

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

TABLE OF CONTENTS

Rule 560-1-1-.02	Division Organization
Rule 560-1-1-.05	Inspection of Records
Rule 560-1-1-.10	Letter Rulings
Rule 560-1-1-.12	Informal Conference
Rule 560-1-1-.14	Electronic Signature and Remote Notary

Rule 560-1-1-.02 Division Organization

- (1) The Department of Revenue is responsible for administering and enforcing the revenue laws of the state, under the direction of the State Revenue Commissioner. The Commissioner is also responsible for the administration of Georgia laws relating to alcoholic beverages, tobacco, and motor vehicle registrations, licenses, and titles.
- (2) The Commissioner has established several divisions of the Department to facilitate the administration of its duties, pursuant to O.C.G.A. § 48-2-6. Each division is led by a director and is further subdivided into sections, pursuant to O.C.G.A. § 50-4-2.
- (3) The Department's divisions and their respective responsibilities are as follows:
 - (a) **Alcohol & Tobacco.** This division administers and enforces alcohol and tobacco tax and regulatory laws. The division reviews and issues licenses, promotes voluntary compliance, provides law enforcement services, and collects and audits excise taxes.
 - (b) **Audits.** This division audits both individual and business taxpayers. It audits and appropriately assesses taxes and fees, including but not limited to corporate income tax, sales and use tax, individual income tax, withholding tax, non-resident withholding tax, taxation of pass-through entities, international fuel tax, International Registration Plan compliance, film withholding, motor fuel tax, and other tax types. It also administers Voluntary Disclosure Agreements.
 - (c) **Commissioner's Office.** This division assists the Commissioner, as chief executive of the Department, in the administration of the Department. The Deputy Commissioner oversees the Department's discharge of duties as designated by the Commissioner, pursuant to O.C.G.A. § 48-2-5. One or more Assistant Deputy Commissioners and/or a Chief of Staff may be designated by the Commissioner, to exercise such authority as he or she may delegate to them in writing. The division

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

provides legislative and communications guidance to the Department, taxpayers, and Georgia officials. It manages the Department's external communications, to include the Department's website, social media presence, and responses to media inquiries. Through the work of the Special Projects Director, the division provides support to the Department on special projects, agency-wide initiatives, customer service, and strategic planning. Through the work of the Internal Auditor, the division also provides an independent and objective source of internal advisory and assurance services, which include evaluations of the Department's governance processes, internal controls, operational improvements, compliance assessments, and risk management.

- (d) **Compliance.** This division oversees, promotes, and ensures taxpayers' voluntary compliance with Georgia tax requirements. The division issues assessments and other notices of liabilities, assists and educates taxpayers, resolves taxpayers' problems, and collects delinquent tax liabilities when appropriate.
- (e) **Finance.** This division provides administrative and financial services to the Department by overseeing and accounting for the Department's resources. The division also ensures the Department's compliance with applicable financial laws and policies.
- (f) **Human Resources.** This division provides comprehensive personnel services to the Department, ensuring the Department's compliance with applicable employment laws and policies and enhances the efficiencies and effectiveness with which the Department carries out its mission.
- (g) **Information Technology.** This division develops, enhances, maintains, and secures the Department's computer applications, associated infrastructure, and information. The division also facilitates the exchange of information with external entities authorized to access such information and manages all Department systems with which the public interacts. The division is also responsible for overseeing the retention of Department records.
- (h) **Local Government Services.** This division oversees local tax administration by training local county tax officials; approving tax digests; ensuring proper accounting of county property taxes; distributing collected taxes to local government entities; distributing prepaid 9-1-1 wireless funds and forest land grants; and appraising public utility companies. The division also administers unclaimed property, non-prepaid 9-1-

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

1 fees, fireworks excise tax, Alternative Ad Valorem Tax, and Quality Basic Education reporting.

- (i) **Motor Vehicles.** This division administers the registration and titling of motor vehicles in Georgia. The division partners with Georgia counties to facilitate applications and payments for motor vehicle titles and registrations.
 - (j) **Office of the General Counsel.** This division provides legal and tax policy guidance to the Department, taxpayers, and state officials. The division serves as the legal liaison to the Georgia Attorney General's Office, other Georgia agencies, and the public. It also provides counsel on day-to-day affairs of the Department and issues written guidance to assist the Department and taxpayers in complying with Georgia's laws, rules, and regulations. The division drafts, reviews, and recommends policies, regulations, proposed legislation, letter rulings, protest rulings, Department correspondence, and other communications. The division also responds to Open Records Act requests, subpoenas, and third-party requests for production.
 - (k) **Office of Special Investigations.** This division investigates violations of the tax and motor vehicle titling and registration laws, the motor fuel tax, and the revenue laws of Georgia. The division enforces criminal and civil sanctions for violations of motor vehicle titling and registration and motor fuel tax laws. Additionally, the division holds primary oversight over internal investigations and physical security.
 - (l) **Taxpayer Services.** This division provides support to taxpayers, tax professionals, and the Department in matters arising from the administration of Georgia's tax laws. It resolves tax matters and protests, registers new taxpayers and licensees, verifies tax return information, and serves as a liaison on internal tax system matters. The division also processes and distributes Department mail.
- (4) All legal notices should be directed to the attention of the Commissioner at the Department of Revenue headquarters, which is located at 2595 Century Parkway N.E., Atlanta, GA 30345-3173.

Authority: O.C.G.A. §§ 3-2-1, 40-2-11, 40-3-3, 48-2-6, 48-2-7, 48-2-12, 50-13-3.

Rule 560-1-1-.05 Inspection of Records

Subject to limited exceptions, tax records the Department of Revenue maintains are confidential pursuant to O.C.G.A. § 48-2-15 and § 48-7-60, and are not subject to disclosure or inspection by

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

the public. Motor vehicle titling and registration records are likewise exempt from public inspection and may be disclosed only pursuant to the provisions of O.C.G.A. § 40-2-130 and § 40-3-23 and the federal Driver's Privacy Protection Act. Documents generated by the Department of Revenue, including but not limited to rules, statements of policy, interpretations, final orders, and decisions which are public, may be inspected during business hours at the Department of Revenue headquarters' address as designated in Rule 560-1-1-.02(4). The documents may also be accessed from the Department's website.

Authority: O.C.G.A. §§ 40-2-11, 40-2-130, 40-3-23, 48-2-12, 48-2-15, 48-5-7.5, 48-7-31.1, 48-7-60, 48-13-15, 48-13-143, 50-13-3, 50-18-72(a)(1) and (43); and 18 U.S.C. §§ 2721-2725.

Rule 560-1-1.10 Letter Rulings

(1) **Purpose.** The purpose of this regulation is to prescribe the guidelines and procedures of the Department for the submission of letter ruling requests and the issuance, redaction, and public disclosure of letter rulings on specific issues interpreting and applying Georgia tax laws and regulations. Letter rulings issued pursuant to this rule constitute declaratory rulings pursuant to O.C.G.A. §§ 48-2-15.2 and 50-13-11.

(2) **Definitions.**

(a) "Declaratory ruling" means the disposition of a petition filed pursuant to O.C.G.A. § 50-13-11.

(b) "Informal advice" includes, but is not limited to, any oral or written comments, assistance, or advice provided by the Department in response to questions submitted on an informal basis.

(c) "Letter ruling" or "ruling" means a written determination that is issued to a taxpayer by the Commissioner in response to such taxpayer's written inquiry about the taxpayer's status for tax purposes or tax effects of acts or transactions, and is based on applying the tax statutes, regulations, or other legal authority to such taxpayer's specific set of facts.

(3) **Subject Matter of Letter Rulings.** The Department issues letter rulings on the tax effects of specific acts or transactions. A letter ruling request must be based on a specific fact situation and specific parties.

(a) **Ineligible Requests.** The Department will not issue letter rulings in regard to:

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

1. Alternative tax treatments or hypothetical situations or questions;
2. Notices of proposed or official assessments or decisions thereon;
3. Decisions on refund claims, offers in compromise, installment payment agreement requests, voluntary disclosure or closing agreements, or applications to waive penalty or interest;
4. Matters scheduled for or currently under audit, currently under protest or appeal, or related to pending or ongoing litigation;
5. Questions involving nexus or residency of a taxpayer;
6. Questions clearly answered by the tax statutes, regulations, or other legal authority; or
7. Federal tax matters, unless the request concerns differences in treatment for federal and state purposes.

(b) **Department's Discretion.** The Department may decline to issue a letter ruling whenever warranted by the facts and circumstances of the particular request.

(c) **Notice.** The Department will notify the requesting taxpayer that the request is not eligible for a letter ruling.

(4) Procedure to Request a Letter Ruling.

(a) **Written Requests.** Letter ruling requests must be made in writing and must be from a specific taxpayer or that taxpayer's representative. The Department will not issue letter rulings in response to oral requests.

(b) **Address.** Letter ruling requests may be submitted via mail to the Department of Revenue headquarters' address as designated in Rule 560-1-1-.02(4) or via email to tax.policy@dor.ga.gov.

(c) **Contents.** A letter ruling request must contain all relevant facts and information, including the following information:

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

1. Taxpayer Identification:

- (i) Name,
- (ii) Mailing address,
- (iii) Telephone number,
- (iv) E-mail address,
- (v) Taxpayer identification number of the taxpayer making the request, and

2. Preferred Communication. Taxpayer's preferred method of receiving notifications regarding the letter ruling (letter or email).

3. Power of Attorney. If the taxpayer is represented by a third party, the third party must submit a signed Power of Attorney.

4. Facts. The request must contain a complete statement of all relevant facts, including details of the entire transaction at issue, even if the request pertains to only a portion of that transaction. The statement of facts must outline facts contained in supporting documentation, and must not be merely incorporated by reference.

5. Evidentiary Documentation. The request must include true copies of all relevant documents and an analysis of their bearing on the issue(s), specifying pertinent provisions. All documents submitted will become part of the Department's file and will not be returned to the taxpayer.

6. Taxpayer's Position on Issue Posed. The request should indicate the taxpayer's position on the issue(s), including references to all relevant statutes, regulations, court decisions, or other written guidance, whether in support of or contrary to that position. Even if the taxpayer is not urging a particular outcome, the taxpayer should state the taxpayer's views on the issue and reference relevant authorities.

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

7. **Other Jurisdiction's Rulings.** If applicable, the request must include a statement that a ruling or determination has been, is being, or will be sought or has already been issued by another taxing authority or court on the same issue or transaction underlying the request. If another taxing authority or court has issued a ruling or determination, the request should include a copy of that ruling or determination
 8. **Expedition.** If requesting expedited treatment, the request must include a statement requesting an expedited ruling and the reasoning for such request. See paragraph (11) for reasons justifying an expedited request.
 9. **Redaction.** If requesting redactions of the public letter ruling in addition to those outlined in subparagraph (9)(a), the request should include a second copy of the request with the proposed redactions indicated by use of brackets.
 10. **Mandatory Representations.** Specific representations by the taxpayer making the request, certifying that:
 - (i) The taxpayer is not currently under audit by the Department;
 - (ii) The taxpayer has not been notified by the Department of a pending audit;
 - (iii) The taxpayer has not submitted a claim for refund involving transactions or issues contained in the request; and
 - (iv) The issues contained in the request are not currently the subject of litigation.
- (d) **Acknowledgement of Request.** The Department will notify the requesting taxpayer of its receipt of the letter ruling request. If expedited treatment was requested, the notification will address whether this request is granted.
1. **Requests for Additional Information.** If the Department receives a request that is missing required information or documents or the Department requires additional information or documents to address the request, the Department will notify the taxpayer in writing of the missing or additional information or documents. The taxpayer must provide the requested information or documents in accordance with the instructions in the notification within 30

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

days or the Department will close the request. The taxpayer may resubmit the request along with the missing or additional information or documents at any time.

- (e) If, prior to the issuance of a letter ruling, a taxpayer is notified of a pending audit by the Department, the taxpayer shall inform the auditor of the outstanding letter ruling request.
- (5) **Withdrawal of Requests.** A taxpayer may withdraw a letter ruling request in whole or in part at any time prior to the Department's issuance of the ruling. The withdrawal must be submitted in writing to the address in subparagraph (4)(b). The Department will retain all documents and information submitted and may consider any such documents or information in subsequent audits or examinations of the taxpayer's returns.
- (6) **Disposition of Letter Rulings.** Letter ruling requests will be completed in the order received, unless a request is granted expedited treatment. The Department will respond to all requests promptly, but timing will vary based on the volume of pending requests and the scope and complexity of the request. Rulings will be sent to the taxpayer.
 - (a) **Letter Ruling Contents.** Letter rulings will contain a statement of facts, an explanation of the law, and the application of the law to the facts.
- (7) **Effect of Rulings.**
 - (a) **No Precedent.** A letter ruling has no precedential value except to the taxpayer to whom the ruling was issued and only for the specific fact situation or transaction addressed in the ruling. A taxpayer may not rely on a ruling issued to another taxpayer.
 - (b) **Taxpayer's Reliance.** A taxpayer may rely on a ruling issued to that taxpayer unless and until the ruling is invalidated.
- (8) **Publication and Public Inspection of Rulings.** Letter rulings will be posted, in a redacted format, on the Department's website and made available in hard copy format for public inspection at the Department's headquarters. Any person wanting to inspect letter rulings should contact the Department to arrange a mutually convenient time during regular business hours to inspect the letter rulings. Any copies of letter rulings provided will be subject to a per page copying charge not to exceed ten cents per letter-sized page.

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

- (a) **Exception.** If the Department determines redaction of a letter ruling cannot sufficiently protect the identity of the requesting taxpayer or related parties, the letter ruling will not be published or made available for inspection.

(9) Redaction of Letter Rulings.

- (a) **Redacted Information.** Prior to making a letter ruling public, the Department will redact:

1. Names, mailing addresses, telephone numbers, email addresses, taxpayer identification numbers, and other identifying details of the taxpayer making the request and all other identified parties;
2. Tax return information;
3. Information required by federal or state statute or regulation to be kept confidential; and
4. Other information as the Department deems appropriate.

- (b) **Taxpayer's Proposed Redactions.** If a taxpayer wishes to have additional information not listed in section (a) of this paragraph redacted, the taxpayer should include a copy of the proposed redactions along with the original request.

- (c) **Taxpayer's Review.** Prior to making a letter ruling public, the Department will provide the taxpayer to whom the ruling is issued the proposed redacted version of the ruling. The taxpayer must respond to the proposed redacted ruling with any additional redactions and an explanation for such redactions within 30 days of receipt of the proposed redacted version. The Department will take into consideration the taxpayer's proposed redactions but will make the final determination as to the contents of the public version of the ruling. If the Department receives no response from the taxpayer within the 30-day period, the Department's proposed redacted version of the ruling will be made public.

(10) Invalidation of Letter Rulings.

- (a) **Causes.** A letter ruling may become invalid because of a change in law or policy.

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

- (b) **Automatic Invalidation.** A letter ruling may become invalid by operation of law through either a change in statute or regulation or an order of a court or tribunal with jurisdiction over the Department.
 - (c) **Invalidation through Administrative Discretion.** A letter ruling may become invalid due to an opinion of the Attorney General or an administrative change to the Department's policies.
 - (d) **Good Faith Reliance.** A taxpayer who acts in reliance on a ruling that is later invalidated will be deemed to have acted in good faith.
 - (e) **Material Deviation from Facts Presented.** A letter ruling request that reflects facts that vary materially from those detailed in the request or a transaction is not carried out substantially as proposed in the request is invalid. If the Department learns of such deviation, it will issue a revocation or modification of the original letter ruling. This revoked or modified letter ruling will serve as notice that the taxpayer may not rely on the original letter ruling.
- (11) **Expedited Letter Ruling.** Expedited letter rulings are rare and will only be granted in unusual cases.
- (a) **Treatment.** If a letter ruling is expedited, it means that a request is processed ahead of requests received before it. If expedited treatment is granted, the Department cannot guarantee that the letter ruling will be processed by the date requested.
 - (b) **Qualification.** Expedited treatment is granted only if the requesting taxpayer needs to obtain a letter ruling before a certain date to avoid serious consequences, the taxpayer submitted the request as promptly as possible, and the taxpayer could not have anticipated the need for such letter ruling earlier.
 - (c) **Procedure.** A statement requesting expedited handling should be submitted with the letter ruling request and include an explanation of the need for expedited treatment, a representation that the taxpayer filed the request as promptly as possible, and the requested date for the letter ruling's issuance.
 - (d) **Denial.** If the Department does not grant a request for expedited letter ruling, it will notify the taxpayer.
- (12) **Inapplicability.**

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

(a) **Informal Advice to Taxpayers.** Informal advice is not binding on the Department.

(b) **Other Rulings and Guidance.** This rule shall not apply to declaratory judgments sought pursuant to O.C.G.A. § 50-13-10.

Authority: O.C.G.A. §§ 48-2-12, 48-2-15.2, 50-13-11.

Rule 560-1-1-.12 Informal Conference

- (1) Upon receipt of a written request for a conference as statutorily authorized pursuant to O.C.G.A. §§ 48-2-35 or 48-2-46, the Department will schedule an informal conference at a time and in a manner convenient for both the taxpayer and the Department.
- (2) Informal conferences are conducted in person or by telephone, audio or video teleconference, or other electronic media. Conferences held in person will be held at the Department of Revenue headquarters' address as designated in Rule 560-1-1-.02(4).
- (3) Informal conferences will be held by a Department employee authorized in writing by the Commissioner to conduct such conferences.
- (4) An informal conference is not a hearing as defined in the Georgia Administrative Procedure Act, and will not prejudice the rights of any taxpayer or the Department. Conferences do not follow the rules of evidence and no formal record of the conference will be made.
- (5) The taxpayer should submit all documentation, relevant facts, and positions prior to the conference, either with the written request for the conference or to the Department employee who schedules the conference.
- (6) The taxpayer may be represented by an attorney, accountant, or other third party at the conference, but the third party must submit a signed Power of Attorney to act on the taxpayer's behalf or receive information relating to the taxpayer without the taxpayer present.
- (7) The Department does not make a determination at the conference but will issue a written ruling after reviewing, researching, and discussing all relevant facts, documents, and law. The Department may contact the taxpayer with additional questions, or if necessary, to schedule another conference.

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

- (8) If the Department believes that a conference will result in delay so as to jeopardize the Department's ability to assess or collect tax, the Department will issue a written determination of such finding and its final ruling on the underlying matter.

Authority: O.C.G.A. §§ 48-2-12, 48-2-35, 48-2-46, 48-2-47.

Rule 560-1-1-.14 Electronic Signature and Remote Notary

(1) Definitions

- (a) "Electronic Signature" means a typed name; a scanned or digitized image of a handwritten signature; a code, password, or PIN; a handwritten signature input on an electronic signature pad; a handwritten signature, mark, or command input on a display screen by means of a stylus or device; or other such electronic indication of intent to sign that also meets the following requirements:
1. The electronic signature is executed or adopted in a manner that shows the signer's intent to sign;
 2. The electronic signature is attached to or associated with the electronic document that is being signed;
 3. The electronic signature identifies and authenticates an individual as the signer and source of the electronic document;
 4. The electronic signature is linked to the document and cannot be excised, copied, or otherwise transferred to falsify an electronic document; and
 5. The electronic signature is tamper-proof to ensure that the signature applied to or associated with one document is not applied to or associated with another document.
- (b) "Remote Notarization" means a notarization that has been performed remotely in compliance with the laws of a state which permits remote notarization by the notary publics of that state.

(2) Acceptance of Electronic Signatures

**RULES
OF
DEPARTMENT OF REVENUE**

**CHAPTER 560-1
ADMINISTRATIVE UNIT**

**SUBJECT 560-1-1
ORGANIZATION**

- (a) In addition to the documents authorized for electronic signature in Ga. Comp. R. & Reg. § 560-3-2-.27, taxpayers and authorized third party representatives may submit electronic signatures on certain forms and documents authorized by the Commissioner through Department regulations, publications, policy bulletins, or other documents accepted as Department guidance.

(3) Acceptance of Remote Notarizations

- (a) The Department will accept remote notarizations from notary publics in states where remote notarization is permitted by law on documents that require a notary and are authorized by the Commissioner through Department regulations, publications, policy bulletins, or other documents accepted as Department guidance.

Authority: O.C.G.A. §§ 48-2-12, 10-12-1 *et seq.*