

State of Georgia

## Department of Revenue

Suite 15300

1800 Century Boulevard

Atlanta, Georgia 30345

(404) 417-2100

December 21, 2009

Bart L. Graham  
Commissioner

[REDACTED]

Re: Request for a Commissioner's Letter of Determination per O.C.G.A. § 48-6-71 that [REDACTED] will be exempt from payment of intangible recording tax on any security instrument to which the United States of America, acting by and through the Administrator of the Rural Utilities Service, an agency of the United States Department of Agriculture, are parties.

Dear [REDACTED]

I have carefully considered your request for a letter of determination pursuant to O.C.G.A. § 48-6-71 stating that [REDACTED] and one or more parties, should be exempt from paying intangible recording tax on any deeds to secure debt or other instruments, amendments or supplements to a deed to secure debt or other security instrument, entered into by and among the United States of America, acting by and through the Administrator of the Rural Utilities Service.

The copy of the draft letter that you have submitted for consideration concludes as follows: "This exemption applies even though the deed to secure debt or security instrument secures indebtedness owed to [REDACTED] or one or more other parties that is not the United States government or an agency of the United States government."

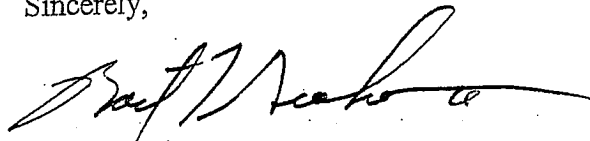
Notwithstanding [REDACTED] description as "a federally chartered instrumentality of the United States," they do not qualify for an exemption from payment of intangible recording tax pursuant to Ga. Comp. R. & Regs. r. 560-11-8-.14 Exemptions. As set forth in *Mo. Director of Revenue v. CoBank, ACB*, Banks for Cooperatives have never been exempt from state taxation. Further, [REDACTED] own charter states it is not exempt from "taxes on real estate held by the Bank to the same extent, according to its value, as other similar property held by persons is taxed."

[REDACTED]  
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Because it has been the practice of this Department for more than a decade to consider various Letter of Determination requests on a case-by-case basis, including various Supplemental Indenture requests wherein neither of the "named parties" to a security instrument is clearly exempt from payment of intangible recording tax, it is my determination that this specific request for issuance of the letter you have requested is denied.

With respect to any future Letter of Determination request pursuant to O.C.G.A. § 48-6-71 that may involve [REDACTED] this office will be pleased to consider the facts and circumstances as presented, along with any accompanying enclosures, and render a decision at that time.

Sincerely,



Bart L. Graham

BLG/RJL/mb