



**Georgia Department of Revenue
Local Government Services Division
Informational Bulletin LGS-2023-01
Tax Exemption for Non-Commercially Used Multi-Purpose Off-Highway Vehicles**

NOTICE TO LOCAL PROPERTY TAX JURISDICTIONS

The Department of Revenue (Department) has received inquiries on the taxation status of multi-purpose off-highway vehicles (MPOHVs) that are used for non-commercial purposes.

Based on the utility and recreational purposes to which these vehicles may be used on an individual's residential property, the Department has historically determined that all MPOHVs which are used for a non-commercial purpose are exempt from ad valorem taxation under O.C.G.A. § 48-5-3. Specifically, an MPOHV used for non-commercial purposes constitutes individual personal property that is "used within the home" and is therefore treated as exempt personalty under O.C.G.A. § 48-5-42. The Department's determination has been based on its interpretation of established precedent holding that personal property is "used within the home" and therefore exempt if it is used for the direct support of the members of the family and not used as income-producing commercial property.¹ Based on this construction, so long as they are not used as income-producing commercial property, MPOHVs have been considered to be "used within the home" for the direct support of the members of the family and thus exempt from ad valorem taxation under O.C.G.A. § 48-5-3.

HB 121, which allows voluntary registration of MPOHVs, made no change to the taxation of MPOHVs. Without clear evidence of a commercial use of the vehicle, the Department does not interpret a vehicle owner's voluntary registration of an MPOHV by itself as evidencing a change in the non-commercial use of the vehicle. Therefore, such MPOHVs should continue to be treated as exempt. Similarly, MPOHVs that are used as income-producing commercial property, regardless of whether they are voluntarily registered under HB 121, should continue to be returned and treated as taxable personal property, subject to applicable exemptions.

For more information, please contact the Department at 1-877-423-6711 from 8:00 a.m. to 4:30 p.m., ET, Monday through Friday (excluding holidays), or visit our website at dor.georgia.gov.

¹ See *Denney v. Coweta County*, 502 S.E. 2d 297 (1998), where the Georgia Court of Appeals determined that a tractor used by a family solely for family use (and not for commercial use) was exempt personal property used in the home for the direct support of the family. See also, 1962 *Op. Atty. Gen.*, pp. 506-507 (1962 Ga. AG LEXIS 281).