



Georgia Department of Revenue  
**Application for Certificate of Subordination of  
 State Tax Execution**

**Form CD-14134**  
 (December 2024)

Complete the entire application. Enter NA (*not applicable*), when appropriate. Attachments and exhibits should be included as necessary. Additional information may be requested of you or a third party to clarify the details of the transaction(s).

**You must attach written approval from your lender/finance company accepting subordination of a state tax execution.**

**1. Taxpayer Information** (*Individual or Business names on the state tax execution*):

Name ( <i>Individual First, Middle Initial, Last</i> ) ( <i>Business</i> ) as it appears on the tax execution)				Primary Social Security Number	
Name Continuation ( <i>Individual First, Middle Initial, Last</i> ) or ( <i>Business d/b/a</i> )				Secondary Social Security Number	
Address (Number Street, P.O. Box)				Employer Identification Number	
City	State	ZIP Code	Telephone Number	Fax Number	

**2. Applicant Information:** Check if also the Taxpayer (*If not the taxpayer, attach copy of lien. See Line 10.*)

Name ( <i>First, Middle Initial, Last</i> )				Relationship to taxpayer	
Address ( <i>Number, Street, P.O. Box</i> )					
City	State	ZIP Code	Telephone Number	Fax Number	

**3. Property Owner** Check if also the Applicant

Name ( <i>First, Middle Initial, Last</i> )				Relationship to taxpayer	
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**4. Attorney/Representative Information**

Name ( <i>First, Middle Initial, Last</i> )			Interested represented ( <i>e.g. taxpayer, lender, etc.</i> )		
Address ( <i>Number, Street, P.O. Box</i> )			Power of Attorney (RD-1061) or Disclosure Authorization Form (RD-1062) attached?    Yes    No		
City	State	ZIP Code	Telephone Number	Fax Number	

**5. Lender/Finance Company**

Company Name		Contact Name	Contact Phone Number
Type of transaction ( <i>For example, loan consolidation, refinance, etc</i> )			

**6. Monetary Information**

Amount of existing loan ( <i>if refinancing</i> ):
Amount of new loan:
Amount to be paid to the State of Georgia:

**7. Basis for Subordination:** Check the box below that best addresses what you would like the State of Georgia to consider in your application for subordination.

Choice 1 - the State of Georgia will receive an amount equal to the lien or interest to which the certificate of subordination is issued (*provide amount in Section 6 above*)

Choice 2 - the issuance of the certificate of subordination will increase the government's interest and make collection of the tax liability easier. (**Complete and attach a signed and dated statement describing how the amount the State of Georgia may ultimately realize will increase and how collection will be facilitated by the subordination.**)

Statement                      Attached                      N/A

**8a. Description of Property** (*for example, 3 bedroom house; 2002 Cessna twin engine airplane, serial number AT919000, etc.*)

**8b. Address of real property** (*if this is personal property, list the address where the property is located*):

Address (Number, Street, P.O. Box)		
City	State	ZIP Code
<b>FOR REAL ESTATE:</b> a legible copy of the deed or title showing the legal description is required.      Attached      N/A		

**9. Appraisal and Valuations**

<b>APPRAISAL</b> (Professional appraisal completed by a disinterested third party not mandatory for subordination)	Attached
<b>OR ONE OF THE FOLLOWING VALUATIONS:</b>	
County valuation of property ( <i>real property</i> )	Attached
Informal valuation of property by disinterested third party	Attached
Proposed selling price ( <i>for property being sold at auction</i> )	Attached
Other: _____	Attached

**10. Copy of state tax executions** (Complete if applicant and taxpayer differ)                      Attached                      Not attached

**OR** list the lien number(s) found near the top right corner on the lien document(s) (*if known*)


**11. Copy of the proposed loan agreement** (*if available*)                      Attached                      Not attached

**AND**

Describe how subordination is in the best interests of the State of Georgia:

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12. **Copy of a current title report** *(required for subordination)* Attached Not attached

**OR**

List encumbrances with seniority to the state tax lien. Include name and address of holder; description of encumbrance, e.g., mortgage, federal tax lien, etc.; date of agreement; original loan amount and interest rate; amount due at time of application; and family relationship, if applicable. Attach additional sheets as needed.

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13. **Copy of proposed closing statement (aka HUD-1)** Attached Not attached

**OR**

Itemize all proposed costs, commissions, and expenses of any transfer or sale associated with property (***Attach additional sheets as needed***):

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14. **Additional information** that may have a bearing on this request, such as pending litigation, explanations of unusual situations, etc., is attached for consideration. Yes No

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**15. Declaration**

Under penalties of perjury, I declare that I have examined this application, including any accompanying schedules, exhibits, affidavits, and statements and to the best of my knowledge and belief it is true, correct and complete.

\_\_\_\_\_  
Signature/Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature/Title

\_\_\_\_\_  
Date



## Instructions on how to apply for a **Certificate of Subordination of State Tax Execution**

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A Certificate of Subordination under the Georgia Public Revenue Code (O.C.G.A. 48-2-58) allows a named creditor to move their junior creditor position ahead of the State of Georgia's position for the property named in the certificate.

1. Complete Form CD-14134, *Application for Certificate of Subordination of State Tax Execution* attached with this publication.

2. Mail the completed Form CD-14134 and the appropriate attachments to:

**Georgia Department of Revenue  
Central Collections Section  
2595 Century Parkway  
Suite 339  
Atlanta, GA 30345-3173**

If you have any questions or want to know how much you owe in order to pay the lien(s) in full, call 1-404-417-6543, visit the nearest Department of Revenue (DOR) regional office, or contact the revenue officer assigned to your case.

### **Important!**

Please submit your application at least 30 days before the transaction date that the certificate of subordination is needed. Doing so will allow sufficient time for review, determination, notification and the furnishing of any applicable documents by the transaction date.

### **Information Required on the Application**

#### **Section 1 - Taxpayer Information**

1. Enter the name and address of the individual(s) or business as it appears on the state tax execution. A second name line is provided if needed.

2. Enter, if known, the last 4 digits of the social security number (SSN) or full employer identification number as it appears on the state tax execution.

3. Enter, if known and if applicable, the last 4 digits of any spousal SSN (secondary SSN) associated with the tax debt listed on the state tax execution.

4. Provide a daytime phone number and a fax number.

#### **Section 2 - Applicant Information**

1. Check the box on the first line of Section 2 if you are both the taxpayer and the applicant. If you are not the taxpayer, attach a copy of the lien.

2. If you have checked the box indicating that you are the taxpayer **and** your information is the same as listed on the lien, enter "same as taxpayer" on the name line.

3. If you are **not** the taxpayer **or** you are the taxpayer but your information is no longer the same as the information on the state tax execution, enter your name (include any name changes), current address, daytime phone number and fax number.

4. If you are **not** the taxpayer, enter in the box next to "Name" your relationship to the taxpayer (e.g. parent, uncle, sister, no relation, etc).

#### **Section 3 – Property Owner**

1. Check the box on the first line of Section 3 if you are both the property owner and the applicant.

2. Enter the name of the property owner. However, enter "same as applicant" if you have checked the box indicating you are both the applicant and the property owner.

3. Enter the property owner's relationship to the taxpayer (e.g., taxpayer, parent, no relation, etc.).

#### **Section 4 - Attorney/Representative Information**

This section is used to list the taxpayer's representative or a representative of a party other than the taxpayer, such as the lender, needing to receive information from the DOR. However, you do not need a representative to request a release of the state tax execution.

1. Check the box on the first line of Section 4 if you are attaching a Form RD-1062 (Disclosure Authorization Form) or Form RD-1061 (Power of Attorney) with your application. If you are attaching one of these forms, please make sure it is completely filled out, signed, and dated. You must provide one of these forms if the representative represents an interest other than the taxpayer.

2. Enter the name, address, phone number, and fax number of your representative in this action. The DOR will work with you and your representative to process your application. Enter "NA" on the name line if you are not using a representative.

3. Enter whose interest the representative represents (e.g., taxpayer, lender, title company, etc.). This allows the Department to determine what information can be shared with the representative.

**Section 5 – Lender/Finance Company**

Enter the company name, contact name, and phone number for the lender to whom the State of Georgia will be subordinating its interest.

**Section 6 – Monetary Information**

1. Enter the amount of your existing or outstanding financing.
2. Enter the amount of new financing you are seeking.
3. Enter the amount anticipated being paid toward the State of Georgia’s interest.

**Section 7 - Basis for Subordination**

A subordination may be granted for one of two reasons. Review the information below and select the reason which best applies to your subordination request. If the Department does not agree with your selection after its review, an explanation of the decision will be provided.

**Choice 1** - A subordination may be issued under this option if you pay an amount equal to the lien or interest to which the certificate subordinates the lien of the State of Georgia. The following example uses an 80% loan to value and a 3% closing cost to financing ratio.

**Example:**

	<u>Current/New</u>	<u>Original</u>
Fair Market Value	\$200,000	N/A
Refinance	\$160,000	\$145,000
Closing Costs	\$4,800	N/A
State of Georgia Interest	\$10,200	N/A

*In this example the State of Georgia’s interest is the equity you obtain from your refinanced loan after paying off the existing loan of \$145,000 and paying the closing costs to obtain the loan.*

- ▶  $\$200,000 \text{ property value} \times 80\% \text{ loan to value ratio} = \$160,000 \text{ refinance loan amount.}$
- ▶  $\$160,000 - \$145,000 \text{ loan payoff} = \$15,000 \text{ potential equity.}$
- ▶  $\$160,000 \times 3\% = \$4800 \text{ closing costs to obtain the loan.}$
- ▶  $\$15,000 \text{ potential equity} - \$4,800 \text{ closing costs} = \$10,200.$

*The DOR would ask for \$10,200 in return for the State of Georgia subordinating its interest to the refinanced loan. The lien remains on the property but the refinanced loan has priority over the lien.*

**Choice 2** – A subordination may be issued under this option if the DOR determines that the issuance of the certificate will increase the amount the State of Georgia realizes and make collection of the tax liability easier. This might involve a refinance to a lower interest rate which would, if the subordination were granted, allow a larger monthly repayment rate on the tax liability. For an application under this option, **complete** and **attach** a signed and dated statement describing how the amount the State of Georgia may

ultimately realize through this subordination will increase and how collection will be facilitated by the subordination.

**Section 8 - Description of Property**

1. Enter a detailed description of the collateral you will use for the loan or other financing. This is the collateral on which you want the lien interest subordinated to the loan or financing. **If this is real estate, you must provide the legal description.**
2. When the property is real estate include the type of property, for example, 3-bedroom house; etc. When the property is personal property include serial or vehicle numbers, as appropriate.
3. Provide the property’s physical address if it is real estate or provide the physical address where the property is located, if it is personal property.
4. Check the appropriate box to indicate whether you attached a copy of the title or deed to the property.

**Section 9 - Appraisal and Valuations**

1. Check the “Attached” box after “Appraisal” to indicate whether you have attached an appraisal by a disinterested third party. This is typically a professional appraisal providing a neighborhood analysis, description of the site, description of the improvements, cost approach, comparable sales, definition of market value, certification, contingent and limiting conditions, interior and exterior photos of the property, exterior photos of comparable sales used, comparable sales location map, sketch of subject property showing room layout, flood map, and qualifications of the appraiser. **This type of appraisal is not required for a certificate of subordination.**
2. Check the appropriate box under the “Or One of the Following Valuations” section to indicate which other type of property value verification is attached with your application.

**Section 10 – State Tax Executions**

This section is important when the applicant and the taxpayer are different. This section may be skipped if the applicant and the taxpayer are the same.

1. Check the “attached” box if you have attached copies of the state tax executions with your application.
2. If you checked the “not attached” box list the state tax execution number if available. If you do not have the number(s), enter “unknown” in the first box.

**Section 11 – Proposed loan agreement**

1. Check the “attached” box if you have attached the proposed mortgage contract **and** describe how subordination is in the best interests of the State of Georgia.
2. If you checked the “not attached” box, describe how subordination is in the best interests of the State of Georgia.

**Section 12 – Current Title Report**

1. Check the “attached” box if you attached the title report. This is required for subordination.

2. If you checked the “not attached” box **and** the title report is not attached, use the space provided to list any encumbrances (liens or claims) against the property and whether those encumbrances are senior to the State of Georgia’s lien interest. Include the name and address of the holder; description of the encumbrance, e.g., mortgage, state lien, etc.; date of agreement; original loan amount and interest rate; amount due at time of application; and family relationship, if applicable. Attach a separate sheet titled “Section 12” if there is not enough space provided on the form.

### Section 13 – Proposed Closing Statement

1. Check the “attached” box if you attached the proposed closing statement. This statement is often referred to as a HUD-1.
2. If you checked the “not attached” box, use the space provided to itemize all proposed costs, commissions, and expenses of any transfer or sale associated with property.
3. Attach a separate sheet titled “Section 13” with the information in item # 2 above if there is not enough space provided on the form.

### Section 14 - Additional Information

1. Check the “yes” indicating whether you are attaching other documents relevant to the subordination application. This could include affidavits or court documents.
2. Check the “no” if you do not have any additional documentation.

### Section 15 - Declaration

The applicant or their authorized Power of Attorney signs the application form. You must sign your application under penalties of perjury attesting to having examined the application, accompanying schedules or documents, exhibits, affidavits, and statements and declaring to the best of your knowledge and belief that it is true, correct and complete.

## Frequently Asked Questions

### Q1: When do I make a payment?

The option under which the certificate of subordination will be issued or granted determines the details regarding making a payment.

- Subordination under choice 1 of Section 7 of this application requires a payment, but do not send a payment with the application. The DOR agent handling the matter will notify you after determining the amount due and when to send payment.
- Subordination under choice 2 of Section 7 of this application **may require a payment** and/or other payment options (such as an installment payment plan) depending on how the subordination will increase the amount the State of Georgia will ultimately realize and how collection will be facilitated by the subordination.

### Q2: What is an acceptable form of payment?

Make payments by certified check, cashier’s check, or treasurer’s check, or a closing attorney’s escrow check. If you pay by personal check, issuance of the certificate of subordination **will be delayed** until the bank honors the check.

### Q3: Who makes the decision to issue a Certificate of Subordination?

The Department’s Compliance Division staff will review and verify the information provided, determine whether a certificate of subordination should be issued, and contact you, your representative, or any person relative to the transaction for additional information.

The State Revenue Commissioner has the responsibility to review and approve the determination. If approved, you will receive a conditional commitment letter.

### Q4: When will I receive the Certificate of Subordination?

Under choice 1 of Section 7 of this application, you will receive the certificate after the Department receives payment of the amount determined by the Department to be the interest of the State of Georgia in the property subject to the state tax execution.

Under choice 2 of Section 7 of this application, you will receive the certificate after the Department investigates your application, verifies the information contained therein, and, if appropriate, receives either payment or other payment arrangement of an amount dependent upon how the subordination will increase the amount the State of Georgia will ultimately realize and how collection will be facilitated by the subordination.

The DOR agent handling the matter will notify you of the decision, any payment or payment arrangement (if applicable), and a projected date for mailing of the certificate of subordination.