

**RULES
OF
DEPARTMENT OF REVENUE
LOCAL GOVERNMENT SERVICES DIVISION**

**SUBJECT 560-11-14
STATE AND LOCAL TITLE AND AD VALOREM TAX FEE**

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560-11-14-.01 Definitions

- (1) As used in O.C.G.A. § 48-5C-1 and in these regulations, the term:
- (a) "Commercial motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-8.3.
 - (b) "Commissioner" means the State Revenue Commissioner.
 - (c) "County tag agent" or "tag agent" means those persons that have been designated as tag agents of the commissioner as provided for in O.C.G.A. § 40-2-23.
 - (d) "Date of purchase" means the date so provided on the application for certificate of title.
 - (e) "Dealer" or "dealership" shall have the same meaning as a dealer of new or used motor vehicles as provided for in O.C.G.A. § 40-3-2(3).
 - (f) "Department" means the Department of Revenue.
 - (g) "Electronic Title and Registration" means an electronic process by which a dealer, through a vendor authorized by the commissioner, initiates the motor vehicle titling and registration process and by which the application for certificate of title is considered received by the county tag agent.
 - (h) "Fair market value" means:
 - 1. For a new motor vehicle which is purchased, the greater of the retail selling price or the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner in determining the taxable value of a motor vehicle under Code Section 48-5-442, less any reduction for the trade-in value of another motor vehicle and any rebate or any cash discounts provided by the selling dealer and taken at the time of sale. The retail selling price shall include any charges for labor, freight, delivery, dealer fees, and similar charges and dealer add-ons and mark-ups, but shall not include any extended warranty or maintenance agreement itemized on the

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dealer's invoice to the customer or any finance, insurance, and interest charges for deferred payments billed separately.

2. For a new motor vehicle which is leased, either

(A) The greater of the agreed upon value of the vehicle pursuant to the lease agreement or the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner in determining the taxable value of a motor vehicle under Code Section 48-5-442, less any reduction for the trade-in value of another motor vehicle and any rebate or any cash discounts provided by the selling dealer and taken at the time of sale. The agreed upon value shall include any charges for labor, freight, delivery, dealer fees, and similar charges and dealer add-ons and mark-ups, but shall not include any extended warranty or maintenance agreement itemized on the dealer's invoice to the customer or any finance, insurance, and interest charges for deferred payments billed separately; or

(B) The total of the base payments, including down payments, pursuant to the lease agreement.

(C) The lessor and the lessee shall make an election on a form prescribed by the commissioner as to which of the above-referenced values, (1)(h)2.(A) or (1)(h)2.(B) of this regulation, shall be the fair market value of the vehicle.

3. For a used motor vehicle, the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner and based upon a nationally recognized motor vehicle industry pricing guide for fair market and wholesale market values in determining the taxable value of a motor vehicle under Code Section 48-5-442, and, in the case of a used car dealer, less any reduction for the trade-in value of another motor vehicle.

4. For a used motor vehicle which is not so listed in such current motor vehicle ad valorem assessment manual, the value from the bill of sale or the value from a reputable used car market guide designated by the commissioner, whichever is greater, and, in the case of a used car dealer, less any reduction for the trade-in value of another motor vehicle.

- (i) "Immediate family member" means a spouse, parent, child, sibling, grandparent, or grandchild and includes those who have attained such immediate family member status through a legal determination recognized in this state.
- (j) "International Registration Plan" means the international reciprocal registration agreement for commercial motor vehicles and all amendments thereto as provided for in O.C.G.A. § 40-2-88.
- (k) "Loaner vehicle" means a motor vehicle owned by a dealer which is withdrawn temporarily from dealer inventory for exclusive use as a courtesy vehicle loaned at no

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charge for a period not to exceed thirty (30) days within a 366-day period to any one customer whose motor vehicle is being serviced by such dealer.

- (l) "Motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(33).
- (m) "New motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(34).
- (n) "Month" means a period of thirty (30) consecutive calendar days.
- (o) "Owner" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(39).
- (p) "Person" means any individual, firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision, whether public, private, or quasi-public.
- (q) "Proceeds" means the combined state ad valorem title tax fee, local ad valorem title tax fee, administrative fee, penalties, and interest.
- (r) "Rebuilt title" shall have the same meaning as provided for in O.C.G.A. § 40-3-37.
- (s) "Rental charge" means the title value received by a rental motor vehicle concern for the rental or lease for thirty-one (31) or fewer consecutive days of a rental motor vehicle, including the total cash and nonmonetary consideration for the rental or lease, including, but not limited to, charges based on time or mileage and charges for insurance coverage or collision damage waiver but excluding all charges for motor fuel taxes or sales and use taxes.
- (t) "Rental motor vehicle" means a motor vehicle designed to carry fifteen (15) or fewer passengers and used primarily for the transportation of persons that is rented or leased without a driver.
- (u) "Rental motor vehicle concern" means a person or legal entity which owns or leases five (5) or more rental motor vehicles and which regularly rents or leases such vehicles to the public for value.
- (v) "Salvage motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-3-2(11).
- (w) "Salvage title" shall have the same meaning as provided for in O.C.G.A. § 40-3-36.
- (x) "Sales and use tax" means combined state and local sales and use tax as imposed by Chapter 8 of Title 48, unless otherwise specifically provided for in O.C.G.A. § 48-5C-1 or these regulations to refer only to state sales and use tax, or local sales and use tax, respectively.

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- (y) "Tax collector" or "tax commissioner" means those persons that have been designated as tag agents of the commissioner as provided for in O.C.G.A. § 40-2-23.
- (z) "Used motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(74).

Authority: O.C.G.A. §§ 40-3-3, 48-5C-1

560-11-14.02 Repealed

Authority: O.C.G.A. §§ 40-3-3, 48-5C-1

560-11-14.04 Repealed

Authority: O.C.G.A. §§ 40-3-3, 48-5C-1

560-11-14.05 Family Inheritance, Devise or Bequest

- (1) If the motor vehicle was subject to ad valorem tax under Chapter 5 of Title 48 upon the death of the owner, such motor vehicle shall continue to be subject to the same unless such immediate family member makes an affirmative written election to instead become subject to the state and local title ad valorem tax fee.
 - (a) Such affirmative written election shall be made on a form prescribed by the commissioner which shall be submitted to the county tag agent along with the application for certificate of title and accompanied by the state and local title ad valorem tax fee. If such form is not so submitted, the motor vehicle shall remain subject to ad valorem taxation under Chapter 5 of Title 48.
- (2) If the motor vehicle was subject to the state and local title ad valorem tax fee upon the death of the owner, such motor vehicle shall be subject to a reduced state and local ad valorem title tax fee rate as provided by subsection (d) of O.C.G.A. § 48-5C-1.
- (3) An immediate family member acquiring a motor vehicle by way of inheritance, devise, or bequest from a deceased owner shall complete an affidavit signed before a notary public affirming his or her relationship to the deceased as an immediate family member and entitlement to the vehicle. Such affidavit shall be submitted to the county tag agent accompanied by a copy of letters of

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testamentary, a copy of the will of the deceased, or other documentation approved by the commissioner to evidence the immediate family member relationship to the deceased and entitlement to the vehicle.

Authority: O.C.G.A. §§ 40-3-3, 48-5C-1

560-11-14-.06 Family Transfer

- (1) If the motor vehicle was subject to ad valorem tax under Chapter 5 of Title 48 upon the transfer to the immediate family member, such motor vehicle shall continue to be subject to the same unless such immediate family member makes an affirmative written election to instead become subject to the state and local title ad valorem tax fee.
 - (a) Such affirmative written election shall be made on a form prescribed by the commissioner which shall be submitted to the county tag agent along with the application for certificate of title and accompanied by the state and local title ad valorem tax fee. If such form is not so submitted, the motor vehicle shall remain subject to ad valorem taxation under Chapter 5 of Title 48.
- (2) If the motor vehicle was subject to the state and local title ad valorem tax fee upon the transfer to the immediate family member, such motor vehicle shall be subject to a reduced state and local ad valorem title tax fee rate as provided by subsection (d) of O.C.G.A. § 48-5C-1.
- (3) Both the transferor and the transferee shall complete an affidavit signed before a notary public affirming their relationship as immediate family members and the acquiring member's entitlement to the vehicle. Such affidavit shall be submitted to the county tag agent.

Authority: O.C.G.A. §§ 40-3-3, 48-5C-1

560-11-14-.08 International Registration Plan

- (1) Motor vehicles registered under the International Registration Plan shall not be subject to state and local title ad valorem tax fees but shall continue to be subject to apportioned ad valorem taxation under Article 10 of Chapter 5 of this title.
- (2) Except as otherwise provided in O.C.G.A. § 48-5C-1, all other statutes and regulations governing commercial motor vehicles subject to the International Registration Plan remain in effect and such motor vehicles continue to be subject to the International Fuel Tax Agreement (IFTA).

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Authority: O.C.G.A. §§ 40-3-3, 48-5C-1

560-11-14-.09 Loaner Vehicles and Dealer Inventory

- (1) A motor vehicle used by a dealership as a loaner vehicle shall not be subject to the state and local title ad valorem tax fee so long as such motor vehicle is not withdrawn from inventory beyond the permissible time period as provided by part (2) of this regulation.
- (2) Loaner vehicles are exempt from state and local title ad valorem tax fees when used as a loaner vehicle for 366 days or fewer, commencing on the date such loaner vehicle is registered as a loaner vehicle at the county tag office. Immediately upon the expiration of such 366 day period, if the dealer does not cancel or transfer the registration of such loaner vehicle at the county tag office and return the loaner vehicle to inventory for resale the dealer shall be responsible for remitting the state and local title ad valorem tax fee in the same manner as otherwise required of an owner under O.C.G.A. § 48-5C-1(d)(9) and shall be subject to the same penalties and interest as an owner for noncompliance.

Authority: O.C.G.A. §§ 40-3-3, 48-5C-1

560-11-14-.12 Exemptions

- (1) The state and local title ad valorem tax fee shall not apply to:
 - (a) Corrected titles.
 - (b) Replacement titles under O.C.G.A. § 40-3-31.
 - (c) Titles reissued to the same owner pursuant to O.C.G.A. §§ 40-3-50, 40-3-51, 40-3-52, 40-3-53, 40-3-54, 40-3-55, or 40-3-56.
 - (d) Any other exemption in subsection (d)(15) of O.C.G.A. § 48-5C-1.
- (2) Motor vehicles owned or leased by or to the state or any county, consolidated government, municipality, county or independent school district, or other government entity in this state shall not be subject to the state and local title ad valorem tax fees provided for in O.C.G.A. § 48-5C-1; provided, however, that such other government entity shall not qualify for such exclusion unless it is exempt from ad valorem tax and sales and use tax pursuant to general law.
- (3) The state and local title ad valorem tax fee shall not apply to a qualified person as provided in this part:

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- (a) Any qualified service connected disabled veteran pursuant to O.C.G.A. § 48-8-3(30) when the veteran received a grant from the United States Department of Veterans Affairs to purchase and specially adapt a vehicle to his disability may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their disabled status and receipt of the veteran's grant.
- (b) Any qualified disabled veteran pursuant to O.C.G.A. § 48-5-478 may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their disabled status.
 - 1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a disabled veteran's license plate to such vehicle as provided for in O.C.G.A. § 40-2-69.
 - 2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.
- (c) Any qualified veteran pursuant to O.C.G.A. § 48-5-478.1 who is a citizen and resident of Georgia and is a former prisoner of war or their unremarried surviving spouse may apply for an exemption of the state and local title ad valorem tax fee. Such veteran or their unremarried surviving shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating the veteran's designation as a former prisoner of war.
 - 1. A veteran or their unremarried surviving spouse shall be granted an exemption provided that the veteran has met the requirements of O.C.G.A. § 40-2-73.
 - 2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such

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immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.

- (d) Any qualified veteran pursuant to O.C.G.A. § 48-5-478.2 who is a citizen and resident of Georgia and was awarded the Purple Heart may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their award of the Purple Heart.
1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a Purple Heart license plate to such vehicle as provided for in O.C.G.A. § 40-2-84.
 2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.
- (e) Any qualified veteran pursuant to O.C.G.A. § 48-5-478.3 who is a citizen and resident of Georgia and was awarded the Medal of Honor may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their award of the Medal of Honor.
1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a Medal of Honor license plate to such vehicle as provide for in O.C.G.A. § 40-2-68.
 2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.

Authority: O.C.G.A. §§ 40-3-3, 48-5C-1

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560-11-14.16 Appeals

- (1) Any owner who contests the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee may appeal such decision by either filing with the tax commissioner an affidavit of illegality as outlined in part (2) of this regulation, or by filing an appeal with the board of tax assessors as outlined in part (3) of this regulation, or by appealing the fair market value of the motor vehicle to the county tag agent as provided in Code Section 48-5C-1(a)(1)(C).
- (2) An owner may contest the fair market value of a motor vehicle for purposes of state and local title ad valorem tax fee, by filing an appeal as outlined in O.C.G.A. § 48-5-450; provided, however, that the person appealing the fair market value shall first pay the full amount of the state and local title ad valorem tax prior to filing an appeal. Such appeal shall be made by filing with the tax commissioner an affidavit of illegality to the assessment.
- (3) As an alternative to filing an affidavit of illegality, any owner who contests the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee may appeal such value in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. § 48-5-311.
 - (a) The time allowed for the filing of a written appeal shall be forty-five (45) days from the deadline date for the payment of the tax.
 - (b) The person appealing the fair market value shall first pay the full amount of the state and local title ad valorem tax prior to filing an appeal. Upon receipt of an appeal, the tax assessors shall immediately notify the tax commissioner that an appeal has been filed by the taxpayer.
 - (c) Further appeals to the board of equalization and superior court are to be handled as provided in O.C.G.A. § 48-5-311.

Authority: O.C.G.A. §§ 40-3-3, 48-5C-1