

# Tax Digest Consolidated Summary

## How to Interpret

### Consolidation Sheets

The Tax Digest Consolidated Summary (herein referred to as consolidation sheets) depicts the assessed totals of all property listed on a Georgia county's tax digest separated by tax district. A tax district is a geographical grouping of property within which an authority such as a county board of commissioners, a school board or a city council have authority to levy taxes. For example, a school board may have the authority to levy taxes on all property in the county, whereas a city would have authority to levy taxes only on the property within the city limits. The information on the sheets is submitted annually to the State, usually during the fall of the year, by the county tax commissioner in each county.

A series of codes are used to identify the different types of property listed on the tax digest. These codes provide useful statistics about the mix of property in the county and can be a source of valuable information. The codes consist of two digits, with the first digit indicating the general use of the property (class), such as "R - Residential," and the second digit indicating the type of property (strata). The second digit is a number (1-9) when representing a strata for real property. The second digit is an alpha character (A-Z) when representing a strata for personal property. For example, "R1" represents the totals for all improvements to residential real property. As another example, "CA" represents the totals for all commercial airplane personal property.

For each code, the consolidation sheets show the counts, acres and assessed values totals for the class and strata of property represented by that code. Acres are only shown on codes that represent summations of land values. The consolidation sheets also include totals of property totally exempt from taxes, along with totals of partial exemptions such as homestead exemptions, Freeport inventory exemptions, etc.

The consolidation sheets provides useful information to the Georgia Department of Revenue and enable the state agency to review the assessment methods and results of the local county authorities responsible for placing values on property. Using sophisticated statistical studies, the Revenue Commissioner evaluates the uniformity and fairness of the assessments appearing on the digests and approves it for use by the county in collecting taxes. If deficiencies are found, the Revenue Commissioner orders corrections to be made. The information on the consolidation sheets is also reported annually to the General Assembly and is also used to help determine the amount of state funding sent to the local school systems.

A separate consolidation sheet is required for each of the following tax districts:

- **State**
- **County Schools**
- **City Schools** (a few cities have their own independent school systems separate from the normal county school system)
- **County Incorporated Area** (within cities)
- **County Unincorporated Area** (outside of cities)
- **Special Tax Districts** (Fire, Recreation, Industrial Authority, Hospital, etc.)
- **Cities**

### What do the Figures Actually Mean?

*Frequently Asked Questions (FAQ's)*

1. **With all these consolidations, how do I just find the total value of all property in the county?**  
The Revenue Department has designed the reporting requirements for the consolidation sheets to accommodate the authorities levying taxes. The sheets represent a compilation of all taxable property within

the tax district. If the person researching these sheets wishes to know the total amount of property in the county, the **State Consolidation Sheet** will provide that information since the State district encompasses the entire county.

2. **Why two consolidation sheets for the county?**

The county board of commissioners, in many instances, do not set a single millage rate that applies to all property in the county. County commissioners collect a tax that is imposed on the insurance premiums of policyholders that live in the unincorporated area of the county (cities collect the premiums for city policy holders) and the law allows the commissioner to give a property tax credit to taxpayers living in the unincorporated area. The commissioners may therefore levy one millage rate in the incorporated part of the county (the area within city limits) and a lower rate in the unincorporated area. For this reason, there is a separate consolidation sheet for the **County Incorporated** area and the **County Unincorporated** area. These two consolidation sheets, when added together, make up the total property taxable for county purposes.

3. **Are all the properties at 40% of their fair market value?**

No. Timber is listed on the digest at 100%. Also, some cities assess property at more than 40%.

4. **What about millage rate rollbacks?**

Most counties collect local sales tax and give the property owners a property tax credit in the form of a rollback (reduction) of the millage rate to reflect the sales tax collections. The millage rates shown on the consolidation sheets are a net rate after these rollbacks have been applied. Also, as mentioned in #2 above, counties collect an insurance premiums tax that may be used to give property tax relief in the unincorporated area.

See the Tax Digest Submission Package to view the report "Insurance Premium and Local Option Sales Tax Proceeds for Millage Adjustment."

5. **I don't need the millage rate for a single levying authority, how do I find the total millage rate for the district?**

The total millage rates may be quickly researched by looking at the vehicle millage rates (keep in mind that the previous year's digest rates are used on motor vehicles, for example, the millage rate used for taxing digest property in 2010 will be used on vehicles in 2011). The total rate can also be determined by adding together the individual millage rates set by all the authorities that are authorized to levy taxes in the district being studied.

6. **Millage for Incorporated Areas**

In most counties the millage for a city can be derived by adding the millage from the following consolidation sheets:

- **State**
- **County -Wide School System or Independent School System**
- **County Incorporated, and**
- **Each special district, e.g., Fire, Recreation, Industrial Authority, Hospital, etc.,** that affects the incorporated area.
- **City**

**Millage for Unincorporated Areas**

The millage can be derived for the unincorporated areas by adding the millage from the consolidation sheets for the:

- **State**
- **County -Wide School System**
- **County Unincorporated, and**
- **Each special district: Fire, Recreation, Industrial Authority, Hospital, etc.,** that affects the unincorporated area.

Sales tax roll backs and insurance premium rollbacks have already been deducted from **County Unincorporated**.

**Consolidated Counties**

Four Georgia counties Chattahoochee, Clarke, Muscogee and Richmond have consolidated their city and county governments and no longer have incorporated and unincorporated areas. Instead, some have special service districts within the consolidated county that may or may not represent the old city limits. In consolidated counties the whole county is an incorporated area.

## Definitions of Property Codes

### *Property Classifications*

The consolidation sheets have a section for each use classification of property. These sections refer to the established classes set out in the Department's Rules and Regulations:

#### **R - Residential**

Classification of all land utilized, or best suited to be utilized as a single family homesite, the residential improvements and other non-residential homesite improvements thereon. Duplexes and triplexes are also classified as residential use.

#### **T - Residential Transitional**

Classification of land and improvements located in areas that are changing from residential to business use and thus experiencing unusually high value growth. Owners of this type property may enter into a ten-year covenant and receive a reduced assessment based on the current residential use rather than the prospective business use. No more than five acres under the taxpayer's home can be put into a residential transitional covenant. There are substantial penalties for selling the homesite for commercial development before the expiration of the ten-year covenant.

#### **A - Agricultural**

Classification of all real and personal property utilized, or best suited to be utilized, as a farm unit. Includes the single family homesite which is an integral part of the farm unit, the farm family residence, the non-residential homesite improvements, the non-homesite farm land and the production and storage improvements (barns, silos, etc.). This use classification also includes the personal property owned and used on the farm unit (tractors, livestock, grain, etc.) and the non-farm use personal property (boats, 4-wheelers, etc.) of the family residing in the farm home. For information on conservation use assessment of agricultural land [click here](#).

#### **P - Preferential**

Classification of covenanted agricultural properties. By entering into a ten-year covenant and devoting the property to an agricultural use, the owners may receive a 25% preferential assessment discount on land and improvements put into this program.

#### **V - Conservation Use**

Classification of covenanted agricultural properties. Similar to Preferential, owners of agricultural land and improvements may elect to enter into the conservation use program and have their property valued based on its current use as farmland rather than its prospective use as residential or commercial land. The owner must enter into a ten year covenant and will have their land valued according to a table developed by the State. There are substantial penalties for selling the land for residential or commercial development before the expiration of the ten-year covenant.

#### **B - Brownfield Property**

Classifies all land and improvements receiving preferential assessment under O.C.G.A. Section 48-5-7.6 due to its release of hazardous waste, constituents, and substances into the environment.

#### **W - Environmentally Sensitive**

Classification of environmentally sensitive lands, such as wildlife refuges, wetlands, mountain ridges, etc., under a ten-year covenant. Owners have the opportunity to have the land valued according to the table of conservation use values developed by the state for agricultural properties. The owners of this property do not have to devote the land to an agricultural use, however, they may not use it in a way that is destructive to the property or has an adverse environmental affect.

#### **C - Commercial**

Classification of all real and personal property utilized as a business unit the primary nature of which is the exchange of goods and services at either the wholesale or retail level. Also includes multi-family dwelling units having four or more units.

#### **H - Historic**

Up to two acres of land and improvements may receive a reduced preferential assessment if it is a landmark or is historic in nature and has been rehabilitated by the owner. This is the classification for the properties where the owners have been granted this preferential assessment.

#### **I - Industrial**

Classification of all real and personal property utilized as a business unit the primary nature of which is the manufacture or processing of goods destined for wholesale or retail sale.

#### **U - Utility**

Classification of the property of companies which are required to file an ad valorem tax return with the Revenue Commissioner; includes all the real and personal property of railroad companies, railroad equipment car companies, public utility companies and the flight equipment of airlines companies.

#### **E - Exempt Property**

Classification of property totally exempted from ad valorem taxation. This includes non-profit homes for the aged, public property, places of religious worship, property used for charitable purposes, places of religious burial, charity hospitals, educational institutions, etc.

#### **S - State Exemptions**

Classification of partial property exemptions such as homestead exemptions, disabled veterans, Freeport, covenanted agricultural property, personal property less than \$7,500, residential transitional property, conservation use property, etc.

#### **L- Local Exemptions**

Classification of partial property exemptions such as homestead exemptions that are local to the county and not applied statewide.

### **Code, Count, Acres, and Assessed Value**

Each classification for taxable property has a column for *Code*, *Count*, *Acres*, and *Assessed Value*.

- **Code** - A two digit reference to show the use class of property and the real or personal property strata, e.g., *R1* (*R* to show Residential Property and *1* to show real property improvements).
- **Count**- A tally indicating the number of times this code is found in the district being summarized on the consolidation sheet. *Example: If a taxpayer had two improvements on the same property, this would be considered to be two R1 counts.*
- **Acres** - The total acres for each code. Only those codes used to designate land will have an entry for "acres".
- **Assessed Value** - The total 40% (in most instances) assessed value associated with a particular code. Timber is assessed at 100%. Some cities assess at levels higher than 40%.

### **Strata for Real Property**

#### **1 - Improvements**

Includes all in-ground and above-ground improvements that have been made to the land including leasehold improvements. A leasehold improvement is an improvement made to property being leased from another, for example, the mall leases an empty space to a firm that then adds permanent fixtures, lighting, shelving, counters, facades, etc., giving the space the look and feel of the store they want to open.

#### **2 - Operating Utility**

Includes all real and personal property of a public utility, tangible and intangible, utilized in the conduct of usual and ordinary business.

#### **3 - Lots**

Includes all land, usually no more than 5 acres, where the market indicates the site is sold on a front footage or buildable basis rather than by acreage.

#### **4 - Small Tracts**

Includes all land, usually over 5 acres up to 25 acres, which is normally described and appraised in terms of small acreage, which is of such size as to favor multiple uses.

#### **5 - Large Tracts**

Includes all land, usually over 25 acres, which is normally described and appraised in terms of large acreage, which is of such size as to limit multiple uses, e.g., cultivatable lands, pasture lands, timber lands, open lands, wastelands and wild lands.

#### **6 - Production/Storage/Auxiliary**

Includes those improvements to land which are utilized by a farm unit for the storage or processing of agricultural products, e.g., barns and silos.

#### **9 - Other Real**

Includes leasehold interests, mineral rights, and all real property not otherwise defined. A leasehold interest is a property interest a person leasing property from another has when the lease payments are below the typical market rates paid for similar properties by others.

## **Strata for Personal Property**

### **A - Aircraft**

Includes all airplanes, rotorcraft and lighter-than-air vehicles; including airline flight equipment required to be returned to the Revenue Commissioner.

### **B - Boats**

Includes all craft that are operated in and upon water. Includes the motors, but not the land transport vehicles (boat trailers).

### **I - Inventory**

Includes all raw materials, goods in process and finished goods. Also includes livestock and products of the land, water and air, all consumable supplies used in the process of manufacturing, distributing, storing or merchandising of goods and services.

### **P - Freeport Inventory**

Includes all inventory receiving Freeport exemption. Freeport exemption is an incentive program most Georgia counties offer manufacturing and warehousing companies wherein their raw materials, goods in the process of manufacturer and finished goods are exempt from taxation for a specified time period.

### **F - Furniture/Fixtures/Machinery/Equipment**

Includes all fixtures, furniture, office equipment, computer software and hardware, production machinery, off-road vehicles, equipment, farm tools and implements, and tools and implements of trade of manual laborers.

### **Z - Other Personal**

Includes all other personal property not otherwise defined.

## **Class and Strata Codes**

See the Tax Digest Consolidation Sheet in the Tax Digest Submission Package.

## **Summary**

The summary section of the consolidation sheet shows the totals of each Property Class as well as the total assessed values of Motor Vehicles, Mobile Homes, Timber (at 100%), and Heavy Duty Equipment. The total of these columns is shown as the GROSS digest. Amounts for M&O and Bond Exemptions are subtracted to arrive at the NET digest amount.

The Department requires that timber values added to the digest consolidation sheets represent the total value of the sales and harvests during the four calendar quarters of the year preceding the tax year for which the consolidation sheets are being prepared, i.e., for the 1996 consolidation sheets, the county should total the values appearing on all PT-283T reports filed for the four quarters of 1995.

## **Tax Levied**

This section is used to show the assessed value, millage and tax amount for both M & O and Bond purposes (M & O refers to maintenance and operations).