are in transit, the appraisal staff shall consider whether the interruption in the transport of the goods may be characterized as having a business purpose or advantage, rather than just being an incidental interruption in the continuity of transit.

(e) Assessments of personal property used on state contracts. Under Code section 50-17-29(e)(1), the appraisal staff shall not propose an assessment upon the personal property of any contractor or subcontractor as a condition to or result of the performance of a contract, work, or services by such contractor or subcontractor in connection with any project being constructed, repaired, remodeled, enlarged, serviced, or destroyed for, or on behalf of, the state or any of its agencies, boards, bureaus, commissions, and authorities. The appraisal staff shall inquire into the nature of the use of such property and prepare their proposed assessment in accordance with this Subparagraph.

1. Personal property located in headquarters' county. When the tax situs of the personal property being used on state projects is in the same county as where the property owner's permanent business headquarters and administrative offices are located, and such property is not used exclusively for the state projects contemplated by Code section 50-17-29(e)(1), the appraisal staff shall not apportion their proposed assessment of the property. When such property is used exclusively for such state projects, such property is made exempt by Code section 50-17-29(e)(1) from ad valorem taxation by the county and the appraisal staff shall treat such property as exempt property is treated.

2. Personal property not located in headquarters' county. When the tax situs of the personal property being used on state projects is in a county other than where the property owner's permanent business headquarters and administrative offices are located, and such property would not be located in the county absent the state projects, then the appraisal staff shall apportion their proposed assessment of such property as follows: The exempt portion of the personal property being used on state projects shall be that pro rata portion of the total value of such property that represents the percentage the contractor or subcontractor can reasonably demonstrate is likely to represent the portion of their business that will result from state projects during the tax year. The appraisal staff may consider the percentage of income, production output, or time attributable to state projects during the preceding year. The appraisal staff shall consider any information submitted by the property owner regarding the basis for the apportionment. The appraisal staff shall not apportion the personal property when the property owner fails to provide reasonable evidence necessary to determine the portion of the property owner's business that will result from state projects during the year.

(f) Partial assessments. Unless specifically provided by law and this Rule, the appraisal staff shall not prepare a partial appraisal based on the fact that personal property is owned or used during the year in a manner that would make it exempt part of the year and taxable part of the year.

(2) Classification. The appraisal staff shall classify personal property as provided in Rule 560-11-2-.21 for inclusion in the county tax digest.

(3) Return of personal property. In accordance with Code section 48-5-299(a), the appraisal staff, on behalf of the board of tax assessors, shall investigate diligently and inquire into the property owned in the county for the purpose of ascertaining what real and tangible personal property is subject to taxation in the county and to require the proper return of the property for taxation. The appraisal staff shall make such investigation as may be necessary to determine the value of any property upon which for any reason all taxes due the state or the county have not been paid in full as required by law. In all cases where taxes are assessed against the owner of property, the appraisal staff shall prepare a proposed assessment on the property according to the best information obtainable.

(a) Information sources. The appraisal staff should develop and maintain information sources for the discovery of unreturned personal property.

(b) Returns. Property owners shall use Department of Revenue authorized return forms when returning personal property. No other forms shall be provided for this purpose to property owners by the county official responsible for receiving returns unless previously approved in writing by the Revenue Commissioner.

1. Authorized return forms. The returns described in this subparagraph shall be authorized for use when returning personal property.

(i) Form PT-50P. The return form PT-50P, entitled "Business Personal Property Tax Return," may be used for the return of business personal property

(ii) Form PT-50PF. The return form PT-50PF, entitled Application for Freeport Exemption," may be used for the application for freeport exemption.

(iii) Form PT-50MA. The return form PT-50MA, entitled "Marine / Aircraft Personal Property Tax Return," may be used for the return of boats or aircraft.

2. Obtaining returns from receiver. Each year, after the deadline for filing returns, the appraisal staff shall secure the returns from the official responsible for receiving returns on or before the tenth day following such deadline.

3. Automatic returns. In accordance with Code section 48-5-20, the appraisal staff shall deem any property owner that does not file a return by the deadline as returning for taxation the same property as was returned or deemed to have been returned in the preceding tax year at the same valuation as the property was finally determined to be subject to taxation in the preceding year.

(c) Reporting schedules. Property owners shall use Department of Revenue authorized reporting schedules when reporting supporting information for authorized return forms. No other reporting schedules shall be provided for this purpose to property owners by the county official responsible for reviewing returns unless previously approved in writing by the Revenue Commissioner. A property owner may attach other schedules or documents that provide further support for the value they have placed on their personal property return. The appraisal staff shall consider all additional information submitted by the property owner with the return and reporting schedules. The reporting schedules required by Rule 560-11-10-.08(3)(c) and appropriate for the type of personal property being returned and any other information submitted with the return by the property owner are made confidential by Code section 48-5-314 and shall be treated as such by the appraisal staff. The appraisal staff shall not consider as fully returned any property that is omitted, misrepresented, or undervalued on the supporting reporting schedules and accompanying property owner documents, as these provide the basis for the property owner's declarations of value on the return and are necessary for the board of assessors to carry out their responsibility under Code section 48-5-299 to, through their appraisal staff, ascertaining what personal property is subject to taxation in the county and to require the proper return of the property for taxation.

1. Authorized reporting schedules. The reporting schedules described in this subparagraph shall be authorized for use when reporting information to support the return of personal property.

(i) Schedule A. The reporting schedule entitled "Schedule A" may be used to list and describe any furniture, trade fixtures, personal fixtures, machinery and equipment that is included on the property owner's return.

(ii) Schedule B. The reporting schedule entitled "Schedule B" may be used to list and describe any inventory that is included on the property owner's return.

(iii) Schedule C. The reporting schedule entitled "Schedule C" may be used to list and describe any construction in progress that is included on the property owner's return.

(iv) Schedule D. The reporting schedule entitled "Schedule D" may be used to list and describe any boats or aircraft that are included on the property owner's return.

(4) Verification. The appraisal staff shall review and audit the returns in accordance with policies and procedures set by the county board of tax assessors consistent with Georgia law and this Rule.

(a) Omissions and undervaluations. If not otherwise prohibited by law or this Rule, the appraisal staff shall recommend an additional assessment to the board of tax assessors when any review or audit reveals that a property owner has omitted from their return any property that should be returned or has failed to return any of their property at its fair market value. The appraisal staff shall recommend a reduced assessment to the board of tax assessors when any review or audit reveals that a property owner has overstated the amount of personal property subject to taxation.

(b) Reassessments. The appraisal staff shall recommend to the board of tax assessors a new assessment when the property owner has omitted personal property from their return or failed to return personal property at its fair market value, when such omission or undervaluation has been discovered by an audit conducted pursuant to Rule 560-11-10-.08(4)(d). The appraisal staff shall not be precluded from conducting such an audit merely because a change of assessment has been made on the personal property as a result of a review conducted pursuant to Rule 560-11-10-.08(4)(c). However, the appraisal staff may not recommend to the board of tax assessors a reassessment of the same personal property for which an audit has been conducted pursuant to Rule 560-11-10-.08(4)(d) and a final assessment has already been made by the board.

(c) Review. The purpose of a review is to determine if a property owner has correctly and fully completed their return and reporting schedules. It is based upon the good-faith disclosures of the property owner and information that is readily ascertainable by the appraisal staff. The review of an owner's return may consist of, but is not limited to, an analysis of any improper omissions or inclusions, improperly applied or omitted depreciation, and improperly applied or omitted inflation or deflation of the value of the owner's property. The examination should include a comparison of the current return information with return information from prior years. The appraiser should contact the owner or their agent by an on-site visit, telephone call, or written correspondence to attempt to resolve any questionable items. Returns with unresolved discrepancies, unexpected values, or incomplete information should be escalated to an audit.

(d) Audits. The purpose of an audit is to gather information that will allow the appraiser to make an accurate determination of the fair market value of the property owned by the property owner and subject to taxation. An audit is an examination of the records of the property owner to make an independent determination of the fair market value of such property where such determination does not solely depend upon the good-faith disclosures of the property owner and information that is readily ascertainable by the appraisal staff. The appraisal staff shall perform, consistent with Georgia Law and policies that are established by the board of tax assessors, audits of the records of the property owners to verify the returns of personal property. These audits may take place at any time within the seven-year statute of limitations, which begins on the date the personal property was required by law to be returned.

1. Scope of audit. The audit may be an advanced desk audit of certain additional property owner records that are voluntarily submitted or obtained by subpoena from the property

owner or a complex on-site detailed audit of the property owner's books and records combined with a physical inspection of the personal property. The documents the appraisal staff should secure include, but are not limited to, schedules A, B, and C of form PT-50P; a balance sheet or other type of financial record that for a particular location reflects the business' book value as of January 1 of the tax year being audited; a ledger of capitalized personal property items held on January 1 of the tax year being audited; and an income statement.

(i) Use of subpoena. The appraiser should request the board of tax assessors to subpoena, within the limitations of their subpoena powers, any existing documents the property owner fails to provide voluntarily, when these documents are deemed by the appraiser to be critical to the audit. Since the appraiser may not request a subpoena for documents that do not presently exist in the format needed, the appraiser should seek existing documents held by the property owner and solicit the owner's voluntary cooperation in obtaining these documents.

2. Contracts with auditing specialists. The appraiser shall secure non-disclosure statements from any contracted audit specialist to ensure that such specialist shall conform with the confidentiality provisions of Code section 48-5-314 and shall not disclose the property owner's confidential records to unauthorized persons or use such confidential records for purposes other than the county's review for ad valorem tax purposes of the tax return and supporting documentation. The appraisal staff shall provide a copy of such non-disclosure statement to the property owner upon such owner's request. The appraiser shall not recommend to the board of tax assessors any contract or agreement with an audit specialist that provides for such specialist to contingently share a percentage of the tax collected as a result of any audits such specialist may perform.

(i) Notice to property owner. The lead appraiser shall ensure the property owner is sent a notice they have been selected for an audit of their personal property holdings for ad valorem tax purposes. The notice shall, at a minimum, indicate the following: the purposes and goals of the audit and the law authorizing the audit; the name of the lead appraiser who is primarily responsible for the conduct of the audit; the names of the members of the audit team that will be performing the audit; the number of years that will be audited; a description of the type records that should be made available; a description of how the audit will be conducted; the range of dates desired for the audit; and contact information should the property owner wish to contact the lead appraiser. The notice shall contain a statement that the lead appraiser will be contacting the property owner by telephone to establish the date and time of the audit and to determine the availability and location of records. At the conclusion of the audit, if there is sufficient evidence to warrant a recommended change of assessment, the lead appraiser shall have prepared a list of preliminary audit findings and provide such list to the property owner to afford them an opportunity to meet and discuss the findings and view any supporting schedules and documents relied upon by the individuals conducting the audit. After any such meeting requested by the property owner, the lead appraiser shall have prepared the final audit report and proposed assessment and provide a copy to the property owner and the board of tax assessors.

(e) Audit selection criteria. The appraisal staff shall recommend to the board of tax assessors a review and audit selection criteria, and the appraisal staff shall follow such criteria when adopted by the board. The criteria should be designed to maximize the number of personal property returns that may be reviewed or audited with existing resources. The criteria should be fair, unbiased, and developed consistent with the requirements of Code section 48-5-299. All personal property accounts should be reviewed or audited at least once every three years.

(f) Property owner records. The appraisal staff should first endeavor to obtain the records necessary to substantiate the information returned or reported by the property owner through the voluntary cooperation of the property owner. When such voluntary cooperation is not forthcoming, and the records requested from the property owner are believed by the appraiser to be critical to a proper appraisal of the personal property, the appraiser may request that the board of tax assessors issue an appropriate subpoena for such records. The appraiser may request that the board of tax assessors issue an appropriate subpoena for the testimony of any individuals the appraiser believes poses knowledge critical to determination of the fair market value of the property owner's personal property.

1. Record types. The types of records the appraisal staff may request the board of tax assessors to issue subpoenas for include, but are not limited to, the following: chart of accounts, general ledger, detailed subsidiary ledgers, journals of original entry, balance sheet, income statement, annual report, Securities Exchange Commission Form 10K. The types of records the appraisal staff may not request the board of tax assessors to issue subpoenas for include the following:

(i) Income tax returns. Forms and schedules authorized by the Internal Revenue Service or the revenue collecting agencies of the several states for use in filing income tax returns to those agencies;

(ii) Property appraisals. A property appraisal that the property owner has obtained prior to any appeal that is filed as a result of a change of assessment being made to the property owner's personal property;

(iii) Insurance policies. An insurance policy that may contain valuation estimates of the insured personal property; or

(iv) Tenant sales information. A rent roll or document containing the individual tenant sales information on the property owner's rented or leased personal property.

(5) Valuation procedures. The appraisal staff shall follow the provisions of this paragraph when performing their appraisals. Irrespective of the valuation approach used, the final results of any appraisal of personal property by the appraisal staff shall in all instances conform to the definition of fair market value in Code section 48-5-2 and this Rule.

(a) General procedures. The appraisal staff shall consider the sales comparison, cost, and income approaches in the appraisal of personal property. The degree of dependence on any one approach will change with the availability of reliable data and type of property being appraised.

1. Information presented by property owner. The appraisal staff shall consider any timely information presented by the property owner that may have reasonable relevance to the appraisal of the owner's personal property. The appraisal staff shall consider the effect of any factors discovered during the review or audit of the return or directly presented by the property owner that may reduce the value of the owner's personal property, including, but not limited to all forms of depreciation, shrinkage, theft and damage.

2. Selection of approach. With respect to machinery, equipment, personal fixtures, and trade fixtures, the appraisal staff shall use the sales comparison approach to arrive at the fair market value when there is a ready market for such property. When no ready market exists, the appraiser shall next determine a basic cost approach value. When the appraiser determines that the basic cost approach value does not adequately reflect the physical deterioration, functional or economic obsolescence, or otherwise is not representative of fair market value, they shall apply the approach or combination of approaches to value that, in their judgment, results in the best estimate of fair market value. All adjustments to the basic cost approach shall be documented to the board of tax assessors.

3. Rounding. The appraisal staff may express the final fair market value estimate to the board of tax assessors in numbers that are rounded to the nearest hundred dollars.

(b) Special procedures. The appraisal staff shall observe the procedures in this Subparagraph when appraising inventory and construction in process.

1. Valuation of inventory. When appraising inventory, the appraisal staff shall consider the value of inventory to consist of all the charges incurred from its original state as raw material to its final resting place for ultimate consumption, including such items as freight and other overhead charges, with the exception of the cost of the final sale The appraisal staff shall also consider factors contributing to any loss of value including, but not limited to, obsolescence, shrinkage, theft and damage.

2. Construction in progress. Property owners who are constructing or installing a large piece or line of production equipment may be required by generally accepted accounting principles to accrue the total costs associated with such equipment in a holding account until the construction or installation is complete and the equipment is ready for production, at which time, the property owner is permitted by such principles to post the total cost to a fixed asset account, taking appropriate depreciation. If such holding account is maintained by the property owner, the appraisal staff shall consider the total cost reported in the property owner's holding account when appraising such property. Construction in progress shall be appraised in the same manner as other similar personal property taking into account that there may be little or no physical deterioration on such property and that the fair market value may be diminished due to the incomplete state of construction. If comparable sales information of personal property under construction is generally not available and there is no other specific evidence to measure the probable loss of value if the property is sold in an incomplete state of construction, the appraisal staff may multiply the identified total cost of construction by a uniform market risk factor of .75.

3. Overhauls. When appraising machinery, equipment, furniture, personal fixtures, and trade fixtures, the appraisal staff shall consider the cost of all expenditures, both direct and indirect, relating to any efforts to overhaul an asset to modernize, rebuild, or otherwise extend the useful life of such asset. The following procedure is to be used by the appraisal staff to estimate the value of an overhauled asset: An adjustment to the original cost of the asset is made to reflect the cost of the components that have been replaced. The cost of the overhaul is divided by an index factor representing the accumulated inflation or deflation from the year of acquisition of the asset on which the overhaul was performed to the year of the overhaul. This amount is then subtracted from the original cost of the asset being overhauled. The remainder is then multiplied by the composite conversion factor for the year of the original acquisition as specified in Rule 560-11-10-.08(5)(f)(4)(iii) of this section. The current year's composite conversion factor is then applied to the cost of the overhaul, and these two figures are combined to represent the estimate of value for the overhauled asset.

(c) Level of trade. The appraisal staff shall recognize three distinct levels of trade: the manufacturing level, the wholesale level, and the retail level. The appraiser shall take into account the incremental costs that are added to a product as it advances from one level to another that may increase its value as a final product. The appraisal staff shall value the property at its level of trade.

(d) Ready markets. When the appraiser lacks sufficient evidence to demonstrate the existence of a ready market, he or she shall consider any evidence submitted by the property owner demonstrating that a ready market is available. When the property owner cannot prove the existence of a reliable ready market, the appraiser may use other valuation approaches as authorized by law and Rule 560-11-10-.08(5).

1. Liquidation sales. The appraisal staff should recognize that those liquidation sales that do not represent the way personal property is normally bought and sold may not be representative of a ready market. For such sales, the appraisal staff should consider the structure of the sale, its participants, the purchasers, and other salient facts surrounding the sale. After considering this information, the appraisal staff may disregard a sale in its entirety, adjust it to the appropriate level of trade, or accept it at face value.

(e) Sales comparison approach. The sales comparison approach uses the sales of comparable properties to estimate the value of the subject property being appraised.

1. Widely used pricing guides. The appraisal staff should make a reasonable effort to obtain and use generally accepted pricing guides that are published and widely used within the market. 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.

2. Lesser-known pricing guides. The property owner may submit, and the appraisal staff shall consider, lesser known publications, periodicals and price lists of the specific types of personal property being returned. Such lists should be regularly consulted by buyers of the

type personal property reported, and should list prices at which sellers, who regularly deal in the types of property reported, typically offer such property for sale.

(i) Validation of lesser pricing guides. In all cases where unpublished, unrecognized, or unverified sales data are submitted by the property owner, the steps the appraiser may take to validate such data include, but are not limited to, the following:

(I) Arm's length transactions. as defined in OCGA 48-5-2(.1): "'Arm's length, bona fide sale' means a transaction which has occurred in good faith without fraud or deceit carried out by unrelated or unaffiliated parties, as by a willing buyer and a willing seller, each acting in his or her own self-interest, including but not limited to a distress sale, short sale, bank sale, or sale at public auction." Transactions where the lien holder receives or repossesses the property, and deed under power of sale transactions are not to be applied as an arm's length transaction.

(II) Representativeness. Verify that the sales data submitted is either all-inclusive or has been randomly selected, so as to be unbiased and fairly represent the market for the personal property being appraised. This may be accomplished by contacting known dealers of the subject personal property to determine whether other significant market data exists that supports the data submitted by the property owner.

(III) Financing. Adjust the sale price of the subject property for non-conventional financing.

(IV) Time of sale. Adjust the sale price of the subject property for the date of sale in order to estimate the value as of the January 1 assessment date.

(V) Discounts. Adjust the sale price to remove trade and cash discounts.

(VI) Comparability. Adjust the sale price of the subject property for characteristics of the subject not found in the sales to which it is being compared, such as condition, use, and extra or missing features.

3. Other factors. To finalize the sales comparison approach, the appraiser shall consider any other factors, appropriate to the approach, which may be affecting the value. When the comparative sales approach is used as the basis for the appraisal of personal property, the appraiser shall not make further adjustments to the value to reflect economic obsolescence, functional obsolescence, or inflation.

(f) Cost approach. The cost approach arrives at an estimate of value by taking the replacement or reproduction cost of the personal property and then reducing this cost to allow for physical deterioration, functional and economic obsolescence.

1. General procedure. In applying the cost approach to personal property during a review or audit of a return, the appraiser shall identify the year acquired, and total acquisition

costs, including installation, freight, taxes, and fees. The acquisition costs shall then be adjusted for inflation and deflation and then depreciated as appropriate to reflect current market values.

2. Book value. The appraiser should recognize that the appraisal and accounting practices for depreciating personal property might differ. Accounting practices provide for recovery of the cost of an asset, whereas appraisal practices strive to estimate the fair market value related to the current market. The appraiser should consider depreciation in the forms of physical deterioration, functional obsolescence, and economic obsolescence, which may not necessarily be reflected in the book value. The appraiser should consider that accounting practices of property owners might also differ.

3. Valuation as a whole. The appraiser may arrange the individual items of personal property into groups with similar valuation characteristics and value such group as a whole when the itemized appraisals of each item of personal property will not add substantially to the accuracy of the determination of the cost approach value.

4. Basic cost approach. The appraisal staff shall determine the basic cost approach value of machinery, equipment, furniture, personal fixtures, and trade fixtures using the following uniform four-step valuation procedures: Determine the original cost new of the item of personal property to the property owner; determine the uniform economic life group for the item of personal property; and multiply the original cost new times the uniform composite conversion factor appropriate for the economic life group and actual age of the item of personal property. Then determine a salvage value of any item of personal property when it is taken out of use at the end of its expected economic life.

(i) Original cost new. The appraisal staff shall determine the original cost new of the item of machinery, equipment, furniture, personal fixtures, and trade fixtures. Any real improvements to the real property, including real fixtures that had to be installed for the proper operation of the property, shall be included in the appraisal of the real property and not included in the basic cost approach value of the personal property. Those portions of transportation costs and installation costs that do not represent normal and customary costs for the type personal property being appraised shall be excluded from the original cost new when determining the basic cost approach value.

(ii) Economic life groups. When determining the basic cost approach value of machinery, equipment, furniture, personal fixtures, and trade fixtures, the appraisal staff shall separate the individual items of property into four economic life groupings that most reasonably reflect the normal economic life of such property as specified in this subparagraph. The appraiser shall use Table B-1 and B-2 of Publication 946 of the U.S. Treasury Department Internal Revenue Service, as revised in 1998, to classify the individual asset into the appropriate economic life group. For property that does not appear in such publication, the appraisal staff may determine the appropriate economic life group based on the best information available, including, but not limited to, the property owner's history of purchases and disposals.

(I) Group I. The appraisal staff shall place into Group I any assets that have a typical economic life between five and seven years.

(II) Group II. The appraisal staff shall place into Group II any assets that have a typical economic life between eight and twelve years.

(III) Group III. The appraisal staff shall place into Group III any assets that have a typical economic life of thirteen years or more.

(IV) Group IV. The appraisal staff shall place into Group IV any assets that have a typical economic life of four years or less. The appraisal staff shall also place into Group IV those assets classified as Asset Class 00.12 in Publication 946 of the U.S. Treasury Internal Revenue Service, Table B-1, as revised in 1998.

(iii) Composite conversion factors. The appraisal staff shall, in accordance with this Rule, use the composite conversion factors as provided in this subparagraph and apply the appropriate factor to the original cost new of personal property to arrive at the basic cost approach value. The last composite conversion factor in each economic life group shall not be trended and shall represent the residual value.

(I) Group I composite conversion factors. The following composite conversion factors shall be applied to Group I assets to arrive at the basic cost approach value for years one through seven: Y1-.87, Y2-.74, Y3-.58, Y4-.43, Y5-.32, Y6-.26, Y7-.21. Thereafter the residual composite conversion factor shall be .20.

(II) Group II composite conversion factors. The following composite conversion factors shall be applied to Group II assets to arrive at the basic cost approach value for years one through eleven: Y1-.92, Y2-.85, Y3-.78, Y4-.70, Y5-.63, Y6-.54, Y7-.44, Y8-.34, Y9-.28, Y10-.25, Y11-.25. Thereafter the residual composite conversion factor shall be .20.

(III) Group III composite conversion factors. The following composite conversion factors shall be applied to Group III assets to arrive at the basic cost approach value for years one through sixteen: Y1-.95, Y2-.91, Y3-.87, Y4-.82, Y5-.79, Y6-.75, Y7-.70, Y8-.63, Y9-.57, Y10-.52, Y11-.47, Y12-.41, Y13-.35, Y14-.31, Y15-.29, Y16-.28. Thereafter the residual composite conversion factor shall be .20.

(IV) Group IV composite conversion factors. The following composite conversion factors shall be applied to Group IV assets to arrive at the basic cost approach value for years one through three: Y1-.67, Y2-.54, Y3-.31. Thereafter the residual composite conversion factor shall be .10.

(iv) Basic cost approach value. The basic cost approach value shall be determined by multiplying the composite conversion factor times the original cost new of operating machinery, equipment, furniture, personal fixtures, and trade fixtures.

(v) Salvage value. Once personal property is taken out of service at or after the end of its typical economic life, it shall be considered salvage until disposed of and the appraiser shall determine a basic cost approach value by taking ten percent of the original cost new of such property. The basic cost approach value for property withdrawn from active use but retained as backup equipment shall be one-half the basic cost approach value otherwise applicable for such property.

5. Further depreciation to basic cost approach value.

(i) Physical deterioration. The appraiser shall consider any evidence presented by the property owner demonstrating physical deterioration that is unusual for the type of personal property being appraised.

(ii) Functional obsolescence. The appraisal staff shall consider any evidence presented by the property owner demonstrating functional obsolescence for the type of personal property being appraised. One method the appraisal staff may use to determine the amount of functional obsolescence is to trend the original cost new for inflation to arrive at the reproduction cost new, and then deduct the cost of a newer replacement model with similar or improved functionality.

(iii) Economic obsolescence. The appraisal staff shall consider any evidence presented by the property owner demonstrating economic obsolescence for the type of personal property being appraised. One method the appraisal staff may use to determine the amount of economic obsolescence is to capitalize the difference between the economic rent of an item of personal property before and after the occurrence of the adverse economic influence.

(g) Income approach. The income approach to value estimates the value of personal property by determining the current value of the projected income stream. This approach is most applicable to machinery, equipment, furniture, personal fixtures, and trade fixtures. The approach should only consider the income directly attributable to the personal property being valued and not the income attributable to the real or intangible personal property forming the same business. The appraisal staff may use one of the following methods when using the income approach for the appraisal of applicable personal property:

1. Straight-line capitalization method. The straight-line capitalization method estimates the income approach value of personal property by computing the investment necessary to produce the net income attributable to the personal property. In essence, it is determined by first computing the potential gross income for a subject property by taking the monthly rent, when that is the rental basis, and multiplying that total by twelve months. The potential gross income is then adjusted to a net operating income by subtracting any expenses that legitimately represent the costs necessary for production of that income. The net operating income will represent the amount of revenue left after

operating expenses that is available to return the investment, pay property tax on the property, and return a profit to the owner.

(i) Income and expense analysis. While complete data is not required on each individual property, there must be sufficient data to develop typical unit rents, typical collection loss ratios, and typical expense ratios for various type properties. Income and expense figures used in the income approach must reflect current market conditions and typical management. Actual figures may be used when they meet this criterion. When actual figures are not available or appear to be unrepresentative, typical figures should be used. Income and expense analysis builds upon the following important components: typical unit rent, potential gross rent, collection loss, typical gross income, typical expenses, and typical net income. Excluded are expenses such as depreciation charges, debt service, income taxes, and business expenses not associated with the property.

(ii) Capitalization. Capitalization involves the conversion of typical net income into an estimate of value. The estimated income is divided by the capitalization rate to arrive the estimated income approach value. The capitalization rate consists of three components. The discount rate, the recapture rate, and the effective tax rate. The discount rate represents the amount of return a prudent investor could reasonably expect on an investment in the subject property. The recapture rate represents the return of the potential investment. The effective tax rate represents the portion of the income stream allocated to pay resulting ad valorem taxes on the property.

(I) Discount rate. The appraiser should calculate the appropriate discount rate through a method known as the band of investment. The band of investment represents the weighted-average cost of the money needed to purchase the applicable personal property. The appraiser determines the percentage of the cost typically borrowed and multiplies this percentage times the typical cost of borrowing. The appraiser then determines the remaining percentage of the cost typically contributed by an investor and multiplies this percentage times the expected rate of return to the investor. An analysis of similar properties might reveal the discount rate typical for a property of a given type.

(II) Recapture rate. The appraiser should calculate the recapture rate by dividing one by the number of years remaining in the economic life of the subject property. The resulting percentage is the current year's recapture rate.

(III) Effective tax rate. The appraiser should calculate the effective tax rate by multiplying the forty percent assessment level times the tax rate in the jurisdiction in which the subject property is located. The effective tax rate is included in the capitalization rate because market value is yet unknown and property taxes can be addressed as a percentage of that unknown value in lieu of their inclusion as an expense in calculation of net annual income.

2. Direct sales analysis method. The direct sales analysis method estimates the income approach value of personal property by computing the relationship between income and sales data. This relationship is expressed as a factor. The method represents a blend of the sales comparison and income approaches because it involves application of income data in conjunction with sales data. Sales of items similar to the subject property are divided by the gross rents, for which they or identical properties are leased, to develop gross income multipliers. A gross income multiplier is selected as typical for the market, and multiplied against the gross income of the subject, or that of an identical property, to result in an estimated value. Limiting the income to rental income only produces a gross rental multiplier.

(i) Gross income or rent multiplier. The appraiser should compute the gross income multiplier by dividing the typical gross income on the personal property by the typical sales price of the personal property. The appraiser should compute the gross rent multiplier by dividing the typical gross rent on the personal property by the typical sales price of the personal property. The appraiser must identify the specific item of personal property to be valued and determine the typical gross income as gross income is determined in Rule 560-11-10-.08(5)(g)(1)(i). The item is then stratified according to its typical use. Typical use strata may include, but are not limited to, office equipment, light-duty manufacturing equipment, heavy-duty manufacturing equipment, retail sales equipment, furniture, personal fixtures, trade fixtures, restaurant equipment, or any other stratum the appraiser believes will have similar sensitivity to market fluctuations as the subject item. The appraiser may develop an individual multiplier on a single item of personal property when there are sufficient sales and rent information. This multiplier may then be used for similar items of personal property for which there may be limited sales and rent information. The income approach value estimate is computed by multiplying the estimated gross income times the gross income multiplier or the gross rent times the gross rent multiplier.

(I) Adjustments. Income data and sales prices used in the development of income multipliers should be reasonably current. Older sales may be matched against recent income figures when the sales are adjusted for time. Sales must also be adjusted for financing, condition, optional equipment, and level-of-trade.

(6) Final estimate of fair market value. After completing all calculations, considering the information supplied by the property owner, and considering the reliability of sales, cost, income and expense information, the appraiser will correlate any values indicated by those approaches to value that are deemed to have been appropriate for the subject property and form their opinion of the fair market value. The appraisal staff shall present the resulting proposed assessment, along with all supporting documentation, to the board of tax assessors for an assessment to be made by that board.

560-11-10-.09 Real Property Appraisal

(1) Real property - Introduction. The appraisal staff shall follow the provisions of this Rule when performing their appraisals of real property. Irrespective of the valuation approach used, the result of any appraisal of real property by the appraisal staff shall conform to the definition of fair market value.

(a) General valuation procedures. The appraisal staff shall consider the sales comparison, cost, and income approaches in the appraisal of real property. The degree of dependence on any one approach will change with the availability of reliable data and type of property being appraised. The appraisal staff may express the final fair market value estimate to the board of tax assessors in numbers that are rounded to the nearest hundred dollars.

(b) Real property identification. The appraisal staff shall identify real property, determine its taxability, and classify it for addition to the county ad valorem tax digest in accordance with this subparagraph.

1. Distinguishing real property. The appraiser shall be required to correctly identify real property and distinguish it from personal property where the proper valuation procedures, as set forth in this Rule, may be followed.

(i) Real property examples. As used in this Rule, real property shall be that property defined in Rule 560-11-10-.02(1)(w). This Rule shall provide illustrations to assist the appraiser in the proper interpretation of the definition. However, these illustrations should not be construed in a manner that conflicts with the definition. Examples of real property are tangible items such as land, all improvements attached to land, real fixtures, and leasehold interests in real property.

(ii) Identification of real fixtures. When property the appraiser believes to be a real fixture has not been returned by the landlord, the appraiser shall require the landlord to produce their lease agreement and shall carefully review the agreement before making their recommendation to the board of tax assessors regarding the classification and taxability of the property in question. The appraiser shall inform the landlord that they may redact, at their option, any information relating to the payments that are required by the lease agreement.

2. Assessment date. Code section 48-5-10 provides that each return by a property owner shall be for property held and subject to taxation on January 1 of the tax year. The appraisal staff shall base their decisions regarding the taxability, uniform assessment, and valuation of real property on the circumstances of such property on January 1 of the tax year for which the assessment is being prepared. When real property is transferred to a new owner or converted to a new use, the circumstances of such property on January 1 shall nevertheless be considered as controlling.

3. Classification. The appraisal staff shall classify real property as provided in Rule 560-11-2-.21 for inclusion in the county tax digest. Real property may be further stratified and categorized as appropriate for aggregating comparable properties for an appraisal.

(2) Return of real property. In accordance with Code section 48-5-299(a), the appraisal staff, on behalf of the board of tax assessors, shall investigate diligently and inquire into the property owned in the county, for the purpose of ascertaining what real and tangible personal property is subject to taxation in the county and to require the proper return of the property for taxation. The appraisal staff shall make such investigation as may be necessary to determine the value of any property upon which for any reason all taxes due the state or the county have not been paid in full as required by law. In all cases where taxes are assessed against the owner of property, the appraisal staff shall prepare a proposed assessment on the property according to the best information obtainable.

(a) Information sources. The appraisal staff should develop and maintain information sources for the discovery of unreturned real property.

(b) Returns. The county appraisal staff shall review the returns in accordance with policies and procedures set by the county board of tax assessors consistent with Georgia law and this Rule. Each year, after the deadline for filing returns, the appraisal staff shall secure the returns from the official responsible for receiving returns on or before the tenth day following such deadline.

1. New returns. Department of Revenue form PT-50R is authorized for use by property owners when returning real property. No other form shall be provided for this purpose to property owners by the county official responsible for receiving returns unless previously approved in writing by the Revenue Commissioner.

2. Automatic returns. In accordance with Code section 48-5-20, the appraisal staff shall deem any property owner that does not file a return by the deadline as returning for taxation the same property as was returned or deemed to have been returned in the preceding tax year at the same valuation as the property was finally determined to be subject to taxation in the preceding year.

3. Real estate transfer declaration forms. The Department of Revenue has established Form PT-61 for owners to declare the real estate transfer tax due when property is transferred from one owner to another. The appraisal staff shall review all PT-61 forms filed with the clerk of superior court to discover new owners of property and to ascertain if their property has been returned for taxation. When a property owner acquires real property by transfer in the preceding tax year and does not file a return on such property for the current tax year, the appraisal staff shall follow the procedures of this subparagraph to determine if the newly acquired property has been properly returned for taxation.

(i) When real estate transfer tax declaration form properly completed. For the purposes of subparagraph (2)(b)(3) of this Rule, the PT-61 form shall be deemed properly completed when all applicable information required by the instructions on the form has been entered on the form, it has been signed by the new owner and filed in quadruplicate with the clerk of superior court. A PT-61 form shall not be deemed properly completed when the appraisal staff determines any of the required information on the form is omitted, false, or misleading.

(ii) When transferred property deemed returned. When a property owner acquires by transfer real property that has not been subdivided from the preceding

tax year, and such owner properly completes a real estate transfer tax PT-61 form and pays any real estate transfer tax that may be due as provided in Article 1 of Chapter 6 of Title 48 of the Code, the appraisal staff shall deem the owner as having returned the property acquired by transfer at the same value finally determined to be applicable to such property for the preceding year.

(iii) When transferred property deemed unreturned. The appraisal staff shall not deem as returned any property:

(I) That is an improvement made since January 1 of the preceding tax year to property that has been transferred;

(II) That has been transferred and for which the real estate transfer tax PT-61 form has not been properly completed;

(III) That has been transferred and for which the real estate transfer tax PT-61 form has not been filed with the clerk of superior court on or before the deadline for returning property in the year following the year the property is transferred; and

(IV) That has been transferred and for which the real estate transfer tax has not been paid.

(c) Reassessments. The appraisal staff may not recommend to the board of tax assessors a reassessment of the same real property for which a final assessment has already been made by the board. For the purposes of this subsection, the appraisal staff shall presume that a final assessment on real property includes both the land and any improvements to the land.

1. Recently appealed real property. The appraisal staff shall observe the provisions of Code section 48-5-299(c) and this subparagraph before recommending a change to the assessment of real property that was the subject of an appeal on either the immediately preceding tax digest or the next immediately preceding tax digest. Such property shall be designated in the appraisal staff's records as recently appealed property for the two tax years following the year of the appeal. This subparagraph shall not apply when such property has been returned by the taxpayer at a value different from the appeal-established value.

2. Changing assessment of recently appealed real property. In the two tax years following an appeal, the appraisal staff may not recommend an increase of assessment for the sole purpose of changing the valuation established or decision rendered in an appeal to the board of equalization, hearing officer, arbitration, or superior court. Rather a new appraisal must be accompanied by an on-site inspection to determine the occurrence of any substantial additions, deletions, or improvements to such property, errors in the appraisal staff's records or material factors that substantially affect the current fair market value of such property since the appeal was heard that established the value of the property. The appraisal staff may recommend, consistent with the provisions of this subparagraph, to the board of tax assessors a change of assessment on the property that was the subject of the appeal when an appraisal based on current market conditions indicates the value has

changed substantially from the value established by the recent appeal. Such appraisal shall be accompanied by a written statement attesting to the fact that an appraiser has conducted the required on-site inspection of the subject property and setting forth the reasons why the appraiser believes that a change of assessment is authorized under Code section 48-5-299(c) and this subparagraph. The written statement shall attest to at least one of the following: substantial additions, deletions, or improvements to such property has occurred since January 1 of the appeal year; an error has been discovered in the property records regarding the description or characteristics of the subject property; or an occurrence of other material factors that substantially affect the current fair market value of the subject property. With respect to the term 'substantial'; when making determinations of whether to increase a recently appealed property the appraiser shall consider the subject property components since the time of appeal (appeal hearing date), such as the value of new improvements, value of additions to existing improvements (footprint of exchanged structure has been altered), major remodeling or renovations to existing structures (footprint of exchanged structure has not been altered), and adjustments to land due to consolidation of tracts, new surveys, zoning changes, land use changes. In the event an appealed property is renovated or remodeled, the term 'substantial' shall be construed such that both the property owner and BOA would reasonably conclude a major renovation/remodeling has occurred. Any modifications made to the appealed property after the appeal hearing date that result in a lower value of the appealed property shall be considered in the final valuation of property for the subsequent January 1 assessment.

(d) Collecting and maintaining property information. The appraisal staff shall keep a record of information relevant to the ownership and valuation of all real property in the county and shall follow the procedures in this subparagraph when collecting and maintaining such real property data.

1. Description of property information. The type of information the appraisal staff shall maintain includes, but is not limited to, property ownership, location, size, use, physical characteristics, sales prices, construction costs, rents, and operating expenses to the extent such information is available. The appraisal staff shall, consistent with this subparagraph, recommend to the board of tax assessors a uniform policy regarding the information to be included in their records.

(i) Geographic information. Cadastral maps or computerized geographic information systems are to be maintained by the appraisal staff for all real property located in the county. In the event the county governing authority has established a separate mapping office and the maps maintained by such office conform with the requirements of this subparagraph, the appraisal staff may provide relevant information to such mapping office and still be in compliance with this subparagraph. Minimum mapping specifications shall include the following: all streets and roads plotted and identified; property lines delineated for each real property parcel; unique parcel identifier for each parcel; and physical dimensions or acreage estimate for each parcel. The appraisal staff shall use the parcel identifiers to link the real property records to the maps. The appraisal staff shall notify the Revenue Commissioner of all proposed changes to existing parcel-numbering systems before implementing such changes.

(ii) Sales information. The appraisal staff shall maintain a record of all sales of real property that are available and occur within the county. The appraisal staff should also familiarize themselves with overall market trends within their immediate geographical area of the state. They should collect and analyze sales data from other jurisdictions having market and usage conditions similar to their county for consideration when insufficient sales exist in the county to evaluate a property type, especially large acreage tracts. The Real Estate Transfer Tax document, Department of Revenue Form PT-61, shall be a primary record source. However, the appraisal staff may also review deeds of transfer and security deeds recorded in the Office of the Superior Court Clerk, and probated wills recorded in the Office of the Probate Judge to maintain a record of relevant information relating to the sale or transfer of real property. Records required to be maintained shall include at a minimum the following information: map and parcel identifier; sale date; sale price; buyer's name; seller's name; deed book and page number; vacant or improved; number of acres or other measure of the land; representativeness of sale using the confirming criteria provided in Rule 560-11-2-.56(1)(d); any income and expense information reasonably available from public records; property classification as provided in Rule 560-11-2-.21, and; when available, the appraised value for the tax year immediately following the year in which the sale occurred

(iii) Property characteristics. The appraisal staff shall maintain a record of real property characteristics. This record shall include, but not be limited to, sufficient property characteristics to classify and value the property. In addition, the following criteria may be considered when determining which characteristics should be gathered and maintained: factors that influence the market in the location being considered; requirements of the valuation approach being employed; digest classification and stratification; requirements of other governmental and private users; and marginal benefits and costs of collecting and maintaining each property characteristic.

(iv) Land and location characteristics. The appraisal staff shall maintain a record of the land and location characteristics. The record should include, but not be limited to, location, frontage, width, depth, shape, size, topography, landscaping, slope, view, drainage, hydrology, off-site improvements, soil condition, soil productivity, zoning, absorption, nuisances, use, covenants, neighborhood, corner influence, proximity to recreational water, and quality of access.

(v) Improvement characteristics. The appraisal staff shall maintain a record of the characteristics of the improvements to land. The record shall include, but not be limited to, the location, size, actual use, design, construction quality, construction materials, age and observed condition.

2. Collecting property information. The appraisal staff shall, consistent with the policies of the board of tax assessors and this subparagraph, physically inspect properties when necessary to gather the information required by Rule 560-11-10-.09(2)(d).

(i) Field inspections. The appraisal staff shall develop and present to the board of tax assessors for approval procedures that provide for periodic field inspections to identify properties and ensure that property characteristics information is complete and accurate. The procedures shall include guidelines for the physical inspection of the property by either appraisers or specially trained data collectors. The format should be designed for standardization, consistency, objectivity, completeness, easy use in the field, and should facilitate later entry into a computer assisted mass appraisal system, when one is used. When interior information is required, the procedures shall include guidelines on how and when to seek access to the property along with alternative procedures when such access is not permitted or feasible.

3. Maintaining property characteristics information. The appraisal staff shall systematically update the property characteristics information in response to changes brought about by new construction, new parcels, remodeling, demolition, and destruction. The appraisal staff shall physically measure and update their records to reflect all such changes to real properties in the county.

4. Records retention schedules. The appraisal staff shall develop, in accordance with the provisions of Code section 50-18-99, records retention schedules for each series of documents maintained in their office and have such schedules approved by the board of tax assessors before submitting the schedules to the State Records Committee for official approval pursuant to Code section 50-18-92.

(i) Building permits. In counties that issue building permits, no appraisal shall be based solely on declarations of proposed construction cost made by the person obtaining such building permits.

(ii) Aerial photographs. New aerial photographs should be compared to previous aerial photographs, if such photographs exist, to discover new or previously unrecorded construction.

(iii) Field review frequency. All real property parcels should be physically reviewed at least once every three years to ascertain that property information records are current.

(3) Land valuation. The appraisal staff shall estimate land values by use of the sales comparison or income approach to value as provided in this subparagraph giving preference to the sales comparison approach when adequate land sales are available. The appraisal staff shall identify and describe the property, collect site-specific information, make a study of trends and factors influencing value and obtain a physical measurement of the site. Once the subject is analyzed, the appraisal staff shall classify the land for valuation. Once land values have been estimated, such appraisals should be regularly reviewed and updated.

(a) Land analysis and stratification. The appraisal staff shall appraise land separately from the improvements both to consider the trends and factors affecting each and to arrive at a separate assessment for the digest. In no event, however, may the separate appraisals of the land and improvements exceed the fair market value of the land and improvements when considered as a

whole. For appraisal purposes, land shall be separated into different categories based on its use and sales within the market.

1. Site analysis. The appraisal staff shall utilize the trends and factors affecting the value of the subject property, such as its accessibility and desirability. The existing zoning, existing use, existing covenants and use restrictions in the deed and in law shall be applied. The other factors the appraiser shall apply include, but are not limited to, environmental, economic, governmental, and social factors. Site-specific information that may be considered includes, but is not limited to, location, frontage, width, depth, shape, size, topography, landscaping, slope, view, drainage, hydrology, off-site improvements, soil condition, soil productivity, zoning, absorption, nuisances, use, covenants, neighborhood, corner influence, proximity to recreational water, and the quality of access.

2. Market research and verification. The appraisal staff shall build and maintain an up-to-date file system of qualified sales as provided in Rule 560-11-10-.09(2)(d)(1)(ii). Other preferred information to be considered is the motivations of the buyer and seller, as obtained from actual interviews of the parties to the sales. Adjustments to the sales to be considered by the appraiser include, but are not limited to, time of sale; location; physical characteristics; partial interest not conveyed; trades or exchanges included; personal property included; leases assumed; incomplete or unbuilt community property; atypical financing; existing covenants; deed restrictions; environmental, economic, governmental and social factors affecting the sale property and the subject parcel. These adjusted qualified sales may then be used to appraise the subject property.

(b) Acreage tract valuation. The appraisal staff shall determine the small acreage break point to differentiate between small acreage tracts and large acreage tracts and develop or acquire schedules for the valuation of each. When this small acreage break point cannot easily be determined, the appraisal staff shall recommend to the board of tax assessors a reasonable break point of not less than five acres nor more than twenty-five acres. The base land schedules should be applicable to all land types in a county. The documentation prepared by the appraisal staff should clearly demonstrate how the land schedule is applied and explain its limitations.

1. Small acreage tract valuation schedule. After the appraisal staff has performed the site analysis, as provided in Rule 560-11-10-.09(3)(a)(1), they shall analyze the market to identify groups of comparable properties that may be combined in the valuation process, as provided in Rule 560-11-10-.09(4)(b)(3). The appraisal staff shall then analyze the sales to establish a representative base price per acre, and adjustment factors for reflecting value added by the characteristics discovered in the site analysis. Using such base value and the adjustment factors, the appraisal staff shall develop the small acreage schedule for all acreage levels through the small acreage break point.

2. Large acreage tract valuation schedule. After the appraisal staff has performed the site analysis, as provided in Rule 560-11-10-.09(3)(a)(1), they shall analyze the market to identify groups of comparable properties that may be combined in the valuation process, as provided in Rule 560-11-10-.09(4)(b)(3). The appraisal staff shall then analyze the sales to establish a representative benchmark price per acre, and adjustment values for reflecting incremental value associated with different productivity levels, sizes, and locations, as discovered in the site analysis. Using such benchmark values and adjustment

values, the appraisal staff shall develop the large acreage schedule for all acreage levels above the small acreage break point.

(i) Land productivity values. The appraisal staff should analyze sales of large acreage tracts to extract the value of all improvements, crop allotments, standing timber, and any other factors that influence the value above the base land value. The appraisal staff should then stratify the sales into two categories of open land and woodland. The base land values should be further stratified into up to nine productivity grades for each category of land, with grade one being the best, using the productivity classifications of the United States Department of Agriculture Natural Resources Conservation Service, where available. Where soil productivity information is not available, the appraisal staff may consult with the local United States Department of Agriculture Natural Resources Conservation Service Supervisor. Alternately, the appraisal staff may use any acceptable means by which to determine soil productivity grades including, but not limited to, aerial and infrared photography, historical soil productivity information, and present use. The appraisal staff should analyze sales within the strata and determine benchmark values for as many productivity grades as possible. The missing strata values are then determined by extrapolating between grades. In the absence of sufficient benchmark values, a system of productivity factors may be developed from crop or timber production based on ratings provided by the United States Department of Agriculture Natural Resources Conservation Service.

(ii) Pond values. The appraisal staff should analyze sales of large acreage tracts containing ponds to extract the value of ponds. The appraisal staff should develop up to three grades of ponds based upon the quality of construction with regard to the dam, the amount of tree clearing within the pond body, and the nature of the waterline around the pond.

(iii) Location and size adjustments. The appraisal staff should plot sales on an index map of the county where trends in sales prices based on size and location may be analyzed. From this analysis, the appraisal staff should develop adjustments for each homogeneous market area, which are based on a tract's location within the county. Within each identified homogeneous market area, sales should also be analyzed to develop adjustment factors for ranges of tract sizes where the market reflects a relationship between the value per acre and the number of acres in a tract. Such factors should be calculated to the fourth decimal place and should extend from the small acreage break point to the tract acreage point where size no longer appears to have a significant impact on the price paid per acre. The appraiser should select an acreage point between these two points that represents a typical agricultural use tract size and assign it an index factor value of 1.0000. Such adjustments should be supported by clearly identifiable changes in selling prices per acre. Finally, large acreage tracts that have sold within the most recent 24 months, unless no such sale has occurred in which case the look back period should be 48 months, should be appraised using the schedule of adjustment factors and a sales ratio study performed to test for uniformity and conformity of the schedule to Rule 560-11-2-.56, and if the schedule thus

conforms, the adjustments shall then be applied to all other large acreage tracts that are within the scope of the schedule being tested.

(iv) Adjustments for absorption When insufficient large tract sales are available to create a reliable schedule of factors, the appraisal staff may use comparable sales to develop values for the size tracts for which comparables exist, and then adjust these values for larger tracts by (1) estimating a rate of absorption for the smaller tracts for which data exists, (2) dividing the large tract into smaller, marketable sections, (3) developing a sales schedule with estimated income by year reflecting the absorption rate and the value characteristics of each of the smaller tracts, (4) discounting the income schedule to the present using an appropriate discount rate, and (5) summing the resulting values to arrive at an estimated value for the property.

(v) Standing Timber Value Extraction. When determining the market value of land underlying standing timber, where such standing timber is taxed in accordance with Code section 48-5-7.5, the appraiser shall not rely exclusively on the sales prices of such land that has recently had the timber harvested. Rather he or she shall also consider sales of land with standing timber after the value of such standing timber has been determined in accordance with this subparagraph and deducted from the selling price.

(I) Determine timber value from buyer and seller. For all types of timber, the value of the standing timber on recently sold land should be determined from reliable information from the buyer and seller clearly segregating the value of the standing timber from the underlying land. In the absence of such information, the appraiser may use one of the following methods to determine the value of the standing timber if in his or her judgment the results are reasonably consistent with other sales where buyer and seller information is known:

I. Calculate value of merchantable timber. For all types of merchantable timber, the value of the standing timber may be determined by multiplying estimated volumes by product class, such as softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood, of timber on the property by prices for each product class as obtained from the table of weighted average prices paid for harvested timber applicable to the year during which the sale occurred and prepared by the Commissioner pursuant to paragraph (g) of Code section 48-5-7.5. For the purposes of this subparagraph, merchantable timber shall include stands that have been in production for more than fifteen years. Estimated volumes by product class may be obtained by one of the following methods: reliable information from the buyer or seller or from specially trained data collectors who have estimated volumes from a visual on-site inspection or from an aerial survey.

II. Calculate value of pre-merchantable planted pine timber. For pre-merchantable planted pine timber, the value of the standing timber may be determined by estimating the value of the timber at the age of merchantability and then prorating this value to the actual age of the pre-merchantable stand. The appraiser may arrive at this estimate using the following steps:

A. For each applicable timber product class, multiply the estimated tons of timber volume yield per acre for each product class at the age of merchantability times the locally prevailing timber price per ton of such product classes. Sum the individual results of the timber product class calculations into a single result.

(A) In the absence of reliable locally prevailing timber price per ton information, the appraiser may use timber price per ton from the table of weighted average prices paid for harvested timber prepared by the Commissioner pursuant to paragraph (g) of Code section 48-5-7.5.

(B) In the absence of specific yield information to the contrary, the appraiser may estimate timber volume yields at an average yield of 52.2 tons per acre or preferably by using the land productivity classifications established by Rule 560-11-10-.09(3)(b)(2)(i) and the following tables of estimated yields of fully stocked planted timber stands at age fifteen, and then adjusting the yields according to the actual stocking density of the timber stand.

Loblolly Pine - Lower Coastal Plain

Georgia Tax

Productivity

Rating	Georgia Tax	Adjusted Site	Index Range
Site Index Used	For Growth	Projections	Tons/Acre @ Age
15	Pulpwood	Chip-n-Saw	
1	90 - 101	96	139
125	14		
2	85 - 89	87	110
99	11		
3	81 - 84	83	98
88	10		
4	80	80	90
81	9		
5	75 - 79	77	81
73	8		
6	70 - 74	72	69
66	3		
7	60 - 69	65	53
51	2		
8	10 - 59	45	19
19	0		
9	0 - 9	0	0
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Loblolly Pine - Upper Coastal Plain

Georgia Tax

Productivity

Rating	Georgia Tax	Adjusted Site	Index Range
Site Index Used	For Growth	Projections	Tons/Acre @ Age
15	Pulpwood	Chip-n-Saw	
1	90 - 101	96	129
116	13		
2	85 - 89	87	103
93	10		
3	81 - 84	83	93
84	9		
4	80	80	85
77	8		
5	75 - 79	77	78
70	8		
6	70 - 74	72	67
63	4		
7	60 - 69	65	52
49	3		
8	10 - 59	45	18
18	0		
9	0 - 9	0	0
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Loblolly Pine - Piedmont

Georgia Tax

Productivity

Rating	Georgia Tax	Adjusted Site	Index Range
Site Index Used	For Growth	Projections	Tons/Acre @ Age
15	Pulpwood	Chip-n-Saw	
1	90 - 101	96	123
111	12		
2	85 - 89	87	98
88	10		
3	81 - 84	83	88
79	9		
4	80	80	81
73	8		
5	75 - 79	77	74
66	8		
6	70 - 74	72	62
59	3		
7	60 - 69	65	48
46	2		
8	10 - 59	45	17
17	0		
9	0 - 9	0	0
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Slash Pine - Lower Coastal Plain

Georgia Tax

Productivity

Rating	Georgia Tax	Adjusted Site	Index Range
Site Index Used	For Growth	Projections	Tons/Acre @ Age
15	Pulpwood	Chip-n-Saw	
1	90 - 101	96	155
139	16		
2	85 - 89	87	114
103	11		
3	81 - 84	83	98
88	10		
4	80	80	87
78	9		
5	75 - 79	77	77
69	8		
6	70 - 74	72	61
58	3		
7	60 - 69	65	42
40	2		
8	10 - 59	45	11
11	0		
9	0 - 9	0	0
-			

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Slash Pine - Upper Coastal Plain

Georgia Tax

Productivity

Rating	Georgia Tax	Adjusted Site	Index Range
Site Index Used	For Growth	Projections	Tons/Acre @ Age
15	Pulpwood	Chip-n-Saw	
1	90 - 101	96	150
135	15		
2	85 - 89	87	113
102	11		
3	81 - 84	83	99
89	10		
4	80	80	87
78	9		
5	75 - 79	77	77
69	8		
6	70 - 74	72	62
59	3		
7	60 - 69	65	43
41	2		
8	10 - 59	45	12
12	0		
9	0 - 9	0	0
-	-		

(C) In the absence of reliable local information on typical timber product class volume yields at the age of merchantability, the appraiser may assume that ninety percent (90%) of the timber will be pulpwood and ten percent (10%) will be chip-n-saw.

B. Multiply the result in subparagraph A. by the number of acres of pre-merchantable timberland.

C. Deduct from the result in subparagraph B. the normal cost to establish a timber stand on cut over woodland, which shall be known as the base value. Normal cost may be determined from planters, local site preparation and planning contractors and other reliable sources.

D. Divide the result in subparagraph C. by the age of merchantability to determine the average annual timber growth value. In the absence of reliable local information to the contrary, the age of merchantability shall be fifteen years.

E. Multiply the result in subparagraph D. by the actual age of the standing timber to arrive at the value of the accumulated timber growth.

F. Add back the base value deducted in subparagraph C. to the result in subparagraph E. to yield the total value of the pre-merchantable standing timber.

III. Determine value of other pre-merchantable timber.

For types of pre-merchantable timber other than planted pine, the value of the standing timber may be determined from the best information available. In the absence of local reliable information to the contrary, the value of other pre-merchantable timber may be estimated as follows:

A. Natural stands less than five years of age should be assigned no value.

B. Natural pre-merchantable stands five years of age and older should be valued in the same manner as planted pine timber is valued, except the appraiser should make no adjustments for the base cost of establishing the timber stand; yields for natural pine stands should be estimated at fifty percent of the volume determined for a planted

pine stand; and yields for hardwood stands should be estimated at forty percent of the value determined for a planted pine stand.

(c) Site valuation. The appraisal staff may use the valuation methods in this subparagraph to appraise sites that have been developed for residential, commercial or industrial use.

1. Valuation methods with sufficient sales. The appraisal staff shall use one, or a combination of more than one, of the valuation methods in this subparagraph when sufficient sales are available to reliably support the appraisal. These methods may be used to value the land directly.

(i) Comparative unit method. To use the comparative unit method, the appraisal staff shall stratify the land sales into a stratum comparable in market area or use type to the subject parcel. The appraiser then determines a land comparison unit by which the subject parcel is normally bought and sold in the market place and converts the sales price of the comparable properties to a typical per comparison unit value, using the median measure of central tendency. Per-measurement-unit, lump sum, and percentage adjustments are then made as needed to reflect the value of subject land features that differ from the base land features. The appraiser may use one of the following five basic comparison units: front foot, square foot, acre, site or lot, and units buildable. The appraisal staff may rely upon the comparative unit method for areas where parcels vary in size but are fairly homogeneous in other aspects, as opposed to areas where the sites are similar in size but vary substantially in site characteristics. The reliability of the analysis should be verified by a calculation of the coefficient of dispersion and the price related differential. These statistical indicators should fall within the standards of Rule 560-11-2-.56 before the appraiser relies upon the selected sales to appraise the subject parcel.

(ii) Base lot method. To use the base lot method, the appraisal staff shall appraise the base parcel in each stratum using the comparative unit method, with the base lot serving as the subject parcel. Once the base-lot's appraised value is established, it is used as a benchmark to appraise other individual parcels. The appraiser may use the base-lot method when the site characteristics are generally similar. Adjustments shall be developed using paired-sales analysis or other forms of market research. Then, the appraiser shall adjust the comparables to the base lot, calculate the measure of central tendency, and select a representative base-lot appraised value. The reliability of the analysis may be verified by a calculation of the coefficient of dispersion and the price related differential. These statistical indicators should fall within the standards of Rule 560-11-2-.56 before the appraiser relies upon the selected sales to select a base-lot appraised value.

(iii) Cost-of-development method. To use the cost-of-development method, the appraisal staff shall estimate the total development costs and subtract these costs from the projected sales prices of the developed lots to indicate the appraised value for the raw land. The projected improvements must represent the most probable use of the land. Estimated costs should include the direct costs of site

preparation, utility hookups, all indirect costs, and a reasonable allowance for owner profit. The appraiser may use this method to directly value land in transition from agricultural use to residential or commercial use when there are insufficient sales to apply the comparative unit or base lot methods.

2. Valuation methods with insufficient sales. When vacant land sales are limited, the appraisal staff may use alternative methods to determine residual land values. These residual land values may be used in the same way as vacant land sales in order to establish comparative unit or base lot values. The appraisal staff shall not use these methods to establish land values directly. The alternative methods that may be used are allocation, abstraction, capitalization of ground rent, and land residual capitalization.

(i) Allocation method. Using this method, the appraisal staff estimates the typical percentage of combined land and improvement value attributable to the land alone. This land percentage estimate should be based on knowledge of the market for properties of the class being appraised and the appraiser should take into consideration the site value in previous years before being improved, the land-to-improvement ratios in similar neighborhoods, and an analysis of new construction on similarly classified sites.

(ii) Abstraction method. Using this method, the appraisal staff estimates the land residual value by subtracting the depreciated replacement cost of improvements from the sale price of an improved property.

(iii) Capitalization of ground rents method. Using this method, the appraisal staff determines the market rent of the subject site, computes a net income, selects a capitalization rate, and computes the present worth of the future benefits of the subject parcel. The appraiser should not use this method when there is insufficient market information available to estimate the income potential of the subject parcel.

(iv) Land residual capitalization method. Using this method, the appraisal staff develops the annual net operating income attributable to the property and develops capitalization rates for both the land and the improvements to the land. The estimated improvement value is multiplied by the improvement capitalization rate and the result is deducted from the forecasted annual net operating annual income. The remaining income, the residual amount attributable to the land, is then capitalized, using the land capitalization rate, into a value indicator for the land. The appraiser should only use the land residual capitalization method on new income-producing improved properties either when the improvement has little or no observed depreciation of any kind and a well-supported improvement value can be developed, or when an improvement can be hypothesized and its cost and net operating income reliably estimated.

3. Special procedures. The appraisal staff shall observe the special procedures contained in this subparagraph when appraising the described property types.

(i) Transitional land. The appraisal staff shall analyze any unusual sale amount for a single parcel of land that seems to indicate a transition from one type land use to another type land use, such as from agricultural to residential or from residential to commercial and conversely. The appraisal staff should consider that a single sale might not necessarily indicate a changing market. The appraisal staff should analyze such sales to ensure that the new use is clearly indicated by a pattern of sales before qualifying and adjusting such sales for use as comparables for appraising the remaining comparable land.

(ii) Absorption rates. When appraising a subdivision, the appraisal staff shall use discounted cash-flow analysis in conjunction with the cost-of-development method to appraise the unsold parcels when it is anticipated that the parcels will require several more years of exposure to the market to sell. The appraisal staff may consider typical holding periods, marketing, and management practices when estimating anticipated revenues and allowable expenses.

(4) Improvement valuation. Except as provided in subparagraph (a) of this subparagraph, the appraisal staff will use the following three approaches when appraising real property: the direct sales comparison approach, the cost approach, and the income approach. In determining the reliability and representativeness of each approach or combination of approaches, the appraisal staff shall consider those factors most likely to influence buyers and sellers when those buyers and sellers are determining exchange prices in the market place, and the sufficiency of available sales, cost, income and expense information to reliably quantify those factors. However, irrespective of the valuation approach used, the final results of any appraisal of real property by the appraisal staff shall in all instances comply with the definition of fair market value in Code section 48-5-2.

(a) Cost approach. The appraisal staff shall use the following three steps when applying the cost approach: Estimate the cost new of the improvements, subtract accrued depreciation, and add the value of the land.

1. Estimating cost new. In estimating the cost new of any buildings, structures, or other improvements to land, the appraisal staff shall consider the following:

(i) Types of costs. The appraisal staff shall include both direct and indirect costs that would be incurred to build and market the property, including normal overhead and profit. The approach would normally produce the replacement cost. The appraisal staff may consider the reproduction cost, and adjust for depreciation accordingly, when appraising an unusual or special-purpose property.

(I) Comparative unit method. Unless otherwise provided under Rule 560-11-10-.09(4)(a)(1)(i), the appraisal staff shall determine benchmark per-square-foot, per-cubic-foot, or other per-measurement-unit costs for base structures using cost guides or local cost information. Such benchmark per-measurement-unit costs may then be applied to the subject improvements to determine typical replacement cost new. Per-measurement-unit, lump sum, and percentage adjustments are then made as needed to reflect the value of subject improvements features that differ from the base structures. All forms of depreciation are then applied as a

lump sum factor based on the age and useful life of the subject improvements.

(II) Unit-in-place method. The appraisal staff may use the unit-in-place method when making adjustments in the comparative unit method. This method determines costs of individual construction components on a per-measurement-unit, in-place basis. The total cost of each component of the subject improvement is then found by multiplying the various per-measurement-unit costs by the number of actual measurement units installed in the subject improvement. The appraisal staff may also use this method when estimating costs for unusual or special-purpose improvements, in which case the component costs would be summed and combined with applicable indirect costs to obtain an estimate of the total replacement cost new of the subject improvements. All forms of depreciation are then applied as a lump sum factor based on the age and useful life of the subject improvements

(III) Quantity survey method. The appraisal staff may separately itemize all various labor, material, and indirect costs when it is desirable to produce the reproduction cost new. All forms of depreciation are then applied separately based on the physical deterioration, functional obsolescence, and economic obsolescence observed by the appraiser. The appraisal staff may use this method in the development and trending of comparative unit and unit-in-place costs.

(IV) Trended original cost method. When determining the cost of structures where the comparative unit or unit-in-place methods are inapplicable, the appraisal staff may trend the original costs over time by factors obtained from a construction cost index guide. The appraisal staff shall not use this method when the original cost figures are not accurate or complete.

(ii) Sources of cost information. The appraisal staff may obtain cost information by directly collecting information from contractors, builders, developers, property owners, and other market place participants. Cost information may be obtained from firms that compile and publish construction information, with the appraisal staff supplementing or modifying such information with locally gathered cost information. The appraisal staff may obtain cost manuals specifically developed for the county by construction cost services and mass appraisal firms.

(iii) Updating costs. Cost information shall be updated by the appraisal staff as necessary to reasonably reflect current construction costs for the various construction classes. Indexing may be used in the short term to update cost information, but in no event shall the appraisal staff rely on indexing alone for more than three years.

(iv) Location modifiers. The appraisal staff shall develop base construction cost tables. Modifiers, in the form of factors to be applied to the cost tables, may then

be developed for areas to reflect local market conditions. Different sets of modifiers may be necessary to reflect the market for different property types within a county.

(v) Cost models. The appraisal staff shall develop or acquire representative cost models that contain the manual or automated cost factor tables used in the cost approach. The models should be applicable to all building types in a county and be based on actual updated costs as defined in Rule 560-11-10-.09(4)(a)(1)(iii). The models should clearly identify included indirect costs, contain depreciation estimation guidelines, and provide for systematic cost estimation on manual or automated forms. The documentation prepared by the appraisal staff should clearly demonstrate how the cost model is applied and explain its limitations.

2. Estimating depreciation. The appraisal staff shall estimate the depreciation by determining the difference between replacement or reproduction cost new and the current market value of an improvement. This determination shall require an analysis by the appraiser of physical deterioration, functional obsolescence and economic obsolescence present, keeping in mind that physical deterioration and functional obsolescence may include curable and incurable components. The appraiser may estimate depreciation as a total amount or as a percentage of replacement or reproduction cost new. Improvements with special circumstances may be treated on an exception basis. The appraisal staff shall use the effective age of improvements, when different from the actual age, when estimating depreciation. The methods the appraisal staff may use to estimate depreciation include, but are not limited to, the following four methods:

(i) Sales comparison method. To apply the sales comparison method, the appraisal staff develops estimates of total depreciation from market-derived schedules. To develop such schedules, the appraiser stratifies the sales information by type of construction and other relevant features. The appraiser then computes building residuals by deducting estimated land values from the sales prices and expressing the building residuals as a percentage of replacement cost new. The resulting "percent good" factors are then plotted against the effective ages of the properties to develop the depreciation tables. This method may be used when current representative and adequate sales information is readily available.

(ii) Age/Life method. To apply the age/life method, the appraisal staff develops estimates of physical deterioration and normal functional obsolescence using a simple sliding scale or straight-line calculation and then applies any necessary adjustments for additional functional or economic obsolescence. This method may be used when current representative and adequate sales information is not readily available.

(I) Capitalization of income method. To apply the capitalization of income method, the appraisal staff uses income-based appraisals in place of sales and applies these appraisals to the sales comparison method to develop estimates of total depreciation.

(II) Observed condition method. To apply the observed condition method, the appraisal staff breaks down depreciation into all its various component parts. This method requires detailed analysis of all forms of depreciation and is generally reserved for "model building," special use properties, or when raised by a property owner during the course of an appeal.

(b) Sales comparison approach. When using the sales comparison approach, the appraisal staff shall estimate value by comparing the subject property to similar properties that have recently sold. The appraisal staff shall use the following four steps when applying the sales comparison approach: market research and verification, selecting appropriate units of comparison, making reasonable adjustments based on the market, and applying the adjusted comparison units to the subject of the appraisal.

1. General considerations. The appraisal staff shall consider the following when applying the sales comparison approach:

(i) Bona fide sales preferred. A bona fide sale of a subject property should be carefully analyzed by the appraisal staff to determine if it is an accurate indicator of such subject property's fair market value. When such a sale is supported by sufficient other sales of similar property to reasonably estimate the market, the appraisal staff shall consider the sale as the best evidence of fair market value. In the absence of such a sale of the subject, sales prices of comparable properties shall be considered the best evidence of fair market value.

(ii) Economic principles affecting approach. When applying the sales comparison approach, the appraisal staff shall rely upon the economic principles of supply and demand, substitution, and contribution. The interaction of supply and demand factors determines property prices. The principle of substitution states that a prudent buyer will pay no more for a property than for a comparable property with similar utility. The principle of contribution as applied to the sales comparison approach means the value of a property component is measured by its contribution to the whole rather than by its cost.

2. Market research and verification. The appraisal staff shall build and maintain an up-to-date file system of qualified sales as provided in Rule 560-11-10-.09(2)(d)(1)(ii). Other preferred information to be considered is the motivations of the buyer and seller, as obtained from actual interviews of the parties to the sales. Adjustments to the sales to be considered by the appraiser include, but are not limited to, time of sale; location; physical characteristics; partial interest not conveyed; trades or exchanges included; personal property included; leases included; incomplete or unbuilt community property; atypical financing; existing covenants; deed restrictions; environmental, economic, governmental and social factors affecting the sale property and the subject parcel. These adjusted qualified sales may then be used to appraise the subject parcel.

3. Market analysis and stratification. The appraisal staff shall analyze the market to identify groups of comparable properties that may be combined in the valuation process. Properties may be combined and classified to reflect use, location, neighborhood, or other comparison criteria that have been shown to reflect the interest of buyers and sellers.

4. Comparable sales analysis. When applying the analysis, the appraisal staff should identify a representative number of comparable properties that have recently sold, apply the adjustments indicated by the market research and verification process to such comparables, and then adjust such comparables for physical differences from the subject property. The appraiser may then develop an estimated value of the subject property from the adjusted sales prices of the comparable properties. This process may be computer assisted in a mass appraisal environment.

5. Sales ratio applications. The appraisal staff shall conduct sales ratio studies to periodically measure the quality of their appraisals relative to the market. Such studies should be designed to measure whether appraisals meet the overall legal standards provided in Rule 560-11-2-.56 and provide more precise analysis of the quality of appraisals within and between market strata used by the appraisal staff to compare properties. When sales ratio studies reveal excessive inequities within a stratum, the appraisal staff should consider reappraising the properties in the stratum. When such studies reveal excessive inequities between strata, and there is acceptable uniformity within the strata, the appraisal staff should consider trending to correct this uniformity problem.

(i) Trending. The appraisal staff shall use the procedures in this subparagraph when applying trend factors to improve uniformity. Stratify properties by property type and neighborhood. Determine the measure of central tendency by computing the median assessment ratio, substituting the aggregate ratio when the properties in the stratum tend to be heterogeneous. Then divide the legal assessment ratio by the calculated measure of central tendency to calculate the trend factor. The appraisal staff should not apply trending factors in excess of 1.15. In such instances, the appraisal staff should correct intra-strata differences by reappraising the properties within the affected strata. Before finalizing the application of trending factors, the appraisal staff should calculate the coefficient of dispersion to verify that uniformity among assessments will be improved by trending.

(c) Income approach. When using the income approach, the appraisal staff shall estimate value by determining the present value of the projected income stream from the use of the subject property in the future.

1. Income and expense analysis. The appraisal staff shall analyze the income stream and project a future income stream that reflects typical management and current market conditions.

(i) Components of income and expense analysis. The appraisal staff may consider the following components when performing the income and expense analysis: typical unit rent, potential gross income, miscellaneous income, effective gross income, vacancy and collection loss, typical expenses, replacement reserves, and net operating income. Expenses such as depreciation charges, debt service, ad valorem taxes, income taxes, and business expenses not associated with the property should not be considered. While complete information is not required on each individual property, the appraisal staff should secure sufficient information to

develop typical unit rents, typical vacancy and collection loss ratios, and typical expense ratios for various type properties before applying the income approach.

(ii) Analyzing reported data. The appraisal staff may use actual income and expense information when they reflect typical management and current market conditions; otherwise, typical figures should be used. The appraiser may stratify properties and develop typical unit rents, vacancy and collection loss ratios, and expense ratios to evaluate the reasonableness of reported figures for individual properties and to substitute for unreported figures. The appraiser may also use multiple regression analysis to estimate typical rents as a function of such variables as construction quality, age, location, size of building, and other relevant factors. Multiple regression analysis may also be used to estimate typical expense ratios, and other income and expense components. The appraiser should not consider outdated or non-market leases. Percentage leases should be expressed in actual dollar amounts and averaged over a period of years. Periodic expenditures for replacements should be pro-rated over their economic lives.

2. Capitalization methods. The appraisal staff shall use the procedures in this subparagraph to capitalize the income into an estimate of value. The appraisal staff may utilize the following rates while using the income approach and its various methods and techniques. The discount rate is the annual return on the investment in the property. It is a component of a total capitalization rate. The interest rate is the rate of return on borrowed funds. It is a component of the discount rate. The equity yield rate is the annual return on the equity portion of the investment in the property. It is a component of the total capitalization rate in the mortgage equity technique.

(i) Direct capitalization. The appraisal staff shall, when applying this method, use either overall rates or income multipliers. Both require adequate sales data and accurate estimates of potential annual gross income, effective annual gross income, or annual net operating income.

(I) Overall rates. Using the most common version of this method, the appraisal staff develops the annual net operating income of a sample of properties that have sold. The individual annual net operating incomes are divided by the individual sale prices resulting in the individual overall rates. A representative overall rate is then selected from the sample and applied to the subject property by dividing its annual net operating income by the selected overall rate resulting in an estimate of value for the property. The appraisal staff may also employ other techniques to develop an overall rate, such as the weighted land to improvement ratio method; the net income ratio method, and the debt coverage ratio method.

(II) Income multipliers. Using this method, the appraisal staff may use potential gross income, effective gross income, or annual net operating income from a sample of properties that have sold. Individual sale prices are divided by the selected level of income resulting in individual multipliers. A representative multiplier is then selected from the sample and applied to the subject property by multiplying the selected level of

income by the multiplier appropriate to the level of income selected resulting in an estimate of value for the property.

(ii) Annuity capitalization. Annuity capitalization may be used to apply the income approach when the subject property is under a long-term lease. The appraisal staff develops capitalization rates for both land and improvements to the land. The appropriate residual technique is selected based on the known value of either land or improvement. The land or improvement value is multiplied by the appropriate capitalization rate, and the result is deducted from the annual net operating income. The remaining residual income to either land or improvement is then capitalized by the appropriate rate resulting in an estimate of value for either land or improvement.

(iii) Sinking fund capitalization. Sinking fund capitalization may be used to apply the income approach when periodic reserves for replacement are set aside in equal amounts, at a safe rate, in order to restore or rebuild the improvements in the future. It is applied in the same manner as annuity or straight-line capitalization.

(iv) Straight-line capitalization. Straight-line capitalization may be used to apply the income approach when the appraisal staff uses straight-line depreciation schedules. It is applied in the same manner as annuity capitalization and sinking fund capitalization.

(v) Discounted cash flow analysis. Discounted cash flow analysis may be used to apply the income approach when the appraisal staff is valuing a lease and the residual value of the property at the end of the lease term. Each year's income stream is discounted by applying a present-value factor to the cash flow expected for each year. The estimated property value at the end of the lease term is also discounted. The discounted amounts are summed resulting in an estimate of value for the property.

(vi) Mortgage equity analysis. Mortgage equity analysis may be used when the appraisal staff can reliably determine mortgage terms and cash flow and reliably estimate the holding period and the percentage by which the property will appreciate or depreciate over the holding period. The appraisal staff computes a constant annual payment from the interest rate and amortization term and selects an appropriate equity yield rate. The estimated cash flow over the holding period is discounted at the equity yield rate, as is the anticipated selling price of the property. The two discounted amounts are added to the present mortgage balance resulting in an estimate the value for the property.

(vii) Residual capitalization techniques. The appraisal staff may use a residual technique to apply the income approach when either the improvement or land component of the property value can be reliably estimated or documented by sales.

(viii) Building residual technique. The appraisal staff may use a building residual technique when the land value of the subject property is known and documented by comparable sales. The appraisal staff develops the total annual net operating income attributable to the property and develops capitalization rates for land and improvements to the land. The land value is multiplied by the land capitalization rate and the result is deducted from the total annual net operating income. The remaining residual income to the improvement is capitalized using the improvement capitalization rate into an indicator of value for the improvement. This is added to the land value resulting in an estimate of value for the property.

(ix) Land residual technique. The appraisal staff may use this technique when the improvement value is known and documented by current cost figures. It is applied in the same manner as the building residual technique except a residual land income is capitalized into an indication of land value and added to the improvement value resulting in an estimate of value for the property.

(d) Special procedures. The appraisal staff shall observe the special procedures contained in this subparagraph when appraising the described property types.

1. Valuation of common areas. The appraisal staff shall take into account the extent that the fair market value of individually owned units in a residential subdivision, planned commercial development, or condominium also represents the fair market value of any ownership interest in any common area that is conveyed with the individually owned units. When the appraisal staff determines that the fair market value of the common area is included in the fair market value of the individually owned units, the appraisal staff may recommend a nominal assessment of the common area parcel. When the appraisal staff makes such a determination, the fair market value of residual interests not conveyed to the owners of the individually owned units shall be appraised and an assessment recommended to the board of tax assessors.

2. Construction in progress. Construction in progress shall be appraised in the same manner as other similar real property taking into account that there may be little or no physical deterioration on such property and that the fair market value may be diminished due to the incomplete state of construction. The appraisal staff should attempt to value construction in progress by forecasting the future cash flow a project would generate and discounting at a rate that reflects the risk and uncertainty of that cash flow. If the construction in progress is being financed by a lending institution that has established an account from which funds may be drawn by the builder as construction progresses, the appraisal staff may consider the percentage of such funds expended as of January 1 as a possible indication of percentage completion of construction in progress. In the absence of sufficient information to perform such an analysis, the appraisal staff should estimate the percentage of completion of all construction in progress as of January 1 of the tax year using the best information available. The appraisal staff should then estimate the fair market value of the improvement upon completion. The appraisal staff should then estimate the fair market value as of January 1 as being the estimated fair market value upon completion multiplied by the percentage of completion on January 1. If comparable sales information of real property under construction is generally not available and there is no other specific evidence to measure the probable loss of value if the property is sold in

an incomplete state of construction, the appraisal staff may multiply the identified total cost of construction by a uniform market risk factor of .75.

3. Assemblage. The county appraisal staff shall not combine multiple rural parcels into a single taxable rural parcel unless all the following have been satisfied:

(1) parcels must be contiguous or separated by only a stream, creek, non-navigable river, road, street, highway, railroad or other recognized thoroughfare,

(2) parcels must be titled in exactly the same name,

(3) parcels must fall entirely within the same taxing district, and

(4) parcels that are contiguous but lie in different taxing districts and are otherwise eligible for combination shall be valued in the same manner as the total acreage of the combined parcels would dictate.

(5) Final estimate of fair market value. After completing all calculations, considering the information supplied by the property owner, and considering the reliability of sales, cost, income and expense information, the appraisal staff will correlate any values indicated by those approaches to value that are deemed to have been appropriate for the subject property and form their opinion of the fair market value. The appraisal staff shall present the resulting proposed assessment, along with all supporting documentation, to the board of tax assessors for an assessment to be made by that board.

(Millage rate = 33.76 mills)

Market Value	Assessed Value(40%) (Round to nearest $)	Tax Bill (Round to nearest $)
$120,000		
$96,000		
$1,100,000		
$39,000		
$250,000		
$550,000		
$222,333		
$985,000		
$6,734,066		

CHAPTER 4

General Consideration

Evidence is defined as the means by which any fact is put in issue, established, or disproved. Hotchkiss v. Newton, 10 Ga. 560 (1851).

Prima facie evidence is such evidence as in judgment of law is sufficient, and if not rebutted remains sufficient. Georgia R.R. & Banking Co. v. Smith, 83 Ga. 626, 10 S.E. 235 (1889).

Primary evidence. - When the existence of a fact is the question at issue and not the contents of a writing, then oral and written evidence of the fact may both be primary evidence. Wells v.

State, 151 Ga. App. 416, 260 S.E.2d 374 (1979), overruled on other grounds, Copeland v.

State, 160 Ga. App. 786, 287 S.E.2d 120 (1982).

Competent Evidence

Evidence of doubtful competency or relevancy should be admitted and the weight of the evidence left to the jury. Crass v. State, 150 Ga. App. 374, 257 S.E.2d 909 (1979).

Cumulative Evidence

Redundant testimony. - In a condemnation proceeding, testimony that was redundant of actual ordinances, zoning regulations, and of a land use plan already testified to by another was properly excluded. Hall County v. Merritt, 233 Ga. App. 526, 504 S.E.2d 754 (1998).

Preponderance of Evidence

How preponderance determined. - Preponderance is to be determined from all evidence regardless of by which party the evidence is introduced. Anderson v. Savannah Press Publishing Co., 100 Ga. 454, 28 S.E. 216 (1897).

Standard in civil cases. - Establishment of facts in civil cases to a moral and reasonable certainty is not required, but their establishment by a preponderance of the evidence is sufficient. Masonic Relief Ass'n v. Hicks, 47 Ga. App. 499, 171 S.E. 215 (1933).

Preponderance required on each issue. - It is correct in a jury instruction to define what is meant by preponderance of evidence in the language of the statute and to add, "and where there is more than one issue in the case, this rule or definition of preponderance of the evidence relates to each and all of the issues of fact to be determined by you," since, regardless of when the burden of proof lies, it is correct to instruct the jury that the jury shall find according to the preponderance of evidence upon any issue submitted. Patillo v. Thompson, 106 Ga. App. 808, 128 S.E.2d 656 (1962).

"Preponderance" when defendant offers no evidence. - When the defendant offers no evidence at all, an instruction that a preponderance of evidence is evidence "stronger than the evidence of the defendant" almost guarantees that any evidence offered by the plaintiff, as against zero evidence, must be considered a preponderance. Such charge is error. Superior Paving, Inc. v. Citadel Cement Corp., 145 Ga. App. 6, 243 S.E.2d 287 (1978).

"Preponderance" does not mean "strong predominance." - Charge that a preponderance of the evidence could be determined by asking "which way does it strongly predominate," was erroneous as the degree of proof required by such instructions was greater than that provided by the statute. Garrison Motor Co. v. Parrish, 52 Ga. App. 766, 184 S.E. 766 (1936).

"Preponderance" does not mean "stronger evidence." - Trial court erred in characterizing preponderant evidence as "stronger." Danforth v. Danforth, 156 Ga. App. 236, 274 S.E.2d 628 (1980).

Reasonable and impartial mind. - In instruction to jury by judge, the use of the words "your minds," omitting any references to "a reasonable and impartial mind," did not lead the jury to believe that they might determine the preponderance of the evidence solely on the basis of what the jury might think of the evidence and not on what "a reasonable and impartial mind" might think of it. This charge affords no ground for a new trial in the absence of a proper, timely written request for a more specific

instruction on the subject. Southern Ry. v. Wilcox, 59 Ga. App. 785, 2 S.E.2d 225 (1939).

Presumptive Evidence

Value of property. - Value of merchandise is generally matter of opinion, but the jury may consider such opinion testimony, make reasonable deductions, and exercise their own knowledge and ideas. Jones v. State, 139 Ga. App. 366, 228 S.E.2d 387 (1976).

Value is peculiarly for determination of the jury, but there must be evidence upon which the jury may legitimately exercise the jury's own knowledge and ideas. Citizens & S. Nat'l Bank v.

Williams, 147 Ga. App. 205, 249 S.E.2d 289 (1978).

Question of value is peculiarly for the determination of the factfinder when there is any data in the evidence from which the factfinder may legitimately exercise the factfinder's own knowledge and ideas. Such is presumptive evidence, which consists of inferences drawn by human experience from the connection of cause and effect and observations of human conduct.

Adamson Co. v. Owens-Illinois Dev. Corp., 168 Ga. App. 654, 309 S.E.2d 913 (1983).

CHAPTER 5

OPINIONS OF THE ATTORNEY GENERAL

Department of Law
State of Georgia

MICHAEL J. BOWERS
ATTORNEY GENERAL

40 CAPITOL SQUARE SW
ATLANTA, GA 30334-1300

UNOFFICIAL OPINION U95-22

To: Charlton County Attorney October 4, 1995

Re: A county board of tax assessors and county board of equalization are subject to the provisions of the Georgia Open Meetings Law, O.C.G.A. §§ 50-14-1 through 50-14-6.

You have requested an unofficial opinion concerning the applicability of the Georgia Open Meetings Law, O.C.G.A. §§ 50-14-1 through 50-14-6, to proceedings held before the county board of tax assessors and county board of equalization. As I understand the situation, the equalization board has taken the position that it is exempt from the provisions of the open meetings law under the judicial exception to its application. The board cites its appointment by the grand jury in support of this view. See O.C.G.A. § 48-5-311(c)(2). As set forth within, it is my opinion that both the board of tax assessors and the board of equalization are subject to and must comply with the open meetings law.

The Supreme Court has recognized that the open meetings law must be broadly construed to effect its remedial and protective purposes. Atlanta Journal v. Hill, 257 Ga. 398, 399 (1987). The law was enacted in the public interest to protect both individuals and the public from "closed door" politics as well as potential abuse of individuals and misuse of power. Id. Consequently, any exception to the law urged by one presumably subject to its provisions must be carefully scrutinized.

The open meetings law applies to any agency of government, except the courts and the General Assembly. Coggin v. Davey, 233 Ga. 407, 411 (1975). "Agency" is defined, inter alia, as

"[e]very department, agency, board, bureau, commission, authority, or similar body of each such county, municipal corporation, or other political subdivision of the state." O.C.G.A. § 50-14-1(a)(1)(C). The two boards at issue here would necessarily fall within this definition and would therefore be required to hold open meetings under O.C.G.A. § 50-14-1(b), unless an exception is shown. No exception appears applicable here.

The source of the equalization board's view appears to be the connection between the board and the grand jury. In Kilgore v. R.W. Page Corp., 261 Ga. 410 (1991), the Georgia Supreme Court addressed whether a coroner's inquest constituted a meeting within the meaning of the open records law. In resolving this question, the Court compared the law enforcement functions to the coroner's functions. The Court found that the coroner's functions were too dissimilar to entitle the coroner to the exemption afforded to law enforcement. Following this approach to the situation at hand would likely lead to similar results. Grand juries have the duty to examine and make presentments respecting criminal conduct, as well as the obligation to inquire into various activities of local officials. O.C.G.A. §§ 15-12-74, -12-71(b). By contrast, an equalization board is empowered to hear and determine appeals of assessments and to take action to assure uniformity in property valuation.

O.C.G.A. § 48-5-311(d). Local boards of equalization, therefore, are entities altogether distinct from grand juries. Their actions are more akin to civil adjudications rather than criminal matters which are the province of the grand jury. See 1980 Op. Att'y Gen. U80-44.

Moreover, the express exceptions to the open meetings law counsel against a conclusion that the board is exempt. The General Assembly expressly excluded certain areas from the application of the open meetings law. O.C.G.A. § 50-14-3. The General Assembly could have expressly exempted the equalization board from the operation of the open meetings law if it wished, but it did not.

In Fathers Are Parents Too, Inc. v. Hunstein, 202 Ga. App. 716 (1992), the Court of Appeals held that the open meetings law did not apply to the judicial branch of state government. See also 1979 Op. Att'y Gen. 79-25 (interpreting former Code provisions). The rationale supporting the ruling was the doctrine of separation of powers and the independent measures adopted by the judiciary to assure openness and accessibility of the public to judicial decision-making. Hunstein, 202 Ga. App. at 717. The county equalization board does not fall within this rationale. It neither fits within the judicial branch, nor does it have the patent safeguards of accountability which exist within that branch of government. Thus, in my opinion, the equalization board cannot claim exemption by citing judicial affiliation. Accordingly, it is my unofficial opinion that the county board of equalization is not exempt from the provisions of the open meetings law by virtue of its members being appointed by the grand jury. Consequently, all official actions of the board must be conducted in an open meeting. Compare 1989 Op. Att'y Gen. 89-6; 1983 Op. Att'y Gen. 83-9 (deliberations of public body subject to open meetings law) with Red & Black Publishing Co. v. Board of Regents, 262 Ga. 848, 854 n.15 (1993)(the deliberations of the student organization court would not be open to the public).

According to your letter, the county board of tax assessors expresses no reason in support of its claim to be exempt from the open meetings laws. Unlike the equalization board which adjudicates taxpayers' claims, discussed supra, the board of tax assessors is charged with the duty to investigate and inquire into the property owned within the county for the purpose of ascertaining what real and personal property is subject to taxation. O.C.G.A. § 48-5-299. The investigation and inquiry of the assessors, in my opinion, does not possess judicial characteristics sufficient to warrant closure of the proceedings to the public. Thus, it is my unofficial opinion that the official proceedings of the board of tax assessors must comply with the open meetings laws and be open to the public. See O.C.G.A. § 48-5-297.

The foregoing analysis should not be read as altering the ability of the board of tax assessors and board of equalization from closing a meeting where matters which are considered confidential by law are to be presented or discussed. O.C.G.A. § 50-14-2(2). For example, this determination in no way impacts upon the confidentiality of taxpayer records as provided in O.C.G.A. § 48-5-314.

In summary, it is my unofficial opinion that a county board of tax assessors and a county board of equalization are subject to the provisions of the state open meetings laws.

Prepared by:

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SEP 21 1993
GA. DEPT OF REVENUE
PROPERTY TAX DIVISION

September 7, 1993

WRITER'S DIRECT DIAL
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MEMORANDUM

TO: Larry M. Griggers, Director
Property Tax

FROM: Harold D. Melton HM
Staff Attorney

RE: Whether the meetings and deliberations of the local boards of equalization must comply with the Open Meetings Act.

This is in response to your question of August 12, 1993 concerning the above-referenced matter. You have raised several issues which address whether the local boards of equalization meetings are subject to the Open Meetings Act, O.C.G.A. § 50-14-1 et seq (the "Act"). Because the greater weight of authority suggest that such meetings are open to the public under the Act, I would caution the Department against advising the local boards that their meetings are exempt from the Act.

Under O.C.G.A. § 48-5-311(d)(1), the local boards of equalization are charged with the responsibility of hearing and determining appeals from the county ad valorem tax assessments and denials of homestead exemptions. The members of the boards are appointed by the grand jury and are compellable to serve. O.C.G.A. §§ 48-5-311 (b)(1) and (c)(2).

The Act provides that "all meetings shall be open to the public," O.C.G.A. § 50-14-1(b), and applies to "[e]very department, agency, board, bureau, commission, authority, or similar body of each county, municipal corporation, or other political subdivision of the state." O.C.G.A. § 50-14-1 (a)(C). The Act defines meetings as:

> the gathering of a quorum of the members of the governing body of an agency or of any committee of its members created by such governing body, whether standing or

> special, pursuant to schedule, call, or notice of or from such governing body or committee or an authorized member, at a designated time and place at which official business or policy is to be discussed or at which official action is to be taken or, in the case of a committee, recommendations on official business or policy to the governing body are to be formulated or discussed....

The test of whether the Act applies involves a two-pronged analysis: "first, is the meeting one of a 'governing body or and agency' or any committee thereof?; and second, is the meeting one 'at which official business or policy of the agency is to be discussed or at which official action is to be taken(?)'" Red & Black Publishing Co., Inc. v. Board of Regents, 262 Ga. 848, 851 (1993). Based on the terms of the Act and the Court's analysis in Red & Black, it is clear that the local boards of equalization constitute a county board or a board of a political subdivision of this state and, therefore, meet the first prong of the test. It is also clear that the boards of equalization are the vehicles by which the counties or political subdivisions of the state carry out its responsibility to hear and decide appeals and take official action. Red & Black, 262 Ga. 848, 854. The board of equalization meetings are therefore covered by the Act unless specifically exempted.

You have asked whether the fact that the board members are appointed by the grand jury and are compellable to serve might alter whether the boards of equalization are covered by the Act. This approach relies on the relationship between the boards of equalization and the grand jury and seeks to take advantage of the exemption afforded to grand juries. Notwithstanding the possibility that grand juries might be exempt from the Act by virtue of the separation of powers doctrine, grand juries are specifically exempted.

The Act specifically exempts "[m]eetings of the Georgia Bureau of Investigation or any other law enforcement agency in the state, including grand jury meetings." O.C.G.A. § 50-14-3(3). In addition to this specific exemption, it is also possible for grand juries to be excluded from the Act by operation of the separation of powers doctrine.

Under the separation of powers doctrine, actions of the legislative branch of government, such as the Act, do not control how the judicial branch of government must conduct its affairs. As a result, the judicial branch is free to develop

its own operational procedures outside the purview of the legislative branch of government. See, Op. Att'y Gen. 79-25. This rationale, however, has limited application.

In asking whether the local boards of equalization should be afforded the same exemption available to grand juries, there are certain applicable rules of interpretation. First, the provisions of the Act must be broadly construed to effect its purposes of protecting the public and individuals from closed-door meetings. Kilgore v. R.W. Page Corporation, 261 Ga. 410, 411 (1991). To effect the purposes of the Act, exceptions thereto must be narrowly construed. Id. Additionally, while there may be good reason to narrow the application of the Act, "there is no provision in the Open Meetings Act granting [the] Court the authority to fashion a public-interest test for determining whether meetings required to be open by the Act should nevertheless be closed." Id. Furthermore, the Georgia Supreme Court has stated: "We are mindful that openness in sensitive proceedings is sometimes unpleasant, difficult, and occasionally harmful. Nevertheless, the policy of this state is that the public's business must be open, not only to protect against potential abuse, but also to maintain the public's confidence in its officials." Red & Black, 262 Ga. 848, 854.

With these considerations in mind, in asking whether local boards of equalization may take advantage of the exemption afforded to grand juries, the courts will be concerned about the similarities between the local boards of equalization and the grand juries. Kilgore, 261 Ga. at 410. In Kilgore, the Georgia Supreme Court addressed whether a coroner's inquest constituted a meeting within the meaning of the Act. The coroner argued that the inquest concerned a pending criminal prosecution and should therefore fall under the law enforcement exception set forth above. O.C.G.A. § 50-14-3(3). The Court in addressing this question, applied the rules of interpretation, and compared the law enforcement functions to the coroner's functions. The Court found that the coroner's functions were too dissimilar to entitle the coroner to the exemption afforded to law enforcement.

Following this approach to the question at hand would likely lead to similar results. Grand juries have the duty to examine or make presentments of criminal offenses. O.C.G.A. § 15-12-74. Additionally, grand juries are authorized to inspect the offices, records , and operations of the clerk of superior court, district attorney, judge of the probate court, and

county treasurer or county depository; inspect the county jail; receive and inspect returns of the judge of probate court, county treasurer, clerk of superior court, and sheriff; inspect county buildings; and receive and inspect the sheriff's jail report. See, O.C.G.A. § 15-12-71(b). On the other hand, the function of the local boards of equalization is to hear and determine appeals of assessments and denials of homestead exemptions. O.C.G.A. § 48-5-311(d)(1). The boards also have the authority to take such action as is necessary to obtain uniformity including the authority to order a partial or total county-wide revaluation. O.C.G.A. § 48-5-311(d)(2). Local boards of equalization, therefore, are entities altogether distinct from grand juries.

The final possible analogy is between the local boards of equalization and petit juries; however, the connection between the two is too tenuous to suggest with any assurance that the local boards of equalization are like petit juries and, therefore, may be exempt from the Act. As a result, the Department should be careful not to advise the counties that the boards of equalization are exempt from the Act. Any position to the contrary would rest on creative and untested legal assumptions in an environment where the courts have clearly stated its intentions to give full effect to the Act. It is my advice, therefore, that both the hearings and deliberations be held open to the public. This, however, would not prevent the boards from closing portions of meetings where matters which are considered confidential by law are to be presented and discussed.

I hope this has been responsive to your request. Please do not hesitate to contact me if I may be of any further assistance.

hdm

CHAPTER 6

AN OVERVIEW OF AD VALOREM TAXATION

Major Points of this Section -

- Board of Assessors Responsibility
- County Commissioners Responsibility
- Tax Commissioners Responsibility
- How Property Taxes are Calculated

Important Terms in This Section -

- Board of Assessors
- Board of Commissioners
- Tax Commissioners
- Millage Rate
- County Budget
- Fair Market Value
- Assessed Value

The ad valorem property tax is probably the most widely discussed and misunderstood part of our local governmental system. The manner in which the tax is initially determined, the administration of the tax and how to register complaints effectively are areas vital to all property owners, but mysteries to many. [1]

This article will attempt to define the ad valorem tax, discuss how the amount of tax is initially determined, how millage rates are determined, how the tax bill is calculated, discuss common areas of discontent and how each of these may be addressed by the taxpayer. The article relates primarily to the arena of the tax assessor but it also touches on other areas of local government that are part of the overall administration of ad valorem property tax.

The term "ad valorem" is defined by Webster as "in proportion to the value; a phrase applied to certain duties levied on imports according to their invoiced value".

Ad valorem is simply defined in *Real Estate Appraisal Terminology* as "according to value".

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[1] This chapter was reprinted from an article originally published in the March 1977 issue of the Georgia County Government Magazine entitled "A Hard Look At Ad Valorem Tax" by Morgan B. Gilreath. The article is reprinted with the permission of the Georgia County Government Magazine.

The ad valorem property tax is then, by definition, a tax according to the value of the property owned. It is a local tax levied by local authorities to pay for the operation of local government. It is, in fact, the largest source of revenue for funding local government and all their citizen services.

An assessor is, simply stated, a "valuator". The assessors' *function is to value property at its fair market value.* If assessors perform this task well, all taxpayers within their jurisdiction will pay their proportionate or fair share of the ad valorem tax burden.

[1]Fair market value, as defined by Georgia law (O.C.G.A. 48-5-2), is "the amount a knowledgeable buyer would pay for the property and a willing seller would accept for the property at an arm's length, bona fide sale." This definition is consistent with that used by realtors and appraisers elsewhere. A clearer, while still consistent, definition may be found in *Real Estate Appraisal Terminology,* Byrl N. Boyce (Ballinger Publishing Company, Cambridge, Mass., 1975): Market Value - The highest price in terms of money which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeable and assuming the price is not affected by undue stimulus".

The assessor is one of the four local government officials who are involved in administering property:

(1) *County commissioners* and school board members determine the amount of taxes to be paid each year. This is the county's budget or the amount of funds necessary to operate the county and school system for a given year. Millage rates are computed by the commissioners after adoption of the county budget and after the school board submits its budget. The net assessment is the tax digest against which a millage rate is levied.

(2) The *assessors* estimate the value of all property within the county. Their total valuations multiplied by 40% (the amount prescribed uniformly for all Georgia) equals the *assessed valuation.* The net assessed value reflects all taxable property (real, personal, public utility, motor vehicle, etc.) less any applicable exemptions such as homestead or aged exemptions. Thus the net assessed value is the basis against which taxes are levied by application of a millage rate.

(3) The *tax commissioner* compiles the tax roll or digest for each county based on the valuations derived by the assessors. The tax commissioner then multiplies each parcel of property's assessment by the millage rate to determine the amount of tax. The tax commissioner mails the tax bill to the property owner and collects the tax, assessing additional penalties for late payment.

Typically property taxes are collected annually, but for the sake of improved cash flow,

some county governments have instituted semi-annually payment of property taxes. A general state law allows the county board of commissioners to adopt semi-annual payments by resolution. They need not seek special legislation.

The county board of commissioners determines the county maintenance and operations budget. The school board meanwhile determines its own revenue needs and submits the amount to the county board of commissioners which is legally bound to raise sufficient revenue to cover the school budget.

Assessors, though valuation or property, determine how the tax will be distributed equitably among the taxpayers.

The tax commissioner (or in some counties, the “tax collector”) does the actual billing and collecting of the property taxes.

This division is of responsibility is important to stress to the citizen/taxpayer. Only county commissioners can determine how much tax revenue will be needed for the county, and thus how many mills to levy against the tax digest. Only the school board can determine the revenue needs of the schools and thus how much school tax will be levied.

Only the assessor can determine how the tax burden is to be divided among all taxpayers, that is, what each share of the tax will be.

Only the tax commission for each county can prepare the digest and then bill and collect for taxes.

Too often there is confusion in the public’s mind about who is responsible for which tax. County commissioners are apt to be blamed when school taxes increase. Assessors may be unjustly blamed for higher taxes when in truth all they did were to apportion the tax burden, not determine its amount or the millage rate the commission would levy against those individual assessments.

As an aid to viewing the administration of ad valorem tax, the example below illustrates how the amount of tax is determined though the budgeting process and how this relates to the millage rate and then to the individual tax bill. The following are the amounts determined to be necessary for operation of the county, the schools and the bonded indebtedness of each.

County Maintenance & Operations Budget	$ 936,000
County Bonds	576,000
School Maintenance & Operations Budget	1,512,000
School Bonds	l,008,000
TOTAL COUNTY & SCHOOL BUDGETS	$4,032,000

After the budgets for county and school purposes are determined, the assessors’ net assessment is found to be $144,000,000. The State of Georgia automatically levies ¼ of mill of the assessed value (.00025 x 144,000 00 = $36,000) for each county so the total budget will be

$4,068,000 ($4,032,000 + $36,000). The structure of the county millage rate would then be calculated as follows:

Budget	$ Needed	÷	Net Assessment	=	Millage Rate
County M/O	$ 936,000	÷	$144,000,000	=	.0065 or 6.5 mills
County Bond	$ 576,000	÷	$144,000,000	=	.0040 or 4.0 mills
School M/O	$1,512,000	÷	$144,000,000	=	.0105 or 10.5 mills
School Bond	$1,008,000	÷	$144,000,000	=	.0070 or 7.0 mills
State ¼ mill	$ 36,000	÷	$144,000,000	=	.00025 or .25 mills
Total:	$4,068,000	÷	$144,000,000	=	.02825 or 28.25 mills

It should be noted at this point that the amount of taxes due in this county ($4,068,000) with the exception of the ¼ mill ($36,000) to the state, was determined *prior* to the setting of the assessments. The assessments were used only to calculate a fraction of percentage (which we call a millage rate) that would reflect the share of that total budget to be paid by each taxpayer. In other words, in this county, each taxpayer will have to pay .02825 (28.25 mills or 2.825%) times the assessed valuation of his property in order for the county to collect the amount deemed necessary for operation. It is here that the meaning of ad valorem, according to value, becomes significant in property tax administration. Property taxes are paid "according to value". Everyone pays his proportionate share (based on the millage rate) of the total tax burden according to the value of his property.

An individual tax bill, as calculated by the tax commissioner, is determined by multiplying the individual assessed valuation (less any applicable homestead exemptions) by the appropriate millage rate. Assume the assessors have appraised a property for $35,000. The assessment level for all property is Georgia is 40% of the market value of the property. The amount of the tax bill would be calculated as follows on the net assessed value of $14,000 (market value of $35,000 x.40 =$14,000) See the following example.

Example I.

Budget	Millage Rate	X	Assessment	=	Tax Amount
County M&O	.0065	X	$14,000	=	$ 91.00
County Bond	.0040	X	$14,000	=	56.00
School M&O	.0105	X	$14,000	=	147.00
School Bond	.0070	X	$14,000	=	98.00
State ¼ Mill	.00025	X	$14,000	=	3.50
Total:	.02825	X	$14,000	=	$ 395.00

If the property has been returned at its market value and / or if the assessor has valued the property at its market value *equally* with other similar properties, the $395.00 calculated above represents this particular taxpayer's proportionate share of the amount of funds necessary to operate the county government. See Example II

Example II.

Net Assessed Value	÷	Total Net Assessment	=	Taxpayer's Share of Total Assessments
$14,000		$144,000,000		.000097222

Taxpayer's Share of Total Assessment	Total County Budget Requirement	Proportionate Share of Tax Burden
.000097222	4,068,000	$395.50

This may be illustrated by seeing what portion of the total county assessed valuations belong to the taxpayer and applying this percentage to the total budget for the county.

The share of total assessments equals the share of the budget for every taxpayer in the county. It is through this process of paying for the cost of operating our own local governments that each taxpayer pays his fair share of the total tax burden, according to the value of this property.

If the above property had been an owner occupied single-family residence, the taxes paid would have been less. This is due to a $2,000 homestead exemption applicable to all homeowners who have appropriately filed for it. The $2,000 homestead exemption does not apply towards the retirement of county or school bonds as illustrated below. The tax bill for this homestead would be calculated as follows: See the following example.

EXAMPLE III.

Market Value	x .40 =	Assessed Value	-	$2,000 Homestead	=	Net Assessed Value
$35,000	x .40 =	$14,000	-	$2,000	=	$12,000

Millage Rate for Budget Item		X	Applicable Assessment	=	Amount of Taxes Due
County M & O	.0065	X	$12,000	=	$ 78.00
County Bonds	.0040	X	$14,000 *	=	56.00
School M & O	.0105	X	$12,000	=	126.00
School Bond	.0070	X	$14,000 *	=	98.00
State ¼ Mill	.00025	X	$12,000	=	3.00
Total:	.				$ 361.00

*Homestead exemption does not apply to bonds.

It is immediately evident that the homestead exemption does provide a small degree of "tax relief" ($34.50 on this property) for the homeowner. Any tax relief, by its very nature, will shift that portion of the total taxes to be levied to other taxpayers, thereby distorting the fair share doctrine somewhat. At present, the homestead on owner-occupied single-family residences is the only area where partial exemptions are authorized for a particular property by the Georgia Constitution.

The assessor's role, in both examples, was solely to estimate the value of property, not to determine the amount of taxes due or to determine the millage rate. These are by-products of his work, but only when combined with the functions of other local government officials.

As is true throughout out governmental structure, there are means available for the expression of citizen disagreement or dissatisfaction (in the instance with one's tax bill). The important point is to be sure the complaint, disagreement, appeal, etc. is registered with the appropriate authority. There are five predominant areas for complaints concerning the ad valorem property tax:

1. The amount of the tax bill: "…my taxes are too high…"

2. The taxability of the property: "my property is exempt."

3. The valuation placed on my property: "…my property values are too high…"

4. The equity of the valuation with other taxpayers: "…my property is valued differently than my neighbor's…"

5. The existence of the property tax: "…the property tax is unfair and should be replaced…"

(1) The amount of the tax bill, as explained earlier, is determined at the time the county and school budgets are established by the county commissioners and the school boards. Usually, prior to making any budget final, the appropriate authority will conduct budget hearings in order to see if there is strong public sentiment for or against the purpose of which funds are being raised. If one feels the amount of his property bill is excessive, the appeal or complaint should be registered at the time of the budget hearing or whenever the total amount of taxes was determined.

(2) The Georgia Supreme Court has stated that all property is taxable (for ad valorem purposes)…"unless specifically exempt". O.C.G.A. 48-5-41 contains the authorization in our constitution for all exemptions from ad valorem taxation. Exemptions are granted by adoptions of constitutional amendments, passed by the General Assembly and ratified by the electorate in a general election. No local government has the power, within itself, to grant or refuse any exemption unless authorized by state law. Homestead exemptions are applied for through the tax commissioner's office, however, the assessor is the approving authority as set forth in the Georgia Code. If one feels that his property is exempt from taxation the matter can be settled by consulting the constitutional exemptions or contesting them through litigation.

(3) The assessor is responsible for all valuations placed on real and personal property. Georgia law requires that all property be "returned" by the property owner at its fair market value, which was defined earlier. Property owners are only required to file the return once unless there is a physical change to the property (i.e. additions or deletions) or if there is a change in the value. Many only file the return when they purchase new property. The assessor is also required by Georgia law to review annually all property returns to insure that all property is on the tax digest at its market value as of January 1 of each year. This is accomplished, in reality, by an appraisal staff that constantly reviews and reappraises properties throughout the county so that everyone can be assured of paying taxes on the same base, the market value of their property. There are well established and court tested methods of valuing property which are universally used by all appraisers, governmental or private. Every property tax office should have established procedures (uniformity of valuation) for valuing all types of properties.

Any time the Board of Assessors changes the value estimate of anyone's property, that person is notified of the change. If taxpayers disagree with the valuation, they have 45 days in which to file a written appeal with the Board of Assessors. If unchanged, the appeal is forwarded to a Board of Equalization (comprised of three citizens chosen by the Grand Jury). Either the taxpayer or the Board of Assessors may appeal the decision of the Board of Equalization to the Superior Court

and further. The assessors are responsible for property valuations, but as was shown above, there is adequate remedy available for disagreement.

(4) Americans have endured many hardships over the past 200 years. They have demonstrated an almost uncanny ability to do whatever is necessary in times of crisis or distress… as long as "everyone" had to endure. This is probably why, for example, they have accepted increases in Federal income taxes, because "everyone else has to pay, just like I do". The belief is that everyone is being treated fairly, having similar guidelines applying to all. The same could be true of the ad valorem tax if it is administered equitable among all taxpayers.

Any good or service that has equal or similar utility as another like good or service has similar worth. Just as one's preferences for automobiles may depend on the "ride" or on available "extras", one's preferences for real estate are affected by location, physical characteristics.

All land is neither worth the same price, nor all homes equal in value. However, similar land and similar homes, equally situated in terms of location, physical characteristics, and desirability, do have similar values. Assessors and appraisers have established schedules, updated as of January 1 of each year, for raw land and for improvements of similar type, location and quality of construction. These schedules of values, when applied to all property in the county, provide "equal treatment" to property owners with similar properties.

If a property owner does not believe that they are being treated equally with other property owners with similar properties in terms of location, physical characteristics, and desirability, they may file a written complaint or appeal as explained earlier. Property owners may, within the time frame stated, disagree with the Board of Assessors on matters of taxability, valuation and uniformity. It is fair and equitable that everyone's value has the same base fair market value. It is also fair and equitable that everyone has available a vehicle with which to disagree with the person who estimated that market value.

(5) No one likes to pay taxes. As mentioned earlier, the Federal income tax is generally considered unpopular. It is, however, so far removed from the average taxpayer that it is very difficult to contest. The property tax, however, is quite visible. It is a local tax, administered by local personnel and has a smooth mechanism for dissent and appeal. This alone provides an almost irresistible temptation to any frustrated taxpayer. The property has been called unjust, unfair, regressive and many other names since before the time of Jesus Christ. Despite all of the criticisms, no one has ever devised a more workable method for providing for local government services through locally derived funds. The property tax is the largest source of revenue for local governments and is likely to remain so for the foreseeable future.

Georgia property tax law does not provide a specific remedy for those who do not like the property

tax. Doing away with the property tax requires a constitutional amendment, passed by the General Assembly and ratified by the public in a general election.

In summary, the property tax is probably more misunderstood than understood. It is a workable means of obtaining local funds from local sources given adequate administration. This administration is the result of the efforts of four areas of local government: county commissioners and school boards, who establish the amount of the tax; assessors who, by valuing property equally, provide for an equitable distribution of the tax; and tax commissioners/receivers, who compile the tax digest, send out bills and collect taxes.

The property tax, therefore, provides for a balance of powers in its administration. The property tax also contains a mechanism for protest that provides for local speedy relief without any cost to the taxpayer. The same mechanism allows for entry into the judicial system without delay if the property owner so desires. Could it be that these few advantages, which no other tax has, have contributed to the longevity of the world's most unpopular tax…?

CHAPTER 7

The Mass Appraisal Process

Major Points of This Section -

- Define Mass Appraisal
- Identify Principles That Are The Basis For The Appraisal Process
- Identify The Three Approaches To Value
- Differentiate Between Mass Appraisal and Single Property Appraisal

Important Terms in This Section

- Direct Sales Comparison Approach
- Cost Approach
- Income Approach
- Mass Appraisal
- Single Property Appraisal

"Mass Appraising" describes the appraisal of a large number of properties. However, before extensively viewing the process involved in mass appraising, we should perhaps first establish what an "appraisal" consists of and how this relates to the mass appraiser.

Real Estate Appraisal Terminology by the American Institute of Real Estate Appraisers and The Society of the Real Estate Appraisers, defines an appraisal as:

"An estimate or opinion of value. The act or process of estimating value. The resulting opinion of value derived from the appraisal may be informal, transmitted orally; or it may be formal, presented in written form. Usually it is a written statement setting forth an opinion of the value of an adequately described property as of a specified date, supported by the presentation and analysis of relevant data.

This appraisal or estimate of value is, in the property tax world, referred to as “Fair Market Value”. There are prescribed procedures to be described in this book for arriving at uniform and equitable assessments. Fair Market Value is defined by the Georgia Code, Annotated § 48-5-2.

In addition to estimating the value of property, the assessor and appraiser must constantly seek to maintain equity between properties similarly situated in terms of size, location, desirability and physical characteristics.

The courts throughout the United States have consistently upheld three basic approaches to estimating value. There are variations in terms of application within each of the three approaches but only three. These are as follows:

I. The Market Data or Comparable Sales Approach to Value:

The value indicated by recent sales of comparable properties. These sales are “adjusted” for time, location and physical characteristics to make them as similar as possible.

II. The Cost Approach to Value:

The value indicated by the current cost of replacing a property less any accrued depreciation from physical deterioration or functional and economic obsolescence. To this depreciated replacement cost is added the value of the land that is estimated through analysis of comparable sales. The formulation, then in order to arrive at a value via the cost approach would be the following:

Replacement Cost New (-) Accrued Depreciation (+) Land Value (=) Value (Cost Approach)

III. The Income Approach to Value:

The value that can be supported by the net earning power of a property. This is accomplished by capitalization of the net income into a value estimate. The process of analyzing the rental income flow to a property and building a capitalization rate will be dealt with in a subsequent chapter.

There are a number of “sayings”, “axioms” or “principles”, as you like, which are basic to an understanding of the appraisal process. They basically amount to restating ideas which will, to most, seem to be “plain ‘ole common sense”. Those of particular significance include the following:

1. **Anticipation:**

   Value is created by the anticipation of future benefits.

2. **Bundle of Rights:**

   Property Ownership encompasses many rights such as occupancy and use; right to bequeath; right to transfer, convey these rights; the right to sell in whole or in part or any other right that might be incurred in owning real estate.

3. **Change:**

   Real estate is constantly being affected by changing economic and social forces. These forces therefore affect values and should be considered by the appraiser in estimating value.

4. **Competition:**

   Profit tends to breed competition and excess profit tends to breed ruinous competition.

5. **Conformity:**

   Conformity in use, in terms of homogeneity, sociological and economic influences tend to lead towards a maximum in value. Similar properties, similarly situated, lead to higher values.

6. **Consistent Use:**

   A property changing from one use to another (in transition) cannot be valued on the basis of one use for the land another for improvements.

7. **Contribution:**

   The value of a component part of a property depends on what it contributes to the total value as a whole. The sum of the whole (total value) can never be more than the sum of its parts.

8. **Highest and Best Use:**

   The most probable, legal and reasonable use which will maintain the highest present value as of the effective date of appraisal.

9. Substitution:

A reasonable purchaser will pay no more for one parcel of real estate than the cost of acquiring an equally desirable substitute.

10. Supply and Demand:

Market value is greatly influenced by the existing supply of real estate and the existing demand for that type of real estate in the market place.

Given a description of the three approaches to value and some of the concepts, which go hand-in-hand in the formation of values, a brief but more in-depth view of the approaches is appropriate.

(I) MARKET OR DIRECT SALES COMPARISON APPROACH

The basic idea behind the market data approach to value is: "A person will not buy or rent one property for more than it would cost to buy or rent a comparable or similar property with the same utility."

This is the *Principle of Substitution,* probably the most important of all valuation principles.

Local market information is utilized in both the Cost and Income Approaches because we are attempting to find value and regardless of the type of property, we must at some time or another go to the market place for information.

The Market Data or Comparable Sales Approach should be used with any property where a bank of sales of comparable properties exists. The Market Data Approach, however, will normally be used with residential and with some light commercial properties.

The basic steps involved in the Market Approach are:

1. Gathering of data concerning recent sales.
2. Checking the comparability of these sales to the subject property
3. Verifying the sales selected as comparables.
4. Adjusting these comparables to reflect the subject property.
5. Estimating the value of the subject property

(II) COST APPROACH

This approach is based on the assumption that the replacement cost new *normally sets the upper limit of value*, particularly when the improvement is new, provided that the improvement represents the highest and best use. It is assumed that a newly constructed building has advantages over existing buildings. The measure of this deficiency is called depreciation. Depreciation decreases the value of property.

There are three possible causes of depreciation and these are:

1. Physical Deterioration
2. Functional Obsolescence
3. Economic Obsolescence (External, Locational)

These causes of depreciation may be further defined as follows:

1. *Physical Deterioration* can be due to:
   a. Wear and tear
   b. Inadequate repair or maintenance

2. *Functional Obsolescence* can be due to:
   a. A design deficiency
   b. Too many or not enough of certain features (i.e., bathrooms, bedrooms, garage)

3. *Economic Obsolescence* occurs due to forces outside the actual structure such as:
   a. Encroaching commercial properties
   b. Environmental pollution.

The steps used in the Cost Approach are: add the land value (derived by the Market Approach) to the depreciated Replacement or Reproduction Cost New (RCN) as follows:

RCN - Accrued Depreciation + Land Value = Value (Cost Approach)

(III) INCOME APPROACH

The Income Approach is most applicable to properties, which can produce an income such as apartment buildings, shopping centers and office buildings.

In applying the Income Approach, the appraiser is concerned with the *present worth of the future benefits* of the property. This is generally measured by the net income that a fully informed buyer may assume the property will produce during its remaining useful life.

After comparison with investments of similar types and classes, this net income is capitalized to form an estimate of value.

The four steps to be followed in assembling and processing income data are:

1. Obtain annual income
2. Subtract expenses
3. Estimate the remaining useful economic life of the building to establish the probable duration of its income (establish the depreciation).
4. Select the appropriate capitalization rate and the applicable method and technique for processing the *net income.*

The formula for obtaining value using the Income Approach is $\frac{I}{RV}$

(a) Value = $\frac{\text{Income}}{\text{Rate}}$ $\qquad V = \frac{I}{R}$

(b) Income = Value x Rate $\qquad I = VR$

(c) Rate = $\frac{\text{Income}}{\text{Value}}$ $\qquad R = \frac{I}{V}$

The steps in arriving at the Net Operating Income are:

Potential Gross Income *less:*

- Vacancy and Collection Loss *plus:*

+ Miscellaneous Income equals:

= Effective Gross Income *less:*

- Allowable Expenses

(1)Operating

(2)Reserves for Replacement equals: = Net Operating Income

Another method used to obtain value using the Income Approach is through the establishment of a *Gross Rent Multiplier* (GRM).

In using a gross rent multiplier, one must have sales information on similar types of properties. These properties should be comparable in type although not necessarily in size (i.e., garden-type apartments or high-rise apartments or office buildings).

Sales Price		Gross Annual Income		Gross Rent Multiplier
$75,100		$12,000		6.25
$83,125		$13,300		6.25
$71,650		$11,500		6.23
$87,650		$14,000		6.26
Estimated Gross Rent Multiplier				*6.25*

This method has been upheld in court. However, one must have a number of sales in order to get a meaningful GRM.

The term “appraisal process” entails all of the procedures, which are followed from the beginning to the end of an appraisal. In the ad valorem field we have two “appraisal processes” we need to be familiar with:

1. The “fee” appraisal process and
2. The “mass” appraisal process.

“Fee” appraising involves appraising an individual property while “mass” appraising relates to the valuation of many, perhaps thousands of properties. There are six steps, which may be related to both “fee” appraising and “mass” appraising.

		Fee Appraisal	Mass Appraisal
1	Definition of the Problem	The purpose and function of the appraisal may be for many reasons	It is always an appraisal for ad valorem tax purposes
2	Preliminary Survey & Appraisal Plan	It may be quite extensive as with a narrative appraisal or quite simple as with FHA or VA Form Reports.	It is most often by either local or state law or though established procedures
3	Data Program	Detailed information about general (regional, city, neighborhood, etc.) and specific site data.	Concerned with gathering data to eventually establish land and building schedules
4	Application of the Three Approaches	Use all three on each property, much research with narrative reports	Most often only using one approach with each property, dealing with the mass
5	Correlation/ Reconciliation	This is a very important part of a fee appraisal, where work is checked d reviewed for the final step.	This probably exists only in the initial setting of land and/or building cost schedules
6	The Final Estimate	The point where appraisers decide which approach or combination of approaches they will use to arrive at the final value estimate.	The final “calculated” value or “fair market value” is considered the final value estimate.

The Mass Appraisal / Assessment Flow Charts:

The “Mass Appraisal Process” is shown in chart form at the end of this chapter. Each of the five various components are discussed below.

1. Property Identification:

The mass appraisal process begins with the identification of property. The initial step is mapping because properties cannot be property identified with a mapping system

2. Data Collection and Analysis

The next step in the mass appraisal process is data collection and analysis. As seen in the appraisal flow chart, we have collection and analysis for cost information, comparative market sales information, and for possible rental information. The data collection concerning “costs” is to assist in the establishment of cost manuals or for the updating of an existing manual. These manuals are ultimately used in estimating the replacement/reproduction cost of the building involved in the appraisal. This data would also be useful in setting up depreciation schedules. “Comparative sales data” is used in almost every aspect of the mass appraisal process. In the context of this section it is used in estimating the value of raw land. It is also used in estimating the value of the real estate through the use of comparable sales. Comparative sales data is the basis for the establishment of sales ratios or trends, which we use in ad valorem appraisal as a tool (or criterion) for evaluating our appraisal performance. This information is also useful where computerized assessments are being used. In mass appraisal it is during and within this “collection and analysis” step that the actual land and building schedules are established. It is here that depreciation schedules are established and checked. An example would be to subtract an estimated land price from the sale price of a recently sold property to determine if the remaining value checks with the depreciated cost arrived at with our cost manual.

3. Valuation

The third step of the appraisal process is the actual valuation of property. This involves the valuation on an annual basis, of all property throughout the county. The initial step begins with the use of a “field card,” or what is more commonly referred to as a “Property Record Card.” The field appraiser takes the property records card for the property and actually measures the property, identifies the various property components on the field card, grades the house based on the quality of construction, and places the house measurements in the appropriate space on

the card.

The property record card is also used for updating or making additions or deletions to an existing property. There is no need to revisit, re-measure and recheck every property every year. Schedules should be updated from year to year; properties should be revisited periodically. Once the property record card has been properly filled out and the improvement properly graded, with emphasis on the quality of construction, the property record card is brought back to the county assessors' office. Here the actual card, cost manual and land schedules are merged into a final value estimate. In many instances, the same individual who measured the house and listed it in the field is not the individual who actually calculates the value of the property. This is a perfectly legitimate procedure and in some cases the only manner in which "mass appraising" can be accomplished. Mass appraisal, by its very nature, dictates some degree of "production-line appraising." The use of uniform schedules and manuals should provide everyone with the uniformity and equality, which are necessary in maintaining an equitable assessment system. The end result, therefore, of the "Valuation" portion would be a uniform value estimate, which we in Georgia refer to as "Fair Market Value." This value is the 100% appraisal to which the 40% assessment ratio is applied.

4. Notification of Assessment

Notification of assessments is the fourth step in the appraisal process. In Georgia law requires "notices" only when the assessor changes the valuation "returned" by the taxpayer. As mentioned previously, there are statutes, which dictate the contents of the notice, and the time period from which residents and non-residents may file appeals. Notices to taxpayers generally are sent out between April and first of June and these dates may vary if the county has requested extensions of the allowable deadlines.

5. Appeal Procedures

If the taxpayer receives his/her notice of change and disagrees with the new valuation, he/she has 45 days in which to file a written appeal. This appeal should specifically state the reasons why the taxpayer disagrees with the assessors' valuation. There is no format or Department of Revenue form for appeals. However, it is recommended that counties adopt some type of appeal form.

SUMMARY:

Mass appraising, as contrasted with fee or single property appraising, is a much more

comprehensive process. In viewing the mass appraisal flow chart, the work of a fee appraiser, who values only a single property, begins and ends in the ‘data collection and analysis” and “valuation” portion of this discussion. The assessor, however, must initially identify each and every parcel of land within the county; map and identify property splits or transfers; collect information concerning costs, market sales and rental data; physically measure and value each parcel of property; notify the taxpayers of changes in property values; be prepared to support the value estimates from initial hearings through boards of equalization and into the judicial system. Mass appraising is extremely comprehensive. The assessor must value every possible type of property and deal with virtually every type valuation problem, which might be encountered, in the appraisal of real estate.

VALUATION OF LAND

The assessor’s task is one of making mass appraisals and in doing that he has to work of a program to produce uniformity. Uniformity requires certain standard methods of comparisons.

The appraisal, by comparison, is not a separate method of appraisal. Comparison permeates all three general approaches. However, the comparative method is particularly significant in the appraisal of land.

Correct valuation theory indicates that land should be appraised at the value resulting from its highest and best use. The primary procedure for obtaining this value is trough analyses of sales, and secondarily, when usable sales are lacking to analyze the incomes that land produces as an indication of value. When such data is unavailable it is then necessary to appraise the land by comparison to other land whose values have been established through studies of sales and analysis of income. In other words, we can say that the appraisal of land by comparison is simply a process of appraising land of unknown value by reference to land for which the values are known. This process, although based upon exercise of judgment, often is assisted by use of a system of uniform mathematical aids as a guide to judgment.

Comparison of land value is usually made on the basis of values per unit of land area such as unit front foot, square foot or an acre. A unit foot is a strip of land one-foot wide with accepted standard depth and by the term “standard depth” we mean that particular depth that is typical and usual within a neighborhood or particular district. Similarly, a unit value is the value of a unit front foot, a square foot or an acre.

Use of Depth Tables

There are several ways depth tables may be used to arrive at the same answer. Before using a depth table, one must first determine what lots are selling for per front foot. This is accomplished, within neighborhoods, by dividing sales prices of vacant lots by the number of front feet for lots (with the same standard depth).

Sales Price	÷	Number of Front Feet	=	Sales Price per Front Foot
$4,500	÷	200 Front Feet	=	$22.50 per Front Foot

The best method to utilize in becoming familiar with depth tables is to value the entire property at the area standard depth and then adjust (from the depth table) for the actual depth of the subject lot. The following steps may accomplish this quite easily:

Step 1:

Multiply the number of front feet by the sales price per front foot for subject lot

# Front Feet	x	$ per Front Foot	=	Estimated Value @ Standard Depth
175 Feet	x	$22.50	=	$3,937.50

Step 2:

The above provides an estimate of value for the subject lot if the subject is the same depth as the standard depth. We will assume a standard depth of 150 feet with the subject's depth being 135 feet. Go to the depth table (150' standard depth) to obtain the depth factor opposite it that will "adjust" the price to reflect the fact that this lot contains less than 150'.

Estimated Value @ Standard Depth	x	Depth Factor	=	Adjusted (Final) Value
$3,937.50	x	.96	=	$3,780 (Est. Final Value)

A simplified way of combining the two steps might be simply to do as follows:

No. Front Feet	x	$ Per Front Foot	x	Depth Factor	=	Estimated Value
175'	x	$22.50	x	.96	=	$3,780.00

Once one understands the above method, other ways become immediately evident. One that many are familiar with is shown below. It corresponds to what is printed on many property record cards. However, it is recommended that the beginner learn using the first method because it more fully explains “how” the depth tables affect the valuation. They represent factors that make allowances for lots that are different in depth from the standard upon which the price per front foot was calculated. The second method is as follows:

Frontage	Depth	Depth Factor	x	$ Per Front Ft.	=	Adj. $ Per Front Ft.	Total Value
175’	135’	.96	x	$22.50	=	$21.60	$3,780

Second Method:

Step 1: Depth Factor x $ per Front Foot = Adjusted $ Front Foot

.96 x $22.50 = 21.60

Step 2: Adjusted $ per Front Foot x No. Front Feet = Total Value

$21.60 x 175’ = $3,780.00

OR

First Method:

Step 1: No. Front Feet x $Front Foot = Value at Standard Depth

175 x $22.50 = $3,937.50

Step 2: Value @ Standard Depth x Depth Factor = Total Value

$3,937.50 x .96 = $3,780.00

Depth Tables

Standard 150’ Depth Table

Depth of Lot	Depth Factor
0	0.0000
10	.1067
20	.2133
25	.2667
30	.3200
37.50	.4000
40	.4200
45	.4600
50	.5000
55	.5400
60	.5800
65	.6200
70	.6600
75	.7000
80	.7267
90	.7800
100	.8333
110	.8867
112.50	.9000
120	.9200
125	.9333
135	.9600
150	1.0000
160	1.0240
170	1.0480
180	1.0720
187.50	1.0900
190	1.0953
200	1.1167
225	1.1700
250	1.2176
262.50	1.2400
300	1.3000

RURAL AND TRANSITIONAL LAND

The most difficult area of appraising that faces the assessor is “transitional land”. By “transitional land” we are referring to land that is being bought for a different use than its present use. Buyers may be speculator or simply interested in making a good land investment. Regardless of the buyer’s motives there is an abundance of this type of land throughout Georgia.

To find values, the assessor turns to the market for his most useful information. This is the objective approach that skirts the pitfalls of value to the owner, or value in use, and aims instead at the proper concept, value in exchange. Therefore a reasonably good land market over the last three or four years should provide a composite judgment on all value influences.

Demand influences value. Land increases in value as population increases and transportation facilities and new markets are created. Uses and benefits of land, then obviously lie in the present and near future are point of emphasis for the assessor.

This increase in the demand for certain types of land in some rural areas and most of the areas surrounding cities has created a new class of land – “transitional land”.

There is no pre-established method for valuing transitional land. However, this land must be appraised and the value estimates must reflect fair market value. As previously discussed, data obtained from the market provides the most important tool in any appraisal. The same procedure should be followed in setting up schedules for transitional land. Actual sales should be compiled. However, in this instance, we are only seeking sales of land, not land and improvements. Only if there were a scarcity of land sales would there be a need to use sales of land and improvements. If this were necessary, we would value the improvements and subtract that value from the total sales price to arrive at an estimate of the land value.

There are many different factors that affect value. These factors may vary depending on the geographical location of the property (i.e., North, Middle or South Georgia) or the type of property. Whatever the factors, they are dictated by the manner n which people buy and sell land. Some buy land for timber, others for topography, others for road frontage, others for cropland and others for mere speculation. Some of the types of factors we are speaking of include the amount of highway frontage, land, cultivatable land, wasteland, the slope of land and other factors.

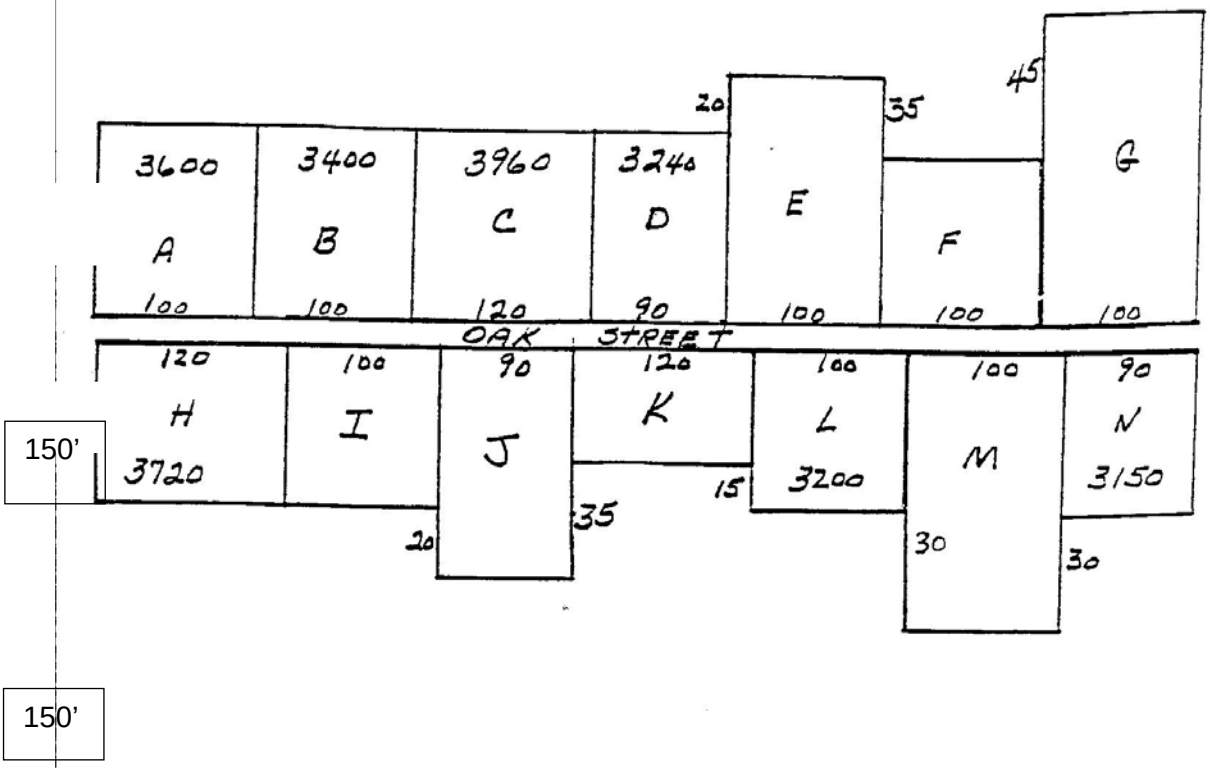
The usage of these factors is in terms of schedules that must be established in every county office. For instance, property that is best used as farmland might have schedules concerning the productivity of the soil, access to the property, and amount of timber on the property, the possible soil type and possible problems such as drainage or erosion and other factors. Most schedules include percentage factors that will allow for some difference between paved and dirt roads.

These factors are found only by a thorough analysis of sales in a given area. The factors will not always be the same but the procedures for locating and using them will be. For example, in the northern part of the state, extremely hilly and mountainous land is more valuable than farmland. In the southern sections of Georgia, the opposite is true.

Although there are many misconceptions concerning the term “highest and best use’, this phrase is very applicable in the appraising of transitional land. Using the term does not mean, for example, that A-1 property situated next to an interstate interchange must be valued at an extremely highest price per acre. It is entirely possible that the demand for service stations, motels or other commercial uses may have been met. If the best use for surrounding property is farmland then the land should be valued as farmland.

One of the best tools a good appraiser has at his disposal is his own “common sense.” In viewing transitional properties, the appraiser should ask “What would that property sell for if it were put on the market today?” “If that property were to sell, what would it be used for?” “Considering recent sales of properties similar to this property, what should this property sell for?”

The valuation of transitional land requires the appraiser to estimate what the property would best be used for. It involves the appraising of properties in areas where land uses are changing and, in some respects, land speculators are buying land. Whatever the situation, the assessor should make his value estimate based on sales of similar properties and use his own judgment (always tempered with common sense) in determining the “highest and best use” of the property in question.


3600
A
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3400
B
100
3960
C
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3240
D
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35
F
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OAK STREET
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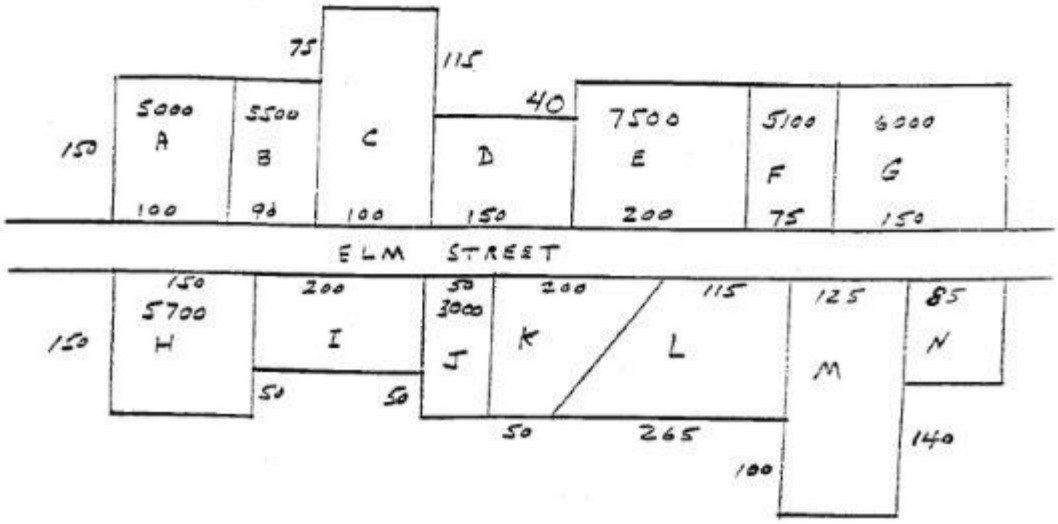
J
20
35
120
K
15
100
L
3200
100
M
30
90
N
3150
30
150'
150'

Subdivision: Oak Street								
	Sale		Number of front feet		Depth		Indicated
A	3,600	÷	100	÷	1.00	=	36
B	3,400	÷	100	÷	1.00	=	34
C	3,960	÷	120	÷	1.00	=	33
D	3,240	÷	90	÷	1.00	=	36
H	3,720	÷	120	÷	1.00	=	31
L	3,200	÷	100	÷	1.00	=	32
N	3,150	÷	90	÷	1.00	=	35
							237
							÷ 7
						Average $ per front foot:	34

Subdivision: Oak Street Lot Pricing							
	$ / Front Foot		Number of front feet		Depth factor		Indicated Value
A	34	X	100	X	1.0000	=	3,400
B	34	X	100	X	1.0000	=	3,400
C	34	X	120	X	1.0000	=	4,080
D	34	X	90	X	1.0000	=	3,060
E	34	X	100	X	1.0480	=	3,563
F	34	X	100	X	0.9600	=	3,264
G	34	X	100	X	1.0720	=	3,645
H	34	X	120	X	1.0000	=	4,080
I	34	X	100	X	1.0000	=	3,400
J	34	X	90	X	1.0480	=	3,207
K	34	X	120	X	0.9600	=	3,917
L	34	X	100	X	1.0000	=	3,400
M	34	X	100	X	1.0720	=	3,645
N	34	X	90	X	1.0000	=	3,060


75
115
40
5000
A
5500
B
C
D
7500
E
5100
F
6000
G
150
100
90
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150
200
75
150
ELM STREET
150
5700
H
200
I
50
3000
J
200
K
115
L
125
M
85
N
150
50
50
50
265
100
140

Subdivision: Elm Street								
	Sale		Number of front feet		Depth			Indicated
A	5,000	÷	100	÷	1.00	=		
B	5,500	÷	90	÷	1.00	=		
E	7,500	÷	200	÷	1.00	=		
F	5,100	÷	75	÷	1.00	=		
G	6,000	÷	150	÷	1.00	=		
H	5,700	÷	150	÷	1.00	=		
J	3,000	÷	50	÷	1.00	=		
						Average $ per front foot:		

Subdivision: Elm Street Lot Pricing									
	$ / Front Foot		Number of front feet		Depth factor				Indicated Value
A		X	100	X	1.0000			=	
B		X	90	X	1.0000			=	
C		X	100	X	1.1700			=	
D		X	150	X	0.8867			=	
E		X	200	X	1.0000			=	
F		X	75	X	1.0000			=	
G		X	150	X	1.0000			=	
H		X	150	X	1.0000			=	
I		X	200	X	0.8333			=	
J		X	50	X	1.0000			=	
K		X	50	X	1.0000			=	
K		X	150	X	1.0000	X	.65	=	
L		X	150	X	1.0000	X	.35	=	
L		X	115	X	1.0000				
M		X	125	X	1.2176			=	
N		X	85	X	0.8867			=	

CHAPTER 8

Sales Ratio Studies

Major Points of this Section –

- Identify why sales ratio analysis is important in mass appraisal for ad valorem purposes.
- The importance of measures of central tendency.
- The importance of measures of uniformity.
- The importance of measures of assessment bias.

Important Terms in this Section –

- Sales / Assessment Ratio Study
- Median Ratio
- Mean Ratio
- Weighted Mean Ratio
- Measures of Central Tendency
- Coefficient of Dispersion
- Price Related Differential

STUDY SALES? WHY?
WHAT IS A RATIO STUDY?
WHY DO WE NEED ONE?

HOW CAN YOU STUDY SALES?

HOW DO YOU MAINTAIN A RATIO STUDY?

Fair Market Value has been defined as, what the property would bring at cash sale when sold in the manner in which such property is usually sold, between a knowledgeable buyer and a willing seller.

Georgia law also states "… the value of tangible property as referred to in the tax laws of this state shall be forty per cent of the fair market value of such property" (See Georgia Code § 48-5-7)

From the above two paragraphs we can see that the fair market value which the law states is the basis for taxation, depending to a great extent on sales. Our property taxation laws refer to what property would bring when sold on the open market. In other words, the law is saying that fair market value may be found by studying sales. We know, of course, that every property does not sell every year so there must be other ways to value property. The principle criterion, however, should be rough analysis of sales data.

If we wanted to measure the distance between Atlanta and Valdosta, we would use the mileage between the two points. Mileage therefore would be our "yardstick" to measure the accuracy of assessment or appraisals on property. The study of sales in a county may serve as a "yardstick" to measure the accuracy of assessment of appraisals on property. The number of lawsuits or complaints filed against a digest measure, to some extent, the general public's idea of its accuracy but in no way does it indicate where the problem lies. Through analysis of sales we may discover the problems and correct them before appeals occur. Studies of sales reveal the relative desirability of an area and they will show appreciating or declining property values. Recurring sales on the same property over a period of time can be studied to demonstrate the percentage increase in value as an indication of the required degree of adjustment to maintain the proper assessment level. Sales and assessment-sales ratio studies reflect economic conditions both as to neighborhood and type of improvement.

WHERE CAN WE OBTAIN SALES DATA?

By sales data we are referring to actual sales of property throughout the year. However, not all sales may be used. Why not? The purpose of studying sales is an aid in arriving at fair

market value. If for some reason conditions exist concerning a particular sale that caused the seller to sell for less or the buyer to buy for more, this should be deleted from the study. Good sales are called “bona fide” sales.

It is vital that we distinguish between bona fide sales that represent market value and those involving factors that may not reflect actual market value of the real property. Deeds transferring ownership and transfer tax forms are the prime sources of the amount of the sales in many taxing jurisdictions. Date of the sale should be recorded because economic changes take place very rapidly. Any unusual features or conditions should be recorded. A detailed statement should be prepared to show the amount and method of payment for the property sold, such as the amount of cash, new or assumed mortgages and the value of any property in exchange whether real or personal. Armed with a “sales bank” derived from this market data source, both quality and quantity of sales information will be improved and the assessor will be able to establish uniformity and continue a systematic maintenance of assessment.

Other sources of information concerning sales are real estate brokers, multiple listing services, property managers, bankers, and lawyers, in addition to your own knowledge of transactions.

Also mentioned above was the idea that we should use only bona fide sales. Some reason for rejecting a sale or reasons why the sale may not be a true indication of fair market value are:

> The Commissioner shall include only those sales and appraisals confirmed reasonably reflect the fair market value of property as fair market value is defined in O.C.G.A § 48-5-2 as observations in the samples.

The following sales are examples of transactions that **may not** reflect fair market value and should be excluded if they are determined to not represent fair market value and an adjustment cannot be determined to correct the non-representative nature of the sale.

1. Sales involving government agencies and public utilities;

2. Sales involving charitable, religious, or educational institutions;

3. Sales in which a financial institution is the buyer or seller;

4. Sales between relatives or corporate affiliates;

5. Sales between adjacent property owners;

6. Sales of convenience;

7. Sales settling an estate;

8. Sales of doubtful title;

9. Sales involving trades;

10. Sales conveying partial interests or land contracts;

11. Sales conveying additional interests other than the property;

12. Sales involving incomplete or un-built community property;

13. Sales involving multi-county property;

14. Sales forced by legal difficulties;

15. Sales using non-conventional financing;

16. Sales in which the consideration is not greater than $1,000.

It should be noted that these are reasons why a sale *may* not reflect market value. Any one of the reasons could possibly occur and still result in a sales price that would reflect fair market value. Therefore, we should be aware of these items, look for sales where they may have been present and *if* it appears to have affected the value then delete the sale from consideration. This process is called "verifying" sales information.

WHAT IS A RATIO?

When we speak of Sales Assessment Ratios, what do we mean? A ratio, any ratio, is simply one number divided by another. It signifies a relationship between the two numbers.

A sales assessment ratio is no more than the sale price divided into the *assessed* value (which should be 40% of the appraised value). In other words, if a property sold for $27,500 and the *assessed* value was $ 11,000, the sales assessment ratio for that property would be:

$$\frac{\text{Assessed Value}}{\text{Sales Price}} \quad \frac{\$11{,}000}{\$27{,}500} \quad = \quad 40\% \text{ (Sales Assessment Ratio)}$$

What does this mean? It means for that property the assessed value is forty per cent (40%) of fair market value assuming it was a bona-fide sale.

Using the same sales price of $27,500, let's assume that the assessed value on our property record card was $9,075. What would the ratio be in this case?

$$\frac{\text{Assessed Value}}{\text{Sales Price}} \quad \underline{\qquad\qquad} \quad = \underline{\qquad\qquad\qquad} \text{(Sales Assessment Ratio)}$$

What does this mean? It means our assessed value and therefore our appraised value is low. It's below 40%. So what? What is the ratio telling us? First, we know it is telling us that our assessment is low. Why is it low? A ratio that is less than 40% could mean one of two things:

1. There were unusual conditions in the sale, or
2. We need to reappraise the property

We have already determined that the sales price of $27,500 was the result of a bona-fide sale. The reason for the low ratio must then rest on the appraisal. Usually, this does not mean that the appraiser did not perform his job well. Many low ratios are the result of old appraisals. We might conclude that the appraisal was done well, just not often enough. Studying sales as they occur is an excellent, and probably the best, way to maintain assessments that will reflect current market values. Let's look at a few additional sales and analyze the significance of our findings.

SALES ANALYSIS -

Type of Property	Location	Sales Price	Acres	Assessed Value	Ratio
Residence	NE Quadrant	$ 48,000	Lot	16,800	35%
Residence	NW Quadrant	30,000	Lot	7,500	25%
Farmland	SW Quadrant	309,750	350	55,755	18%
Residence	SE Quadrant	25,000	Lot	9,750	39%
Farmland	SW Quadrant	67,000	75	14,175	21%
Residence	SW Quadrant	20,000	Lot	3,800	19%
Residence	NE Quadrant	50,000	Lot	16,500	33%.
Residence	NE Quadrant	51,000	Lot	17,340	34%
Residence	SW Quadrant	18,000	Lot	3,515	19%
Farmland	SW Quadrant	89,000	100	17,800	20%
Farmland	SW Quadrant	200,000	125	20,000	10%
Farmland	SW Quadrant	34,125	35	7,166	21%
Vacant Land	SE Quadrant	22,500	15	3,375	15%
Vacant Land	SE Quadrant	16,000	10	2,240	14%
Vacant Land	SE Quadrant	36,250	25	5,800	16%
Residence	SE Quadrant	24,500	Lot	9,800	40%
Residence	NW Quadrant	29,000	Lot	7,540	26%
Residence	NW Quadrant	31,000	Lot	7,440	24%

After such a list is compiled from a complete review of the deeds and transfer stamp forms, what is the next step? Simply listing the sales will not tell us much. We should then classify the sales according to the type of property. Given the information from the above chart, classification for our ratio study might be as follows:

	Type	Quadrant	Parcel Acre	Ratio
I.	Residence (R)	NE	Lot	35%
	Residence (R)	NW	Lot	25%
	Residence (R)	SE	Lot	39%
	Residence (R)	SW	Lot	19%
	Residence (R)	NE	Lot	33%
	Residence (R)	NE	Lot	34%
	Residence (R)	SW	Lot	19%
	Residence (R)	SE	Lot	40%
	Residence (R)	NW	Lot	26%
	Residence (R)	NW	Lot	24%
II.	Farmland (F)	SW	$ 885	18%
	Farmland (F)	SW	$ 900	21%
	Farmland (F)	SW	$ 890	20%
	Farmland (F)	SW	$1,600	10%
	Farmland (F)	SW	$ 975	21%

III.	Vacant Land (V)	SE	$1,500	15%
	Vacant Land (V)	SE	$1,600	14%
	Vacant Land (V)	SE	$1,450	16%

A suggested procedure, at this point, would be to place the ratios on a map. This may be accomplished by placing them directly (as we do below) or by using different colored pins for various ranges of ratios. An example of the latter method would be:

Ratio	**Color**
15-25%	Red
25-30%	Green
30-35%	Blue
35-40%	White

Below is a map of our fictitious county that we shall call "No-Rates County," located in the State of Bliss, U.S.A.

(N.W. Quadrant) ***R-24%***	***(N.E. Quadrant)*** R-33%
(S.W. Quadrant) R-19% F-10% R-19% F-18% F-20% F-21% F-21%	(S.E. Quadrant) R-39% V-14% R-40% V-16% V-25%

The elaborateness of tax sales maps may vary from the simple pin procedure described above to various colors for different ranges of sales prices to actually drawing sales with different colors on the map. The purpose of using these sales maps is to enable the assessor to see changing value trends throughout the county and also to provide a visual aid for the taxpayer upon visiting the assessor's office. Many taxpayers are simply not aware of increasing or decreasing property values throughout the county and a well-illustrated map placed in the assessor's office provides much assistance from a public relations standpoint.

Now that the actual sales have been classified by type and located on a map, the assessor or appraiser is prepared to look individually at each sale that did not reflect a 40% assessment.

The assessor might find, for example, that sale number two, which sold last year, has not been updated to reflect current market prices. This could easily account for the 25% ratio. The assessor might also look at sale number 11 that has a sales assessment ratio of 10%. After researching sale number 11 the assessor finds that this property belongs to Mr. Bee Bopper who sold with his farm fifteen chicken houses, two bulldozers, four tractors, three "pine-

needle" Jersey cows, two blue-tick hounds, and an 8"x10" color photo of Bo Didley. These items could easily have accounted for his farm selling for several hundred dollars more per acre than others in the same area. However, unless the assessor had researched the sale he/she would have had a distorted view of the sales price per acre for that particular farm.

In analyzing sales data to establish raw land schedules (this is the only way they may be established accurately), assessors / appraisers may find that they do not have an abundance of sales. If this were the case, one alternative would be to subtract the depreciated replacement cost of all buildings or improvements on the farm or the land from the sales price. The resulting value would be an estimated sales price for the raw land.

Another use of the sales information is in setting land schedules for timberland. If the assessor is interested in establishing a base raw land price for "timber land" and has a representative sale of raw land without improvements which contains only timber (no cleared land), he could get a professional timber cruise of the timber on the property and subtract that value from the sales price to get an estimated sales price per acre for raw timber land (without the timber).

Sales data may also be used in setting up or establishing depreciation schedules for residential properties. In order to utilize these procedures, the assessor should be fairly confident that the cost manual is providing an accurate replacement cost. The procedure simply involves taking the residential sales price, subtracting an estimated land value, so that you are left with the sales price of the improvement. The sales price of the improvement is then divided by the replacement cost new for the property involved. The resulting number is a percentage that reflects the total accrued depreciation for that particular property. It should now be apparent that this procedure, like the sales adjustment procedure described in the comparative sales approach chapter, might be used on selected properties representative of each quality class used within the county. The combined information from these sales, in terms of percentages of accrued depreciation, would result in a "market oriented" depreciation schedule that could be explained to the taxpayer and supported under any circumstances.

Residential sales may also be used in checking existing cost manuals. One manner of

doing this is to subtract from the sales price the value of the land as we did in estimating accrued depreciation. The resulting figure would, of course, represent the sales price of the improvement. The assessor / appraiser then could divide this depreciated sales price by the total number of square feet in the building to obtain a sales price per square foot. This particular method could, of course, be expanded to include other areas or aspects of the improvement.

USING SALES RATIOS TO MEASURE EQUITY

Sales ratios have numerous uses as we have seen earlier. The use of ratios to do more than calculate the "level" of assessment can be very beneficial to the mass appraiser. Ratio studies may also be used to measure equity. Measuring equity means that the assessor is trying to determine if the valuations are "fair and equal" among and between the property owners and property types within the taxing jurisdiction. In attempting to analyze the total sales within a county for this purpose, the sales should be grouped by location, property type and any other means the appraiser may want to utilize.

Most assessors are familiar with the calculation of the sales ratio. These ratios, on an individual basis, provide an indication for specific properties that sold during some given period of time. Viewing a large number of ratios (for instance, all within a county in one year) one may calculate the average or "mean" ratio. This simply tells us what the average ratio was for all sales that occurred. It does not in any way tell us anything about the range (high to low) or how much variation there was within that range. For example, an average ("mean") ratio is calculated to be 36% for a county. On the surface, it would seem that the valuations in the county are fairly close to the required 40% level. However, closer examination might reveal that the range of ratios was from 5% to 75% and that in actuality very few individual ratios fell around the 36% mean ratio. In other words, without some indication of the "spread" in the individual ratios, a ratio study is somewhat useless if it is to be used to judge assessment performance. We may use several statistics to describe or measure uniformity and equity in the valuation system.

1. The *Range* measures the lowest and the highest values. For example, the ratios may range from 10% to 50%, meaning that all other ratios within the ratio study fall within those percentages (10-50%).

2. The *Median Ratio* is the physical mid-point of all the ratios in a sample. Its use is preferable to the mean ratio because it eliminates the disproportionate influence of "outliers" in the sample. The median is the measure of central tendency that *shall* be used by the Revenue Commissioner to measure assessment ratios. The *Mean Ratio* is the average of all the ratios. As noted, it gives consideration to all ratios in the sample whether they are typical of the total sample or not. Extreme ratios (very high or low) are termed "outliers" and may have a distorting effect on the sales ratio analysis if the mean ratio is used to calculate the “coefficient of dispersion”. *However, the mean ratio must be used when calculating the coefficient of variation, price related differential and standard deviation.*

3. The *Deviation* measures the average numerical difference from the median or mean ratio. This statistic shows how far from the median or mean ratio the system is calculating

values. Upon finding the average deviation about the median or mean ratio, the *"coefficient of dispersion"* may be calculated by dividing the average absolute deviation by the median or mean ratio. The nationally accepted standard for the "coefficient of dispersion" is .2000 and below. This is outlined in the IAAO's Standard of Assessment Ratio Studies written in 1990. Coefficients of dispersion higher than .2000 indicate lack uniformity and significant inequities among the properties being analyzed and further indicate a reappraisal should be considered. However, the Georgia Department of Revenue regulations currently allow a C.O.D. of .20 for non-residential properties and .15 for residential properties.

4. The *Standard Deviation* provides an indication of how many parcels will fall within specified ranges or tolerances. The *Coefficient of Variation* may be calculated from the standard deviation. It provides for information relating to the average percent of deviation from the mean ratio.

5. The price related differential (PRD) measures assessment bias in terms of progressivity and regressivity. A PRD below 1.00 indicates assessment progressivity. A PRD above 1.00 indicates assessment regressivity. Progressivity means higher priced properties are assessed at a higher rate than lower value properties. Regressivity means lower priced properties are being assessed at a higher rate than higher priced properties. Acceptable standards according the Georgia Department of Revenue are

.95 - 1.10.

6. Measure of Central Tendency - The Commissioner shall use the median to measure the average assessment ratios of each of the homogeneous groups of property. The median shall be computed by arranging the individual ratios from the lowest to the highest and selecting the ratio in the middle in the case of an odd number of samples or adding the two middle ratios and dividing by two in the case of an even number of samples.

In the event the price related differential as defined in paragraph (h) of this regulation is outside the standard established by the Commissioner the weighted mean shall be used as the measure of central tendency for that homogeneous group. The weighted mean shall be determined by adding together each of the assessments and dividing this total by the sum of each of the sale prices (or appraisals).

The standard for assessment level of a class of homogeneous properties will be presumed to have been met if, given an adequate sample size, the upper limit of a 95 percent confidence interval about the measure of central tendency is greater than or equal to 36 percent or the lower limit of a percent confidence interval about the measure of central tendency is less than or equal to 44 percent.

The overall level of assessment for the county shall be determined by weighing the

measures of central tendency for the homogeneous groups against the total assessed value of property in each of the groups.

7. Uniformity Within Classes - The uniformity within classification of property shall be measured by the “coefficient of dispersion” with respect to the median and shall be computed by taking the average deviation of the observations in the sample from the median of the sample and expressing that average as a percentage of the median. The standard for uniformity will be presumed to have been met, if given an adequate sample size, the resulting coefficient shall be less than 15 percent for residential property and 20 percent for non-residential property.

8. Assessment Bias - The level of assessment bias within each class of property shall be measured by the price related differential, which shall be computed by dividing the arithmetic mean of the observations in the class sample by the weighted mean. The arithmetic mean shall be determined together each of the ratios and dividing by the number of ratios. The weighted mean shall be determined by adding together each of the assessments and dividing this total by the sum of each of the sale prices (or appraisals). The standard for lack of assessment bias will be presumed to have been met if, given an adequate sample size, the resulting price related differential is between

0.95 and 1.10.

Magnitude of Deficiency - If the assessed value of the portion of the digest that does not meet the uniformity requirements outlined above for level, uniformity and bias constitutes 10 percent or less of the assessed value of the total digest the Commissioner may approve the digest, if, in his judgment, the approval will not substantially violate the concept of uniformity and equalization.

Five Steps to do a Sales Assessment Ratio Study

1. Divide each assessed value by the sales price to get the ratio.

2. Add the ratios and divide by the number of sales to get the average or mean ratio.

3. Subtract the mean ratio from each of the individual ratios to get the deviations from the mean ratio.

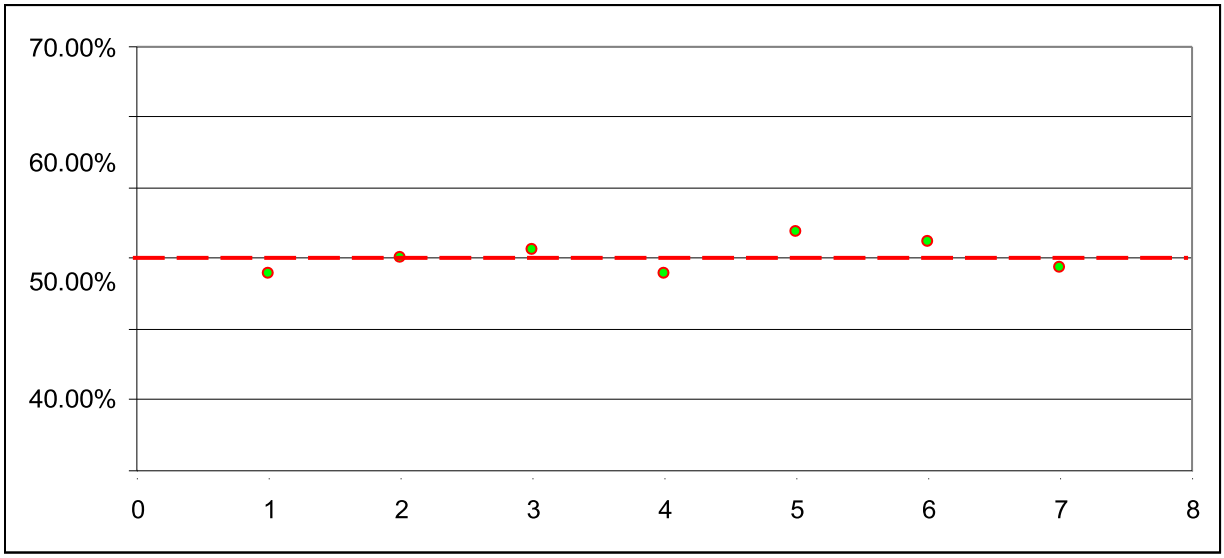
4. Add the deviations and divide the sum of all deviations by the number of sales to get the average deviation.

5. Divide the average deviation by the mean to get the coefficient of dispersion.

Oak Street

	Assessed		Sales		Ratio	Devaition From Average Ratio
A	1,360	÷	3,600	=	0.3778	0.0251
B	1,360	÷	3,400	=	0.4000	0.0029
C	1,632	÷	3,960	=	0.4121	0.0093
D	1,224	÷	3,240	=	0.3778	0.0251
H	1,632	÷	3,720	=	0.4387	0.0359
L	1,360	÷	3,200	=	0.4250	0.0221
N	1,224	÷	3,150	=	0.3886	0.0143
			Average		**0.4029**	**0.0192**

Mean	**0.4029**
COD	**0.0477**


70.00%
60.00%
50.00%
40.00%
0
1
2
3
4
5
6
7
8

Elm Street

Lot	Assessed Value		Sale Price		Ratio	Devaition From Average Ratio
A		÷	5,000	=		
B		÷	5,500	=		
E		÷	7,500	=		
F		÷	5,100	=		
G		÷	6,000	=		
H		÷	5,700	=		
J		÷	3,000	=	_____	_____
			Average			

Mean

Elm Street

	Assessed						Devaition From Average Ratio
A	2,040	÷	5,000	=	0.4080		0.0167
B	1,836	÷	5,500	=	0.3338		0.0908
E	4,080	÷	7,500	=	0.5440		0.1193
F	1,530	÷	5,100	=	0.3000		0.1247
G	3,060	÷	6,000	=	0.5100		0.0853
H	3,060	÷	5,700	=	0.5368		0.1122
J	1,020	÷	3,000	=	0.3400		0.0847
			Average		**0.4247**		**0.0905**

Mean	**0.4247**
COD	**0.2132**

GLOSSARY

Abstraction Method—Method of land valuation in the absence of vacant land sales, whereby improvement values obtained from the cost model are subtracted from sales prices of improved parcels to yield residual land value estimates. Also called land residual technique.

Accrued Depreciation—(1) The amount of depreciation, from any and all sources, that affects the value of the property in question on the effective date of the appraisal. (2) In accounting, the amount reserved each year or accumulated to date in the accounting system for replacement of a building or other asset. When depreciation is recorded as a dollar amount, it may be deductible from total plant value or investment to arrive at the rate base for public utilities. See also Depreciation.

Acquisition Value—An assessed value based on the cost of acquiring the property; increases in this value are usually limited until the next qualifying sale.

Adaptive Estimation Procedure (AEP)—A computerized, iterative, self-referential procedure using properties for which sales prices are known to produce a model that can be used to value properties for which sales prices are not known. Also called “feedback.”

Adjusted Sale Price—The sale price that results from adjustments made to the stated sale price to account for the effects of time, personal property, financing, or the like.

Adjustments—Modifications in the reported value of a variable, such as sale price or gross income. For ex-ample, adjustments can be used to estimate market value in the sales comparison approach by adjusting the sale price of the comparable for differences between comparable and subject properties.

Ad Valorem Tax—A tax levied in proportion to the value of thing being taxed.

Aerial Photograph—A photograph of a part of the earth’s surface taken by an aircraft-supported camera.

Agricultural Property—Improved or unimproved land devoted to or available for the production of crops or other agricultural products, livestock, and agricultural support buildings.

Allocation Method—A method used to value land, in the absence of vacant land sales, by using a typical ratio of land to improvement value. Also called land ratio method.

Appraisal Foundation, The—The organization authorized by the United States Congress as the source of appraisal standards and appraiser qualifications.

Appraisal Ratio—(1) The ratio of the appraised value to an indicator of market value. (2) By extension, an estimated fractional relationship between the appraisals and market values of a group of properties. See also Level of Appraisal.

Appraisal Ratio Study—A ratio study using independent expert appraisals as indicators of market value.

Arm's-Length Sale—A sale between two unrelated parties, both seeking to maximize their positions from the transaction.

Assessment Cycle—A legally sanctioned reappraisal period generally ranging from one to ten years.

Assessment Date—The status date for tax purposes. Appraised values reflect the status of the property and any partially completed construction as of this date.

Assessment Equity—The degree to which assessments bears a consistent relationship to market value.

Assessment Level—The common, or overall, ratio of assessed values to market values.
Assessment Maps—See Cadastral Map.

Assessment Ratio—(1) The fractional relationship an assessed value bears to the market value of the property in question. (2) By extension, the fractional relationship the total of the assessment roll bears to the total market value of all taxable property in a jurisdiction. See Level of Assessment.

Assessment Ratio Study—An investigation intended to determine the assessment ratio and assessment equity.

Assessment Ratio—(1) The fractional relationship an assessed value bears to the market value of the property in question. (2) By extension, the fractional relationship the total of the assessment roll bears to the total market value of all taxable property in a jurisdiction. See Level of Assessment.

Assessment Ratio Study—An investigation intended to determine the assessment ratio and assessment equity.

Audit—A systematic investigation or appraisal of procedures or operations for the purpose of determining conformity with specifically prescribed criteria.

Audit, Performance—An analysis of an organization to determine whether or not the quantity and quality of work performed meets standards. Ratio studies are an important part of performance audits of an assessing organization.

Audit, Procedural—An examination of an organization to determine whether established or recommended procedures are being followed.

Audit Program—The procedures undertaken or particular work done by an accountant in conducting an examination.

Audit Trail—A set of records of the changes made to another set of records.

Automated Valuation Model—A computer program for property valuation that analyzes data using an automated process. See also Computer-assisted Mass Appraisal.

Base Year Value—In a nonmarket-value assessment system, the assessed value established as of a specific year.

Benchmark—(1) A term used in land surveying to mean a known point of reference. (2) In property appraisal, a property of known value and of known effective age and replacement cost.

(1) By extension, a model property to be used in determining by comparison the grade or quality class of other properties.

Cadastral Map—A scale map displaying property ownership boundaries and showing the dimensions of each parcel with related information such as parcel identifier, survey lines, and

easements.

Calibration—The process of estimating the coefficients in a mass appraisal model. CAMA—See Computer-assisted Mass Appraisal.

Capitalization Rate—Any rate used to convert an estimate of future income to an estimate of market value; the ratio of net operating income to market value.

Capitalization of Ground Rents—A method of estimating land value in the absence of comparable sales; applicable where there is an income stream; for ex-ample, to farmland and commercial land leased on a net basis.

Class—A set of items defined by common characteristics. (1) In property taxation, property classes such as residential, agricultural, and industrial may be defined. (2) In assessment, building classification systems based on type of building design, quality of construction, or structural type are common. (3) In statistics, a predefined category into which data may be put for further analysis. For example, ratios may be grouped into the following classes: less than 0.500, 0.500 to 0.599, 0.600 to 0.699, and so forth.

Coding—(1) The act of reducing a description of a unique object, such as a parcel of real estate, to a set of one or more measures or counts of certain of its characteristics, such as square footage, number of bathrooms, and the like. (2) Encoding, a related term, is usually used to refer to the act of translating coded descriptions useful to human beings into a form that can be processed by computers. (3) Coding is sometimes also used to refer to the writing of instructions that direct the processing done by computers.

Coefficient—(1) In a mathematical expression, a number or letter preceding and multiplying another quantity. For example, in the expression, 5X, 5 is the coefficient of X, and in the expression aY, a is the co-efficient of Y. (2) A dimensionless statistic, useful as a measure of change or relationship; for example, correlation coefficient.

Commercial Property—Generally, any nonindustrial, nonresidential realty of a commercial enterprise. Includes realty used as a retail or wholesale establishment, hotel or motel, service station, commercial garage, warehouse, theater, bank, nursing home, and the like.

Comparable Sales; Comparable—(1) Recently sold properties that are similar in important respects to a property being appraised. The sale price and the physical, functional, and locational characteristics of each of the properties are compared to those of the property being appraised in order to arrive at an estimate of value. (2) By extension, the term “comparables” is sometimes

used to refer to properties with rent or income patterns comparable to those of a property being appraised.

Comparative Unit Method—(1) A method of appraising land parcels in which an average or typical value is estimated for each stratum of land. (2) A method of estimating replacement cost in which all the direct and indirect costs of a structure (except perhaps architect's fees) are aggregated and specified with reference to a unit of comparison such as square feet of ground area or floor area, or cubic content. Separate factors are commonly specified for different intervals of the unit of comparison and for different story heights, and separate schedules are commonly used for different building types and quality classes.

Computer-assisted Assessment System—A system for assessing real and personal property with the assistance of a computer. A computer may be used, for example, in the appraisal process, in keeping track of ownership and exemption status, in printing the assessment roll, in coordinating the work load of real property appraisers and personal property appraisers with respect to the assessment of commercial and industrial properties, and in a number of other areas.

Computer-assisted Mass Appraisal (CAMA)—A system of appraising property, usually only certain types of real property, that incorporates computer-supported statistical analyses such as multiple regression analysis and adaptive estimation procedure to assist the appraiser in estimating value.

Cost—The money expended in obtaining an object or attaining an objective; generally used in appraisal to mean the expense, direct and indirect, of constructing an improvement.

Cost Approach—(1) One of the three approaches to value, the cost approach is based on the principle of substitution—that a rational, informed purchaser would pay no more for a property than the cost of building an acceptable substitute with like utility. The cost approach seeks to determine the replacement cost new of an improvement less depreciation plus land value. (2) The method of estimating the value of property by (a) estimating the cost of construction based on replacement or reproduction cost new or trended historic cost (often adjusted by a local multiplier), (b) subtracting depreciation, and (c) adding the estimated land value. The land value is most frequently determined by the sales comparison approach.

Cost Schedules—Charts, tables, factors, curves, equations, and the like intended to help estimate the cost of replacing a structure from knowledge of some other factors, such as its quality class and number of square feet.

Data—The general term for masses of numbers, codes, and symbols generally. "Data" is the

plural of datum, one element of data.

Data Edit—The process of examining recorded data to ensure that each element of data is reasonable and is consistent with others recorded for the same object, such as a parcel of real estate. Data editing, which may be done by persons or by computer, is essentially a mechanical process, distinct from verifying the correctness of the recorded information by calling or writing property owners.

Data Management—The human (and sometimes computer) procedures employed to ensure that no information is lost through negligent handling of records from a file, that all information is properly supplemented and up-to-date, and that all information is easily accessible.

Depreciation—Loss in value of an object, relative to its replacement cost new, reproduction cost new, or original cost, whatever the cause of the loss in value. Depreciation is sometimes subdivided into three types: physical deterioration (wear and tear), functional obsolescence (suboptimal design in light of cur-rent technologies or tastes), and economic obsolescence (poor location or radically diminished demand for the product). See also Accrued Depreciation.

Depreciation Schedules—Tables used in mass appraisal that show the typical loss in value at various ages or effective ages for different types of properties.

Discount Rate—The rate of return on investment; the rate an investor requires to discount future in-come to its present worth.

Economic Area—A geographic area, typically encompassing a group of neighborhoods, defined on the basis that the properties within its boundaries are more or less equally subject to a set of one or more economic forces that largely determine the value of the properties in question.

Equity—(1) In assessment, the degree to which assessments bear a consistent relationship to market value. Measures include the coefficient of dispersion, coefficient of variation, and price-related differential. (2) In popular usage, a synonym for tax fairness. (3) In ownership, the net value of property after liens and other charges have been subtracted.

Expense Ratios—The ratio of expenses to gross in-come.

Factor—(1) An underlying characteristic of something (such as a house) that may contribute to

the value of a variable (such as its sale price), but is observable only indirectly. For example, construction quality is a factor defined by workmanship, spacing of joists, and materials used. Factor definition and measurement may be done subjectively or by a computer-assisted statistical algorithm known as factor analysis. (2) Loosely, any characteristic used in adjusting the sales prices of comparables. (3) The reciprocal of a rate. Assessments may be equalized by multiplying them by a factor equal to the reciprocal of the assessment ratio, and value can be estimated using the in-come approach by multiplying income by a factor equal to the reciprocal of the discount rate.

Feedback—See Adaptive Estimation Procedure.

Front Foot—The unit or standard of linear measure used in measuring frontage. Geographic Information System (GIS)—(1) A database management system used to store, retrieve, manipulate, analyze, and display spatial information. (2) One type of computerized

mapping system capable of integrating spatial data (land information) and attribute data among different layers on a base map.

Gross Income—The payments to an owner that a property can generate before expenses are deducted.

Gross Income Multiplier—A capitalization technique that uses the ratio between the sale price of a property and its potential gross income or its effective gross income.

Improvements—Buildings, other structures, and attachments or annexations to land that are intended to remain so attached or annexed, such as sidewalks or sewers.

Income Approach—One of the three approaches to value, based on the concept that current value is the present worth of future benefits to be derived through income production by an asset over the remainder of its economic life. The income approach uses capitalization to convert the anticipated benefits of the ownership of property into an estimate of present value.

Industrial Property—Generally, any property used in a manufacturing activity, such as a factory, wholesale bakery, food processing plant, mill, mine, or quarry.

Integrity—The quality of a data element or program being what it says it is; usually distinguished from validity, the quality of its being what it should be in terms of some ultimate purpose. After data are edited and encoded and programs are prepared, their integrity is ensured by safeguards that prevent accidental or unauthorized tampering with them.

Land—(1) In economics, the surface of the earth and all the natural resources and natural productive powers over which possession of the earth's surface gives man control. (2) In law, a portion of the earth's surface, together with the earth below it, the space above it, and all things annexed thereto by nature or by man. See also Improvements.

Land Residual Technique—See Abstraction Method.

Legal Description—A delineation of dimensions, boundaries, and relevant attributes of a real property parcel that serve to identify the parcel for all purposes of law. The description may be in words or codes, such as metes and bounds or coordinates. For a subdivided lot, the legal description would probably include lot and block numbers and subdivision name.

Level of Appraisal—The common, or overall, ratio of appraised values to market values. Three concepts are usually of interest: the level required by law, the true or actual level, and the computed level, based on a ratio study.

Level of Assessment; Assessment Ratio—The common or overall ratio of assessed values to market values. Compare Level of Appraisal. Note: The two terms are sometimes distinguished, but there is no convention determining their meanings when they are. Three concepts are commonly of interest: what the assessment ratio is legally required to be, what the assessment ratio actually is, and what the assessment ratio seems to be, on the basis of a sample and the application of inferential statistics. When level of assessment is distinguished from assessment ratio, "level of assessment" usually means either the legal requirement or the true ratio, and "assessment ratio" usually means the true ratio or the sample statistic.

Linear Regression—A kind of statistical analysis used to investigate whether a dependent variable and a set of one or more independent variables share a linear correlation and, if they do, to predict the value of the dependent variable on the basis of the values of the other variables. Regression analysis of one dependent variable and only one independent variable is called simple linear regression, but it is the word simple (not linear) that distinguishes it from multiple regression analysis with its multiple independent variables.

Location—The numerical or other identification of a point (or object) sufficiently precise so the point can be situated. For example, the location of a point on a plane can be specified by a pair of numbers (plane coordinates) and the location of a point in space can be specified by a set of three numbers (space coordinates). However, location may also be specified in other terms than coordinates. A location may be specified as being at the intersection of two specific lines by identifying it with some prominent and known feature (for example, “on top of Pikes Peak” or “at the junction of the Potomac and Anacostia Rivers”).

Map—A conventional representation, usually on a plane surface and at an established scale, of the physical features (natural, artificial, or both) of a part or the whole of the earth’s surface.

Features are identified by means of signs and symbols, and geographical orientation is indicated.

Map, Tax—A map drawn to scale and delineated for lot lines or property lines or both, with dimensions or areas and identifying numbers, letters, or names for all delineated lots or parcels.

Market—(1) The topical area of common interest in which buyers and sellers interact. (2) The collective body of buyers and sellers for a particular product.

Market Adjustment Factors—Market adjustment factors, reflecting supply and demand preferences, are often required to adjust values obtained from the cost approach to the market. These adjustments should be applied by type of property and area and are based on sales ratio studies or other market analyses. Accurate cost schedules, condition ratings, and depreciation schedules will minimize the need for market adjustment factors.

Market Analysis—A study of real estate market conditions for a specific type of property. Market Area—See Economic Area.

Market Value—Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by agencies that regulate federal financial institutions in the United States is: The most probable price (in terms of money) which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: The buyer and seller are typically motivated; Both parties are well informed or well advised, and acting in what they consider their best interests; A reasonable time is allowed for exposure in the open market; Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Market-Value Standard—A requirement of law or practice that the assessment ratio of all

properties be equal to one. Two issues are implicit here: that fractional assessment levels be avoided and that all property be assessed on the basis of its market value and not on the basis of its value in some particular use—for example, agriculture—unless that use is the only use to which the property can legally be put (in which case its use value would be equal to its market value).

Mass Appraisal—The process of valuing a group of properties as of a given date, using standard methods, employing common data, and allowing for statistical testing.

Mass Appraisal Model—A mathematical expression of how supply and demand factors interact in a market.

Model—(1) A representation of how something works. (2) For purposes of appraisal, a representation (in words or an equation) that explains the relationship between value or estimated sale price and variables representing factors of supply and demand.

Model Area—See Economic Area.

Model Calibration—The development of adjustments, or coefficients, based on market analysis, that identifies specific factors with an actual effect on market value.

Model Specification—The formal development of a model in a statement or equation, based on data analysis and appraisal theory.

Multiple Regression, Multiple Regression Analysis (MRA)—A particular statistical technique, similar to correlation, used to analyze data in order to predict the value of one variable (the dependent variable), such as market value, from the known values of other variables (called “independent variables”), such as lot size, number of rooms, and so on. If only one independent variable is used, the procedure is called simple regression analysis and differs from correlation analysis only in that correlation measures the strength of relationship, whereas regression predicts the value of one variable from the value of the other. When two or more variables are used, the procedure is called multiple regression analysis. See Linear Regression.

Neighborhood—(1) The environment of a subject property that has a direct and immediate effect on value. (2) A geographic area (in which there are typically fewer than several thousand properties) defined for some useful purpose, such as to ensure for later multiple regression

modeling that the properties are homogeneous and share important locational characteristics.

Net Income—The income expected from a property after deduction of allowable expenses.

Net Income Multiplier—A factor expressing the relationship between value and net operating income; the reciprocal of the overall rate.

Objective—The quality of being definable by specific criteria without the need for judgment.

Open Market—A freely competitive market in which any buyer or seller may trade and in which prices are determined by competition.

Overall Rate (OAR)—A capitalization rate that blends all requirements of discount, recapture, and effective tax rates for both land and improvements; used to convert annual net operating income into an indicated overall property value.

Parcel—A contiguous area of land described in a single legal description or as one of a number of lots on a plat; separately owned, either publicly or privately; and capable of being separately conveyed.

Parcel Identifier—A code, usually numerical, representing a specific land parcel's legal description. The purpose of parcel identifiers is to permit reference to legal descriptions by using a code of uniform and manageable size, thereby facilitating record-keeping and handling. Also called parcel identification number.

Personal Property—Consists of every type of property that is not real property. Personal property is movable without damage to itself or the real estate and is subdivided into tangible and intangible.

Price, Adjusted Sale—The sale price that results from adjustments made to the stated sale price to account for the effects of time, personal property, atypical financing, and the like.

Price, Market—The value of a unit of goods or service, expressed in terms of money, as established in a free and open market. Note: This term is sometimes distinguished from “market value” on the ground that the latter term assumes that buyers and sellers are in-formed, but this assumption is also implied by the phrase “free and open market.” Compare Price, Sale.

Price, Sale—(1) The actual amount of money exchanged for a unit of goods or services, whether or not established in a free and open market. An indicator of market value. (2) Loosely used synonymously with “offering” or “asked” price. Note: The sale price is the “selling price” to the vendor and the “cost price” to the vendee.

Property—(1) An aggregate of things or rights to things. These rights are protected by law. There are two basic types of property: real and personal. (2) The legal interest of an owner in a parcel or thing.

Property Record Card (Form)—An assessment document with blanks for the insertion of data for property identification and description, for value estimation, and for property owner satisfaction. The basic objectives of property record forms are, first, to serve as a repository of most of the information deemed necessary for identifying and describing a property, valuing a property, and assuring property owners that the assessor is conversant with their properties, and, second, to document property appraisals. Use of properly designed property record forms permits an organized and uniform approach to amassing a property inventory.

Ratio, Assessment—See Assessment Ratio.

Ratio Study—A study of the relationship between appraised or assessed values and market values. Indicators of market values may be either sales (sales ratio study) or independent “expert” appraisals (appraisal ratio study). Of common interest in ratio studies are the level and uniformity of the appraisals or assessments. See also Level of Appraisal and Level of Assessment.

RCN—Replacement cost new or reproduction cost new.

RCNLD—Replacement cost new less depreciation or reproduction cost new less depreciation.

Real Estate—The physical parcel of land and all improvements permanently attached. Compare Real Property.

Real Property—Consists of the interests, benefits, and rights inherent in the ownership of land plus anything permanently attached to the land or legally defined as immovable; the bundle of rights with which ownership of real estate is endowed. To the extent that “real estate” commonly includes land and any permanent improvements, the two terms can be understood to have the same meaning. Also called “realty.”

Reappraisal—The mass appraisal of all property within an assessment jurisdiction accomplished within or at the beginning of a reappraisal cycle (see below, sense 2). Also called revaluation or reassessment. Reappraisal Cycle—(1) The period of time necessary for a jurisdiction to have a complete reappraisal. For example, a cycle of five years occurs when one- fifth of a jurisdiction is reappraised each year and also when a jurisdiction is reappraised all at once every five years. (2) The maximum interval between reappraisals as stated in laws.

Reassessment—(1) The relisting and revaluation of all property, or all property of a given class, within an assessment district by order of an authorized officer or body after a finding by such an officer or body that the original assessment is too faulty for correction through the usual procedures of review and equalization. (2) The revaluation of all real property by the regularly constituted assessing authorities, as distinguished from assessment on the basis of valuations most or all of which were established in some prior year. See also Revaluation.

Reciprocal—The result obtained when 1 is divided by a given number.

Reconciliation—The final step in the valuation process wherein consideration is given to the relative strengths and weaknesses of the three approaches to value, the nature of the property appraised, and the quantity and quality of available data in formation of an overall opinion of value (either a single point estimate or a range of value). Also termed “correlation” in some texts.

Regression Analysis—See Multiple Regression Analysis.

Reliability—The degrees to which measures are free from random error and therefore yield consistent results; the extent to which a procedure yields consistent results on repeated trials.

Replacement Cost; Replacement Cost New—The cost, including material, labor, and overhead, that would be incurred in constructing an improvement having the same utility to its owner as a subject improvement, without necessarily reproducing exactly any particular characteristics of the subject. The re-placement cost concept implicitly eliminates all functional obsolescence from the value given; thus, only physical depreciation and economic obsolescence need to be subtracted to obtain replacement cost new less depreciation (RCNLD).

Replacement Cost New Less Depreciation (RCNLD)—In the cost approach, replacement cost new less physical incurable depreciation.

Reproduction Cost; Reproduction Cost New—The cost of constructing a new property, reasonably identical (having the same characteristics) with the given property except for the absence of physical depreciation, using the same materials, construction standards, design, and quality of workmanship, computed on the basis of prevailing prices and on the assumption of normal competency and normal conditions.

Residential Property—Property used for housing such as single-family residences, duplexes, or apartment buildings.

Residual—The difference between an observed value and a predicted value for a dependent variable. Residual Technique—A method of arriving at the unknown value of a property component by subtracting the known values of other components from a known overall value.

Revaluation—A reappraisal of property; especially a complete reappraisal of real property after assessment for one or more years on valuations most (or all) of which were established in some prior year. Compare Reassessment and Reappraisal.

Review—(1) Consideration by a board of appeals, a board of equalization, a board of review, or a court, of individual, property class, or district assessments, whether for the purpose of adding omitted taxable property, removing exempt property, or equalizing the valuations placed on listed property. (2) The act or process of critically studying a report, such as an appraisal, prepared by another.

Sale, Arm's-Length—A sale in the open market between two unrelated parties, each of whom is reasonably knowledgeable of market conditions and under no undue pressure to buy or sell.

Sale Price—See Price, Sale; Price, Adjusted Sale.

Sales Comparison Approach—One of three approaches to value, the sales comparison approach estimates a property's value (or some other characteristic, such as its depreciation) by reference to comparable sales.

Sales Data—(1) Information about the nature of the transaction, the sale price, and the characteristics of a property as of the date of sale. (2) The elements of information needed from each property for some purpose, such as appraising properties by the direct sales comparison approach.

Sales File—A file of sales data.

Sales Ratio Study—A ratio study that uses sales prices as proxies for market values.

Schedules—Tables, equations, or some other means of presenting the relationship between the values of two or more variables that are functionally related. For example, cost schedules present the relationship between cost per square foot and living area for a number of quality classes, building heights, and other characteristics.

Single-Property Appraisal—Systematic appraisal of properties one at a time. Site—The location of a person, thing, or event.

Site Characteristics—(1) Characteristics of (and data that describe) a particular property, especially land size, shape, topography, drainage, and so on, as opposed to location and external economic forces.

Software—(1) Computer programs. (2) Those parts of a computer system that are not machinery or circuits; procedures and possibly documentation are included along with programs.

Special-Purpose Property—A property adapted for a single use. Standard 6—See Uniform Standards of Professional Appraisal Practice.

Stratify—To divide, for purposes of analysis, a sample of observations into two or more subsets ac-cording to some criterion or set of criteria.

Stratum, Strata (pl.)—A class or subset that results from stratification.

Subclass—A group of properties within a class, smaller than the class, usually (although not necessarily) defined by stratification rather than by sampling.

Subject Property—The property being appraised.

Subjective—Having the quality of requiring judgment in arriving at an appropriate answer of value of a variable (such as the quality class of a structure).

Three Approaches to Value—A convenient way to group the various methods of appraising a property. The cost approach encompasses several methods for estimating replacement cost new of an improvement less depreciation plus land value. The sales comparison approach estimates values by comparison with similar properties for which sales prices are known. The methods included in the income approach are based on the assumption that value equals the present worth of the rights to future income.

Time-adjusted Sale Price—The price at which a property sold, adjusted for the effects of price changes reflected in the market between the date of sale and the date of analysis.

Trending—Adjusting the values of a variable for the effects of time. Usually used to refer to adjustments of assessments intended to reflect the effects of inflation and deflation and sometimes also, but not necessarily, the effects of changes in the demand for micro locational goods and services.

Trending Factor—A figure representing the increase in cost or selling price over a period of time. Trending accounts for the relative difference in the value of a dollar between two periods.

Uniformity—The equality of the burden of taxation in the method of assessment.

Uniform Standards of Professional Appraisal Practice—Annual publication of the Appraisal Standards Board of The Appraisal Foundation: “These Standards deal with the procedures to be followed in performing an appraisal, appraisal review, or appraisal consulting service and the manner in which an appraisal, appraisal review, or appraisal consulting service is communicated. … Standard 6 establishes requirements for the development and reporting of mass appraisals of a universe of properties for ad valorem tax purposes or any other intended use” (The Appraisal Foundation, Appraisal Standards Board 2002, Preamble, p. 6).

Unit of Comparison—A property as a whole or some smaller measure of the size of the property used in the sales comparison approach to estimate a price per unit.

Use Class—(1) A grouping of properties based on their use rather than, for example, their acreage or construction. (2) One of the following classes of property: single-family residential,

multifamily residential, agricultural, commercial, industrial, vacant land, and institutional/exempt.

(3) Any subclass refinement of the above—for example, townhouse, detached single-family, condominium, house on farm, and so on.

Use Value—(1) The value of property in a specific use. (2) Property entirely used for a specific purpose or use that may entitle the property to be assessed at a different level than others in the jurisdiction. Examples of properties that may be assessed at use value under the statutes include agricultural land, timberland, and historical sites.

USPAP—See Uniform Standards of Professional Appraisal Practice.

Valuation—(1) The process of estimating the value—market, investment, insured, or other properly defined value—of a specific parcel or parcels of real estate or of an item or items of personal property as of a given date. (2) The process or business of appraising, of making estimates of the value of some-thing. The value usually required to be estimated is market value.

Valuation Date—The specific date as of which assessed values are set for purposes of property taxation. This date may also be known as the “date of finality.” See also Assessment Date.

Valuation Model—A representation in words or in an equation that explains the relationship between value or estimated sale price and variables representing factors of supply and demand.

Value—(1) The relationship between an object desired and a potential owner; the characteristics of scarcity, utility, desirability, and transferability must be present for value to exist. (2) Value may also be described as the present worth of future benefits arising from the ownership of real or personal property. (3) The estimate sought in a valuation. (4) Any number between positive infinity and negative infinity. See also Market Value.

Variable—An item of observation that can assume various values, for example, square feet, sales prices, or sales ratios. Variables are commonly described using measures of central tendency and dispersion.

Verify—To check the accuracy of something. For example, sales data may be verified by interviewing the purchaser of the property, and data entries may be verified by check digits.
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