**Georgia Department of Revenue**

For Educational Purposes Only: The material within is intended to give the course participant a solid understanding of general principles in the subject area. As such, the material may not necessarily reflect the official procedure and policies of the Georgia Department of Revenue or the Department's official interpretation of the laws of the State of Georgia. The applicability to specific situations must be determined on a case-by-case basis.

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**Georgia Department of Revenue**

Georgia Association of Tax Officials
May 10-12, 2016
Opening Session

Local Government Services
Ellen Mills, Director



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**Georgia Department of Revenue**

LEGISLATION

3

Georgia Department of Revenue

Local Legislation

- Forsyth
- Fulton
- Lowndes
- Muscogee
- Telfair

4

Georgia Department of Revenue

HB1102 - Forsyth County

HB1102 provides for a referendum to amend eligibility for an existing local school homestead exemption by adding a paragraph that requires **minor children** in the home to be the applicant's natural, adopted or foster children

5

Georgia Department of Revenue

HB514 - Fulton County

Fulton County currently consists of 346,043 taxable parcels. The 2015 tax digest indicates that only 42,128 parcels remain in the unincorporated area of the county

HB514 provides for a district-wide referendum to create the **City of South Fulton** which could eliminate all unincorporated area of the county

6



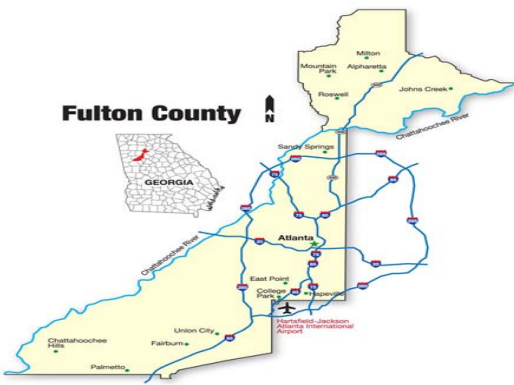
Georgia Department of Revenue

Fulton Municipalities

- Alpharetta
- Atlanta
- Chattahoochee Hills
- College Park
- East Point
- Fairburn
- Hapeville
- Johns Creek
- Milton
- Mountain Park
- Palmetto
- Roswell
- Sandy Springs
- Union City

7

Fulton County



8



Georgia Department of Revenue

HB1044 - Lowndes County

A local constitutional amendment adopted in 1972 provides for an **elected board of assessors** in Lowndes County. They are the only elected BTA in the state.

HB1044 provides for a countywide referendum to **repeal** that provision changing the board to an appointed body


9

Georgia Department of Revenue

HB1104 - Muscogee County

Local constitutional amendment adopted in 1963 **freezes property values** as of a certain point in time in which ownership is assumed. The amendment is truly a freeze foregoing the requirement of yearly fair market valuation

HB1104 provides for a countywide referendum to **reset the base year to 2016 values.**




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Georgia Department of Revenue

SB438 - Telfair County

Local constitutional amendment adopted in 1963 **prohibits county officers from succeeding themselves after having served two successive terms** and from holding any other elective county office within a four-year period following a second successive term of office

SB438 provides for a countywide referendum to **repeal** that limitation



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Georgia Department of Revenue

Other Local Bills of note:

Candler – advisory referendum on hospital levy

Carroll – changing collection fee for school to 2.5%

Crawford – consolidating government w/ Roberta


Haralson – changing fee structure for tax commissioner

Decatur –amending homestead

McDuffie – creating homestead


Varnell - creating homestead

12


**Georgia Department of Revenue**

**Local Bills implementing
Hotel-Motel Excise Tax**


Bartow, Cartersville,
Cherokee, Eatonton,
Emerson, Jenkins,
Screven, Spalding,
Thomas, Thomasville,
Warner Robins




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**Georgia Department of Revenue**

Statewide Legislation



14


**Georgia Department of Revenue**

Effective 7/1/16


**House Bill 51
Redemption of Property sold at tax sale**

O.C.G.A. 48-4-40

The amount required to be paid
for redemption for any sale after
July 1, 2002, shall be the amount
paid for the property at tax sale
(shown on the tax deed) plus....



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Georgia Department of Revenue

Effective 7/1/16


House Bill 51

Redemption of Property sold at tax sale

O.C.G.A. 48-4-40

- Any tax paid by purchaser
- Any special assessments
- Premium of 20% for 1st year; and
- 10% each year after

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Georgia Department of Revenue

Effective 7/1/16


House Bill 51

Redemption of Property sold at tax sale

O.C.G.A. 48-4-40

If redemption is made more than 30 days after the notice provided in 48-4-45 (notice of foreclosure of right to redeem), there shall be added to the amount required....

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Georgia Department of Revenue

Effective 7/1/16

House Bill 51

Redemption of Property sold at tax sale

O.C.G.A. 48-4-40

- the sheriff's cost in connection with serving the notice; and
- the cost of publication of any notice.

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Georgia Department of Revenue

Effective 7/1/16

House Bill 51 Redemption of Property sold at tax sale

O.C.G.A. 48-4-40

In addition, for sales after July 1, 2016, there shall also be added ...

- Property owners association fees paid from date of sale to date of redemption
- Condo fees paid
- Homeowners association fees paid

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Georgia Department of Revenue

Croft v. Fairfield Plantation Property Owners Association Inc

Georgia Court of Appeals – Decided Oct 27, 2005

Croft purchased seven lots at Tax Sale

Subdivision covenants require every person acquiring title (legal or equitable) to pay HOA fees

Croft argued that the Tax Sale deed was not a fee simple title but only a defeasible title and therefore insufficient to trigger HOA membership



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Georgia Department of Revenue

Croft v. Fairfield Plantation Property Owners Association Inc

Georgia Court of Appeals – Decided Oct 27, 2005

- Court of Appeals agreed Tax Sale Deed was not fee simple title but said tax deed was sufficient to trigger membership in HOA
 - Patterson v Florida Realty... (Supreme Court) purchaser at a tax sale "acquires an interest in the property even during the time within which it might be redeemed, which is sufficient to render him liable for taxes accruing upon the property."
- Tax deed renders purchaser liable for HOA fees...otherwise the tax sale purchaser could keep the redemption period alive indefinitely and reap the benefit of value increases while avoiding obligation to pay for maintenance

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Georgia Department of Revenue


Effective 7/1/16

Summary


House Bill 51

Redemption of Property sold at tax sale

Person redeeming property sold at tax sale must also pay Home Owners Association fees



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Georgia Department of Revenue

Effective 7/1/16


House Bill 364

Review of Tax Digest – Illegal Taxation

O.C.G.A. 48-5-342

The commissioner may examine the itemizations of property appearing on the digest

Property Description	Code	Full Market Value	40% Homestead Exemption	Tax Amount	Exemption Amount	Net Taxable Value	State Tax	Local Tax	Net Tax
HERNDONVILLE, GEORGIA 31754	01	10,000	4,000	1,200	0	6,000	1,800	0	1,800
PROPERTY ON 1/1/16		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2015-16		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2014-15		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2013-14		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2012-13		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2011-12		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2010-11		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2009-10		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2008-09		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2007-08		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2006-07		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2005-06		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2004-05		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2003-04		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2002-03		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2001-02		10,000	4,000	1,200	0	6,000	1,800	0	1,800
2000-01		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1999-00		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1998-99		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1997-98		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1996-97		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1995-96		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1994-95		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1993-94		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1992-93		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1991-92		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1990-91		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1989-90		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1988-89		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1987-88		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1986-87		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1985-86		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1984-85		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1983-84		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1982-83		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1981-82		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1980-81		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1979-80		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1978-79		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1977-78		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1976-77		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1975-76		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1974-75		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1973-74		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1972-73		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1971-72		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1970-71		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1969-70		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1968-69		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1967-68		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1966-67		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1965-66		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1964-65		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1963-64		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1962-63		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1961-62		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1960-61		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1959-60		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1958-59		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1957-58		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1956-57		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1955-56		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1954-55		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1953-54		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1952-53		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1951-52		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1950-51		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1949-50		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1948-49		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1947-48		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1946-47		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1945-46		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1944-45		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1943-44		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1942-43		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1941-42		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1940-41		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1939-40		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1938-39		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1937-38		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1936-37		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1935-36		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1934-35		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1933-34		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1932-33		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1931-32		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1930-31		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1929-30		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1928-29		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1927-28		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1926-27		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1925-26		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1924-25		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1923-24		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1922-23		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1921-22		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1920-21		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1919-20		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1918-19		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1917-18		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1916-17		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1915-16		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1914-15		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1913-14		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1912-13		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1911-12		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1910-11		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1909-10		10,000	4,000	1,200	0	6,000	1,800	0	1,800
1908-0									



Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – Illegal Taxation

O.C.G.A. 48-5-342

...the commissioner shall strike such items and return the digest to the county for removal of such items and resubmission.

25



Effective 7/1/16


Georgia Department of Revenue

House Bill 364


Review of Tax Digest – Taxpayer Complaint

O.C.G.A. 48-5-342

The examination may be upon the commissioners own initiative or upon complaint by a taxpayer.



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Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – Rules for Appeal

O.C.G.A. 48-5-342

The commissioner shall provide rules and regulations on procedures by which the board of assessors may appeal the findings of the commissioner.

27



Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – Rules for Appeal

O.C.G.A. 48-5-342

If appealed by the board of assessors, the commissioner shall review and issue a final order regarding the taxability of the digest items and shall finalize the digest.

28



Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – Correct & Recertify

O.C.G.A. 48-5-342

If a property has been found by the commissioner to not be subject to taxation and again appears on the digest at any time within five years of the initial determination and is again determined to be nontaxable...

29



Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – Correct & Recertify

O.C.G.A. 48-5-342

... the commissioner shall strike such item from the digest and return the digest to the county for removal of such items and resubmission to the commissioner.

30



Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – Revoke QLG status


O.C.G.A. 48-5-342

The commissioner shall also notify the Department of Community Affairs in writing of his or her finding...

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Georgia Department of Revenue



- Created in 1977 to serve as an advocate for local governments
- The mission of DCA is to partner with communities to promote and implement economic development, local government assistance, and safe and affordable housing.

32



Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – Revoke QLG status



O.C.G.A. 48-5-342

...upon receipt of such notice, the qualified local government status of such county shall be revoked for three years unless reinstated earlier pursuant to this subsection...

33




Georgia Department of Revenue

Appalachian Regional Commission Economic Development Grant Program; Better Home Town /Main Street Program; Bond Allocation Program; CDBG Loan Guarantee Program; Capital Felony Expense Program; Community Development Block Grant; Downtown Development Revolving Loan Fund; Employment Incentive Program; Georgia Downtown Renaissance Fund; Immediate Threat and Danger Grant; Life Sciences Facilities Fund; Local Development Fund; Local Jail Improvement Grant; OneGeorgia Programs; Redevelopment Fund Programs; Regional Economic Business Assistance Program; Georgia Environmental Finance Authority – all funding/financial programs; Georgia Department of Natural Resources – Coastal Incentives Grant, Land and Water Conservation Programs, Historic Preservation Fund Grant, and Georgia Heritage Grant....

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Georgia Department of Revenue

Effective 7/1/16


House Bill 364

Review of Tax Digest – Remove Assessors

O.C.G.A. 48-5-342

Upon revocation, the county governing authority, without regard to any limitation of Code 48-5-295, shall be specifically authorized to **remove every member of the board of tax assessors** and reappoint new members who shall serve for the unexpired terms.

35



Georgia Department of Revenue

Effective 7/1/16


House Bill 364

Review of Tax Digest – Reinstate QLG status

O.C.G.A. 48-5-342

The county governing authority shall provide written notice of removal and new appointment to the commissioner...

36



Georgia Department of Revenue

Effective 7/1/16


House Bill 364

Review of Tax Digest – Reinstatement QLG status

O.C.G.A. 48-5-342

...Upon certification of the corrected digest, the commissioner shall notify in writing the Department of Community Affairs, and upon receipt, DCA shall immediately reinstate the QLG status.

37



Georgia Department of Revenue

Effective 7/1/16


House Bill 364

Review of Tax Digest – Petition for Refund with GTT

O.C.G.A. 48-5-342

Taxpayer shall be entitled to file a petition for refund directly to the **Georgia Tax Tribunal**.

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Georgia Department of Revenue

Georgia Tax Tribunal

Chief Judge Larry O'Neal


The Georgia Tax Tribunal is a specialized court which was established as an autonomous division within the Office of State Administrative Hearings.

The Georgia Tax Tribunal conducts trials of contested cases involving the Georgia Department of Revenue



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Effective 7/1/16


Georgia Department of Revenue


House Bill 364
Review of Tax Digest – Petition for Refund with GTT

O.C.G.A. 48-5-342

...The refund shall include interest equal to the **bank prime loan rate plus 3%** calculated from the date of payment...

<http://www.federalreserve.gov/releases/H15/data.htm>

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FEDERAL RESERVE statistical release

H.15 (519) SELECTED INTEREST RATES For use at 2:30 p.m. Eastern Time
December 20, 2010

Yields in percent per annum

Instruments	2010 Dec 13	2010 Dec 14	2010 Dec 15	2010 Dec 16	2010 Dec 17	Week Ending Dec 17 Dec 10		2010 Nov
Federal funds (effective) ^{1,2,3}	0.17	0.19	0.20	0.20	0.20	0.17	0.18	0.19
Commercial Paper ^{4,5,6}								
Nonfinancial								
1-month	0.17	0.19	0.24	0.21	0.18	0.20	0.20	0.20
2-month	0.21	0.22	0.22	0.21	n.a.	0.22	0.22	0.21
3-month	0.22	0.29	n.a.	0.24	n.a.	0.25	0.23	0.23
Financial								
1-month	0.18	0.15	0.21	0.18	0.18	0.17	0.21	0.21
2-month	0.22	0.23	0.22	0.22	0.22	0.22	0.23	0.23
3-month	0.29	0.28	0.25	0.25	0.28	0.27	0.28	0.25
CDs (secondary market) ^{7,8}								
1-month	0.25	0.25	0.28	0.28	0.28	0.28	0.25	0.23
3-month	0.30	0.29	0.29	0.30	0.30	0.30	0.29	0.27
6-month	0.40	0.40	0.40	0.42	0.42	0.41	0.40	0.35
Eurodollar deposits (London) ^{9,10}								
1-month	0.32	0.32	0.32	0.32	0.32	0.32	0.33	0.33
3-month	0.38	0.38	0.39	0.39	0.39	0.39	0.39	0.40
6-month	0.55	0.55	0.55	0.55	0.55	0.55	0.58	0.60
Bank prime loan ^{11,12}	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25

Effective 7/1/16



Georgia Department of Revenue

House Bill 364
Review of Tax Digest – Petition for Refund with GTT

O.C.G.A. 48-5-342

...The taxpayer is also entitled to attorney fees in an amount of not less than 15% nor more than 40% of the total of the illegally charged tax and accrued interest.

42



Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – Petition for Refund with GTT

O.C.G.A. 48-5-342

The petition to the Georgia Tax Tribunal shall name the board of tax assessors and **the tax commissioner** as the respondent in their official capacities and shall include a summary statement of facts and law upon which the petitioner relies.

43



Effective 7/1/16

Georgia Department of Revenue


House Bill 364

Review of Tax Digest – GA Tax Tribunal

O.C.G.A. 48-5-342

The board of tax assessors and the tax commissioner as respondents shall file a response to the statements of facts and law which constitutes their answer with the tribunal no later than 30 days after the service of the petition.

44



Effective 7/1/16

Georgia Department of Revenue

House Bill 364

Review of Tax Digest – GTT Default

O.C.G.A. 48-5-342

The case shall automatically be in default for any failure to respond unless the time for filing has been extended by agreement of the parties...

45



Georgia Department of Revenue

Effective 7/1/16

House Bill 364 Review of Tax Digest – GTT Default

O.C.G.A. 48-5-342

...The default may be opened by filing within 15 days or the GTT judge may open the default for cause, for excusable neglect, or the judge determines that a proper case has been made for the default to be opened.

46



Georgia Department of Revenue

Effective 7/1/16

Questions

House Bill 364 Review of Tax Digest – Illegal Taxation

- Commissioner to reject digest when exempt property is taxed – will write regulations
- Disqualify county for DCA grants and loans
- Remove Board of Assessors
- Refund petition at Georgia Tax Tribunal names Assessor and **TAX COMMISSIONER** as respondent

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Georgia Department of Revenue

House Bill 547 Amends Years Support


1. Years support is the right to **inherit property** upon the death of a spouse or the death of parent of a minor child regardless of what is written in a will and with some exceptions regardless of debts owed.
2. Years support can also **extinguish ad valorem tax** on real property included in the petition.

48

**Georgia Department of Revenue**




49

**Georgia Department of Revenue**Effective 7/1/16


House Bill 547
Years Support – Homestead

O.C.G.A. 53-3-4

The term ‘homestead’ shall have the same meaning as in code section 48-5-40.




50

**Georgia Department of Revenue**

48-5-40...."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. ...

51




Georgia Department of Revenue

Effective 7/1/16

House Bill 547
Years Support – Homestead


O.C.G.A. 53-3-4

All taxes and liens for taxes accrued for years prior to year of death **against the homestead** shall be divested



Additionally by election, property taxes accrued in year of death or year petition is filed; **OR**

52




Georgia Department of Revenue

Effective 7/1/16

House Bill 547
Years Support – No Homestead


O.C.G.A. 53-3-4

If the homestead is not claimed, all taxes and liens for taxes accrued for years prior to the year of the decedent's death **against the real property** shall be divested.



Additionally in either case, by election...property taxes accrued in year of death or year petition is filed.

53




Georgia Department of Revenue

Summary
House Bill 547
Amends Years Support

- Any real property included in the estate may be included in the petition for years support; however
- If homestead is claimed only the taxes on the homestead are divested; and
- If no homestead is claimed then taxes on the real property may be divested

54


Georgia Department of Revenue


Questions

House Bill 547

Amends Years Support


- Could someone exclude the homestead in petition and file for tax divest on other real property
- Could someone outside state get YS
- Would someone with homestead in another state be limited to YS

55


Georgia Department of Revenue
Effective 7/1/16

House Bill 579


Farm Use Vehicle




Farm Use Vehicle means an all-terrain vehicle or personal transportation vehicle....Farmer who is 16 or older may operate a farm use vehicle on any public road or highway of the state:

Emblem is affixed

Vehicle is actively used



56


Georgia Department of Revenue
Effective 5/3/16

House Bill 769

Exemption – Watercraft & All-Terrain Vehicles


O.C.G.A. 48-5-504.40

'All-terrain vehicle' means any motorized vehicle designed for off-road use which is equipped with four low-pressure tires, a seat designed to be straddled by the operator, and handlebars for steering.

57





**Georgia Department of Revenue**

What about farm equipment dealers

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.

60









Georgia Department of Revenue

Effective 5/3/16


House Bill 769

Exemption – Watercraft & All-Terrain Vehicles

O.C.G.A. 48-5-504.40

‘Dealer’ means any person engaged in the business of selling watercraft or all-terrain vehicles at retail.





Georgia Department of Revenue

Effective 5/3/16


House Bill 769

Exemption – Watercraft & All-Terrain Vehicles

O.C.G.A. 48-5-504.40

Watercraft and all-terrain vehicles owned by dealer and held in inventory for sale or resale shall not be returned and **shall not be taxed** and no taxes shall be collected until they are transferred and then otherwise, if at all, become subject to taxation.

65



Georgia Department of Revenue


Effective 5/3/16

Summary


House Bill 769

Exemption – Watercraft & All-Terrain Vehicles

- Removed the sunset in the watercraft exemption code
- Added ATVs to the exemption



66



Georgia Department of Revenue

Effective 5/3/16


Questions

House Bill 769

Exemption – Watercraft & All-Terrain Vehicles

- Can other ATVs qualify as farm equipment

67



Georgia Department of Revenue


Effective 5/3/16

House Bill 862


Disabled Veteran - Free License Plate

O.C.G.A. 40-2-69

‘**Disabled Veteran**’ shall have the same meaning as that term is defined in paragraph (1) of subsection (a) of Code Section **48-5-48**.



68



Georgia Department of Revenue


Effective 5/3/16

House Bill 862

Disabled Veteran – MV Ad Valorem and TAVT


O.C.G.A. 48-5-478

‘Disabled Veteran’ shall have the same meaning as that term is defined in paragraph (1) of subsection (a) of Code Section **48-5-48**.



69


Effective 5/3/16

 **Georgia Department of Revenue**

House Bill 862
Disabled Veteran – Homestead


O.C.G.A. 48-5-48

‘Disabled Veteran’ means...any veteran who is a citizen and a resident of this state who was discharged under honorable condition and who has been adjudicated by the Veteran Affairs as having a service related disability that renders such veteran as being 100% totally disabled or as being less than 100% but is compensated at the 100% level due to individual unemployability or is entitled to receive



70

Effective 5/3/16


 **Georgia Department of Revenue**

Summary
House Bill 862
Disabled Veteran

- Equalizes the exemption qualification for ...
 - DV Tag,
 - Exemption from MV tax (ad valorem and TAVT, and
 - Homestead exemption.
- Corrects error in homestead code by changing ‘and’ to ‘or’

71

Effective 7/1/16

 **Georgia Department of Revenue**


House Bill 935
Freeport Level 1 – Fulfillment Center

48-5-48.1

Application for Level 1 Freeport shall provide for:

1. Raw materials and goods in process
2. Finished goods held by manufacturer
3. Finished goods held less than 12 months by Distributor and destined for out of state shipment
4. Stock in trade of a fulfillment center

72



Effective 7/1/16

Georgia Department of Revenue


House Bill 935

Freeport Level 1 – Fulfillment Center

48-5-48.1

A schedule of **stock in trade of a fulfillment center** which on January 1 are stored in the fulfillment center. The information required by code 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 subdivision thereof, shall not be required to be included as a part of or to accompany the application for such exemption.

73



Effective 7/1/16

Georgia Department of Revenue


House Bill 935

Freeport Level 1 – Fulfillment Center

48-5-48.2

Fulfillment Center means, for purposes of a level 1 freeport exemption, a business **located in Georgia** which is used to **pack, ship, store, or otherwise process** tangible personal property **sold by electronic, 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.

74



Effective 7/1/16

Georgia Department of Revenue


House Bill 935

Freeport Level 1 – Fulfillment Center

48-5-48.2


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.

75



Georgia Department of Revenue

<http://www.bing.com/videos/search?q=home+depot+distribution+youtube&adlt=strict&qvt=home+depot+distribution+youtube&view=detail&mid=C38E2F73F97346003E15C38E2F73F97346003E15&FORM=VRDGAR>






Georgia Department of Revenue

<http://amazonfulfillmentcareers.com/amazon-fulfillment/about-fulfillment/>



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Georgia Department of Revenue

Effective 7/1/16

House Bill 935


Freeport Level 1 – Fulfillment Center

48-5-48.2

The governing authority, **subject to approval by the electors**, may exempt...

Stock in Trade of a Fulfillment Center which on January 1, are stored in a fulfillment center and which are made available to remote purchasers who may make such purchases by electronic, 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.

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Georgia Department of Revenue

Effective 7/1/16


House Bill 935

Freeport Level 1 – Fulfillment Center

48-5-48.2

The exemption provided for in this paragraph shall be **for a period not exceed 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.

79



Georgia Department of Revenue

Effective 7/1/16


House Bill 935

Freeport Level 1 – Fulfillment Center

48-5-48.2

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.

80



Georgia Department of Revenue

Effective 7/1/16


House Bill 935

Freeport Level 1 – Fulfillment Center

48-5-48.2

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.

81



Georgia Department of Revenue
Effective 7/1/16


Summary

House Bill 935

Freeport Level 1 – Fulfillment Center

- Creates a category 4 under Freeport Level 1
- Governing Authority must adopt resolution to call for county referendum
- Voters must approve Category 4
- If approved by voters, Governing Authority must adopt resolution setting percentage of exemption

82



Georgia Department of Revenue


Freeport Level 2

48-5-48.5

48-5-48.6


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.

Putnam County



County seat	Eatonton
Population	21,353
Size	361 square miles
Parcel Count	18,852
2015 Freeport	21,317,370
2015 Inventory	10,555,448

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Georgia Department of Revenue

Freeport Level 1 – Category 4 (Fulfillment Center)

Freeport Level 2


- Will require amendments to regulations and new application forms for 2017 tax year

PT - 50 PF

APPLICATION FOR FREEPORT EXEMPTION INVENTORY

TAX YEAR	IF ASSISTANCE NEEDED CALL	ACCOUNT NUMBER	
DATE	MAP AND PARCEL ID. NO.	NACHS NO.	
RETURN COMPLETED FORM TO ADDRESS LISTED BELOW			
COUNTY NAME AND RETURN ADDRESS		TAXPAYER NAME AND ADDRESS	

84



Georgia Department of Revenue

Effective 7/1/16


House Bill 960

Confidential Records

48-2-15

(a) Except as otherwise provided in this Code section, information secured by the commissioner incident to the administration of any tax shall be confidential and privileged. ...

85



Georgia Department of Revenue

Effective 7/1/16


House Bill 960

Confidential Records

48-2-15

(a) ... Neither the commissioner nor any officer or employee of the department shall divulge or disclose any such confidential information obtained from the department's records or from an examination of the business of any taxpayer to any person other than the commissioner, an officer or employee of the department, an officer of the state or local government entitled in his official capacity to have access to such information, or the taxpayer.

86



Georgia Department of Revenue

Effective 7/1/16

House Bill 960


Confidential Records

48-2-15

(b) This Code section shall not:

- (1) prevent the use of confidential information as evidence before any state or federal court in the event of **litigation involving tax liability** of any taxpayer;
- (2) Be deemed to prevent the print or electronic **publication of statistics** so arranged as not to reveal information respecting an individual taxpayer;
- (3) Apply in any way whatsoever to any official finding of the commissioner with respect to any assessment or any **information properly entered upon an assessment roll or other public record**;

87



Effective 7/1/16

Georgia Department of Revenue

House Bill 960

Confidential Records


48-2-15

(b) This Code section shall not:

(4) Affect any information which in the **regular course of business** is by law made the subject matter of a public document in any federal or state office or in any local office in this state; or

(5) Apply to information, records, and reports required and obtained under Article 1 of Chapter 9 of this title, which requires distributors of **motor fuels to make reports** of the amounts of motor fuels sold and used in each county by the distributor, or under Article 2 of Chapter 9 of this title, relating to road tax on motor carriers: or

88



Effective 7/1/16

Georgia Department of Revenue

House Bill 960

Confidential Records


48-2-15

(b) This Code section shall not:

(6) Be construed to prevent the disclosure of information, so arranged as not to reveal information respecting an individual taxpayer, **requested by the House Committee on Ways and Means or the Senate Finance Committee** regarding the department's administration of any tax.

(f) This Code section shall not be construed to prohibit disclosure as required in subsection (h) of Code Section 48-2-35.

89



Effective 7/1/16

Georgia Department of Revenue

House Bill 960


Refunds - Interest

48-2-35

(a) A taxpayer shall be refunded any and all taxes or fees which are determined to have been erroneously or illegally assessed and collected from such taxpayer under the laws of this state, whether paid voluntarily or involuntarily,...

90


Effective 7/1/16


Georgia Department of Revenue

House Bill 960
Refunds - Interest


48-2-35

(a) ... and shall be refunded interest, except as provided in subsection (b) of this Code section, on the amount of the taxes or fees from the date of payment of the tax or fee to the commissioner at an annual rate 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, to accrue monthly.**



91


Effective 7/1/16


Georgia Department of Revenue


House Bill 960
Refunds - Interest


48-2-35

(a) ...Such annual interest rate shall be determined for each calendar year based on the first weekly posting of statistical release H.15 on or after **January 1 of each calendar year.**



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Georgia Department of Revenue



FEDERAL RESERVE statistical release


H.15 (519) SELECTED INTEREST RATES For use at 2:30 p.m. Eastern Time
January 4, 2016

Yields in percent per annum

Instruments	2015 Dec 28	2015 Dec 29	2015 Dec 30	2015 Dec 31	2016 Jan 1*	Week Ending Jan 1	2015 Dec 25	2015 Dec
Federal funds (effective) ^{1,2,3}	0.36	0.36	0.35	0.20	0.20	0.36	0.37	0.24
Commercial Paper ^{4,5,6}								
Nonfinancial								
1-month	n.a.	0.32	0.33	0.34		0.33	0.31	0.28
2-month	n.a.	0.34	0.36	0.38		0.37	0.39	0.33
3-month	n.a.	n.a.	0.42	0.42		0.42	0.44	0.36
Financial								
1-month	n.a.	n.a.	n.a.	0.40		0.40	0.38	0.30
2-month	n.a.	n.a.	n.a.	n.a.		n.a.	0.49	0.40
3-month	0.57	0.57	0.57	0.54		0.56	0.58	0.54
Eurodollar deposits (London) ⁷								
1-month	0.50	0.50	0.50	0.50		0.50	0.49	0.38
3-month	0.70	0.70	0.70	0.70		0.70	0.70	0.62
6-month	0.90	0.90	0.90	0.90		0.90	0.90	0.82
Bank prime loan ^{8,9}	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.37

93


Effective 7/1/16

 **Georgia Department of Revenue**

House Bill 960
Refunds - Interest


48-2-35

For the purposes of this Code section, any period of less than one month shall be considered to be one month.



94

Effective 7/1/16

 **Georgia Department of Revenue**


Appeal Code 48-5-311(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.

95

Effective 7/1/16


 **Georgia Department of Revenue**

House Bill 960
Refunds - Interest

48-2-35

...Refunds shall be drawn from the treasury on warrants of the Governor issued upon itemized requisitions showing in each instance the person to whom the refund is to be made, the amount of the refund, and the reason for the refund.

96



Effective 7/1/16

Georgia Department of Revenue


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(f) For purposes of all claims for refund of sales and use taxes erroneously or illegally assessed and collected, the term 'taxpayer,' as defined under Code Section 48-2-35.1, shall apply. Such claim for refund shall contain the total refund claimed and the allocation of the local sales and use tax by the political subdivision.

97



Effective 7/1/16

Georgia Department of Revenue


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(g) Any taxpayer required to pay taxes electronically in accordance with paragraph (2.1) of subsection (f) of Code Section 48-2-32 shall also file any claims for refund electronically. The department shall make claim for refund forms consistent with this subsection electronically available.

98




Effective 7/1/16

Georgia Department of Revenue

House Bill 960

Refunds – Sales and Use Tax


48-2-35



(h)(1) As used in this subsection, the term;

(A) Political subdivision designee' means the chief officer or officers designated by the political subdivision to receive information about a refund claim of local significance pursuant to this subsection. Each political subdivision shall certify to the commissioner that any such designee is so authorized on a form and in a manner prescribed by the department

99



Effective 7/1/16

Georgia Department of Revenue


House Bill 960

Refunds – Sales and Use Tax


48-2-35

(h)(1) As used in this subsection, the term;

(B) **'Refund claim of local significance'** means a taxpayer's claim for refund of sales and use taxes erroneously or illegally assessed and collected or the departments discovery of any overpayment of such taxes, if such claim for refund or overpayment is for an **amount equal to or greater than 10 percent** of the total yearly average of aggregate sales and use tax distributions to any single political subdivision base don the average of the three most recent calendar years.



100



Effective 7/1/16


Georgia Department of Revenue

House Bill 960


Refunds – Sales and Use Tax

48-2-35

(h)(2) Within 30 business days following the departments receipt of a refund claim of local significance, the department shall **notify each affected political subdivisions political subdivision** designee that a refund claim of local significance to the political subdivision has been received and shall furnish the taxpayer with a copy of such notification.



101



Effective 7/1/16

Georgia Department of Revenue


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(h)(2) ...Such notification shall include the date the refund claim of local significance was filed the amount in the claim for refund for which the political subdivision itself would be responsible if the request is granted and a copy of the confidentiality provision in code section 48-2-15 and this code section.

102



Effective 7/1/16

Georgia Department of Revenue


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(h)(2) ... After the department has completed an audit of the claim for refund and determined a final refund amount the department shall supplement the above notice by transmitting to the political subdivision designee the final refund amount for which the political subdivision is responsible.

103



Effective 7/1/16

Georgia Department of Revenue


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(h)(3) The department shall not be subject to any criminal or civil liability for the unauthorized divulgence of privileged and confidential information by a political subdivision designee. Notwithstanding the foregoing, in the event all or any portion of the refund claim of local significance is for a tax levied under Part 1 of Article 3 of Chapter 8 of this title, the affected county shall not be in violation of this confidential provision if it notifies all municipal political subdivision designees in the county that such notification has been received from the department.

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Effective 7/1/16

Georgia Department of Revenue


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(h)(3) Any information supplied to a political subdivision designee pursuant to this subsection shall retain, in the hands of the local official, its privileged and confidential nature to the same extent and under the same conditions as such information is privileged and confidential in the hands of the commissioner, pursuant to Code Section 48-2-15.

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Georgia Department of Revenue

Effective 7/1/16


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(h)(3) ...It shall be the responsibility of the political subdivision designee and not the department to protect privileged and confidential information received un this subsection. Any person who divulges any tax information obtain under this subsection shall be subject to the same civil and criminal penalties as provided for divulgence of tax information by employees of the department.

106



Georgia Department of Revenue

Effective 7/1/16


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(h)(3) Though privileged and confidential information shall not be disclosed, the political subdivision designee may make reasonable budgetary recommendations to election officials, city managers, and tax official in political subdivision based on the confidential information furnished.

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Georgia Department of Revenue

Effective 7/1/16


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(h)(4) The commissioner, by rule or regulation shall establish guidelines for identifying and producing documents to the Department of Audits and Accounts for review relating to the handling of refund claims of local significance. In the event of such review, the Department of Audits and Accounts shall assess whether the department followed proper procedures and used appropriate methodology to reach its final determination on a refund of local significance.

108



Georgia Department of Revenue

Effective 7/1/16


House Bill 960

Refunds – Sales and Use Tax

48-2-35

(h)(5) Any refund claims of local significance pending with the department for two years after the claim for refund was filed shall be **automatically transferred to the Georgia tax Tribunal** as a declaratory judgment of the commissioner requesting a show cause proceeding pursuant to Code Section 50-13A-19.1.

109



Georgia Department of Revenue

Effective 7/1/16


House Bill 960

Delinquent Tax – Interest

48-2-40

Except as otherwise expressly provided by law, taxes owed the state or any **local taxing jurisdiction** shall bear interest at an annual rate 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 to accrue monthly**.

110



Georgia Department of Revenue

Effective 7/1/16

House Bill 960

Delinquent Tax - Interest

48-2-40

...Such annual interest rate shall be determined for each calendar year based on the first weekly posting of statistical release H.15 on or after January 1 of each calendar year. Interest shall begin to accrue from the date the tax is due until the date the tax is paid. ...

111



Georgia Department of Revenue

Effective 7/1/16

House Bill 960 Delinquent Tax - Interest

48-2-40

...Interest shall begin to accrue from the date the tax is due until the date the tax is paid. For the purposes of this Code section, any period of less than one month shall be considered to be one month. This Code section shall also apply to alcoholic beverage taxes.

112

2015 Tax Bill - Due December 20, 2015			
DATE	AMOUNT DUE	Int/Penalty	
December 20, 2015	3000.00		
December 21, 2015	3030.00	1% per month	30.00
January 21, 2016	3060.00	1% per month	30.00
February 21, 2016	3090.00	1% per month	30.00
March 21, 2016	3390.00	10% penalty	300.00
March 21, 2016	3420.00	1% per month	30.00
April 21, 2016	3450.00	1% per month	30.00
May 21, 2016	3480.00	1% per month	30.00
June 21, 2016	3510.00	1% per month	30.00
2016 Fed Reserve H15 = 3.50 (actual)			
July 21, 2016	3526.26	0.542% per month	16.26
August 21, 2016	3542.52	0.542% per month	16.26
September 21, 2016	3558.78	0.542% per month	16.26
October 21, 2016	3575.04	0.542% per month	16.26
November 21, 2016	3591.30	0.542% per month	16.26
December 21, 2016	3607.56	0.542% per month	16.26
2017 Fed Reserve H15 = 3.65 (estimated)			
January 21, 2017	3627.28	0.554% per month	19.72
February 21, 2017	3646.99	0.554% per month	19.72
March 21, 2017	3666.71	0.554% per month	19.72
April 21, 2017	3686.42	0.554% per month	19.72
May 21, 2017	3706.14	0.554% per month	19.72
June 21, 2017	3725.85	0.554% per month	19.72
July 21, 2017	3745.57	0.554% per month	19.72
August 21, 2017	3765.29	0.554% per month	19.72
September 21, 2017	3785.00	0.554% per month	19.72
October 21, 2017	3804.72	0.554% per month	19.72
November 21, 2017	3824.43	0.554% per month	19.72
December 21, 2017	3844.15	0.554% per month	19.72
2018 Federal Reserve H15 = 3.70 (estimated)			
January 21, 2018	3864.01	0.558% per month	19.86
February 21, 2018	3883.86	0.558% per month	19.86
March 21, 2018	3903.72	0.558% per month	19.86



Georgia Department of Revenue

Effective 7/1/16


House Bill 960 Delinquent Tax – Ad Valorem Penalty

48-2-44

(b) (1) In any instance in which any person willfully fails, on or after July 1, 1981, to pay, within 120 days of the date when due, any ad valorem tax owed the state or any local government, such person shall pay, in the absence of a specific statutory civil penalty for the failure, a **penalty of 5 percent of the amount of tax due and not paid at the time such penalty is assessed**, together with interest as specified by law. ...

114

Effective 7/1/16


Georgia Department of Revenue

House Bill 960
Delinquent Tax – Ad Valorem Penalty

48-2-44

(b) (1) ...After 120 days from the imposition of the initial penalty, an additional penalty of **5 percent of any tax amount remaining due** shall be imposed, together with interest as specified by law.


If any tax amount remains due after 120 days from the imposition of such additional penalty, a penalty of 5 percent shall be imposed, together with interest as specified by law.

Should any tax amount remain due 120 days after such date, a penalty of 5 percent shall be imposed together with interest as specified by law.

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2016 Tax Bill - Due December 20, 2016			
2016 Fed Reserve H15 = 3.50 (actual)			
DATE	AMOUNT DUE	Int/Penalty	
December 20, 2016	3000.00		
December 21, 2017	3016.26	0.542% per month	16.26
2017 Federal Reserve H15 = 3.65 (estimated)			
January 21, 2017	3032.88	0.554% per month	16.62
February 21, 2017	3049.50	0.554% per month	16.62
March 21, 2017	3066.12	0.554% per month	16.62
April 21, 2017	3216.12	5% penalty	150.00
April 21, 2017	3232.74	0.554% per month	16.62
May 21, 2017	3249.36	0.554% per month	16.62
June 21, 2017	3265.98	0.554% per month	16.62
July 21, 2017	3282.60	0.554% per month	16.62
August 21, 2017	3432.60	5% penalty	150.00
August 21, 2017	3449.22	0.554% per month	16.62
September 21, 2017	3465.84	0.554% per month	16.62
October 21, 2017	3482.46	0.554% per month	16.62
November 21, 2017	3499.08	0.554% per month	16.62
December 21, 2017	3649.08	5% Penalty	150.00
December 21, 2017	3665.70	0.554% per month	16.62
2018 Federal Reserve H15 = 3.70 (estimated)			
January 21, 2018	3682.44	0.558% per month	16.74
February 21, 2018	3699.18	0.558% per month	16.74
March 21, 2018	3715.92	0.558% per month	16.74
April 21, 2018	3865.92	5% Penalty	150.00
April 21, 2018	3882.66	0.558% per month	16.74


Effective 7/1/16


Georgia Department of Revenue


House Bill 960
Delinquent Tax - Penalty

48-2-44

(b) (1) ...The aggregate amount of penalties imposed pursuant to this subsection shall not exceed an amount equal to **20 percent of the principal amount of the tax originally due.**



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Effective 7/1/16

Georgia Department of Revenue

House Bill 960

Delinquent Tax - Penalty


48-2-44

These penalties shall not, however, apply in the case of:

(A) Ad valorem taxes of \$500.00 or less on homestead property as defined in Part 1 of Article 2 of Chapter 5 of this title; or

(B) With respect to tax year 1986 and future tax years, ad valorem taxes of any amount on homestead property as defined in Part 1 of Article 2 of Chapter 5 of this title, if the homestead property was during the tax year acquired by a new owner who did not receive a tax bill for the tax year and who immediately before acquiring the homestead property resided outside the State of Georgia and if the taxes are paid within one year following the due date.

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Effective 7/1/16

Georgia Department of Revenue

House Bill 960


Delinquent Tax - Penalty

48-2-44

These penalties shall not, however, apply in the case of:

(2) Any city or county authorized as of April 22, 1981, by statute or constitutional amendment to receive a penalty of greater than 10 percent for failure to pay an ad valorem tax is authorized to continue to receive that amount

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Effective 7/1/16

Georgia Department of Revenue

House Bill 960


Delinquent Tax - Penalty

48-2-44

These penalties shall not, however, apply in the case of:

(3) With respect to all penalties and interest received by the tax commissioner on or after July 1, 1998, unless otherwise specifically provided for by general law, the tax commissioner shall distribute penalties collected and interest collected or earned as follows:

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Georgia Department of Revenue
Effective 7/1/16


House Bill 960
Delinquent Tax - Penalty

48-2-44

(A) **Penalties collected for failure to pay ad valorem taxes** attributable to the **Board of Education or independent school district** shall be paid into the county treasury in the same manner and at the same time the tax is collected and distributed to the county, and they shall **remain the property of the county**;

(B) **Interest earned** by the tax commissioner on taxes collected but not yet dispersed **shall be distributed pro rata** based on each taxing jurisdiction's share of the total amount upon which the interest was computed; and

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Georgia Department of Revenue
Effective 7/1/16

House Bill 960
Delinquent Tax - Penalty

48-2-44


(3) With respect to all penalties and interest received by the tax commissioner on or after July 1, 1998, unless otherwise specifically provided for by general law, the tax commissioner shall distribute penalties collected and interest collected or earned as follows:

(C) **Except as otherwise provided in subparagraph (A) of this paragraph**, penalties, collected for failure to return property for ad valorem taxation or failure to pay ad valorem taxes and interest collected on delinquent ad valorem taxes, shall be distributed pro rata based on each taxing jurisdiction share of the total tax on which the penalty or interest was computed.

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COLLECTION OF INTEREST AND PENALTY				
2016 Tax Bill - Due December 20, 2016				
DATE	AMT DUE	AMT PAID	INTEREST/PENALTY	
			RATE	AMOUNT
December 20, 2016	3000.00			
December 21, 2016	3016.26		.542% per month	16.26
January 21, 2017	3032.88		.554% per month	16.62
February 21, 2017	3049.50		.554% per month	16.62
March 21, 2017	3066.12		.554% per month	16.62
April 21, 2017	3082.74		.554% per month	16.62
	3232.74		5% penalty	150.00
Payment		-3232.74		

DISTRIBUTION OF INTEREST AND PENALTY					
Interest/Penalty Amt	District	Millage	Tax	Percentage	Distribution
Total Interest \$82.74	County	10.000 mills	857.14	28.57%	23.64
	School	20.000 mills	1714.28	57.14%	47.28
	City	5.000 mills	428.58	14.29%	11.82
Total Penalty \$150	County (w/ School portion)	10.000 mills	857.14	28.57%	128.57
	School	20.000 mills	1714.28	57.14%	
	City	5.000 mills	428.58	14.29%	21.43



Effective 7/1/16

Georgia Department of Revenue


House Bill 960

Sales Tax Refunds – GA Tax Tribunal

50-13A-19.1

(a) The tribunal shall docket the declaratory judgments of the revenue commissioner pursuant to subsection (h) of Code Section 48-2-35 as action in the tribunal without the filing of a petition for relief.

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Effective 7/1/16

Georgia Department of Revenue

House Bill 960


Sales Tax Refunds – GA Tax Tribunal

50-13A-19.1

(b)(1) The tribunal shall determine by interlocutory order the party at fault for the delay in finally determining a claim for refund.

(2) If the tribunal determines that the Department of Revenue is primarily at fault, the order shall require that the Department of Revenue pay all interest due to the taxpayer on the claim for refund, including the interest due on the local sales and use tax deemed to have been illegally or erroneously collected. The tribunal shall thereafter remand the matter back to the Department of revenue for determination on the underlying claim for refund.

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Effective 7/1/16

Georgia Department of Revenue

House Bill 960

Sales Tax Refunds – GA Tax Tribunal


50-13A-19.1

(b)(3) If the tribunal determines that the taxpayer who made the claim for refund is primarily at fault, the order shall prohibit the accrual of any interest due to the taxpayer on the finally determined claim for refund. The tribunal shall thereafter remand the matter back to the Department of Revenue for determination on the underlying claim for refund.

(4) If the tribunal determines that the delay is justified, the order shall remand the matter back to the Department of Revenue for determination and for further hearings at the tribunal's discretion.

(c) The tribunal, at its discretion, may award reasonable attorney's fees to either party in such proceedings.

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Georgia Department of Revenue

Effective 7/1/16

House Bill 960


Sales Tax Refunds – GA Tax Tribunal

50-13A-19.1

(d) Orders of the tribunal issued pursuant to the Code section shall be excluded from the provisions of subsection (d) of Code Section 50-13A-15.

(e) Except as otherwise provided in this Code section, such actions shall follow the procedures and tribunal rules applicable to other proceedings within the tribunal.

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Georgia Department of Revenue


Effective 7/1/16

Summary

House Bill 960

- Interest for refunds and delinquent tax changed to time value of money
- Penalty for ad valorem changed to 5% every 120 days up to 20%
- For sales tax refunds:
 - the county may designation an officer to receive confidential information regarding claims for refunds
 - DOR must notify counties regarding pending claims of significant impact
 - The Georgia Tax Tribunal may hear refund claims that are unresolved after 2 years

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Georgia Department of Revenue


Effective 7/1/16

Questions

House Bill 960

- Calculation of interest in CUVA Breach penalty
- Should 5% penalty pick-up where 10% left off and cap at 20%
- Law suit regarding wording On or after 1981....

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Effective 7/1/16


Georgia Department of Revenue

House Bill 987


Conservation Use – Single Family Transfer

O.C.G.A. 48-5-7.4

(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



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Effective 7/1/16

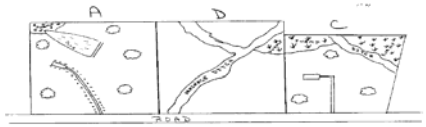
Georgia Department of Revenue

House Bill 987


Conservation Use – Single Family Transfer

O.C.G.A. 48-5-7.4

(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:(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;



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Effective 7/1/16

Georgia Department of Revenue


House Bill 987

Conservation Use – Rodeo


O.C.G.A. 48-5-7.4

(p) The following shall not constitute a breach;

(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.



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Georgia Department of Revenue

Effective 7/1/16


Summary

House Bill 987

Conservation Use

- Clarifies the period of time required before property must be occupied when up to 5 acres taken out of covenant and deeded to family member
- Non-profit rodeos do not constitute a breach

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Georgia Department of Revenue


Effective 7/1/16

House Bill 991


Delinquent Tax – Military

O.C.G.A. 48-5-243

The tax collector or tax commissioner shall waive the collection of any amount due the taxing authorities for which taxes are collected, when such amount represents a penalty or an amount of interest assessed for failure to comply with the laws governing the assessment and collection of ad valorem taxes, if;



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Georgia Department of Revenue

Effective 7/1/16

House Bill 991


Delinquent Tax – Military

O.C.G.A. 48-5-243

(1) The tax collector or **tax commissioner determines that the default giving rise to such penalty or interest was due to a taxpayers military service** in the armed forces of the United States in an area designated by the President of the United States by executive order as a **combat zone** and not due to gross or willful neglect or disregard of the law or of regulations or instructions issued pursuant to the law; and

(2) The taxpayer makes a full payment of taxes due, not including penalties and interest within 60 days of such taxpayer's return from such military service

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Georgia Department of Revenue

48-5-242. Waiver of penalties or interest due on unpaid taxes

(a) Upon written approval by the governing authority of the county in accordance with subsection (c) of this Code section, the tax collector or tax commissioner may waive, in whole or in part, the collection of any amount due the taxing authorities for which taxes are collected, when such amount represents a penalty or an amount of interest assessed for failure to comply with the laws governing the assessment and collection of ad valorem taxes, when the tax collector or tax commissioner reasonably determines that the default giving rise to the penalty or interest was due to reasonable cause and not due to gross or willful neglect or disregard of the law or of regulations or instructions issued pursuant to the law, and when the interest to be waived accrues on or after July 1, 2002.

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Georgia Department of Revenue

48-5-242. Waiver of penalties or interest due on unpaid taxes

(b) In the case of penalties or interest arising from the failure of the taxpayer to comply with the terms, conditions, or covenants required with respect to properties receiving any type of preferential assessment, the tax collector or tax commissioner shall not be authorized to waive any portion of the penalty or interest that represents a recovery by the taxing authorities of any amount by which taxes were reduced as a result of the granting of such preferential assessment.

(c) The waiver of penalties or interest in accordance with this Code section shall be subject to the written approval of the county governing authority either on a case-by-case basis or by a resolution delegating the authority to the tax collector or tax commissioner to make the final determinations. Such resolution may establish rules and regulations governing the administration of this Code section and establish guidelines to be followed by the tax collector or tax commissioner when granting such waivers.

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Georgia Department of Revenue

Effective 7/1/16


Summary

House Bill 991

Delinquent Tax – Military

- O.C.G.A. 48-5-243 is a new code section
- You may need written guidelines to administer fairly and equitably – consider requirements in 48-5-242

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Georgia Department of Revenue

Effective 7/1/16


Senate Bill 258

Appeal – Changing Value

O.C.G.A. 48-5-299

(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 is has been established as the result of either an appeal decision rendered by the board of equalization, hearing officer, arbitrator, or a superior court pursuant to Code Section 48-5-311 or stipulated by written agreement of the parties to such an appeal that this subsection shall apply in any year 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:

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Georgia Department of Revenue

Effective 7/1/16

Senate Bill 258

Appeal – Changing Value


O.C.G.A. 48-5-299

(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) ~~If~~ Unless otherwise agree in writing by the 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 parties taxpayer during the appeal process; and

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Georgia Department of Revenue

Effective 7/1/16


Senate Bill 258

Appeal – Changing Value

O.C.G.A. 48-5-299

(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 descriptions or characterization of the property, or the board of tax assessors finds and occurrence of other material factors that substantially affect the current fair market value of such property.

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Effective 7/1/16

Georgia Department of Revenue


Senate Bill 258

Appeal – Changing Value

O.C.G.A. 48-5-311

(e) (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 subsection shall not apply to any appeal where the taxpayer files an appeal during a time with subsection (c) of Code Section 48-5-299 is in effect for the assessment being appealed.

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Effective 7/1/16

Georgia Department of Revenue

Summary

Senate Bill 258

Appeal – Changing Value

- Amended O.C.G.A. 48-5-299 to clarify that 30-day change notices sent in response to taxpayer's appeal ARE NOT subject to 48-5-299(c)

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