# TITLE 560
# DEPARTMENT OF REVENUE

# CHAPTER 560-11
# LOCAL GOVERNMENT SERVICES DIVISION

*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 procedures and policies of the Georgia Department of Revenue or the Department's official interpretation of the laws of the State of Georgia. The application of applicability to specific situations of the theories, techniques, and approaches discussed herein must be determined on a case-by-case basis.*

*The statutory materials reprinted or quoted verbatim on the following pages are taken from the Official Code of Georgia Annotated, Copyright 2016 by the State of Georgia, and are reprinted with the permission of the State of Georgia. All rights reserved.*

**June 1st, 2017**

# Table of Contents


Chapter 1 ADMINISTRATION ..... 11

560-11-1-.01 Administration: Function. ..... 11

Chapter 2 APPRAISAL STAFF ..... 12

560-11-2-.23 County Appraisal Staff -- Certification of Parcels ..... 12

560-11-2-.24 County Appraisal Staff -- County Classes. ..... 12

560-11-2-.25 County Appraisal Staff -- Qualifications. Amended. ..... 13

560-11-2-.26 County Appraisal Staff -- Compensation. Amended. ..... 14

560-11-2-.28 County Appraisal Staff -- Duties. ..... 15

560-11-2-.29 County Appraisal Staff -- Employment. Amended. ..... 16

560-11-2-.30 County Appraisal Staff -- State Payments. Amended. ..... 16

560-11-2-.40 Designated County Appraisers -- State Payments. ..... 17

560-11-2-.41 Designated County Appraisers -- Qualification. ..... 17

560-11-2-.42 Designated County Appraisers -- Certification. ..... 17

560-11-2-.43 Designated County Appraisers -- Time of Payment. ..... 18

560-11-2-.44 Designated County Appraisers -- Employment Covered. ..... 18

560-11-2-.45 Designated County Appraisers -- Payment Period. ..... 18

560-11-2-.46 Designated County Appraisers -- Disqualification. ..... 19

560-11-2-.47 Designated County Appraisers -- Appropriation Requirement. ..... 19

560-11-2-.62 Appraisal Staff Definitions. ..... 19

Chapter 3 BOARDS OF ASSESSORS. ..... 21

560-11-2-.27 County Board of Tax Assessors ' Vacancy. ..... 21

560-11-2-.31 County Board of Tax Assessors--Qualifications. ..... 21

Chapter 4 BOARDS OF EQUALIZATION ..... 23

560-11-2-.34 County Boards of Equalization--Definitions. ..... 23

560-11-2-.35 County Boards of Equalization--Disqualification. ..... 23

560-11-2-.36 County Boards of Equalization--Chairman. ..... 24

560-11-12-.01 Applicability of Rules. ..... 24

560-11-12-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof. ..... 24

560-11-12-.03 Evidence; Official Notice. ..... 25

560-11-12-.04 Continuances and Postponements. ..... 25

560-11-12-.05 Subpoena Forms; Service. ..... 26
560-11-12-.06 Transcripts of Hearing. ..... 26
560-11-12-.07 Case Presentment. ..... 26
560-11-12-.08 Ruling; Decision. ..... 27
560-11-12-.09 Hearing Location. ..... 27
Chapter 5 COUNTY HEARING OFFICERS ..... 28
560-11-13-.01 Applicability of Rules. ..... 28
560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof. ..... 28
560-11-13-.03 Evidence; Official Notice. ..... 29
560-11-13-.04 Continuances and Postponements. ..... 29
560-11-13-.05 Subpoena Forms; Service. ..... 29
560-11-13-.06 Transcripts of Hearing. ..... 30
560-11-13-.07 Case Presentment. ..... 30
560-11-13-.08 Ruling; Decision. ..... 30
560-11-13-.09 Hearing Location. ..... 30
560-11-13-.10 Swearing In Witnesses. ..... 31
560-11-13-.11 Hearing Officer Procedural Form. ..... 31
560-11-13-.12 Hearing Officers and the Administrative Procedures Act. ..... 31
Chapter 6 TAX DIGESTS ..... 32
560-11-2-.20 Classification of Real and Personal Property on Individual Ad Valorem Tax Returns. ..... 32
560-11-2-.21 Classification of Tangible Property on County Tax Digests. ..... 35
560-11-2-.56 Review of County Tax Digest by the State Revenue Commissioner. ..... 37
Chapter 7 TAX INCREASES. ..... 40
560-11-2-.58 Rollback of Millage Rate When Digest Value Increased by Reassessments. ..... 40
Chapter 8 ANNUAL NOTICES OF ASSESSMENT ..... 44
560-11-2-.55 Annual Notice of Assessment -- Contents. ..... 44
Chapter 9 REVALUATION PROGRAMS. ..... 46
560-11-2-.01 Property Reevaluation and Tax Equalization Program. ..... 46
560-11-2-.02 Applications for Financial Assistance. ..... 46
560-11-2-.03 Completed Programs. ..... 46
560-11-2-.04 Completed Program Requirements. ..... 47

560-11-2-.05 Proper Execution. 47
560-11-2-.06 Commencement and Completion. 48
560-11-2-.07 Approved Appraisal Firms. 48
560-11-2-.08 Listing of Approved Appraisal Firms. 48
560-11-2-.09 Planning Expenses. 49
560-11-2-.10 Payment of Additional Funds. 49
560-11-2-.11 Disbursements. 49
560-11-2-.12 Payments by Commercial Lender. 50
560-11-2-.13 Computation of 10% Limit. 50
560-11-2-.14 Alterations in Agreement. 50
560-11-2-.15 Records. 51
Chapter 10 APPRAISAL PROCEDURE MANUAL. 52
560-11-10-.01 Purpose and Scope. 52
560-11-10-.02 Definitions. 53
560-11-10-.08 Personal Property Appraisal. 57
560-11-10-.09 Real Property Appraisal. 71
Chapter 11 PREFERENTIAL ASSESSMENT 92
560-11-3-.19 Farm Property Preferential Assessment/Application/Covenant Form. * 92
Chapter 12 TIMBER 94
560-11-5-.01 Forms. 94
560-11-5-.02 Definitions. 94
560-11-5-.03 Taxable Timber Sales and Harvests. 95
560-11-5-.04 Procedures for Timber Taxation. 96
560-11-5-.05 Average Standing Timber Price Schedule. 97
560-11-5-.06 County Digest Timber Supplement. 97
Chapter 13 CONSERVATION USE ASSESSMENT. 98
560-11-6-.01 Application of Chapter. 98
560-11-6-.02 Definitions. 98
560-11-6-.03 Qualification Requirements. 99
560-11-6-.04 Applications. 101
560-11-6-.05 Change of Qualifying Use. 103

560-11-6-.06 Breach of Covenant. ..... 104
560-11-6-.07 Valuation of Qualified Property. ..... 105
560-11-6-.08 Appeals. ..... 108
560-11-6-.09 Table of Conservation Use Land Values. ..... 108
Chapter 14 FOREST LAND CONSERVATION USE ASSESSMENT ..... 111
560-11-11-.01 Definitions. ..... 111
560-11-11-.02 Withdrawing or Amending an Application for QFLP. ..... 112
560-11-11-.03 QFLP Qualifications. ..... 112
560-11-11-.04 QFLP Application. ..... 113
560-11-11-.05 Period for Local Board of Assessors to Approve or Deny QFLP Applications. ..... 114
560-11-11-.06 QFLP Covenant. ..... 114
560-11-11-.07 Notice of Breach. ..... 115
560-11-11-.08 Notification and Inspection Concerning QFLP in Breach of Covenant. ..... 115
560-11-11-.09 Release of Covenant. ..... 116
560-11-11-.10 Penalty for Breach. ..... 116
560-11-11-.11 Forms. ..... 117
560-11-11-.12 Table of Forest Land Protection Act Land Use Values. ..... 117
560-11-11-.13 Valuation of Additional Qualified Property which is Contiguous to the Property in the Original Covenant. ..... 118
Chapter 15 PUBLIC UTILITY ..... 120
560-11-3-.04 Public Utility Financial Report -- Form PT-29. ..... 120
560-11-3-.05 Power Company Annual Return for Taxation -- Form PL-56. ..... 120
560-11-3-.06 Gas or Water Company Annual Return for Taxation -- Form PT-57. ..... 120
560-11-3-.07 Railroad Company Annual Return for Taxation -- Form PT-58. ..... 120
560-11-3-.08 Telephone or Telegraph Company Annual Return for Taxation -- Form PT-59. ..... 121
Chapter 16 MOTOR VEHICLE ASSESSMENTS. ..... 122
560-11-2-.22 Motor Vehicle Assessments. ..... 122
Chapter 17 MOTOR VEHICLE APPORTIONMENT ..... 123
560-11-7-.01 Purpose of Regulations. ..... 123
560-11-7-.02 Forms. ..... 123
560-11-7-.03 When Apportionment Permitted. ..... 123

560-11-7-.04 Procedures. ..... 124
560-11-7-.05 Appeals..... 124
560-11-7-.06 Distribution of Alternative Ad Valorem Tax on Apportionable Vehicles..... 125
Chapter 18 MOTOR VEHICLE TITLE AD VALOREM TAX ..... 126
560-11-14-.01 Definitions. ..... 126
560-11-14-.02 Applicability. ..... 127
560-11-14-.03 Rates, Distributions and Collections..... 129
560-11-14-.04 Opt-In Election. ..... 129
560-11-14-.05 Family Inheritance, Devise or Bequest. ..... 130
560-11-14-.06 Family Transfer..... 130
560-11-14-.07 Salvage and Rebuilt Motor Vehicles..... 131
560-11-14-.08 International Registration Plan. ..... 131
560-11-14-.09 Loaner Vehicles and Dealer Inventory..... 132
560-11-14-.10 Non-Profit Organizations. ..... 132
560-11-14-.11 Rental Motor Vehicle Concern Certification. ..... 132
560-11-14-.12 Exemptions. ..... 133
560-11-14-.13 Penalties and Interest; Waivers; Refunds. ..... 135
560-11-14-.14 Used Car Market Guide..... 135
560-11-14-.15 Fraudulent Transfers and False Information. ..... 136
560-11-14-.16 Appeals..... 136
Chapter 19 MOBILE HOMES..... 138
560-11-9-.01 Purpose and Scope. ..... 138
560-11-9-.02 Definitions. ..... 138
560-11-9-.03 Return of Mobile Homes..... 138
560-11-9-.04 Issuance of Permits; Display of Decals..... 139
560-11-9-.05 Inspections and Citations. ..... 140
560-11-9-.06 Transporting Mobile Homes..... 141
560-11-9-.07 Valuation Methods. ..... 141
560-11-9-.08 Mobile Home Digest. ..... 142
560-11-9-.09 Appeals..... 143
560-11-9-.10 Collection of Tax..... 144

560-11-9-.11 Penalties. ..... 144
560-11-9-.12 Notice of Right to Appeal Mobile Home Valuation. ..... 145
Chapter 20 PROPERTY TAX CREDIT ..... 146
560-11-2-.37 Property Tax Credit -- Ad Valorem Tax Bills. Amended. ..... 146
560-11-2-.38 Property Tax Credit -- Calculation. Amended. ..... 146
560-11-2-.39 Property Tax Credit -- Reports. Amended. ..... 148
560-11-2-.57 Homeowner Tax Relief Grants. ..... 148
Chapter 21 HOMESTEAD EXEMPTION. ..... 153
560-11-2-.48 School Tax Homestead Exemption--Application. ..... 153
560-11-2-.49 School Tax Homestead Exemption -- Qualifications. ..... 153
560-11-2-.50 School Tax Homestead Exemption -- Failure to File. ..... 154
560-11-2-.51 School Tax Homestead Exemption -- Applicability of Other Provisions of Law. ..... 154
560-11-2-.52 School Tax Homestead Exemption -- Amount. ..... 155
560-11-2-.53 School Tax Homestead Exemption Information to Be Furnished to State Revenue Commissioner. ..... 155
560-11-2-.54 Homestead Exemptions of $ 4,000 for Certain Elderly Persons -- Income Exclusion. ..... 155
Chapter 22 PROPERTY TAX BILL. ..... 156
560-11-3-.17 Property Tax Bill -- General Property Tax -- PT-63. ..... 156
560-11-3-.20 Property Tax Bill – Electronic Election. ..... 156
Chapter 23 MUNICIPAL PROPERTY TAX INSTALLMENTS. ..... 157
560-11-2-.19 Municipal Corporation Ad Valorem Taxes Installments. ..... 157
Chapter 24 REAL ESTATE TRANSFER TAX. ..... 158
560-11-2-.16 Real Estate Transfer Tax-Filing Declaration Forms. Amended. ..... 158
560-11-2-.17 Real Estate Transfer Tax-Calculation and Collection of Tax. Amended. ..... 159
560-11-2-.18 Real Estate Transfer Tax - Disposition of Forms. ..... 160
560-11-3-.15 Real Estate Transfer Tax Form -- PT-61. ..... 160
560-11-3-.16 Monthly Reporting Form -- Real Estate Transfer Tax -- PT-62. ..... 161
Chapter 25 INTANGIBLE RECORDING TAX ..... 162
560-11-3-.09 Intangible Property Tax Return -- Form PL-159. ..... 162
560-11-3-.10 Report of Corporation's Stockholders and Bondholders -- Form PL-160. ..... 162
560-11-3-.11 Summary Report to Accompany Form PL-160 -- Form PL-161. ..... 162

560-11-3-.12 Report of Intangible Property Held for Georgia Residents -- Form PL-170. ..... 162
560-11-3-.13 Summary Report to Accompany Form PL-170 -- Form PL-171..... 163
560-11-8-.01 Purpose of Regulations. ..... 163
560-11-8-.02 Tax Payment and Rate. ..... 163
560-11-8-.03 Definitions. ..... 163
560-11-8-.04 Modification. ..... 164
560-11-8-.05 Refinancing. ..... 164
560-11-8-.06 Additional Advance. ..... 165
560-11-8-.07 Multi-State Property..... 165
560-11-8-.08 Multi-County Property..... 166
560-11-8-.09 Wrap-around Note. ..... 167
560-11-8-.10 Interest Included in Note-Add On. ..... 167
560-11-8-.11 Adjustable Rate Mortgages ("ARM")..... 167
560-11-8-.12 Instrument Securing Short-Term and Long-Term Notes. ..... 168
560-11-8-.13 Secured Lines of Credit. ..... 168
560-11-8-.14 Exemptions. ..... 168
560-11-8-.15 Determination Letter Requests. ..... 169
560-11-8-.16 Claim for Refund. ..... 169
Chapter 26 ESTATE TAX ..... 170
560-11-3-.14 Estate Tax Return Form. ..... 170
Chapter 27 ILLEGAL DIGEST ENTRY REVIEW ..... 171
560-11-15-.01 Definitions. ..... 171
560-11-15-.02 Commissioner's Determination of Property Illegally Appearing on a County Digest. ..... 171
560-11-15-.03 Appeal of Commissioner's Determination. ..... 172
560-11-15-.04 Nature of the Appeal; Hearing Procedure; Evidence. ..... 172
560-11-15-.05 Ruling; Decision. ..... 172
560-11-15-.06 Recurring Illegal Digest Entries for Same Property; Revocation of Qualified Status; Reinstatement. ..... 173

## Chapter 1 ADMINISTRATION

### *560-11-1-.01 Administration: Function.*

The Local Government Services Division of the Revenue Department is charged with the responsibility of the overall supervision of the ad valorem tax laws of the State; including the approval of annual ad valorem tax digests; the training of county tax assessors, appraisers, appraisal vendors, tax commissioners, county hearing officers, and members of county boards of equalization; the central assessment of public utility properties for ad valorem tax purposes, including collection of railroad equipment company fees and Public Service Commission fees for maintenance of the Public Service Commission and the distribution of Tennessee Valley Authority payments in lieu of tax; the reporting, remitting and refunding of unclaimed property; the distribution of sales and use tax proceeds, forestland assistance grants, e911 pre-paid wireless fees, international registration plan alternate ad valorem tax, and homeowner tax relief grants; and the granting of extensions when authorized by the State Revenue Commissioner.

AUTHORITY: O.C.G.A. Sec. 48-2-12.
HISTORY: Original Rule entitled "Administration: Function" adopted. F. and eff. June 30, 1965. Amended: F. May 25, 1971; eff. June 14, 1971. Repealed: New Rule of same title adopted. F. Dec. 20, 2006; eff. Jan. 9, 2007. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

## Chapter 2 APPRAISAL STAFF

### *560-11-2-.23 County Appraisal Staff -- Certification of Parcels.*

On a form furnished by the State Revenue Commissioner, the Board of Tax Assessors for each county shall certify to the Revenue Commissioner annually in conjunction with submission of the county digest or on September 1, whichever comes first, the number of parcels of real property located within the county on January 1 preceding.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-5-261.
HISTORY: Original Rule was filed on May 25, 1973; effective June 14, 1973. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

### *560-11-2-.24 County Appraisal Staff -- County Classes.*

The counties of this State shall be classified according to the following classes for the purpose of determining minimum appraisal staff requirements:

(a) Class I - Counties having less than 3,000 parcels of real property.
(b) Class II - Counties having at least 3,000, but less than 8,000 parcels of real property.
(c) Class III - Counties having at least 8,000, but less than 15,000 parcels of real property.
(d) Class IV -- Counties having at least 15,000, but less than 25,000 parcels of real property.
(e) Class V -- Counties having at least 25,000, but less than 35,000 parcels of real property.
(f) Class VI -- Counties having at least 35,000, but less than 50,000 parcels of real property.
(g) Class VII -- Counties having at least 50,000, but less than 100,000 parcels of real property.
(h) Class VIII -- Counties having at least 100,000 or more parcels of real property.

(i) For the purpose of a Joint County Appraisal Staff any two or more governing authorities may by intergovernmental agreement combine the appraisal staffs and under such agreement the parcels of real property within the counties subject to the agreement shall be totaled and the counties shall be deemed one county for the purposes of determining the class of the counties and the resulting staff requirements.

(j) For the purpose of intergovernmental agreements where one or more members of the county appraisal staff are shared, the parcels of real property within the counties subject to the agreement shall not be totaled and the counties shall retain their separate character for the purposes of determining the class of the counties and the resulting staff requirements.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-5-265.
HISTORY: Original Rule entitled "County Appraisal Staff-County Classes" was filed on May 25, 1973; effective June 14, 1973. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-2-.25 County Appraisal Staff -- Qualifications***. *Amended.*

1) County appraisal staff shall be classified into four classifications: Appraiser I, Appraiser II, Appraiser III, and Appraiser IV, with qualifications as follows:

(a) Appraiser I -- Under supervision and direction as an Appraiser trainee, the Appraiser I is expected to learn and do the more routine technical work in the appraisal of real and/or personal property for tax assessment purposes. The Appraiser I must:

1. be not less than twenty-one (21) years of age;
2. successfully complete the appraiser examination set for this level by the State Revenue Commissioner;
3. be in good physical and mental health;
4. hold a high school diploma or its equivalent;
5. have the aptitude to learn to perform tasks assigned including reviewing maps, photography, etc., to locate property; visiting the property and gathering all information necessary to determine value; performing basic research on building costs and sales data; computing appraisal values for real and/or personal property.

(b) Appraiser II -- Under supervision and direction, the Appraiser II makes appraisals of real and/or personal property of the more common types and assists his superiors in the supervision and direction of Appraiser I personnel. The Appraiser II must:

1. be not less than twenty-one (21) years of age;
2. hold a high school diploma or its equivalent;
3. be in good physical and mental health and have the ability to meet and relate to the general public well;
4. be able to make field appraisals of the average types of real and/or personal property. In this regard, he must be able to perform research on and inspect the property to gather all information necessary for appraisals such as size, zoning, use, location, quality of construction, depreciation, and market data;
5. have the ability and aptitude to learn under supervision the appraisal techniques, etc., involved in the appraisal of the more complex types of property.

(c) Appraiser III -- The Appraiser III must have the ability to make accurate appraisals of all types and classes of real and/or personal property within his jurisdiction. He must be able to effectively supervise and direct the activities of subordinate personnel. The Appraiser III must:

1. be not less than twenty-one (21) years of age;
2. hold a high school diploma or its equivalent;
3. have the ability to correctly apply the three approaches to valuation in appraising properties within his jurisdiction;
4. have the ability to organize and direct the activities of subordinate personnel;
5. have the ability to perform all phases of mass appraisal and revaluation work within his jurisdiction including the ability to develop pricing and valuation schedules for the valuation of all land, improvements and personal property.

(d) Appraiser IV -- The Appraiser IV supervises the work of subordinate appraisers in the appraisal of rural, residential, commercial and industrial properties for tax assessment purposes. The Appraiser IV must:

1. have a complete knowledge of mass appraisal techniques;

2. have the ability to direct all phases of revaluation;
3. have the ability to organize effectively and direct properly the work activities of his subordinate personnel;
4. have the ability to plan and conduct necessary training programs for subordinate appraisal personnel;
5. have the ability to direct office procedures and techniques related to the appraisal-assessment process;
6. have the ability to effectively deal with the general public and with other governmental agencies;
7. be not less than twenty-one (21) years of age;
8. be a graduate of an accredited college or university with at least five (5) years of increasingly responsible experience in the appraisal field. Two (2) years of appraisal experience may be substituted for each year of college required.

(2) All county appraisal staff members must, prior to employment, successfully complete an examination approved by the Revenue Commissioner and designed to test the applicant's knowledge of appraisal techniques on all classes and types of property. These examinations shall be prepared by the Revenue Commissioner and shall be offered in regional locations at least quarterly, the sites and times to be determined by the Revenue Commissioner. The Board of Tax Assessors in each county shall be advised of dates, locations for such exams.

(3) All county appraisal staff members must successfully complete at least forty (40) hours of approved appraisal courses during each two years of tenure as an appraiser. "Approved appraisal courses" as used herein shall mean:

(a) courses designed for appraisers and offered regionally by the Revenue Commissioner, or
(b) courses offered by the Revenue Commissioner as a part of the annual short course for tax assessors in conjunction with the University of Georgia, or
(c) courses offered by and approved by the International Association of Assessing Officers, or
(d) courses at least 10 hours in length offered by either the Society of Real Estate Appraisers or the American Institute of Real Estate Appraisers and approved for course work toward the Award for the SRA or MAI designations.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-5-291.
HISTORY: Original Rule entitled "County Appraisal Staff--Qualifications" was filed on May 25, 1973; effective June 14, 1973. Amended: Filed June 20, 1980; effective July 10, 1980. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-2-.26 County Appraisal Staff -- Compensation****. Amended.*

(1)The minimum schedules of compensation for county appraisal staff members shall be as follows:

| | |
|---|---|
| (a) Appraiser I | $ 5,646 -- $ 7,434 |
| (b) Appraiser II | 8,154 -- 10,782 |
| (c) Appraiser III | 9,822 -- 13,014 |
| (d) Appraiser IV | 13,014 -- 17,310 |

(2) Any payments made by the State Revenue Commissioner as partial support of county appraisal staff members shall be based upon the minimum salary of the compensation schedules set forth in this Regulation.
(3) Before any payments shall be made by the State Revenue Commissioner as partial support of county appraisal staff members, said county must be paying not less than the minimum compensation set forth herein to all required members of said county's appraisal staff.

AUTHORITY: Ga. L. 1937-38, Extra Sess., p. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, p. 1104, et seq.; Ga. L. 1978, pp. 309-324, (Ga. Code Ann. Sec. 91A-215); Ga. L. 1978, pp. 309, 432 (Ga. Code Ann. Ch. 14).
ADMINISTRATIVE HISTORY: Original Rule entitled "County Appraisal Staff -- Compensation" was filed on May 25, 1973; effective June 14, 1973. AMENDED: Filed June 20, 1980; effective July 10, 1980.

***560-11-2-.28 County Appraisal Staff -- Duties.***

(1) The county appraisal staff required by law shall be responsible for the appraisal for ad valorem tax purposes of all taxable property, real and personal, that the county board of tax assessors is required to assess. These appraisers shall be made in the manner and at the times required by law.
(2) The county appraisal staff shall be responsible for the proper maintenance of all tax records and maps for the county in a proper and current condition, and the staff shall have custody of such records.
(3) The county appraisal staff shall be responsible for preparing annual assessments on all property required to be assessed by the Board of Tax Assessors. Such assessments shall conform to the requirements of law and shall be turned over to the Board of Tax Assessors for approval on the date requested by the Board of Assessors.
(4) The county appraisal staff shall prepare annual appraisals on all tax exempt property in the county and shall submit such appraisals to the Board of Tax Assessors.
(5) Each county appraisal staff member shall successfully complete at least forty (40) hours of training courses prepared and offered by the State Revenue Commissioner during each two (2) years of tenure as staff appraiser. Such training courses shall be offered at least annually in regional locations the sites and dates to be determined by the Revenue Commissioner. Each year the Commissioner shall furnish a listing of the locations and dates of such courses to the Board of Tax Assessors of each county.
(6) The requirements of paragraphs 1, 2, and 3 of this Regulation shall not be effective until such time as the county shall have reached full minimum staff employment as required by law.
(7)(a) Individuals performing services under assessment contracts to render advice or assistance to the county board of tax assessors in the assessment and equalization of taxes the establishment of property valuations, or the defense of such valuations shall adhere to state mandated appraisal laws and regulations required under Title 43 including any appraisal certification and training required under Title 43 of Georgia Code. In addition, such individuals shall successfully complete 4 hours of approved appraisal courses annually as follows:
(i) courses designed for appraisers and offered regionally by the State Revenue Commissioner, or
(ii) courses offered as a part of the annual short course for tax assessors through the University of Georgia and the Carl Vinson Institute of Government, or
(iii) courses offered online in partnership with the Department of Revenue and the University of Georgia and Carl Vinson Institute of Government, or
(iv) courses offered by and approved by the International Association of Assessing Officers, or
(v) courses approved by the Georgia Department of Revenue and offered by the Georgia Association of Assessing Officials,

(b) The annual training requirement in this regulation shall not apply to any employee or vendor who is only performing administrative tasks; who is only collecting data to be used by a county's appraisal staff in the appraisal process; or to any vendor or employee of a vendor who is only providing mapping services as opposed to creating and updating assessment records in addition to mapping.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-5-263, 48-5-265.
HISTORY: Original Rule entitled "County Appraisal Staff-Duties" was filed on May 25, 1973; effective June 14, 1973. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-2-.29 County Appraisal Staff -- Employment**. Amended.*

(1) Minimum county appraisal staff, as required by law and the terms of these Regulations, shall be employed by the Board of Tax Assessors in each county subject to the approval of the governing authority of each county.
(2) When a Class I county enters into a contract with a person(s) to render advice or assistance to the county board of tax assessors and the local board of equalization in the assessment and equalization of taxes or to perform such other ministerial duties as are necessary and appropriate, per Georgia Code Ann. 91A-1407, said person(s) shall possess not less than those qualifications for an Appraiser III or have not less than five (5) years experience in mass appraisal work.

AUTHORITY: Ga. L. 1978, pp. 309-324 (Ga. Code Ann. Sec. 91A-215); Ga. L. 1978, pp. 309, 432 (Ga. Code Ann. Ch. 14).
ADMINISTRATIVE HISTORY: Original Rule entitled "County Appraisal Staff -- Employment" was filed on May 25, 1973; effective June 14, 1973. AMENDED: Rule repealed and a new rule of the same title adopted. Filed June 20, 1980; effective July 10, 1980.

***560-11-2-.30 County Appraisal Staff -- State Payments**. Amended.*

(1) The State Revenue Commissioner shall, in accordance with the requirements of law setting forth minimum staff requirements, make an annual payment to the counties not later than June 1 each year. Eligibility for and the amount of such payments shall be based on parcel counts and staff requirements as of January 1 of the calendar year in which such payments are made. Provided, however, the State Revenue Commissioner shall be authorized to make the aforementioned annual payment to any county, which shows to the Commissioner's satisfaction, that at any time on or after October 1 of the year in question said county was unable to comply with the minimum staff requirements due to the death or voluntary resignation of a member or members of said county's appraisal staff.
(2) In the event that the classification of a county, per substantive regulation 560-11-2-.24, changes due to an increase in the number of parcels of real property in said county, said county shall have one (1) year in which to comply with the minimum staff requirements before said county becomes ineligible to receive future state payments.

AUTHORITY: Ga. L. 1978, pp. 309-324 (Ga. Code Ann. Sec. 91A-215); Ga. L. 1978, pp. 309, 432 (Ga. Code Ann. Ch. 14).
ADMINISTRATIVE HISTORY: Original Rule entitled "County Appraisal Staff -- State Payments" was filed on May 25, 1973; effective June 14, 1973. AMENDED. Rule repealed and a new rule of the same title adopted. Filed June 20, 1980; effective July 10, 1980.

***560-11-2-.40 Designated County Appraisers -- State Payments.***

For any fiscal year in which funds are appropriated salary supplements will be paid by the State Revenue Commissioner to county staff appraisers employed by county governments under the provisions of the Act of the General Assembly requiring such appraisers (Ga. Laws, 1972, p. 1104, as amended). The amount of such salary supplements shall be as follows: For those persons employed as full time county staff appraisers under the provisions of the Act as herein cited, who have earned the Certified Assessment Evaluator designation or the Certified Personality Evaluator designation, both of which are conferred by the International Association of Assessing Officers, the salary supplement shall be $ 1,000.00 per year. For those persons employed as full time county staff appraisers under the provisions of the Act as herein cited, who have earned the Georgia Certified Appraiser designation conferred by the Georgia Association of Assessing Officials, the salary supplement shall be $ 750.00 per year.

AUTHORITY: Ga. L. 1937-38, pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, et seq., as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).
ADMINISTRATIVE HISTORY: Original Rule entitled "Designated County Appraisers -- State Payments" was filed on May 30, 1978; effective June 19, 1978.

***560-11-2-.41 Designated County Appraisers -- Qualification.***

Qualifications and requirements which are established as necessary to earn the Georgia Certified Appraiser designation must be approved by the State Revenue Commissioner before any salary supplements are paid for such designation. Any changes in such qualifications and requirements must also be thus approved by the State Revenue Commissioner.

AUTHORITY: Ga. L. 1937-38, pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, et seq., as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).
ADMINISTRATIVE HISTORY: Original Rule entitled "Designated County Appraisers -- Qualification" was filed on May 30, 1978; effective June 19, 1978.

***560-11-2-.42 Designated County Appraisers -- Certification.***

Before salary supplements are paid to any person qualified hereunder, such person must make proper application to the State Revenue Commissioner certifying that:
(a) The applicant is employed or was employed by the county in accordance with the Act of the General Assembly which requires such employment for the applicable time period for which the salary supplement is claimed. Substantiation of such employment shall be furnished signed by the Chairman, Board of Tax Assessors and the Chairman, County Governing Authority.
(b) The applicant has earned one of the designations which will qualify him for salary supplement. A copy of the certificate conferred upon the applicant shall be furnished.
(c) The applicant meets all qualifications required by the Act of the General Assembly requiring such appraiser employment by the county to entitle him to be employed as full time county appraiser.

AUTHORITY: Ga. L. 1937-38, pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427);

Ga. L. 1972, pp. 1104, et seq., as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).
ADMINISTRATIVE HISTORY: Original Rule entitled "Designated County Appraisers -- Certification" was filed on May 30, 1978; effective June 19, 1978.

***560-11-2-.43 Designated County Appraisers -- Time of Payment.***

Salary supplements shall be paid by the State Revenue Commissioner to qualified applicants twice each year. Payment covering the period July 1 to December 31 shall be made on or before January 31 of the succeeding calendar year. Payment made covering the period January 1 to June 30 will be made on or before July 30 of that year.

AUTHORITY: Ga. L. 1937-38, pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, et seq., as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).
ADMINISTRATIVE HISTORY: Original Rule entitled "Designated County Appraisers -- Time of Payment" was filed on May 30, 1978; effective June 19, 1978.

***560-11-2-.44 Designated County Appraisers -- Employment Covered.***

Salary supplements will be paid by the State Revenue Commissioner only for the period of time during the year that the applicant held the appropriate designation and was otherwise qualified to receive the supplement.

AUTHORITY: Ga. L. 1937-38, pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, et seq., as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).
ADMINISTRATIVE HISTORY: Original Rule entitled "Designated County Appraisers -- Employment Covered" was filed on May 30, 1978; effective June 19, 1978.

***560-11-2-.45 Designated County Appraisers -- Payment Period.***

Salary supplements will be paid for each month during the year. An applicant shall become qualified to receive the supplement on the first day of the month following the month during which the applicant became qualified. An applicant shall no longer be entitled to receive the supplement on the last day of the month during which the applicant becomes disqualified for whatever reason.

AUTHORITY: Ga. L. 1937-38, pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, et seq., as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).
ADMINISTRATIVE HISTORY: Original Rule entitled "Designated County Appraisers -- Payment Period" was filed on May 30, 1978; effective June 19, 1978

***560-11-2-.46 Designated County Appraisers -- Disqualification.***

The State Revenue Commissioner shall deny the application and withhold the salary supplement from any applicant who does not meet the qualifications as required hereunder, and he shall notify said applicant of such denial.

AUTHORITY: Ga. L. 1937-38, pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, et seq., as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).
ADMINISTRATIVE HISTORY: Original Rule entitled "Designated County Appraisers -- Disqualification" was filed on May 30, 1978; effective June 19, 1978.

***560-11-2-.47 Designated County Appraisers -- Appropriation Requirement.***

No salary supplements shall be paid to qualified applicants in any year in which funds for this purpose are not appropriated.

AUTHORITY: Ga. L. 1937-38, pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, et seq., as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).
ADMINISTRATIVE HISTORY: Original Rule entitled "Designated County Appraisers -- Appropriation Requirement" was filed on May 30, 1978; effective June 19, 1978.

***560-11-2-.62 Appraisal Staff Definitions***

"Assessment contractor" means a person or individual who contracts with a county to render advice or assistance to the county board of tax assessors in the assessment and equalization of taxes, the establishment of property valuations, or the defense of such valuations. Such contracted services may include timber appraisals, real and personal property appraisals, personal property auditing, and tax parcel mapping; but shall not include legal services, or clerical, and administrative services. Persons or individuals performing services as an Assessment Contractor must meet education requirements as set forth in Department regulations.

"Chief appraiser" means a fulltime member of a county appraisal staff who has received the designation of Appraiser III or IV from the Georgia Department of Revenue Georgia Certification Program for Tax Officials and who has been designated by such county board of assessors as chief appraiser.

"County appraisal staff" are individuals employed by a county to perform tax appraisals for the purpose of producing an annual ad valorem tax digest. The governing authorities of any two or more counties may execute an intergovernmental agreement to provide for the sharing of one or more individual appraisal staff members following consultation with the county boards of assessors.

"Designated county appraiser", as used in Georgia Code Section 48-5-267, means a county appraisal staff member who has earned the Certified Assessment Evaluator or Certified Personal Evaluator designation as conferred by the International Association of Assessing Officials or the Georgia Certified Appraiser designation conferred by the Georgia Association of Assessing Officials.

“Joint County Appraisal Staff” means individuals employed under an intergovernmental agreement between two or more counties to perform tax appraisals for the purpose of producing the annual ad valorem tax digests for each participating county subject to such intergovernmental agreement.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-5-269.
HISTORY: Original Rule entitled "Appraisal Staff Definitions" adopted. F. Jan. 4, 2016; eff. Jan. 24, 2016.

## Chapter 3 BOARDS OF ASSESSORS

### *560-11-2-.27 County Board of Tax Assessors ' Vacancy.*

When there is a vacancy on a county's board of tax assessors, the county's governing authority shall immediately fill the vacancy by appointing a new member whose qualifications are in conformity with O.C.G.A. § 48-5-291.

Authority O.C.G.A. Secs. 48-5-264, 48-5-291, 48-5-292, 48-5-295.
History. Original Rule entitled "County Appraisal Staff-Chief Appraiser" adopted. F. May 25, 1973; eff. June 14, 1973.Repealed: New Rule entitled "County Board of Tax Assessors ' Vacancy" adopted. F. Nov. 15, 2010; eff. Dec. 5, 2010. Repealed: New Rule of the same title adopted. F. Mar. 3, 2011; eff. Mar. 23, 2011.

### *560-11-2-.31 County Board of Tax Assessors--Qualifications.*

(1) Approved Appraisal Courses' under O.C.G.A. § 48-5-291 shall be only those courses approved by the Local Government Services Division of the Georgia Department of Revenue.
(2) Two Calendar Years of Tenure' under § 48-5-291 shall mean any calendar twenty-four (24) month period beginning on the date the assessor is appointed.
(3) Certificate' as issued by the Commissioner under O.C.G.A. § 48-5-291 shall mean a certificate issued by the Revenue Commissioner officially and specifically for the purpose of designating an assessor as certified pursuant to § 48-5-291(a)(5). Certificate' shall not mean any certificate issued specifically for the successful completion of approved appraisal courses. No duties or responsibilities may be executed by a board of tax assessors having a majority of members who do not have a valid Certificate.' A Certificate' shall be:
(a) Issued to each board of assessor member upon the Revenue Commissioner's receipt of the oath of office signed by the assessor member along with, if available, proof of high school education;
(b) Printed with an expiration date coinciding with the tax assessor's term of office;
(c) Posted in a prominent location readily viewable by the public in the office of the board of tax assessors; and
1. A Certificate may be revoked for a direct and clear violation of state law and regulations governing the duties and responsibilities of the board of tax assessors.
(i) Revenue Commissioner or his delegates shall have the authority to revoke.
(ii) A board of tax assessor whose Certificate' has been revoked may not vote in any legal Board of Assessors meeting and their attendance shall not count as a member necessary to constitute a quorum. Any attendance by such revoked member shall be duly noted in the minutes of that meeting.
(I) Notice of revocation will be provided to:
(A) The individual board of assessor member whose certificate is revoked;
(B) The county board of tax assessors Chairperson; and
(C) The county governing authority.
(iii) Revocation of a Certificate shall remain in effect until such time as the ex-board member becomes compliant with Georgia law and regulations governing the duties, certification, training requirements, and qualifications of the board of tax assessors and certification has been reinstated by the Revenue Commissioner or his delegates.
(iv) Revocation of an assessor member's Certificate pursuant to subsection (b) of Code Section 48-5-295 may be grounds for permanent removal from a county's board of tax assessors by the Revenue Commissioner.

(v) Revocation of a Certificate may be appealed by the assessor member in writing to the Revenue Commissioner, by way of the Director of the Local Government Services Division. All evidence and arguments to be considered must be included in the written appeal.
(I) Appeals must be filed within 30 days of revocation date printed on the notice.
(II) Extensions to the 30 day appeal filing period may be granted by the Director of Local Government Services.
(4) A member of a county board of tax assessors may be reappointed to succeed himself as a member of the board so long as the reappointment does not act to circumvent the certification, training requirements, and qualifications of O.C.G.A. § 48-5-290, O.C.G.A. § 48-5-291, O.C.G.A. § 48-5-292 and this Regulation.

Authority O.C.G.A. Secs. 48-5-290, 48-5-291, 48-5-292, 92-8405, 8406, 8409, 8427.
History. Original Rule entitled "County Board of Tax Assessors-Qualifications of Members' was filed on May 17, 1973; effective June 6, 1973. Amended: F. Jun. 20, 1980; eff. Jul. 10, 1980. Repealed:New Rule entitled "County Board of Tax Assessors-Qualifications" adopted. F. Mar. 3, 2011; eff. Mar. 23, 2011.

## Chapter 4 BOARDS OF EQUALIZATION

### *560-11-2-.34 County Boards of Equalization--Definitions.*

(1) Uniform Appeal Form' referred to O.C.G.A. § 48-5-311 shall be known as form PT-311.
(2) Taxability' under O.C.G.A. § 48-5-311 shall mean whether property is exempt from ad valorem taxation as provided under law.
(3) Uniformity of Assessment' under O.C.G.A. § 48-5-311 shall have the meaning as provided for in the Georgia Constitution, Article VII, Section I, Paragraph III.
(4) Value' under O.C.G.A. § 48-5-311 shall mean the fair market value as defined in O.C.G.A. § 48-5-2(3).

Authority Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended: GA O.C.G.A. Secs. 48-5-311, 92-8405, 8406, 8409, 8427; Ga. L. 1972, pp. 1095, et. Seq. Effective August 7, 1973. Administrative
History. Original Rule was filed on July 18, 1973; effective August 7, 1973. Repealed: New Rule entitled "County Boards of Equalization-Definitions" adopted. F. Mar. 16, 2011; eff. April 5, 2011.

### *560-11-2-.35 County Boards of Equalization--Disqualification.*

(1) Before any appeal is heard by the members of a County Board of Equalization, each member of the Board shall certify, either verbally or in writing to all other members of the Board hearing the appeal, that he or she is not disqualified from hearing the appeal by virtue of the requirements as provided in O.C.G.A. § 48-5-311(j).
(2) Pursuant to O.C.G.A. § 48-5-311(j), either party to the appeal may ask that those members of the Board hearing the appeal, to answer questions relating to his or her ability to serve as a member of the Board for that particular appeal, such as:
(a) Are you related by blood or marriage to the appellant in this case, or to any member of the Board of Tax Assessors or its staff?
(b) Are you related by blood or marriage to any person duly appointed to represent the appellant or the county's board of tax assessors in this case?
(c) Are you employed, or is any member of your immediate family employed, by the parties in this case?
(d) Do you have any financial or legal interest in the property subject to appeal in this case?
(e) Have you formed any opinion that precludes you from setting a valuation on the property in question in accordance with Georgia law, which requires all property to be appraised at its fair market value, or from equalizing the assessments at 40% of fair market value?
(f) Have you discussed the facts of this appeal with anyone other than a fellow Board of Equalization member?
(g) Do you know of any other reason that you cannot render a fair and just decision regarding the property in question?
(3) The members of a Board of Equalization shall answer all such questions under the previously taken oath pursuant to O.C.G.A. § 48-5-311(c)(5).
(4) The Judge of Superior Court shall make necessary determinations of disqualification on the request of either party made as required by law.

Authority Ga. L. 1937-38, Extra Sess., pp.77, et. Seq., as amended; GA. O.C.G.A. Secs. 48-5-311, 92-8405, 8406, 8409, 8427, Ga. L. 1972, pp. 1095, et seq. Effective August 7, 1973.
Administrative History. Original Rule was filed on July 18, 1973; effective August 7, 1973. Repealed: New Rule of same title adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-2-.36 County Boards of Equalization--Chairman.***

(1) Prior to a hearing of the Board of Equalization, the members of each Board of Equalization may designate one of its members to serve as Chairman. The Appeal Administrator shall decide which hearings each regular and alternate member of the Board of Equalization shall preside over.
(2) The Chairman shall be responsible for certifying all documents with respect to any matter heard by the Board. The Chairman shall have the authority to sign on behalf of the Board any notifications setting the location of a hearing and the hearing's date(s).
(3) The Chairman shall have the authority to administer oaths, grant continuances, and reprimand or exclude from the hearing any person for any improper conduct.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-5-311.
HISTORY: Original Rule was filed on July 18, 1973; effective August 7, 1973. Repealed: New Rule of the same title adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-12-.01 Applicability of Rules.***

(1) The rules in this Chapter shall apply to and govern ad valorem tax assessment appeal hearings held by the county boards of equalization including those formed by intergovernmental agreement.
(2) The actions, decisions and orders of a county's board of equalization are:
(a) Subject to the appeals procedures as provided in this section.
(b) Empowered to exercise the same degree of authority and perform the same actions as hearing officers under O.C.G.A. § 50-13-13.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12, 48-5-311(e)(1)(D).
History. Original Rule entitled "Applicability of Rules" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-12-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof.***

The hearings held under these Regulations shall only be as formal as is necessary to preserve order and be compatible with the principles of justice.
(1) Parties shall have the right to be represented by legal counsel.
(2) The parties have a right to obtain, not less than seven (7) days prior to the date of the hearing, the documentary evidence and the names and addresses of the witnesses to be used at the hearing by making a written request to the Board of Equalization and to the other party not less than 10 days prior to the date of the hearing. Any such documentary evidence or witnesses not provided upon a timely written request may be excluded from the hearing at the discretion of the Board of Equalization.
(3) The parties shall also have the right to respond and present evidence on all issues involved and to cross examine all witnesses.

(4) The standard of proof on all issues in the hearing shall be a preponderance of the evidence. A preponderance of the evidence is established when one party's evidence is of greater weight or is more convincing than the evidence offered in opposition to it, in that, the evidence, when taken as a whole, shows that the fact in dispute has been proven by one party to be more probable than not.
(5) When a hearing is being held regarding a county's board of tax assessors' tax assessment, the county

board of tax assessors shall have the burden of proof in regards to value, not taxability.
(a) If a hearing is being held regarding a property tax exemption, then the party seeking the property tax exemption shall have the burden of proving entitlement.
(6) The county board of tax assessors shall present its case first, unless a taxpayer elects to present first.

AUTHORITY: O.C.G.A. Secs. 48-2-7, 48-2-12.
HISTORY: Original Rule entitled "Nature of the Proceeding; Hearing Procedure; Burden of Proof" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-12-.03 Evidence; Official Notice.***

(1) The rules of evidence in hearings covered by this Chapter shall be substantially as follows:
(a) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded;
1. The rules of evidence as applied in the trial of civil non-jury cases in the superior courts shall be followed as far as practicable.
2. Evidence not admissible under superior court rules may be admitted when necessary to discover facts not reasonably understood from the previously admitted evidence.
3. Except where precluded by statute, if the evidence presented it is of a type commonly relied upon by reasonably prudent persons, the county board of equalization has discretion as to whether to admit the evidence or not.
(b) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available;
1. Upon request, parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to the superior courts of Georgia;
(c) A party may conduct such cross-examination as required for a full and true disclosure of the facts;
(d) Official notice may be taken of judicially recognizable facts and generally recognized technical facts or records within the agency's specialized knowledge.
1. The parties shall be notified of any material so noticed and shall be afforded the opportunity to contest such material at the hearing.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
History. Original Rule entitled "Evidence; Official Notice" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-12-.04 Continuances and Postponements.***

(1) Matters set for hearing may be continued or postponed within the sound discretion of the Board of Equalization upon timely motion by either party.

(2) The Board of Equalization may on its own motion continue or postpone the hearing.

AUTHORITY: O.C.G.A. Secs. 48-2-7, 48-2-12.
HISTORY: Original Rule entitled "Continuances and Postponements" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-12-.05 Subpoena Forms; Service.***

(1) Either party may obtain subpoena forms from Clerk of Superior Court by making a timely request.
(2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
HISTORY: Original Rule entitled "Subpoena Forms; Service" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-12-.06 Transcripts of Hearing.***

(1) Any party may request that the hearing be conducted before a court reporter, or recorded in audio and/or video.
(2) The request shall be in writing and include an agreement by the requesting party that he or she shall pay the costs incurred by the request or that he or she shall procure at his or her own cost and on his or her own initiative, the court reporting or recording services for the hearing.
(3) Regardless of who makes the arrangements or requests the transcript, or tape or video record be made, the original transcript, or tape or video record of the proceedings shall be submitted to the board of equalization chairman prior to the close of the hearing record if the transcript, or tape or video is to be made part of the record.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
History. Original Rule entitled "Transcripts of Hearing" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-12-.07 Case Presentment.***

In accordance with the Georgia Administrative Procedure Act, a party shall be entitled to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12, 50-13-13.
History. Original Rule entitled "Case Presentment" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-12-.08 Ruling; Decision***.

(1) The decision of the County Board of Equalization shall clearly state the Board of Equalization's ruling regarding the property's value, uniformity, or taxability, where applicable.
(2) The decision of the County Board of Equalization shall be rendered pursuant to O.C.G.A. § 48-5-311 (e)(6)(D)(i).
(3) When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, the decision of the County Board of Equalization shall be provided to such agent, representative, or attorney pursuant to O.C.G.A. § 48-5-311(o).

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
History. Original Rule entitled "Ruling; Decision" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-12-.09 Hearing Location***.

A hearing conducted by a county's board of equalization under this Chapter, shall be held in the county where the property is located unless all parties agree to hold the hearing at a mutually agreed upon location.

Authority O.C.G.A. Sec. 48-5-311.
History. Original Rule entitled "Hearing Location" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

## Chapter 5 COUNTY HEARING OFFICERS

### *560-11-13-.01 Applicability of Rules.*

(1) The rules in this Chapter shall apply to and govern ad valorem tax assessment appeal hearings held by a county hearing officer, pursuant to O.C.G.A. § 48-5-311.
(2) The actions, decisions and orders of a county hearing officer are subject to the appeals procedures as provided in this section and O.C.G.A. § 48-5-311.
(3) The county hearing officer is empowered to exercise the same degree of authority and perform the same actions as hearing officers under O.C.G.A. § 50-13-13.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12, 48-5-311.
History. Original Rule entitled "Applicability of Rules" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016

### *560-11-13-.02 Nature of the Proceeding; Hearing Procedure; Burden of Proof.*

The hearings held under these Regulations shall only be as formal as is necessary to preserve order and be compatible with the principles of justice.
(1) Parties shall have the right to be represented by legal counsel. Documents or other written evidence to be presented at the hearing by a party must be provided to the other party not less than seven (7) days prior to the time of the hearing and that any failure to comply with this requirement shall be grounds for an automatic continuance or for exclusion of such documents or other written evidence. The decision to continue a proceeding or exclude documents or records shall be within in the discretion of the hearing officer.
(2) The parties shall also have the right to respond and present evidence on all issues involved and to cross-examine all witnesses.
(3) The standard of proof on all issues in the hearing shall be a preponderance of the evidence. A preponderance of the evidence is established when one party's evidence is of greater weight or is more convincing than the evidence offered in opposition to it, in that, the evidence, when taken as a whole, shows that the fact in dispute has been proven by one party to be more probable than not.
(4) When a hearing is being held regarding a county's board of tax assessors' tax assessment, the county board of tax assessors shall have the burden of proof in regards to fair market value and the validity of proposed assessment, not taxability.
(a) If a hearing is being held regarding a property tax exemption, then the party seeking the property tax exemption shall have the burden of proving entitlement.
(5) The county board of tax assessors shall present its case first, unless a taxpayer elects to present first and the hearing officer, in his or her discretion, allows it.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
History. Original Rule entitled "Nature of the Proceeding; Hearing Procedure; Burden of Proof" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-13-.03 Evidence; Official Notice.***

(1) The rules of evidence in hearings covered by this Chapter shall be substantially as follows:
(a) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded;
1. The rules of evidence as applied in the trial of civil non-jury cases in the superior courts shall be followed as far as practicable.
2. Evidence not admissible under superior court rules may be admitted when necessary to discover facts not reasonably understood from the previously admitted evidence.
3. Except where precluded by statute, if the evidence presented it is of a type commonly relied upon by reasonably prudent persons, a hearing officer has discretion as to whether to admit the evidence or not.
(b) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available;
1. Upon request, parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to the superior courts of Georgia;
(c) A party may conduct such cross-examination as required for a full and true disclosure of the facts;
(d) Official notice may be taken of judicially recognizable facts and generally recognized technical facts or records within the agency's specialized knowledge.
1. The parties shall be notified of any material so noticed and shall be afforded the opportunity to contest such material at the hearing.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
History. Original Rule entitled "Evidence; Official Notice" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-13-.04 Continuances and Postponements.***

(1) Matters set for hearing may be continued or postponed within the sound discretion of the county hearing officer upon timely motion by either party.
(2) The county hearing officer may on his own motion continue or postpone the hearing.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
History. Original Rule entitled "Continuances and Postponements" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-13-.05 Subpoena Forms; Service.***

(1) Either party may obtain subpoena forms from the Clerk of Superior Court by making a timely request.
(2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
History. Original Rule entitled "Subpoena Forms; Services" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.
Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-13-.06 Transcripts of Hearing.***

(1) Any party may request that the hearing be conducted before a court reporter, or recorded in audio and/or video.
(2) The request shall be in writing and include an agreement by the requesting party that he or she shall pay the costs incurred by the request or that he or she shall procure at his or her own cost and on his or her own initiative, the court reporting or recording services for the hearing.
(3) Regardless of who makes the arrangements or requests the transcript, or tape or video record be made, the original transcript, or tape or video record of the proceedings shall be submitted to the county hearing officer prior to the close of the hearing record if the transcript, or tape or video is to be made part of the record.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12.
History. Original Rule entitled "Transcripts of Hearing" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-13-.07 Case Presentment.***

In accordance with the Georgia Administrative Procedure Act, a party shall be entitled to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts.

Authority O.C.G.A. Secs. 48-2-7, 48-2-12, 50-13-13.
History. Original Rule entitled "Case Presentment" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-13-.08 Ruling; Decision.***

(1) The decision of the county hearing officer shall clearly state the ruling regarding the property's value and uniformity, where applicable.
(2) The decision of the county hearing officers shall be rendered pursuant to O.C.G.A. § 48-5-311 (e.1)(7).
(3) When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, the decision of the county hearing officer shall be provided to such agent, representative, or attorney pursuant to O.C.G.A. § 48-5-311(o).

Authority O.C.G.A. Secs. 48-2-7, 48-2-12, 48-5-311.
History. Original Rule entitled "Ruling; Decision" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-13-.09 Hearing Location.***

A hearing conducted by a county hearing officer under this Chapter, shall be held in the county where the property is located unless all parties agree to hold the hearing at a mutually agreed upon location.

Authority O.C.G.A. Sec. 48-5-311.
History. Original Rule entitled "Hearing Location" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-13-.10 Swearing In Witnesses.***

(1) Before a witness is allowed to testify at a hearing, the witness must first be sworn-in by swearing or affirming to tell the truth.
(a) The county hearing officer shall be responsible for swearing in all witnesses and must administer the following oath:
"Do you swear or affirm to tell the truth, the whole truth, and nothing but the truth, so help you God?"

Authority O.C.G.A. Sec. 48-5-311.
History. Original Rule entitled "Swearing in Witnesses" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-13-.11 Hearing Officer Procedural Form.***

A county hearing officer shall follow the procedures as outlined in Hearing Officer Procedure Form-1 when conducting an administrative hearing under this Chapter.

Authority O.C.G.A. Sec. 48-5-311.
History. Original Rule entitled "Hearing Officer Procedural Form" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

***560-11-13-.12 Hearing Officers and the Administrative Procedures Act.***

The Administrative Procedures Act is not applicable, but where referenced in this Chapter, the Administrative Procedures Act was used as a guideline for the Regulations in order to ensure due process.

Authority O.C.G.A. Secs. 48-2-7, 48-5-311.
History. Original Rule entitled "Hearing Officers and the Administrative Procedures Act" adopted. F. May 9, 2011; eff. May 29, 2011.

## Chapter 6 TAX DIGESTS

### *560-11-2-.20 Classification of Real and Personal Property on Individual Ad Valorem Tax Returns.*

(1) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable real and personal property returned or assessed for county taxation shall be identified according to the following classifications. Real Property receiving preferential assessment under O.C.G.A. § 48-5-7.1, 48-5-7.2, 48-5-7.3 or 48-5-7.6 or current use assessment under O.C.G.A. § 48-5-7.4 or 48-5-7.7 shall be included in the classification specifically designated for those properties and not included in the general use classification that might otherwise be appropriate.

(a) Residential - This classification shall apply to all land utilized, or best suited to be utilized as a single family homesite, the residential improvements and other nonresidential homesite improvements thereon. For the purposes of this subparagraph, duplexes and triplexes shall also be considered single-family residential improvements.
1. This classification shall also apply to all personal property owned by individuals that has not acquired a business situs elsewhere and is not otherwise utilized for agricultural, commercial or industrial purposes.

(b) Residential Transitional - This classification shall apply to the residential improvement and up to no more than five acres of land underneath the improvement and comprising the homesite the value of which is influenced by its proximity to or location in a transitional area and which is receiving a current use assessment under O.C.G.A. § 48-5-7.4.

(c) Agricultural - This classification shall apply to all real and personal property currently utilized or best suited to be utilized as an agricultural unit. It shall include the single family homesite that is an integral part of the agricultural unit, the residential improvement, the non-residential homesite improvements, the non-homesite agricultural land, and the production and storage improvements.
1. This classification shall also apply to all personal property owned by individuals that is not connected with the agricultural unit but has not acquired a business situs elsewhere and the personal property connected with the agricultural unit which shall include the machinery, equipment, furniture, fixtures, livestock, products of the soil, supplies, minerals and off-road vehicles.

(d) Preferential - This classification shall apply to land and improvements primarily used for bona fide agricultural purposes and receiving preferential assessment under O.C.G.A. § 48-5-7.1.

(e) Conservation Use - This classification shall apply to all land and improvements primarily used in the good faith production of agriculture products or timber and receiving current use assessment under O.C.G.A. § 48-5-7.4.

(f) Environmentally Sensitive - This classification shall apply to all land certified as environmentally sensitive property by the Georgia Department of Natural Resources and receiving current use assessment under O.C.G.A. § 48-5-7.4.

(g) Brownfield Property - This classification shall apply to all land certified "Brownfield Property" by the Environmental Protections Division of the Department of Natural Resources and receiving preferential assessment under O.C.G.A. § 48-5-7.6.

(h) Forest Land Conservation Use Property - This classification shall apply to all land and improvements primarily used in the good faith production of timber receiving current use assessment under O.C.G.A. § 48-5-7.7.

(i) Commercial - This classification shall apply to all real and personal property utilized or best suited to be utilized as a business unit the primary nature of which is the exchange of goods and services at either the wholesale or retail level. This classification shall include multi-family dwelling units having four or more units.

(j) Historic - This classification shall apply to up to two acres of land and improvements thereon designated as rehabilitated historic property or landmark historic property and receiving preferential assessment under O.C.G.A. § 48-5-7.2 or O.C.G.A. § 48-5-7.3.

(k) Industrial - This classification shall apply to all real and personal property utilized or best suited to be utilized as a business unit, the primary nature of which is the manufacture or processing of goods destined for wholesale or retail sale.

(l) Utility - This classification shall apply to the property of companies that are required to file an ad valorem tax return with the State Revenue Commissioner, and shall include all the real and personal property of railroad companies and public utility companies and the flight equipment of airline companies.

(2) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable real property returned or assessed for county taxation shall be further stratified into the following strata:

(a) Improvements - This stratum shall include all in-ground and above ground improvements that have been made to the land including lease hold improvements. This stratum excludes all production and storage improvements utilized in the operation of a farm unit and those improvements auxiliary to residential or agricultural dwellings included in the Production/Storage/Auxiliary stratum.

1. The Board of Tax Assessors are given the option under this regulation to place the value of residential auxiliary buildings in this stratum or in the Production/Storage/Auxiliary stratum described in subparagraph (2)(f) of this Regulation.

2. This stratum does not include the land.

(b) Operating Utility - This stratum shall include all real and personal property of a public utility, tangible and intangible, utilized in the conduct of usual and ordinary business.
1. Real and personal property of a public utility not utilized in the conduct of usual and ordinary business shall be designated non-operating property and shall be included in the appropriate alternative strata.

(c) Lots - This stratum shall include all land where the market indicates the site is sold on a front footage or buildable unit basis rather than by acreage.

(d) Small Tracts - This stratum shall include all land that is normally described and appraised in terms of small acreage, which is of such size as to favor multiple uses.

(e) Large Tracts - This stratum shall include all land that 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.

1. The acreage breakpoint between small tracts and large tracts shall be designated by the Board of Tax Assessors as being that point where the market price per acre reflects distinct and pronounced change as the size of the tract changes. In the event this break point cannot easily be determined, the Board of Tax Assessors shall designate a reasonable break point not less than five (5) acres but not greater than twenty-five (25) acres.

(f) Production/Storage/Auxiliary - This stratum shall include those improvements auxiliary to residential or agricultural dwellings not included in the Improvements stratum described in subparagraph (2)(a) of this regulation and all improvements to land that are utilized by an agricultural unit for the storage or processing of agricultural products.

(g) Other Real - This stratum shall include leasehold interests, mineral rights, and all real property not otherwise defined in this paragraph.

(3) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable personal property returned or assessed for county taxation shall be further stratified into the following strata:
(a) Aircraft - This stratum shall include all airplanes, rotorcraft and lighter-than-air vehicles, including airline flight equipment required to be returned to the State Revenue Commissioner.

(b) Boats - This stratum shall include all craft that are operated in and upon water. This stratum shall include the motors, but not the land transport vehicles.

(c) Inventory - This stratum shall include all raw materials, goods in process and finished goods. This stratum shall include all consumable supplies used in the process of manufacturing, distributing, storing or merchandising of goods and services. This stratum shall not include inventory receiving freeport exemption under O.C.G.A. § 48-5-48-2.
This stratum shall also include livestock and other agricultural products.

(d) Freeport Inventory - This stratum shall include all inventory receiving the Freeport exemption under O.C.G.A. Sec. 48-5-48-2 and 48-5-48.6.

(e) Furniture/Fixtures/Machinery/Equipment-This stratum shall include all fixtures, furniture, office equipment, computer software and hardware, production machinery, offroad vehicles, equipment, farm tools and implements, and tools and implements of trade of manual laborers.

(f) Other Personal - This stratum shall include all personal property not otherwise defined in this paragraph.

Authority O.C.G.A. Secs. 48-2-1, 48-2-7, 48-2-12, 48-5-16, 48-5-105, 48-5-269.
History. Original Rule entitled "Tangible Property Classifications ' Ad Valorem Tax Returns" adopted. F. Nov. 8, 1972; eff. Nov. 28, 1972. Repealed: New Rule entitled "Classification of Real and Personal Property on Individual Ad Valorem Tax Returns" adopted. F. June 9, 1989; eff. June 29, 1989. Amended: F. Aug. 4, 1992; eff. Aug. 24, 1992.Amended: F. May 9, 2011; eff. May 29, 2011. Amended: F. Mar. 24, 2017; eff. Apr. 13, 2017.

***560-11-2-.21 Classification of Tangible Property on County Tax Digests.***

(1) The tax receiver or tax commissioner of each county shall list all taxable real and personal property on the digest using the classifications and strata specified in Regulation 560-11-2-.20.

(a) The tax receiver or tax commissioner shall further identify the properties listed on the digest by use of a two-digit code, the first character of which shall designate the property classification and the second character of which shall designate the stratum. The code is more particularly described as follows:

1st Digit - CLASSIFICATION

A - Agricultural

B - Brownfield Property

C - Commercial

F - FLPA Fair Market Value (for reimbursement purposes)

H - Historic

I - Industrial

J - FLPA Conservation Use

P - Preferential

R - Residential

T - Residential Transitional

U - Utility

V - Conservation Use

W - Environmentally Sensitive

2nd Digit - REAL PROPERTY STRATA

1 - Improvements

2 - Operating Utility

3 - Lots

4 - Small Tracts

5 - Large Tracts

6 - Production/Storage/Auxiliary

9 - Other Real

2nd Digit - PERSONAL PROPERTY STRATA

A - Aircraft

B - Boats

F - Furniture/Fixtures/Machinery/Equipment

I - Inventory

P - Freeport Inventory

Z - Other Personal

(2) The chairman of the board of assessors shall certify to the tax receiver or tax commissioner a list of all properties, the assessed value of which were changed by the board from the values appearing on the previous year's digest. This list shall not include previously unreturned real and personal property. It shall also exclude divisions and consolidations of property and those changes that are mere transfers of ownership.

(a) The list shall show the final assessed values on the previous year's digest and the assessed values placed on the current year's digest and shall be consolidated by the tax receiver or tax commissioner using the same classifications as are used to classify property appearing on the digest. This list shall be submitted by the tax receiver or tax commissioner to the State Revenue Commissioner at the time and in the manner the tax digest is submitted.

(3) The tax receiver or tax commissioner of each county shall also enter the total assessed value of motor vehicle property with the consolidation of all assessed values of taxable property on the digest.

(4) The tax receiver or tax commissioner of each county shall also enter the total assessed value of mobile home property with the consolidation of all assessed values of taxable property on the digest.

(5) The tax receiver or tax commissioner of each county shall also enter the total assessed value of timber harvested or sold during the calendar year immediately preceding the year of the digest, with the consolidation of all assessed values of taxable property on the digest.

(6) The tax receiver or tax commissioner of each county shall also enter the total assessed value of heavy duty equipment property with the consolidation of all assessed values of taxable property on the digest.
Authority O.C.G.A. Secs. 48-2-7, 48-2-12, 48-5-103, 48-5-108, 48-5-269.

History. Original Rule entitled "Tangible Property Classifications ' County Tax Digests" adopted. F. Nov. 8,

1972; eff. Nov. 28, 1972. Repealed: New Rule entitled "Classification of Tangible Property on County Tax Digests" adopted. F. June 9, 1989; eff. June 29, 1989. Amended: F. Aug. 4, 1992; eff. Aug. 24, 1992. Amended: F. Dec. 20, 2006; eff. Jan. 9, 2007. Amended: F. May 9, 2011; eff. May 29, 2011.

***560-11-2-.56 Review of County Tax Digest by the State Revenue Commissioner.***

(1) General.
(a) County boards of tax assessors are required by the State Constitution and state law to continuously maintain assessments of property that are reasonably uniform and that are based on fair market value as defined in § 48-5-2 (except as otherwise stated in § 48-5-6 and § 48-5-7(c.3)). The Department is required by law to periodically review the county digests to determine if the digests are in compliance with such laws.
(b) This Regulation imposes no additional requirements on the county boards of tax assessors. It merely sets forth the statistical and other methods that are used by the Department in making its determination. The Department does not determine when to revalue property. Each county board of tax assessors determines for itself when it believes a revaluation of property is necessary for legal compliance. Failure to revalue property shall not in and of itself be a basis for assessment of any penalty.
(c) Any digest submitted shall be reviewed utilizing information established by the State Auditor to determine whether or not the county tax digest is in accordance with the uniformity requirements of § 48-5-343.
(2) Review of County Tax Digest by the State Revenue Commissioner.
(a) County Notification: In the event a county fails to meet the standards set forth in paragraphs (c) through (k) of subparagraph (2) of this Regulation, the Commissioner shall immediately notify the county. The notification shall include the findings of the State Auditor regarding assessment bias and assessment ratio, and any additional information the Commissioner believes would be of assistance to the county board of tax assessors to establish uniform values.
(b) Property Classes: For purposes of this regulation the real and personal property of each county shall be classified into five classes of property:
1. Residential (including Residential Transitional and Historic);
2. Agricultural (including Preferential, Conservation Use, Environmentally Sensitive)
3. Commercial;
4. Industrial; (including Brownfield)
5. Utility.
(c) Average Level of Assessment: The Commissioner shall maintain uniformity among the classes of property by setting standards for the average level of assessment for each.
(d) Standard For Level of Assessment: The standard for level of assessment for all classes of property will be in compliance with the Code if the upper limit of a ninety-five percent confidence interval about the average level of assessment, as established by the State Auditor, is equal to or greater than thirty-six percent, or the lower limit of a ninety-five percent confidence interval about the average level of assessment as established by the State Auditor, is less than forty-four percent.
(e) Uniformity Within a Class of Property: The average assessment variance for each class of property shall be ensured by the coefficient of dispersion of the sample for each class, as established by the State Auditor.
(f) Standard for Uniformity: The standard for uniformity will be deemed to have been met if the resulting coefficient does not exceed fifteen percent for the residential class of property or twenty percent for the non-residential classes of property.
(g) Residential Class of Property: If the State Auditor adds non-residential observations to the residential sample to determine statistics applicable to the residential class of property, the standard of uniformity for the residential class of property shall be the same as for the non-residential classes of property.

(h) Assessment Bias: The level of assessment bias within each class of property shall be measured by the price-related differential as established by the State Auditor. It shall be deemed to be in compliance if the resulting price-related differential is in the range of 0.95 to 1.10, inclusive.
(i) Magnitude of Deficiency: If a class of property constitutes ten percent or less of the assessed value of the total digest, and does not meet the uniformity requirements the Commissioner may approve the digest if, in his judgment, the approval will not substantially violate the concept of uniformity and equalization.
(j) Overall Average Assessment: The overall average assessment ratio for the county shall be the weighted mean of the average level of assessment of the classes of property as established by the State Auditor.
(k) Deviation of Overall Average Assessment: If the overall average assessment ratio is less than thirty-six percent, the digest shall be deemed to deviate substantially from the proper assessment ratio. The Commissioner shall assess against the county governing authority additional state tax in an amount equal to the difference between the amount the state's levy of one-quarter mill would have produced if the digest had been at the proper assessment ratio, and the amount the digest actually used for collection purposes would produce.
(3) Digest Review by Department.
(a) County boards of tax assessors are required by the State Constitution and state law to continuously maintain assessments of property that are reasonably uniform and that are based on fair market value. The Department is required by law to periodically review the county digests to determine if the digests are in compliance with such laws.
(b) The Department does not determine when to revalue property. Each county board of tax assessors determines for itself when all classes of property should be valued in accordance with § 48-5-299(a). This regulation imposes no additional requirements on the county boards of tax assessors. The Department's digest review cycle is only established to validate that counties are meeting the 40% of fair market value requirement of § 48-5-7, and no particular period or schedule of revaluations is required of the counties by the Department for approval of a county digest. Failure to revalue property shall not in and of itself be a basis for assessment of any penalty.

(c) The digest review cycle for each county commencing January 1, 2008, shall be as follows:
1. January 1, 2010 and every third January 1 thereafter for the following counties: Atkinson, Bacon, Baker, Baldwin, Barrow, Bibb, Bulloch, Carroll, Chattahoochee, Cherokee, Clarke, Clinch, Coffee, Dougherty, Emanuel, Fannin, Fayette, Franklin, Fulton, Gilmer, Glascock, Glynn, Gordon, Greene, Hall, Haralson, Irwin, Jasper, Jenkins, Johnson, Lumpkin, McIntosh, Meriwether, Murray, Muscogee, Newton, Oglethorpe, Paulding, Peach, Pickens, Pike, Putnam, Randolph, Screven, Stewart, Sumter, Tattnall, Tift, Toombs, Turner, Twiggs, Union and Wheeler.

2. January 1, 2008 and every third January 1 thereafter for the following counties: Bartow, Bleckley, Brooks, Calhoun, Candler, Chatham, Chattooga, Cobb, Colquitt, Cook, Crawford, Dawson, Douglas, Early, Echols, Effingham, Forsyth, Grady, Gwinnett, Habersham, Harris, Hart, Henry, Houston, Jones, Lamar, Lanier, Laurens, Lee, Liberty, Lincoln, Long, Lowndes, Macon, Madison, Marion, McDuffie, Monroe, Montgomery, Pierce, Polk, Rockdale, Spalding, Taliaferro, Terrell, Treutlen, Upson, Ware, Warren, Wayne, Wilcox, Wilkes and Worth.

3. January 1, 2009 and every third January 1 thereafter for the following counties: Appling, Banks, Ben Hill, Berrien, Brantley, Bryan, Burke, Butts, Camden, Catoosa, Charlton, Clay, Clayton, Columbia, Coweta, Crisp, Dade, Decatur, DeKalb, Dodge, Dooly, Elbert, Evans, Floyd, Hancock, Heard, Jackson, Jeff Davis, Jefferson, Miller, Mitchell, Morgan, Oconee, Pulaski, Quitman, Rabun, Richmond, Schley, Seminole, Stephens, Talbot, Taylor, Telfair, Thomas, Towns, Troup, Walker, Walton, Washington, Webster, White, Whitfield and Wilkinson.

(4) If all three of the following circumstances exist, the Commissioner may require the county tax receiver or tax commissioner to submit the digest being used for the collection of taxes. That digest may be reviewed by the Commissioner to determine if the valuations are reasonably uniform and equalized between and within counties and to determine if any grants should be withheld or any specific penalty assessed:
(a) The county tax receiver or tax commissioner has failed to submit the digest by the due date and has exhausted any extensions of the due date granted by the Commissioner;
(b) The county governing authority has successfully petitioned the superior court under § 48-5-310 to authorize the temporary collection of taxes on the basis of a temporary digest; and
(c) The property under appeal or subject to appeal is less than the maximum allowable under § 48-5-304(a).

Authority: O.C.G.A. Secs. 48-2-1, 48-2-7, 48-2-12, 48-5-1 to 48-5-3, 48-5-7, 48-5-9, 48-5-260, 48-5-263, 48-5-274, 48-5-299, 48-5-340 to 48-5-349.5.
O.C.G.A. Secs. 48-2-1, 48-2-7, 48-2-12, 48-5-274, 48-5-340, to 48-5-349.5.
History. Original Rule entitled "Review of County Tax Digest by the State Revenue Commissioner" adopted. F. June 9, 1989; eff. June 29, 1989. Amended: F. Aug. 4, 1992; eff. Aug. 24, 1992. Repealed: New Rule of same title adopted. F. Nov. 16, 2001; eff. Dec. 6, 2001. Amended: F. Aug. 1, 2008; eff. Aug. 21, 2008. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

## Chapter 7 TAX INCREASES

### *560-11-2-.58 Rollback of Millage Rate When Digest Value Increased by Reassessments.*

(1) Purpose and scope. This Rule has been adopted by the Commissioner pursuant to O.C.G.A. § 48-2-12, and O.C.G.A. § 48-5-32.1 to provide specific procedures applicable to the certification of assessed taxable value of property to the appropriate authorities, computation of a rollback millage rate, and under certain circumstances, advertising the intent to increase property tax and holding required public hearings.
(2) Definitions. For the purposes of implementing this Rule, the following terms are defined to mean:
(a) "Certified tax digest" shall mean the total taxable net assessed value on the annual tax digest that has been or will be certified by the tax receiver or tax commissioner to the Department of Revenue.
(b) "Levying authority" shall mean a county, a municipality, or a consolidated city-county governing authority or other governing authority of a political subdivision of this state that exercises the power to levy property taxes to carry out the governing authority's purposes.
(c) "Mill" shall mean one one-thousandth of a United States dollar.
(d) "Millage rate" shall mean the net ad valorem tax levy, in mills, that is established by the recommending or levying authority to be applied to the net assessed value of taxable property within such authority's taxing jurisdiction for purposes of financing, in whole or in part, the recommending or levying authority's maintenance and operating expenses.
(e) "Millage equivalent" shall mean the number of mills that would result when the total net assessed value added to or deducted by reassessments of existing real property from the prior tax year's assessed value is divided by the certified tax digest for the current tax year and the result is multiplied by the prior tax year's millage rate.
(f) "Net assessed value" shall mean the taxable assessed value of property after all exemptions have been deducted.
(g) "Property tax" shall mean a tax imposed by applying a millage rate that has been established by a recommending or levying authority to the net assessed value of real property subject to ad valorem taxation within a taxing jurisdiction.
(h) "Recommending authority" shall mean a county, independent, or area school board of education that exercises the power to cause the levying authority to levy property taxes to carry out the purposes of such board of education.
(i) "Rollback rate" shall mean the previous year's millage rate plus or minus the millage equivalent of the total net assessed value added to or deducted by reassessments of existing real property.
1. The rollback rate shall be calculated for the county governing authority and county school board by the county tax commissioner.
2. The rollback rate shall be calculated for the municipal governing authority and independent municipal school by the municipal tax collector.
(j) "Taxing jurisdiction" shall mean all the real property within a county or municipality, subject to the levy of a specific levying authority or the recommended levy of a specific recommending authority.
(k) "Total net assessed value added by reassessments of existing real property" shall mean the total net assessed value added to or deducted from the certified tax digest as a result of revaluation by the board of tax assessors of existing real property that has not been improved since the previous tax digest year. Total net assessed value added to or deducted from reassessments of existing real property shall not include net assessment changes that result from zoning changes or net assessment changes relative to classification or declassification of real property for conservation or preferential agricultural use or for historic preservation purposes.

(3) Calculation of rollback rate. The rollback rate shall be determined in the manner provided in this paragraph.
(a) Estimating the certified tax digest. The recommending or levying authority may utilize an estimate of the certified tax digest to facilitate the establishment of a millage rate earlier in the year; however, the accuracy requirements of paragraph (5)(b) of this Rule must still be met before the actual certified tax digest is presented to the Commissioner for approval.
(b) Certification of digest to recommending and levying authorities. As soon as the total net assessed value of the certified tax digest can be accurately estimated or determined, the tax receiver or tax commissioner shall certify to the recommending and levying authorities of each taxing jurisdiction the total net assessed value of all taxable property within each respective taxing jurisdiction. Such certification shall separately show the total net assessed value added to or deducted by reassessments of existing real property and the total net assessed value of all remaining taxable property.
(c) Determination of rollback rate. Based on the total net assessed value of the actual or estimated certified tax digest for the current year and the actual certified tax digest and millage rate for the previous year, the levying authority or recommending authority shall determine the rollback rate with the assistance of the tax receiver or tax commissioner. The rollback rate shall be calculated using Form PT-32.1 as provided by the Department and in the manner defined in subparagraph (i) of paragraph (2) of this Rule.
(4) Advertisement of rollback rate, press release and public hearing.The procedures for the advertising of the rollback rate, issuing the required press release and holding public hearings shall be as provided in this paragraph.
(a) Procedure when rollback rate not exceeded. Whenever a recommending or levying authority proposes to adopt a millage rate that does not exceed the rollback rate calculated as defined in subparagraph (i) of paragraph (2) of this Rule, such authority shall adopt the millage rate at an advertised public meeting and at a time and place which is convenient to the taxpayers of the taxing jurisdiction, in accordance with O.C.G.A. § 48-5-32.
(b) Procedure when rollback rate is exceeded. Whenever a recommending or levying authority proposes to establish a general maintenance and operation millage rate that would require increases beyond the rollback rate calculated in subparagraph (i) of paragraph (2) of this Rule, such authority shall advertise its intent to do so and conduct at least three public hearings in accordance with O.C.G.A. § 48-5-32.1 and this subparagraph.
1. Schedule of public hearings. The recommending or levying authority shall schedule the public hearings required by O.C.G.A. § 48-5-32.1 at convenient times and places to afford the public an opportunity to respond to the notice of property tax increase and make their opinions on the increase known to such authority. The scheduling shall conform to the following requirements:
(i) Convenient public hearings. Two of the three public hearings required by this paragraph shall be held at times and places that are convenient to the public and at least five business days apart. One of the three public hearings required by this paragraph shall begin between 6 PM and 7 PM, inclusive, on a business weekday. Such public hearing may be held on a day in which another public hearing under this Rule also is scheduled, but only if such other hearing is to begin no later than 12:00 noon.
(ii) Combination with other public hearings. A public hearing required by this paragraph may be combined with the public hearing required by O.C.G.A. § 36-81-5(f) to be held at least one week prior to the meeting of the governing authority at which adoption of the budget ordinance or resolution will be considered. Additionally, a public hearing required by this paragraph may be combined with the meeting at which the levying or recommending authority will be setting a millage rate that must be advertised in accordance with the provisions of O.C.G.A. § 48-5-32.
(iii) Timing of public hearings. All public hearings required by this paragraph shall be held before the millage rate is finally established.

2. Advertisement of public hearings. The recommending or levying authority shall advertise the public hearings required by O.C.G.A. § 48-5-32.1 in a manner that affords the public a timely notice of the time and place where the public hearings on the intention of such authority to increase taxes will be held. The advertisements shall conform to the following requirements:

(i) Location of advertisement. Each advertisement for a public hearing required by O.C.G.A. § 48-5-32.1 shall be prominently displayed in a newspaper of general circulation serving the residents of the unit of local government placing the advertisement and shall not appear in the section of the newspaper where legal notices appear. The recommending authority or levying authority shall post such advertisement on its website at least one week prior to each hearing.

(ii) Size of Advertisement. Each published advertisement required by O.C.G.A. § 48-5-32.1 must be 30 square inches or larger.

(iii) Frequency of advertisement. Each advertisement for a public hearing required by O.C.G.A. § 48-5-32.1 shall be published on a date that precedes the date of such public hearing by at least one week. Each advertisement shall be at least five business days apart, however, when two public hearings required by O.C.G.A. § 48-5-32.1 have been scheduled on the same day in accordance with subparagraph (4)(b)(1)(i) of this Rule, both hearings may be advertised in the same day's edition of the newspaper provided they are combined in such a manner that makes it clear to the public that two separate hearings on the same subject matter are being held.

(iv) Combining with other advertisements. The advertisements required by this subparagraph may be combined with the advertisements required by O.C.G.A. § 36-81-5(e) and O.C.G.A. § 48-5-32(b), provided the notice required to be published by O.C.G.A. § 48-5-32.1 precedes and appears at the top of the report required to be published by O.C.G.A. § 48-5-32.

(v) Form of advertisement. The advertisements required by this Rule shall read exactly as provided by this Rule and not be reworded in any manner, with the exception that a brief reason or explanation for the tax increase may be included. The advertisements required of this Rule shall read as follows, with the heading that reads "NOTICE OF PROPERTY TAX INCREASE" appearing in all upper case and in either a bold font or a font size that is larger than the remaining body of the notice:

NOTICE OF PROPERTY TAX INCREASE

The (name of recommending authority or levying authority) has tentatively adopted a millage rate which will require an increase in property taxes by (percentage increase over rollback rate) percent.

All concerned citizens are invited to the public hearing on this tax increase to be held at (place of meeting) on (date and time).

Times and places of additional public hearings on this tax increase are at (place of meeting) on (date and time).

This tentative increase will result in a millage rate of (proposed millage rate) mills, an increase of (millage rate increase above the roll-back rate) mills. Without this tentative tax increase, the millage rate will be no more than (roll-back millage rate) mills. The proposed tax increase for a home with a fair market value of (average home value from previous year's digest rounded to the nearest $ 25,000) is approximately [increase) and the proposed tax increase for nonhomestead property with a fair market value of (average nonhomestead property value from previous year's digest rounded to nearest $ 25,000) is approximately [increase).

(vi) Determination of average dollar increase. The proposed tax increase for an average home shall be calculated by multiplying the millage rate increase above the rollback rate times the average current year taxable value for properties which are granted homestead exemption. The proposed tax increase for an average nonhomestead property shall be calculated by multiplying the millage rate increase above the rollback rate times the average current year taxable value for real property which has not been granted homestead exemption.

(vii)Determination of percentage increase. The "percentage increase over rollback rate" number that appears

in the advertisements required by this subparagraph shall be determined by subtracting or adding the rollback rate from the proposed millage rate, dividing this difference by the rollback rate and expressing the results as a percentage.
(viii) Press release. At the same time the first advertisement is made in accordance with this Rule, the recommending or levying authority shall also provide a press release to the local media that announces such authority's intention to seek an increase in property taxes and the dates, times, and locations of the public hearings thereon. The press release may contain such other information as the recommending or levying authority deems may help the public understand the necessity for and purpose of the hearings.
(5) Certification to Commissioner to accompany digest. Upon the submission by the tax receiver or tax commissioner of the tax digest and accompanying certifications, the Commissioner will make a determination of whether the recommending and levying authorities have complied with the provisions of O.C.G.A. § 48-5-32.1 and this Rule before issuing an authorization to collect taxes pursuant to O.C.G.A. § 48-5-345.
(a) Evidence of compliance. The Commissioner shall not accept for review or issue an order authorizing the collection of taxes for any certified tax digest from any county tax receiver or tax commissioner that does not simultaneously submit evidence that the provisions of O.C.G.A. § 48-5-32.1 and this Rule have been met. Such evidence shall include Form PT-32.1 showing the calculation of the rollback rate, the actual millage rate established, a statement from the chairman of the board of tax assessors attesting to the total net assessed value added by the reassessment of existing real property, a statement from the tax collector or tax commissioner attesting to the accuracy of the digest information appearing on the form, and a statement from a responsible authority attesting to the fact that the hearings were actually held in accordance with such published advertisements. When the actual millage rate exceeds the rollback rate, such evidence shall also include copies of the published "Notice of Property Tax Increase" showing the times and places when and where the required public hearings were held and a copy of the required press release provided to the local media. A copy of the web-based publication of the Notice of Tax Increase advertisement must be certified by the respective governing or recommending authority establishing such tax increase.
(b) Incorrectly determined rollback rate. When the Commissioner determines that the recommending or levying authority has incorrectly determined the rollback rate and has established a millage rate that is in excess of the correct rollback rate and failed to advertise a notice of tax increase and held the required public hearings or has advertised a percentage tax increase that is less than the actual tax increase, the Commissioner shall not accept the digest for review or issue an Order authorizing the collection of taxes, except in that instance when such incorrect rollback rate overestimates the taxes that may be levied without the required public hearings by less than 3 percent, in which case the digest may be accepted for review if all other digest submission requirements have otherwise been met.
(c) Reductions to advertised millage rates.When the recommending authority or levying authority adopts a final millage rate below the rate that has been the subject of the hearings required by O.C.G.A. § 48-5-32.1, such authority shall not be required to begin anew the procedures and hearings required by O.C.G.A. § 48-5-32.1 and this Rule.

Authority O.C.G.A. Secs. 36-81-5, 48-2-12, 48-5-32, 48-5-32.1, 48-5-304, 48-5-311, 48-5-345, 50-13-4, 50-13-6. History. Original Rule entitled "Rollback of Millage Rate When Digest Value Increased by Reassessments" adopted as ER. 560- 11-2-0.14-.58. F. June 7, 2000; eff. June 5, 2000, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter is adopted, as specified by the Agency. Amended: Permanent Rule adopted. F. Oct. 25, 2000; eff. Nov. 14, 2000. Amended: F. Dec. 20, 2006; eff. Jan. 9, 2007. Amended: F. May 9, 2011; eff. May 29, 2011.

## Chapter 8 ANNUAL NOTICES OF ASSESSMENT

### *560-11-2-.55 Annual Notice of Assessment -- Contents.*

(1) Form PT-306, as prescribed by the Commissioner, shall be the annual notice of current assessment sent to the taxpayer in accordance with the requirements as set forth in O.C.G.A. § 48-5-306.
(a) A county's board of tax assessors shall also send form PT-306 when any corrections or changes, including valuation increases or decreases or equalizations have been made by the board to personal property tax returns.
(b) Any alteration or deviation from form PT-306 must receive written approval from the Commissioner prior to use by a county board of tax assessors.
(c) Requests for consideration for an alternate design shall be submitted in writing to the Director of Georgia Department of Revenue's Local Government Services Division. The Local Government Services Division Director shall respond in writing within sixty (60) days of request. Failure of the Local Government Services Division Director to respond within sixty (60) days does not constitute acceptance of the alternate design.
(2) A county board of tax assessors may elect to provide electronic transmissions of all notices required under O.C.G.A. § 48-5-306 to the taxpayer.
(a) If so provided, the electronic transmission system must have secure file transfer and the capability to ensure authentication and verification of receipt by the taxpayer.
(b) A county's board of tax assessors may request guidance and review from the Commissioner regarding the selected means of electronic transmissions. The county board of tax assessors' responsibility is the security, authentication, and verification of the electronic transmissions.
(3) The terms on form PT-306 shall have the following meaning:
(a) Notice Date - Actual mailing date of notice.
(b) Property Owner and Mailing Address - Property Owner's name as appears on the deed of transfer and the mailing address for which the tax bill is to be sent.
(c) Covenant Year - Beginning year and abbreviated code for specialized assessment valuation notation as indicated in the following:
(i) EZ-Enterprise Zone,
(ii) PREF-Preferential,
(iii) HIST-Historical,
(iv) BR-Brownfield,
(v) FLPA-Forest Land Protection Act, and
(vi) CU-Conservation Use, which includes the categories below:
(I) Environmentally Sensitive,
(II) Residential Transitional, and
(III) Conservation Use Covenant.
(d) Homestead - If homestead exists, the text "YES" plus the code associated with type of exemption, if no homestead exists, the text "NONE."
(e) Other Value - Taxable value of property pursuant to any specialized assessment program or covenant.
(f) Reasons for Notice - Code and associated description containing a simple, nontechnical description of the basis for the new current assessment.
(g) TaxingAuthority - Jurisdiction levying taxes; fee description; Title for subtotals for total county due and total city due.
(h) Other Exemption - Assessed Value reduction resulting from any non-homestead reason such as current use assessment or Freeport Exemption.

(i) Estimated Tax - Taxes calculated based on jurisdiction's ad valorem tax millage rate, multiplied by the net taxable value; or in the case of fees, the amount of the fee; total county due and/or total city due. All taxes and fees are rounded to two (2) decimal places.
(4) Should a taxpayer elect to appeal their annual assessment, Form PT-311A may be used.

Authority O.C.G.A. Secs. 48-5-306, 91A-14, 91A-215.
History. Original Rule entitled "Annual Assessment Notice -- Contents" adopted. F. June 20, 1980; eff. July 10, 1980. Amended: F. Aug. 22, 1980; eff. Sept. 11, 1980.Repealed: New Rule entitled "Annual Notice of Assessment - Contents" adopted. F. Nov. 30, 2010; eff. Dec. 20, 2010. Repealed: New Rule of same title adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

## Chapter 9 REVALUATION PROGRAMS

### *560-11-2-.01 Property Reevaluation and Tax Equalization Program.*

These regulations are presented to the counties of the State of Georgia in the interest of initiating and preserving, from the inception of the Program to completion, uniform standards of procedure and execution in order to insure a fair, uniform and effective administration of the Property Tax Valuation and Equalization Program throughout the State.

AUTHORITY: Ga. L. 1963, p. 420.
ADMINISTRATIVE HISTORY: Original Rule entitled "Property Reevaluation and Tax Equalization Program" was filed and effective on June 30, 1965.

### *560-11-2-.02 Applications for Financial Assistance.*

All applications for State financial assistance and for commercial loans under this Program will be submitted to the State Revenue Commissioner for approval. He will determine the need for and the amount of financial assistance to be given under this program by the State to any county or the need for and the amount of any commercial loan to be obtained by the county, on the basis of State funds available and the ability of the county to finance in whole or in part a qualifying property valuation and equalization program. Notwithstanding anything to the contrary contained in these rules and regulations or in any contract or agreement entered into thereunder, the State Revenue Commissioner shall not make loans to any one county in excess of one hundred thousand dollars ($ 100,000).

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).
ADMINISTRATIVE HISTORY: Original Rule entitled "Applications for Financial Assistance" was filed and effective on June 30, 1965.

### *560-11-2-.03 Completed Programs.*

Applications of counties for financial assistance for approval of commercial loans will not be considered except on the basis of complete property valuation and equalization programs and then in the order in which such complete programs are submitted to the State Revenue Commissioner.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).
ADMINISTRATIVE HISTORY: Original Rule entitled "Completed Programs" was filed and effective on June 30, 1965.

***560-11-2-.04 Completed Program Requirements.***

A program to be complete must possess the following:
(1) An Agreement properly executed by the county and the appraisal firm containing all the basic provisions of the county-appraisal firm form of agreement attached hereto and hereby made a part of this regulation. (Whenever a county finds it necessary to change or omit any of the basic provisions of this regulation contract form, a complete and full explanation of the reasons therefor shall accompany the application; otherwise, consideration of the application will be delayed.)
(2) A Performance and Payment Bond, furnished by the appraisal firm and approved by the county attorney.
(3) An affidavit of the Contracting Appraisal Firm that it meets the following minimum qualification requirements and submitting any information as required therein:
(a) Not less than five years of practical appraisal experience involving extensive commercial and industrial properties as well as residential.
(b) At least one of the appraisal company's principal appraisers who will be in overall charge of and devote a reasonable amount of personal direction to the project must be one of the following:
1. M.A.I. (Member of the American Institute of Real Estate Appraisers)
2. C.A.E. (Certified Assessment Evaluator)
3. P.E. (Licensed Professional Engineer with at least 5 years of appraisal experience satisfactory to the Department of Revenue)
4. Other comparable education and practical experience satisfactory to the Department of Revenue.
(c) Adequate financial resources which shall include the ability to furnish the required performance and payment bond referred to in the contract.
(d) A staff of suitably trained supervisors, none under 25 years of age, available for assignment to the project and adequate to insure its timely and proper completion.
(e) A specific program for procuring and training the manpower, other than permanent staff, necessary to the accomplishment of the project.
(f) Name, age, and qualifications of the person guaranteed to supervise the project throughout the contract period.
(4) In the case of a commercial loan application, a loan agreement containing the commitment of a commercial lender to make a loan to the county and setting forth the terms of such loan.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.
ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.05 Proper Execution.***

County-appraisal firm agreements and commercial loan agreements will be considered properly executed by the county when signed by a majority of the members of the Board of Tax Assessors and approved by the signatures of a majority of the governing body of the county.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.
ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.06 Commencement and Completion.***

Contracts submitted as a basis for State financial assistance or for a commercial loan must contain a specific time for commencement and for completion of the work under the contract. The actual time limits set by such contracts will be approved on an individual basis by the Commissioner of Revenue based upon the size of the county, extent of work to be done under the contract, availability of professional appraisal personnel, financial condition of the county, and other reasonable and pertinent circumstances.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.
ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.07 Approved Appraisal Firms.***

No appraisal contracts will be considered except those with qualified professional firms which have received prior approval of the State Revenue Commissioner. A current list of approved appraisal firms will be maintained by the State Revenue Commissioner and will be available to the counties upon request.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.
ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.08 Listing of Approved Appraisal Firms.***

The list of approved firms will be maintained by the State Revenue Commissioner in the following manner:
(1) Approval by the State Revenue Commissioner to bid on property tax valuation and equalization programs will be obtained in the first instance by formal application to the State Revenue Commissioner, stating fully the qualifications of the appraisal firm to satisfactorily complete a county-wide property appraisal program. The requirements set out in Section 560-11-2-.04 (3) and Paragraph 10, Part 1 (General Provisions) of the Articles of Agreement are minimal.
(a) It must be shown to the satisfaction of the State Revenue Commissioner that a professional organization of sufficient size, quality and experience is in existence.
(b) Where such organization is perfected by association, all associates must be principals and must sign as parties to the contract between the appraisal firm and the County.
(2) A running review of the approval list of appraisal firms will be maintained by the State Revenue Commissioner.
(a) Unsatisfactory performance, as determined by the State Revenue Commissioner, will result in immediate removal from said list.
(b) All appraisal firms not having performed satisfactorily on a contract with a County during calendar year will be automatically dropped from the approved list on January 1 of the succeeding calendar year, and may be reinstated only by reapplying to the State Revenue Commissioner as set out in sub-paragraph (1) above.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.09 Planning Expenses.***

No disbursement of funds directly to the counties will be made by the State under this program, and no loan made to a county by the State or by a commercial lender will include reimbursement to the county for payroll or other expenses incurred by the county either in planning or performing a property valuation and equalization program.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427. ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.10 Payment of Additional Funds.***

In the event that the State Revenue Commissioner shall determine that sufficient funds are not available from State sources to meet the needs of any county in financing a qualified program and the governing authority of the county demonstrates that sufficient additional funds can be obtained from other sources to complete the program, the State Revenue Commissioner will, from funds appropriated for the purpose, contract with the governing authority for the payment by the State of ten percent (10%) of that part of the cost of such qualified program as is financed by a commercial loan. However, the amount to be paid by the State under any such contract with a county shall not exceed ten thousand dollars ($ 10,000). This payment is not an advance or loan from the State and is not to be repaid by the County.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.
ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.11 Disbursements.***

(1) Upon approval of an application by a county for financial assistance by the State under this program and the execution of a loan agreement by the county and the State Revenue Commissioner, the amount of the loan agreed upon will be set up to the credit of the county on the records of the State Revenue Commissioner. Disbursements by the State Revenue Commissioner under the loan agreement with the county will be made as follows:
(a) Directly to the appraisal firm performing the work under an approved contract with the county.
(b) Quarterly: On January 15, April 15, July 15, and October 15.
(c) On the basis and in the amount of itemized monthly billings presented by the appraisal firm to the county and approved for payment by the Board of Tax Assessors and the governing authority of the county and by the State Revenue Commissioner.
(2) As these quarterly progress payments are made directly to the appraisal firm a charge will be made against the loan set up to the credit of the county, but in no event will these disbursements exceed the amount of the loan as provided in the contract between the county and the State Revenue Commissioner.
(3) The State Revenue Commissioner shall withhold 10% of each quarterly progress payment pending satisfactory completion by the appraisal firm of all work and obligations under the contract.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.12 Payments by Commercial Lender.***

(1) Upon approval of an application for a commercial loan by the State Revenue Commissioner, the amount of the loan agreed upon will be made available by the commercial lender to the County in periodic payments as follows:
(a) Quarterly: On January 15, April 15, July 15, and October 15.
(b) On the basis and in the amount of itemized monthly billings presented by the appraisal firm to the county and approved for payment by the Board of Tax Assessors and the governing authority of the county and by the State Revenue Commissioner. An appropriate form, showing the amount of such billings and the State Revenue Commissioner's approval, will be authority for the periodic advances by the commercial lender.
(2) In no event will the cumulative total of the periodic advances by the commercial lender under the loan contract exceed the amount of the loan as approved by the State Revenue Commissioner.
(3) The County shall withhold 10% of each quarterly progress payment pending satisfactory completion by the appraisal firm of all work and obligations under its contract with the County.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.
ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.13 Computation of 10% Limit.***

(1) Where, because sufficient funds are unavailable from State sources to meet the cost of a qualified property valuation and equalization program submitted by a county, both a State financial assistance loan and a commercial loan are approved by the State Revenue Commissioner to finance such program, the State grant of ten percent (10%) provided for under Section 560-11-2-.10 above shall be computed on the amount of the commercial loan approved which added to the State financial assistance loan approved shall not exceed one hundred thousand dollars ($ 100,000), the maximum limit of a State financial assistance loan.
(2) Examples: If the cost of a qualified program is $ 175,000, and a State financial assistance loan is approved for $ 50,000 and a commercial loan for $ 125,000, then the State grant would be in the amount of $ 5,000. If a State financial Assistance Loan is approved for $ 100,000 and a commercial loan for $ 75,000, then no State grant would be made under the ten percent (10%) provision.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427. ADMINISTRATIVE HISTORY: Original Rule was filed on June 30, 1965.

***560-11-2-.14 Alterations in Agreement.***

Once a county-appraisal firm agreement and, where applicable, a commercial loan agreement, is approved by the State Revenue Commissioner, no alterations, deletions or additions, either oral or in writing, in, of or to the provisions thereof will be made without the prior written approval of the State Revenue Commissioner.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).
ADMINISTRATIVE HISTORY: Original Rule entitled "Alterations in Agreement" was filed and effective on June 30, 1965.

***560-11-2-.15 Records***.

The appraisal firm shall deliver to the State Revenue Commissioner at his office in Atlanta, Georgia, at no cost to said official, a microfilm copy of all real and personal property record cards, all industrial appraisal reports, the original tracings of all maps, and all alphabetical index cards as furnished and delivered by the appraisal firm to the County upon the completion of the project together with the certificate by an authorized officer of the appraisal firm certifying to the accuracy and completeness of said microfilm copy with respect to such date. The individual microfilm rolls shall be properly labeled to indicate the material contained thereon and an index to the individual microfilm rolls will also be provided. The delivery of said microfilm copy and index and the furnishing of said certificate shall be a prerequisite to the release of the 10% retainage fund provided for in the agreement between the County and the appraisal firm. Said microfilm copy will be filed by the State Revenue Commissioner and shall be available for examination upon request by authorities.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).
ADMINISTRATIVE HISTORY: Original Rule entitled "Records" was filed and effective on June 30, 1965.

**Chapter 10 APPRAISAL PROCEDURE MANUAL**

***560-11-10-.01 Purpose and Scope.***

(1) Purpose. This appraisal procedures manual has been developed in accordance with Code section 48-5-269.1 which directs the Revenue Commissioner to adopt by rule, subject to Chapter 13 of Title 50, the "Georgia Administrative Procedure Act," and maintain an appropriate procedural manual for use by the county property appraisal staff in appraising tangible real and personal property for ad valorem tax purposes.

(2) Specific procedures. In order to facilitate the mass appraisal process, specific procedures are provided within this Chapter which are designed to arrive at a basic appraisal value of real and personal property. These specific procedures are designed to provide fair market value under normal circumstances. When unusual circumstances are affecting value, they should be considered. In all instances, the appraisal staff will apply Georgia law and generally accepted appraisal practices to the basic appraisal values required by this manual and make any further valuation adjustments necessary to arrive at the fair market values.

(3) Board of tax assessors. The county board of tax assessors shall require the appraisal staff to observe the procedures in this manual when performing their appraisals. The county board of tax assessors may not adopt local procedures that are in conflict with Georgia law or the procedures required by this manual. The county board of tax assessors must consider the appraisal staff information in the performance of their duties. In each instance, however, the assessment placed on each parcel of property shall be the assessment established by the county board of tax assessors as provided in Code section 48-5-306.

(4) Other appraisal procedures. The appraisal staff may use those generally accepted appraisal practices set forth in the Uniform Standards of Professional Appraisal Practice, published by the Appraisal Foundation, and the standards published by the International Association of Assessing Officers, as they may be amended from time to time, to the extent such practices do not conflict with this manual and Georgia law.

O.C.G.A. Secs. 48-2-12, 48-5-269, 48-5-269.1, 48-5-306.
HISTORY. Original Rule entitled "Purpose and Scope" adopted. F. Sept. 20, 1999; eff. Oct. 10, 1999.

***560-11-10-.02 Definitions.***

(1) Definitions. When used in this Chapter, the definitions found in this Rule shall apply.
(a) Absorption rate. "Absorption rate" means the rate at which the real estate market can absorb real property of a given type.

(b) Appraiser. "Appraiser" means a member of the county appraisal staff, who serves the board of tax assessors and whose position was created pursuant to Part 1 of Article 5 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated. This term does not limit its meaning to a single appraiser and may mean one or more members of the county appraisal staff.

(c) Basic cost approach. "Basic cost approach" means a cost approach procedure, used in the mass appraisal of personal property, which uses standard estimates of the most common factors affecting the value of such property. The basic cost approach is intended to provide a uniform estimate of personal property value.

(d) Depreciation. "Depreciation" means the loss of value due to any cause. It is the difference between the market value of a structural improvement or piece of equipment and its reproduction or replacement cost as of the date of valuation. Depreciation is divided into three categories, physical deterioration, functional obsolescence, and economic obsolescence. Depreciation may be further characterized as curable or incurable depending upon the difficulty or practicality of restoring the lost value through repair or maintenance.

(e) Economic life. "Economic life" means the period during which property may reasonably be expected to perform the function for which it was designed or intended.

(f) Economic obsolescence. "Economic obsolescence" means a form of depreciation that measures a loss of value from negative influence external to the real or personal property. It results when the desirability or useful life of real or personal property is impaired due to forces such as changes in optimum use, legislative enactment that restricts or impairs productivity, and changes in supply and demand relationships. Economic obsolescence is normally incurable.

(g) Effective age. "Effective age" means the age of an improvement to property as compared with other property performing like functions. It is the actual ageless the age that has been taken off by face-lifting, structural reconstruction, removal of functional inadequacies, modernization of equipment, and similar repairs and overhauls. It is an age that reflects a true remaining life for the property, taking into account the typical life expectancy of buildings or equipment of its class and usage.

(h) Fair market value. "Fair market value" means fair market value as defined in Code section 48-5-2 (3).

(i) Final assessment. “Final assessment” means the assessed value of real property as stated on the Annual Notice of Assessment as approved by the Board of Assessors. Amendments to “Final assessment” for real property are prohibited absent a clerical error or some other lawful basis; and in the case of personal property, the appraisal staff has completed its audit of the personal property pursuant to Rule 560-11-10-.08(4)(d) within the three year statute of limitations.

(j) Functional obsolescence. "Functional obsolescence" means a form of depreciation that measures a loss of value from a design deficiency or appearance in the market of a more innovative design. Some functional obsolescence may be curable and some functional obsolescence may be incurable.

(k) Inventory. "Inventory", means goods held for sale or lease or furnished under contracts for service; also, supplies, packing materials, spare parts, raw materials, work in process or materials used or consumed in a business.

(l) Large acreage tract. "Large acreage tract" means a rural land tract that is greater in acreage than the small acreage break point.

(m) Mass appraisal. "Mass appraisal" means the process of valuing a universe of properties as of a given date using standard methodology, employing common data and allowing for statistical testing.

(n) Most Recent Arm's Length Sale. As referenced in OCGA 48-5-2(3), transactions must occur prior to the statutory date of valuation to become eligible for the value limitations imposed in 48-5-2(3). Furthermore, where the exchange of property is defined as an arm's length transaction, the sum of the value of the exchanged real estate property components, land and improvements, in the year following the property exchange shall not exceed the transaction's sale price adjusted for non-real estate values such as but not limited to, timber, personal property, etc. The adjustment to the value of the real estate shall remain in effect for at least the digest year following the transaction. With respect to changes in the exchanged real estate property components since the time of exchange (sale date), the value of new improvements, value of additions to existing improvements (footprint of exchanged structure has been altered), major remodeling or renovations to existing structures (footprint of exchanged structure has not been altered), and adjustments to land due to consolidation of tracts, new surveys, zoning changes, land use changes, etc. shall be added to the sales price adjusted values. In the event an exchanged real estate property structure is renovated or remodeled, the term major shall be construed such that both the property owner and BOA would reasonably conclude a major renovation/remodeling has occurred. If either party, acting reasonably, could debate that the renovation/remodeling effort was not major in nature, the renovation/remodeling effort does not qualify and shall not be added to the sales price adjusted values. Any modifications made to the exchanged real estate property after the sale date that result in a lower value of the exchanged property shall be considered in the final valuation of property for the digest.

(o) Original cost. "Original cost" means, in the case of machinery, equipment, furniture, personal fixtures, and trade fixtures in the hands of the final user, all the direct costs associated with acquiring, transporting and installing such property at the site where it is to be used. This includes the cost of the property to the property owner, the cost of transporting the property to its present site, the cost of any on-site assembly or customized modification of the property, the cost of installing the property, the cost of installing personal fixtures and trade fixtures necessary for the proper operation of the property, and any sales or use tax paid on the property. Original cost is equivalent to original cost new if the property owner was the first to put the personal property into service.

(p) Original cost new. "Original cost new" means, in the case of machinery, equipment, furniture, personal fixtures, and trade fixtures in the hands of the final user, all the direct costs associated with acquiring, transporting and installing such property at the site where it is to be used. This includes the historical cost of the property at the time it was first put into service new, the cost of transporting the property to its present site, the cost of any on-site assembly or customized modification of the property, the cost of installing the property, the cost of installing personal fixtures and trade fixtures necessary for the proper operation of the property, and any sales or use tax paid on the property. Original cost new is equivalent to original cost if the property owner was the first to put the personal property into service.

(q) Paired sales analysis. "Paired sales analysis" means the comparing of the sale prices of similar properties, some with and some without a particular characteristic, in order to determine what portion of the difference in sales price might be attributable to such characteristic.

(r) Personal fixtures. "Personal fixtures" means personal property that has been set-up or installed on land or in a building or in a group of buildings and is not permanently attached to such land or buildings. A consideration for whether personal property is a personal fixture is whether its removal would cause significant damage to such property or to the real property on which it has been set-up or installed. The term personal fixtures shall not include trade fixtures. Personal fixtures are classified as personal property. Examples of personal fixtures are desks, shelving, display cases and gondolas.

(s) Personal property. "Personal property" means tangible personal property that may be seen, weighed, measured, felt, or touched or which is in any other manner perceptible to the senses. Personal property shall include trade fixtures. For the purposes of this Rule, personal property shall not include the capital stock of all corporations; money, notes, bonds, accounts, or other credits, secured or unsecured; patent rights, copyrights, franchises, and any other classes and kinds of property defined by law as intangible personal property.

(t) Physical deterioration. "Physical deterioration" means a form of depreciation that measures the loss of utility of real or personal property over time from wear and tear, age, and exposure to the elements. Some physical deterioration may be curable and some physical deterioration may be incurable.

(u) Ready market. "Ready market" means a market, possibly global, where exchanges of machinery, equipment, personal fixtures and trade fixtures occur with such regularity and under such conditions as to provide a reliable measure of fair market value. Five conditions that may indicate a ready market are: the items of personal property being sold within the market are reasonable substitutes for each other; there are an adequate number of buyers and sellers of the personal property in the market, no one of whom can measurably affect price; there is an absence of artificial restraints and unusual incentives in the market; the item of personal property is reasonably free to be moved where it will receive the greatest return and buyers are reasonably free to buy where the price is lowest; and buyers and sellers are knowledgeable and informed about market conditions.

(v) Real estate. "Real estate" means the physical parcel of land, improvements to the land, improvements attached to the land, real fixtures and appurtenances such as easements.

(w) Real fixtures. "Real fixtures" means personal property that has been installed or attached to land or a building or group of buildings and is intended to remain permanently in its place. A consideration for whether personal property is a real fixture is whether its removal would cause significant damage to such property or to the real property to which it is attached. The term real fixtures shall not include trade fixtures. Real fixtures are classified as real property. Examples of real fixtures are plumbing, heating and cooling, and lighting fixtures.

(x) Real property. "Real property" means the bundle of rights, interests, and benefits connected with the ownership of real estate. Real property does not include the intangible benefits associated with the ownership of real estate, such as the goodwill of a going business concern.

(y) Replacement cost. "Replacement cost" for real property means the cost required to construct a similar structure with like utility as the subject property using modern design, materials, and workmanship. Replacement cost for personal property means the current cost of a similar new item having the nearest equivalent utility as the subject property.

(z) Reproduction cost. "Reproduction cost" for real property means the cost required to construct an identical or exact replica structure of the subject property. Reproduction cost for personal property means the current cost of duplicating an identical new item.

(aa) Residual value. "Residual value" means the value of personal property that is at the end of its normally expected economic life but still in use.

(bb) Rural land. "Rural land" means any land that normally lies outside corporate limits, planned subdivisions, commercial sites, and industrial sites.

(cc) Salvage value. "Salvage value" means the value of personal property that is at the end of its normally expected economic life and has been taken out of use.

(dd) Small acreage break point. "Small acreage break point" means the point, expressed as a number of acres, at which the slope of a trend line, drawn through the plotted qualified sales of rural land on a graph, reflects a distinct and pronounced change. Such graph uses the dollars per acre on the vertical axis and numbers of acres on the horizontal axis. The small acreage break point should show the point below which the market factors of accessibility and desirability of the land primarily influence value, and above which the productivity of the soil and suitability for timber growth primarily influence value.

(ee) Small acreage tract. "Small acreage tract" means a rural land tract that is equal to or smaller in acres than the small acreage break point.

(ff) Tax situs. "Tax situs" means the location of personal property for ad valorem tax purposes.

(gg) Trade fixtures. "Trade fixtures" means fixtures that are owned and temporarily installed or attached to a rented space or building by a tenant and used in conducting a business. For personal property to be classified as trade fixtures the lease or rental agreement has to show intent for the fixtures to be removed by the owner at the termination of the lease. Fixtures that revert to the landlord when the lease is terminated are not trade fixtures. Property shall not be classified as a trade fixture when the cost of removal, or damage that removal would cause to the realty, or to the fixture itself, clearly indicates that a tenant is unlikely to remove such fixture at the termination of the lease. Trade fixtures shall be classified as personal property.

(hh) Transitional real property. "Transitional real property" means any real property that is undergoing a change in use, such as residential, agricultural, commercial, or industrial, and has not been firmly established in its new use. Change in use may be evidenced by recent zoning changes, purchase by a known developer, affidavits of intent, or close proximity to property exposed to these market factors.

(ii) Trend. "Trend" means an observable tendency of behavior such as stable economic direction over extended periods despite temporary fluctuations.

Authority: O.C.G.A. Secs. 48-2-12, 48-5-2, 48-5-269, 48-5-269.1.

Authority O.C.G.A. Secs. 48-2-12, 48-5-2, 48-5-264, 48-5-269, 48-5-269.1, 48-5-291, 48-5-292, 48-5-295.
History. Original Rule entitled "Definitions" adopted. F. Sept. 20, 1999; eff. Oct. 10, 1999. Amended: ER.560-11-10-0.2-.02 adopted. F. Jan. 19, 2011; eff. Jan. 20, 2011, as specified by the Agency. Amended: F. Nov. 9, 2011; eff. Nov. 29, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-10-.08 Personal Property Appraisal.***

(1) Personal property identification. The appraisal staff shall identify personal property, determine its taxability, and classify it for addition to the county ad valorem tax digest in accordance with this paragraph.

(a) Distinguishing personal property. The appraiser shall be required to correctly identify personal property and distinguish it from real property where the proper valuation procedures, as set forth in this Rule, may be followed.

1. Examples. As used in this Chapter, personal property shall be that property defined in Rule 560-11-10-.02(1)(r). This Rule shall provide illustrations to assist the appraiser in the proper interpretation of the definition. However, these illustrations should not be construed in a manner that conflicts with the definition. Examples of personal property are tangible items such as aircraft; boats and motors; inventories of retail stock, finished manufactured or processed goods, goods in process, raw materials and supplies; furniture, personal fixtures, trade fixtures, machinery and equipment.

2. Identification of trade fixtures. When property the appraiser believes is a trade fixture has not been returned by the tenant, the appraiser shall require the tenant to produce their lease agreement and shall carefully review the agreement before making a recommendation to the board of tax assessors regarding the classification of the property in question. The appraiser shall inform the tenant that they may redact, at their option, any information relating to the payments that are required by the lease agreement.

(b) Assessment date. Code section 48-5-10 provides that each return by a property owner shall be for property held and subject to taxation on January 1 of the tax year. The appraisal staff shall base their decisions regarding the taxability, tax situs, uniform assessment, and valuation of personal property on the circumstances of such property on January 1 of the tax year for which the assessment is being prepared. When personal property is transferred to a new owner or converted to a new use, the circumstances of such property on January 1 shall nevertheless be considered as controlling.

(c) Freeport exemptions.

1. Mailing applications. The appraisal staff shall, by U. S. mail, send a new freeport exemption application to any person, firm or corporation that was approved for freeport exemption by the board of tax assessors for the tax year proceeding the tax year for which the application is to be made. The application provided by the appraisal staff shall be deposited with the local post office no later than the 15th day after the official who is responsible for receiving returns has opened the books for returns. The failure of the appraisal staff to comply with this requirement shall not relieve a person, firm or corporation from the responsibility to timely file a freeport application.

2. Reviewing applications. The appraisal staff shall, upon receipt of a freeport application, reconcile the figures reported on such form to any inventory totals that may have been returned by the property owner. The appraisal staff may obtain relevant information as is available from financial records or other records of the property owner when needed to reconcile the figures reported on the application. Once the appraisal staff has completed the reconciliation of the freeport application, they shall forward the application and their recommendations, along with any supporting documentation, to the board of tax assessors. When the appraisal staff recommends the freeport application be denied, in whole or in part, they shall include the reasons for their recommendation.

(d) Tax situs. The appraisal staff shall inquire into the proper tax situs of personal property before preparing the proposed assessment to ensure that the property owner is made subject to only those taxes that may legally be levied. The tax situs inquiry shall be sufficiently specific to determine whether the property is subject to tax by each of the authorities authorized to levy taxes in the county.

1. General tax situs. Unless otherwise provided in subparagraph (d) of this paragraph, the appraisal staff shall consider the tax situs of personal property to be as provided in this subparagraph.

(i) Tax situs of personal property of Georgia residents. The appraisal staff shall consider the tax situs of personal property owned by a Georgia resident as being the domicile of the owner unless such property has acquired a business situs elsewhere. The appraisal staff shall consider the tax situs of personal property owned by a Georgia resident and used in connection with a business as being the location of the business. In making the determination of tax situs, the appraisal staff shall consider such factors as the principal location of the personal property, the base from which its operations normally originate and whether the personal property is connected with some business enterprise that is situated more or less permanently in the county, as distinguished from an enterprise whose location is merely transitory or temporary. When personal property used in connection with a business is moved about in such a manner that it is not predominantly located during the year in one place, the appraisal staff shall consider the headquarters of the business as the tax situs.

(ii) Tax situs of personal property of non-residents. The appraisal staff shall consider the tax situs of personal property owned by non-residents as being where the property is located. The appraisal staff shall recommend to the board of tax assessors a "no tax situs" status for any personal property owned by a nonresident who does not maintain a place of business in Georgia and who gives the personal property to a commercial printer in Georgia for printing services to be performed in Georgia.

2. Tax situs of boats. In accordance with Code section 48-5-16(d), the appraisal staff shall consider the tax situs of a boat to be the tax district wherein lies the domicile of the owner, even when the boat is located within another tax district in the county. When the boat is functionally located for recreational or convenience purposes for 184 days or more in a county other than where the owner is domiciled, the appraisal staff shall consider the tax situs of the boat to be where it is functionally located.

3. Tax situs of aircraft. In accordance with Code section 48-5-16(e), the appraisal staff shall consider the tax situs of an aircraft to be the tax district wherein lies the domicile of the owner, even when the aircraft is located within another tax district in the county. When the aircraft's primary home base is in a county other than where the owner is domiciled, the appraisal staff shall consider the tax situs of the aircraft to be where it is principally hangered or tied down and out of which its flights normally originate.

4. Tax situs of foreign merchandise in transit. The appraisal staff shall recommend to the board of tax assessors a "no tax situs" status for foreign merchandise that is in transit through this state. The recommendation of "no tax situs" shall be made regardless of the fact that while the foreign merchandise is in the warehouse it is assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled, or repackaged. The grant of "no tax situs" status shall be liberally construed. In deciding whether goods are foreign, the appraisal staff shall determine if the point of origin is a non-domestic shipping port. In deciding whether goods are in transit, the appraisal staff shall consider whether the interruption in the transport of the goods may be characterized as having a business purpose or advantage, rather than just being an incidental interruption in the continuity of transit.

(e) Assessments of personal property used on state contracts. Under Code section 50-17-29(e)(1), the appraisal staff shall not propose an assessment upon the personal property of any contractor or subcontractor as a condition to or result of the performance of a contract, work, or services by such contractor or subcontractor in connection with any project being constructed, repaired, remodeled, enlarged, serviced, or destroyed for, or on behalf of, the state or any of its agencies, boards, bureaus, commissions, and authorities. The appraisal staff shall inquire into the nature of the use of such property and prepare their proposed assessment in accordance with this Subparagraph.

1. Personal property located in headquarters' county. When the tax situs of the personal property being used on state projects is in the same county as where the property owner's permanent business headquarters and administrative offices are located, and such property is not used exclusively for the state projects contemplated by Code section 50-17-29(e)(1), the appraisal staff shall not apportion their proposed assessment of the property. When such property is used exclusively for such state projects, such property is made exempt by Code section 50-17-29(e)(1) from ad valorem taxation by the county and the appraisal staff shall treat such property as exempt property is treated.

2. Personal property not located in headquarters' county. When the tax situs of the personal property being used on state projects is in a county other than where the property owner's permanent business headquarters and administrative offices are located, and such property would not be located in the county absent the state projects, then the appraisal staff shall apportion their proposed assessment of such property as follows: The exempt portion of the personal property being used on state projects shall be that pro rata portion of the total value of such property that represents the percentage the contractor or subcontractor can reasonably demonstrate is likely to represent the portion of their business that will result from state projects during the tax year. The appraisal staff may consider the percentage of income, production output, or time attributable to state projects during the preceding year. The appraisal staff shall consider any information submitted by the property owner regarding the basis for the apportionment. The appraisal staff shall not apportion the personal property when the property owner fails to provide reasonable evidence necessary to determine the portion of the property owner's business that will result from state projects during the year.

(f) Partial assessments. Unless specifically provided by law and this Rule, the appraisal staff shall not prepare a partial appraisal based on the fact that personal property is owned or used during the year in a manner that would make it exempt part of the year and taxable part of the year.

(2) Classification. The appraisal staff shall classify personal property as provided in Rule 560-11-2-.21 for inclusion in the county tax digest.

(3) Return of personal property. In accordance with Code section 48-5-299(a), the appraisal staff, on behalf

of the board of tax assessors, shall investigate diligently and inquire into the property owned in the county for the purpose of ascertaining what real and tangible personal property is subject to taxation in the county and to require the proper return of the property for taxation. The appraisal staff shall make such investigation as may be necessary to determine the value of any property upon which for any reason all taxes due the state or the county have not been paid in full as required by law. In all cases where taxes are assessed against the owner of property, the appraisal staff shall prepare a proposed assessment on the property according to the best information obtainable.

(a) Information sources. The appraisal staff should develop and maintain information sources for the discovery of unreturned personal property.

(b) Returns. Property owners shall use Department of Revenue authorized return forms when returning personal property. No other forms shall be provided for this purpose to property owners by the county official responsible for receiving returns unless previously approved in writing by the Revenue Commissioner.

1. Authorized return forms. The returns described in this subparagraph shall be authorized for use when returning personal property.

(i) Form PT-50P. The return form PT-50P, entitled "Business Personal Property Tax Return," may be used for the return of business personal property

(ii) Form PT-50PF. The return form PT-50PF, entitled Application for Freeport Exemption," may be used for the application for freeport exemption.

(iii) Form PT-50MA. The return form PT-50MA, entitled "Marine / Aircraft Personal Property Tax Return," may be used for the return of boats or aircraft.

2. Obtaining returns from receiver. Each year, after the deadline for filing returns, the appraisal staff shall secure the returns from the official responsible for receiving returns on or before the tenth day following such deadline.

3. Automatic returns. In accordance with Code section 48-5-20, the appraisal staff shall deem any property owner that does not file a return by the deadline as returning for taxation the same property as was returned or deemed to have been returned in the preceding tax year at the same valuation as the property was finally determined to be subject to taxation in the preceding year.

(c) Reporting schedules. Property owners shall use Department of Revenue authorized reporting schedules when reporting supporting information for authorized return forms. No other reporting schedules shall be provided for this purpose to property owners by the county official responsible for reviewing returns unless previously approved in writing by the Revenue Commissioner. A property owner may attach other schedules or documents that provide further support for the value they have placed on their personal property return. The appraisal staff shall consider all additional information submitted by the property owner with the return and reporting schedules. The reporting schedules required by Rule 560-11-10-.08(3)(c) and appropriate for the type of personal property being returned and any other information submitted with the return by the property owner are made confidential by Code section 48-5-314 and shall be treated as such by the appraisal staff. The appraisal staff shall not consider as fully returned any property that is omitted, misrepresented, or undervalued on the supporting reporting schedules and accompanying property owner documents, as these

provide the basis for the property owner's declarations of value on the return and are necessary for the board of assessors to carry out their responsibility under Code section 48-5-299 to, through their appraisal staff, ascertaining what personal property is subject to taxation in the county and to require the proper return of the property for taxation.

1. Authorized reporting schedules. The reporting schedules described in this subparagraph shall be authorized for use when reporting information to support the return of personal property.

(i) Schedule A. The reporting schedule entitled "Schedule A" may be used to list and describe any furniture, trade fixtures, personal fixtures, machinery and equipment that is included on the property owner's return.

(ii) Schedule B. The reporting schedule entitled "Schedule B" may be used to list and describe any inventory that is included on the property owner's return.

(iii) Schedule C. The reporting schedule entitled "Schedule C" may be used to list and describe any construction in progress that is included on the property owner's return.

(iv) Schedule D. The reporting schedule entitled "Schedule D" may be used to list and describe any boats or aircraft that are included on the property owner's return.

(4) Verification. The appraisal staff shall review and audit the returns in accordance with policies and procedures set by the county board of tax assessors consistent with Georgia law and this Rule.

(a) Omissions and undervaluations. If not otherwise prohibited by law or this Rule, the appraisal staff shall recommend an additional assessment to the board of tax assessors when any review or audit reveals that a property owner has omitted from their return any property that should be returned or has failed to return any of their property at its fair market value. The appraisal staff shall recommend a reduced assessment to the board of tax assessors when any review or audit reveals that a property owner has overstated the amount of personal property subject to taxation.

(b) Reassessments. The appraisal staff shall recommend to the board of tax assessors a new assessment when the property owner has omitted personal property from their return or failed to return personal property at its fair market value, when such omission or undervaluation has been discovered by an audit conducted pursuant to Rule 560-11-10-.08(4)(d). The appraisal staff shall not be precluded from conducting such an audit merely because a change of assessment has been made on the personal property as a result of a review conducted pursuant to Rule 560-11-10-.08(4)(c). However, the appraisal staff may not recommend to the board of tax assessors a reassessment of the same personal property for which an audit has been conducted pursuant to Rule 560-11-10-.08(4)(d) and a final assessment has already been made by the board.

(c) Review. The purpose of a review is to determine if a property owner has correctly and fully completed their return and reporting schedules. It is based upon the good-faith disclosures of the property owner and information that is readily ascertainable by the appraisal staff. The review of an owner's return may consist of, but is not limited to, an analysis of any improper omissions or inclusions, improperly applied or omitted depreciation, and improperly applied or omitted inflation or deflation of the value of the owner's property. The examination should include a comparison of the current return information with return information from prior years. The appraiser should contact the owner or their agent by an on-site visit, telephone call, or written correspondence to attempt to resolve any questionable items. Returns with unresolved discrepancies,

unexpected values, or incomplete information should be escalated to an audit.

(d) Audits. The purpose of an audit is to gather information that will allow the appraiser to make an accurate determination of the fair market value of the property owned by the property owner and subject to taxation. An audit is an examination of the records of the property owner to make an independent determination of the fair market value of such property where such determination does not solely depend upon the good-faith disclosures of the property owner and information that is readily ascertainable by the appraisal staff. The appraisal staff shall perform, consistent with Georgia Law and policies that are established by the board of tax assessors, audits of the records of the property owners to verify the returns of personal property. These audits may take place at any time within the seven-year statute of limitations, which begins on the date the personal property was required by law to be returned.

1. Scope of audit. The audit may be an advanced desk audit of certain additional property owner records that are voluntarily submitted or obtained by subpoena from the property owner or a complex on-site detailed audit of the property owner's books and records combined with a physical inspection of the personal property. The documents the appraisal staff should secure include, but are not limited to, schedules A, B, and C of form PT-50P; a balance sheet or other type of financial record that for a particular location reflects the business' book value as of January 1 of the tax year being audited; a ledger of capitalized personal property items held on January 1 of the tax year being audited; and an income statement.

(i) Use of subpoena. The appraiser should request the board of tax assessors to subpoena, within the limitations of their subpoena powers, any existing documents the property owner fails to provide voluntarily, when these documents are deemed by the appraiser to be critical to the audit. Since the appraiser may not request a subpoena for documents that do not presently exist in the format needed, the appraiser should seek existing documents held by the property owner and solicit the owner's voluntary cooperation in obtaining these documents.

2. Contracts with auditing specialists. The appraiser shall secure non-disclosure statements from any contracted audit specialist to ensure that such specialist shall conform with the confidentiality provisions of Code section 48-5-314 and shall not disclose the property owner's confidential records to unauthorized persons or use such confidential records for purposes other than the county's review for ad valorem tax purposes of the tax return and supporting documentation. The appraisal staff shall provide a copy of such non-disclosure statement to the property owner upon such owner's request. The appraiser shall not recommend to the board of tax assessors any contract or agreement with an audit specialist that provides for such specialist to contingently share a percentage of the tax collected as a result of any audits such specialist may perform.

(i) Notice to property owner. The lead appraiser shall ensure the property owner is sent a notice they have been selected for an audit of their personal property holdings for ad valorem tax purposes. The notice shall, at a minimum, indicate the following: the purposes and goals of the audit and the law authorizing the audit; the name of the lead appraiser who is primarily responsible for the conduct of the audit; the names of the members of the audit team that will be performing the audit; the number of years that will be audited; a description of the type records that should be made available; a description of how the audit will be conducted; the range of dates desired for the audit; and contact information should the property owner wish to contact the lead appraiser. The notice shall contain a statement that the lead appraiser will be contacting the property owner by telephone to establish the date and time of the audit and to determine the availability and location of records. At the conclusion of the audit, if there is sufficient evidence to warrant a recommended change of assessment, the lead appraiser shall have prepared a list of preliminary audit findings and

provide such list to the property owner to afford them an opportunity to meet and discuss the findings and view any supporting schedules and documents relied upon by the individuals conducting the audit. After any such meeting requested by the property owner, the lead appraiser shall have prepared the final audit report and proposed assessment and provide a copy to the property owner and the board of tax assessors.

(e) Audit selection criteria. The appraisal staff shall recommend to the board of tax assessors a review and audit selection criteria, and the appraisal staff shall follow such criteria when adopted by the board. The criteria should be designed to maximize the number of personal property returns that may be reviewed or audited with existing resources. The criteria should be fair, unbiased, and developed consistent with the requirements of Code section 48-5-299. All personal property accounts should be reviewed or audited at least once every three years.

(f) Property owner records. The appraisal staff should first endeavor to obtain the records necessary to substantiate the information returned or reported by the property owner through the voluntary cooperation of the property owner. When such voluntary cooperation is not forthcoming, and the records requested from the property owner are believed by the appraiser to be critical to a proper appraisal of the personal property, the appraiser may request that the board of tax assessors issue an appropriate subpoena for such records. The appraiser may request that the board of tax assessors issue an appropriate subpoena for the testimony of any individuals the appraiser believes poses knowledge critical to determination of the fair market value of the property owner's personal property.

1. Record types. The types of records the appraisal staff may request the board of tax assessors to issue subpoenas for include, but are not limited to, the following: chart of accounts, general ledger, detailed subsidiary ledgers, journals of original entry, balance sheet, income statement, annual report, Securities Exchange Commission Form 10K. The types of records the appraisal staff may not request the board of tax assessors to issue subpoenas for include the following:

(i) Income tax returns. Forms and schedules authorized by the Internal Revenue Service or the revenue collecting agencies of the several states for use in filing income tax returns to those agencies;

(ii) Property appraisals. A property appraisal that the property owner has obtained prior to any appeal that is filed as a result of a change of assessment being made to the property owner's personal property;

(iii) Insurance policies. An insurance policy that may contain valuation estimates of the insured personal property; or

(iv) Tenant sales information. A rent roll or document containing the individual tenant sales information on the property owner's rented or leased personal property.

(5) Valuation procedures. The appraisal staff shall follow the provisions of this paragraph when performing their appraisals. Irrespective of the valuation approach used, the final results of any appraisal of personal property by the appraisal staff shall in all instances conform to the definition of fair market value in Code section 48-5-2 and this Rule.

(a) General procedures. The appraisal staff shall consider the sales comparison, cost, and income approaches in the appraisal of personal property. The degree of dependence on any one approach will change with the availability of reliable data and type of property being appraised.

1. Information presented by property owner. The appraisal staff shall consider any timely information presented by the property owner that may have reasonable relevance to the appraisal of the owner's personal property. The appraisal staff shall consider the effect of any factors discovered during the review or audit of the return or directly presented by the property owner that may reduce the value of the owner's personal property, including, but not limited to all forms of depreciation, shrinkage, theft and damage.

2. Selection of approach. With respect to machinery, equipment, personal fixtures, and trade fixtures, the appraisal staff shall use the sales comparison approach to arrive at the fair market value when there is a ready market for such property. When no ready market exists, the appraiser shall next determine a basic cost approach value. When the appraiser determines that the basic cost approach value does not adequately reflect the physical deterioration, functional or economic obsolescence, or otherwise is not representative of fair market value, they shall apply the approach or combination of approaches to value that, in their judgment, results in the best estimate of fair market value. All adjustments to the basic cost approach shall be documented to the board of tax assessors.

3. Rounding. The appraisal staff may express the final fair market value estimate to the board of tax assessors in numbers that are rounded to the nearest hundred dollars.

(b) Special procedures. The appraisal staff shall observe the procedures in this Subparagraph when appraising inventory and construction in process.

1. Valuation of inventory. When appraising inventory, the appraisal staff shall consider the value of inventory to consist of all the charges incurred from its original state as raw material to its final resting place for ultimate consumption, including such items as freight and other overhead charges, with the exception of the cost of the final sale The appraisal staff shall also consider factors contributing to any loss of value including, but not limited to, obsolescence, shrinkage, theft and damage.

2. Construction in progress. Property owners who are constructing or installing a large piece or line of production equipment may be required by generally accepted accounting principles to accrue the total costs associated with such equipment in a holding account until the construction or installation is complete and the equipment is ready for production, at which time, the property owner is permitted by such principles to post the total cost to a fixed asset account, taking appropriate depreciation. If such holding account is maintained by the property owner, the appraisal staff shall consider the total cost reported in the property owner's holding account when appraising such property. Construction in progress shall be appraised in the same manner as other similar personal property taking into account that there may be little or no physical deterioration on such property and that the fair market value may be diminished due to the incomplete state of construction. If comparable sales information of personal property under construction is generally not available and there is no other specific evidence to measure the probable loss of value if the property is sold in an incomplete state of construction, the appraisal staff may multiply the identified total cost of construction by a uniform market risk factor of .75.

3. Overhauls. When appraising machinery, equipment, furniture, personal fixtures, and trade fixtures, the appraisal staff shall consider the cost of all expenditures, both direct and indirect, relating to any efforts to overhaul an asset to modernize, rebuild, or otherwise extend the useful life of such asset. The following procedure is to be used by the appraisal staff to estimate the value of an overhauled asset: An adjustment to the original cost of the asset is made to reflect the cost of the components that have been replaced. The cost of the overhaul is divided by an index factor representing the accumulated inflation or deflation from the year

of acquisition of the asset on which the overhaul was performed to the year of the overhaul. This amount is then subtracted from the original cost of the asset being overhauled. The remainder is then multiplied by the composite conversion factor for the year of the original acquisition as specified in Rule 560-11-10-.08(5)(f)(4)(iii) of this section. The current year's composite conversion factor is then applied to the cost of the overhaul, and these two figures are combined to represent the estimate of value for the overhauled asset.

(c) Level of trade. The appraisal staff shall recognize three distinct levels of trade: the manufacturing level, the wholesale level, and the retail level. The appraiser shall take into account the incremental costs that are added to a product as it advances from one level to another that may increase its value as a final product. The appraisal staff shall value the property at its level of trade.

(d) Ready markets. When the appraiser lacks sufficient evidence to demonstrate the existence of a ready market, he or she shall consider any evidence submitted by the property owner demonstrating that a ready market is available. When the property owner cannot prove the existence of a reliable ready market, the appraiser may use other valuation approaches as authorized by law and Rule 560-11-10-.08(5).

1. Liquidation sales. The appraisal staff should recognize that those liquidation sales that do not represent the way personal property is normally bought and sold may not be representative of a ready market. For such sales, the appraisal staff should consider the structure of the sale, its participants, the purchasers, and other salient facts surrounding the sale. After considering this information, the appraisal staff may disregard a sale in its entirety, adjust it to the appropriate level of trade, or accept it at face value.

(e) Sales comparison approach. The sales comparison approach uses the sales of comparable properties to estimate the value of the subject property being appraised.

1. Widely used pricing guides. The appraisal staff should make a reasonable effort to obtain and use generally accepted pricing guides that are published and widely used within the market. When using such a guide to estimate the comparative sales approach value, the appraiser shall begin with the listed retail price and then make any value adjustments as provided in the guide instructions, based on the best information available about the subject property being appraised.

2. Lesser-known pricing guides. The property owner may submit, and the appraisal staff shall consider, lesser known publications, periodicals and price lists of the specific types of personal property being returned. Such lists should be regularly consulted by buyers of the type personal property reported, and should list prices at which sellers, who regularly deal in the types of property reported, typically offer such property for sale.

(i) Validation of lesser pricing guides. In all cases where unpublished, unrecognized, or unverified sales data are submitted by the property owner, the steps the appraiser may take to validate such data include, but are not limited to, the following:

(I) Arm's length transactions. as defined in OCGA 48-5-2(.1): "'Arm's length, bona fide sale' means a transaction which has occurred in good faith without fraud or deceit carried out by unrelated or unaffiliated parties, as by a willing buyer and a willing seller, each acting in his or her own self-interest, including but not limited to a distress sale, short sale, bank sale, or sale at public auction." Transactions where the lien holder receives or repossesses the property, and deed under power of sale transactions are not to be applied as an arm's length transaction.

(II) Representativeness. Verify that the sales data submitted is either all-inclusive or has been randomly selected, so as to be unbiased and fairly represent the market for the personal property being appraised. This may be accomplished by contacting known dealers of the subject personal property to determine whether other significant market data exists that supports the data submitted by the property owner.

(III) Financing. Adjust the sale price of the subject property for non-conventional financing.

(IV) Time of sale. Adjust the sale price of the subject property for the date of sale in order to estimate the value as of the January 1 assessment date.

(V) Discounts. Adjust the sale price to remove trade and cash discounts.

(VI) Comparability. Adjust the sale price of the subject property for characteristics of the subject not found in the sales to which it is being compared, such as condition, use, and extra or missing features.

3. Other factors. To finalize the sales comparison approach, the appraiser shall consider any other factors, appropriate to the approach, which may be affecting the value. When the comparative sales approach is used as the basis for the appraisal of personal property, the appraiser shall not make further adjustments to the value to reflect economic obsolescence, functional obsolescence, or inflation.

(f) Cost approach. The cost approach arrives at an estimate of value by taking the replacement or reproduction cost of the personal property and then reducing this cost to allow for physical deterioration, functional and economic obsolescence.

1. General procedure. In applying the cost approach to personal property during a review or audit of a return, the appraiser shall identify the year acquired, and total acquisition costs, including installation, freight, taxes, and fees. The acquisition costs shall then be adjusted for inflation and deflation and then depreciated as appropriate to reflect current market values.

2. Book value. The appraiser should recognize that the appraisal and accounting practices for depreciating personal property might differ. Accounting practices provide for recovery of the cost of an asset, whereas appraisal practices strive to estimate the fair market value related to the current market. The appraiser should consider depreciation in the forms of physical deterioration, functional obsolescence, and economic obsolescence, which may not necessarily be reflected in the book value. The appraiser should consider that accounting practices of property owners might also differ.

3. Valuation as a whole. The appraiser may arrange the individual items of personal property into groups with similar valuation characteristics and value such group as a whole when the itemized appraisals of each item of personal property will not add substantially to the accuracy of the determination of the cost approach value.

4. Basic cost approach. The appraisal staff shall determine the basic cost approach value of machinery, equipment, furniture, personal fixtures, and trade fixtures using the following uniform four-step valuation procedures: Determine the original cost new of the item of personal property to the property owner; determine the uniform economic life group for the item of personal property; and multiply the original cost new times the uniform composite conversion factor appropriate for the economic life group and actual age of the item

of personal property. Then determine a salvage value of any item of personal property when it is taken out of use at the end of its expected economic life.

(i) Original cost new. The appraisal staff shall determine the original cost new of the item of machinery, equipment, furniture, personal fixtures, and trade fixtures. Any real improvements to the real property, including real fixtures that had to be installed for the proper operation of the property, shall be included in the appraisal of the real property and not included in the basic cost approach value of the personal property. Those portions of transportation costs and installation costs that do not represent normal and customary costs for the type personal property being appraised shall be excluded from the original cost new when determining the basic cost approach value.

(ii) Economic life groups. When determining the basic cost approach value of machinery, equipment, furniture, personal fixtures, and trade fixtures, the appraisal staff shall separate the individual items of property into four economic life groupings that most reasonably reflect the normal economic life of such property as specified in this subparagraph. The appraiser shall use Table B-1 and B-2 of Publication 946 of the U.S. Treasury Department Internal Revenue Service, as revised in 1998, to classify the individual asset into the appropriate economic life group. For property that does not appear in such publication, the appraisal staff may determine the appropriate economic life group based on the best information available, including, but not limited to, the property owner's history of purchases and disposals.

(I) Group I. The appraisal staff shall place into Group I any assets that have a typical economic life between five and seven years.

(II) Group II. The appraisal staff shall place into Group II any assets that have a typical economic life between eight and twelve years.

(III) Group III. The appraisal staff shall place into Group III any assets that have a typical economic life of thirteen years or more.

(IV) Group IV. The appraisal staff shall place into Group IV any assets that have a typical economic life of four years or less. The appraisal staff shall also place into Group IV those assets classified as Asset Class 00.12 in Publication 946 of the U.S. Treasury Internal Revenue Service, Table B-1, as revised in 1998.

(iii) Composite conversion factors. The appraisal staff shall, in accordance with this Rule, use the composite conversion factors as provided in this subparagraph and apply the appropriate factor to the original cost new of personal property to arrive at the basic cost approach value. The last composite conversion factor in each economic life group shall not be trended and shall represent the residual value.

(I) Group I composite conversion factors. The following composite conversion factors shall be applied to Group I assets to arrive at the basic cost approach value for years one through seven: Y1-.87, Y2-.74, Y3-.58, Y4-.43, Y5-.32, Y6-.26, Y7-.21. Thereafter the residual composite conversion factor shall be .20.
(II) Group II composite conversion factors. The following composite conversion factors shall be applied to Group II assets to arrive at the basic cost approach value for years one through eleven: Y1-.92, Y2-.85, Y3-.78, Y4-.70, Y5-.63, Y6-.54, Y7-.44, Y8-.34, Y9-.28, Y10-.25, Y11-.25. Thereafter the residual composite conversion factor shall be .20.

(III) Group III composite conversion factors. The following composite conversion factors shall be applied to Group III assets to arrive at the basic cost approach value for years one through sixteen: Y1-.95, Y2-.91, Y3-.87, Y4-.82, Y5-.79, Y6-.75, Y7-.70, Y8-.63, Y9-.57, Y10-.52, Y11-.47, Y12-.41, Y13-.35, Y14-.31, Y15-.29, Y16-.28. Thereafter the residual composite conversion factor shall be .20.

(IV) Group IV composite conversion factors. The following composite conversion factors shall be applied to Group IV assets to arrive at the basic cost approach value for years one through three: Y1-.67, Y2-.54, Y3-.31. Thereafter the residual composite conversion factor shall be .10.

(iv) Basic cost approach value. The basic cost approach value shall be determined by multiplying the composite conversion factor times the original cost new of operating machinery, equipment, furniture, personal fixtures, and trade fixtures.

(v) Salvage value. Once personal property is taken out of service at or after the end of its typical economic life, it shall be considered salvage until disposed of and the appraiser shall determine a basic cost approach value by taking ten percent of the original cost new of such property. The basic cost approach value for property withdrawn from active use but retained as backup equipment shall be one-half the basic cost approach value otherwise applicable for such property.

5. Further depreciation to basic cost approach value.

(i) Physical deterioration. The appraiser shall consider any evidence presented by the property owner demonstrating physical deterioration that is unusual for the type of personal property being appraised.

(ii) Functional obsolescence. The appraisal staff shall consider any evidence presented by the property owner demonstrating functional obsolescence for the type of personal property being appraised. One method the appraisal staff may use to determine the amount of functional obsolescence is to trend the original cost new for inflation to arrive at the reproduction cost new, and then deduct the cost of a newer replacement model with similar or improved functionality.

(iii) Economic obsolescence. The appraisal staff shall consider any evidence presented by the property owner demonstrating economic obsolescence for the type of personal property being appraised. One method the appraisal staff may use to determine the amount of economic obsolescence is to capitalize the difference between the economic rent of an item of personal property before and after the occurrence of the adverse economic influence.

(g) Income approach. The income approach to value estimates the value of personal property by determining the current value of the projected income stream. This approach is most applicable to machinery, equipment, furniture, personal fixtures, and trade fixtures. The approach should only consider the income directly attributable to the personal property being valued and not the income attributable to the real or intangible personal property forming the same business. The appraisal staff may use one of the following methods when using the income approach for the appraisal of applicable personal property:
1. Straight-line capitalization method. The straight-line capitalization method estimates the income approach value of personal property by computing the investment necessary to produce the net income attributable to the personal property. In essence, it is determined by first computing the potential gross income for a subject property by taking the monthly rent, when that is the rental basis, and multiplying that total by twelve months. The potential gross income is then adjusted to a net operating income by subtracting any expenses

that legitimately represent the costs necessary for production of that income. The net operating income will represent the amount of revenue left after operating expenses that is available to return the investment, pay property tax on the property, and return a profit to the owner.

(i) Income and expense analysis. While complete data is not required on each individual property, there must be sufficient data to develop typical unit rents, typical collection loss ratios, and typical expense ratios for various type properties. Income and expense figures used in the income approach must reflect current market conditions and typical management. Actual figures may be used when they meet this criterion. When actual figures are not available or appear to be unrepresentative, typical figures should be used. Income and expense analysis builds upon the following important components: typical unit rent, potential gross rent, collection loss, typical gross income, typical expenses, and typical net income. Excluded are expenses such as depreciation charges, debt service, income taxes, and business expenses not associated with the property.

(ii) Capitalization. Capitalization involves the conversion of typical net income into an estimate of value. The estimated income is divided by the capitalization rate to arrive the estimated income approach value. The capitalization rate consists of three components. The discount rate, the recapture rate, and the effective tax rate. The discount rate represents the amount of return a prudent investor could reasonably expect on an investment in the subject property. The recapture rate represents the return of the potential investment. The effective tax rate represents the portion of the income stream allocated to pay resulting ad valorem taxes on the property.

(I) Discount rate.The appraiser should calculate the appropriate discount rate through a method known as the band of investment. The band of investment represents the weighted-average cost of the money needed to purchase the applicable personal property. The appraiser determines the percentage of the cost typically borrowed and multiplies this percentage times the typical cost of borrowing. The appraiser then determines the remaining percentage of the cost typically contributed by an investor and multiplies this percentage times the expected rate of return to the investor. An analysis of similar properties might reveal the discount rate typical for a property of a given type.

(II) Recapture rate. The appraiser should calculate the recapture rate by dividing one by the number of years remaining in the economic life of the subject property. The resulting percentage is the current year's recapture rate.

(III) Effective tax rate. The appraiser should calculate the effective tax rate by multiplying the forty percent assessment level times the tax rate in the jurisdiction in which the subject property is located. The effective tax rate is included in the capitalization rate because market value is yet unknown and property taxes can be addressed as a percentage of that unknown value in lieu of their inclusion as an expense in calculation of net annual income.

2. Direct sales analysis method. The direct sales analysis method estimates the income approach value of personal property by computing the relationship between income and sales data. This relationship is expressed as a factor. The method represents a blend of the sales comparison and income approaches because it involves application of income data in conjunction with sales data. Sales of items similar to the subject property are divided by the gross rents, for which they or identical properties are leased, to develop gross income multipliers. A gross income multiplier is selected as typical for the market, and multiplied against the gross income of the subject, or that of an identical property, to result in an estimated value. Limiting the income to rental income only produces a gross rental multiplier.

(i) Gross income or rent multiplier. The appraiser should compute the gross income multiplier by dividing the typical gross income on the personal property by the typical sales price of the personal property. The appraiser should compute the gross rent multiplier by dividing the typical gross rent on the personal property by the typical sales price of the personal property. The appraiser must identify the specific item of personal property to be valued and determine the typical gross income as gross income is determined in Rule 560-11-10-.08(5)(g)(1)(i). The item is then stratified according to its typical use. Typical use strata may include, but are not limited to, office equipment, light-duty manufacturing equipment, heavy-duty manufacturing equipment, retail sales equipment, furniture, personal fixtures, trade fixtures, restaurant equipment, or any other stratum the appraiser believes will have similar sensitivity to market fluctuations as the subject item. The appraiser may develop an individual multiplier on a single item of personal property when there are sufficient sales and rent information. This multiplier may then be used for similar items of personal property for which there may be limited sales and rent information. The income approach value estimate is computed by multiplying the estimated gross income times the gross income multiplier or the gross rent times the gross rent multiplier.

(I) Adjustments.Income data and sales prices used in the development of income multipliers should be reasonably current. Older sales may be matched against recent income figures when the sales are adjusted for time. Sales must also be adjusted for financing, condition, optional equipment, and level-of-trade.

(6) Final estimate of fair market value. After completing all calculations, considering the information supplied by the property owner, and considering the reliability of sales, cost, income and expense information, the appraiser will correlate any values indicated by those approaches to value that are deemed to have been appropriate for the subject property and form their opinion of the fair market value. The appraisal staff shall present the resulting proposed assessment, along with all supporting documentation, to the board of tax assessors for an assessment to be made by that board.

Authority: O.C.G.A. Secs. 48-2-12, 48-5-2, 48-5-5, 48-5-10, 48-5-11, 48-5-12, 48-5-16, 48-5-18, 48-5-20, 48-5-105, 48- 5-105.1, 48-5-269, 48-5-269.1, 48-5-299, 48-5-300, 48-5-314, 50-17-29.

Authority O.C.G.A. Secs. 48-2-12, 48-5-2, 48-5-5, 48-5-10, 48-5-11, 48-5-12, 48-5-16, 48-5-18, 48-5-20, 48-5-105, 48- 5-105.1, 48-5-264, 48-5-269, 48-5-269.1, 48-5-291, 48-5-292, 48-5-295, 48-5-299, 48-5-300, 48-5-314, 50-17-29.

History. Original Rule entitled "Personal Property Appraisal" adopted. F. Sept. 20, 1999; eff. Oct. 10, 1999. Amended: ER. 560-11-10-0.2-.08 adopted. F. Jan. 19, 2011; eff. Jan. 20, 2011, as specified by the Agency. Amended. F. Nov. 9, 2011; eff. Nov. 29, 2011. Amended: F. Mar. 24, 2017; eff. Apr. 13, 2017.

***560-11-10-.09 Real Property Appraisal.***

(1) Real property - Introduction. The appraisal staff shall follow the provisions of this Rule when performing their appraisals of real property. Irrespective of the valuation approach used, the result of any appraisal of real property by the appraisal staff shall conform to the definition of fair market value.

(a) General valuation procedures. The appraisal staff shall consider the sales comparison, cost, and income approaches in the appraisal of real property. The degree of dependence on any one approach will change with the availability of reliable data and type of property being appraised. The appraisal staff may express the final fair market value estimate to the board of tax assessors in numbers that are rounded to the nearest hundred dollars.

(b) Real property identification. The appraisal staff shall identify real property, determine its taxability, and classify it for addition to the county ad valorem tax digest in accordance with this subparagraph.

1. Distinguishing real property. The appraiser shall be required to correctly identify real property and distinguish it from personal property where the proper valuation procedures, as set forth in this Rule, may be followed.

(i) Real property examples. As used in this Rule, real property shall be that property defined in Rule 560-11-10-.02(1)(w). This Rule shall provide illustrations to assist the appraiser in the proper interpretation of the definition. However, these illustrations should not be construed in a manner that conflicts with the definition. Examples of real property are tangible items such as land, all improvements attached to land, real fixtures, and leasehold interests in real property.

(ii) Identification of real fixtures. When property the appraiser believes to be a real fixture has not been returned by the landlord, the appraiser shall require the landlord to produce their lease agreement and shall carefully review the agreement before making their recommendation to the board of tax assessors regarding the classification and taxability of the property in question. The appraiser shall inform the landlord that they may redact, at their option, any information relating to the payments that are required by the lease agreement.

2. Assessment date. Code section 48-5-10 provides that each return by a property owner shall be for property held and subject to taxation on January 1 of the tax year. The appraisal staff shall base their decisions regarding the taxability, uniform assessment, and valuation of real property on the circumstances of such property on January 1 of the tax year for which the assessment is being prepared. When real property is transferred to a new owner or converted to a new use, the circumstances of such property on January 1 shall nevertheless be considered as controlling.

3. Classification. The appraisal staff shall classify real property as provided in Rule 560-11-2-.21 for inclusion in the county tax digest. Real property may be further stratified and categorized as appropriate for aggregating comparable properties for an appraisal.

(2) Return of real property. In accordance with Code section 48-5-299 (a), the appraisal staff, on behalf of the board of tax assessors, shall investigate diligently and inquire into the property owned in the county, for the purpose of ascertaining what real and tangible personal property is subject to taxation in the county and to require the proper return of the property for taxation. The appraisal staff shall make such investigation as

may be necessary to determine the value of any property upon which for any reason all taxes due the state or the county have not been paid in full as required by law. In all cases where taxes are assessed against the owner of property, the appraisal staff shall prepare a proposed assessment on the property according to the best information obtainable.

(a) Information sources. The appraisal staff should develop and maintain information sources for the discovery of unreturned real property.

(b) Returns. The county appraisal staff shall review the returns in accordance with policies and procedures set by the county board of tax assessors consistent with Georgia law and this Rule. Each year, after the deadline for filing returns, the appraisal staff shall secure the returns from the official responsible for receiving returns on or before the tenth day following such deadline.

1. New returns. Department of Revenue form PT-50R is authorized for use by property owners when returning real property. No other form shall be provided for this purpose to property owners by the county official responsible for receiving returns unless previously approved in writing by the Revenue Commissioner.

2. Automatic returns. In accordance with Code section 48-5-20, the appraisal staff shall deem any property owner that does not file a return by the deadline as returning for taxation the same property as was returned or deemed to have been returned in the preceding tax year at the same valuation as the property was finally determined to be subject to taxation in the preceding year.

3. Real estate transfer declaration forms. The Department of Revenue has established Form PT-61 for owners to declare the real estate transfer tax due when property is transferred from one owner to another. The appraisal staff shall review all PT-61 forms filed with the clerk of superior court to discover new owners of property and to ascertain if their property has been returned for taxation. When a property owner acquires real property by transfer in the preceding tax year and does not file a return on such property for the current tax year, the appraisal staff shall follow the procedures of this subparagraph to determine if the newly acquired property has been properly returned for taxation.

(i) When real estate transfer tax declaration form properly completed. For the purposes of subparagraph (2)(b)(3) of this Rule, the PT-61 form shall be deemed properly completed when all applicable information required by the instructions on the form has been entered on the form, it has been signed by the new owner and filed in quadruplicate with the clerk of superior court. A PT-61 form shall not be deemed properly completed when the appraisal staff determines any of the required information on the form is omitted, false, or misleading.

(ii) When transferred property deemed returned. When a property owner acquires by transfer real property that has not been subdivided from the preceding tax year, and such owner properly completes a real estate transfer tax PT-61 form and pays any real estate transfer tax that may be due as provided in Article 1 of Chapter 6 of Title 48 of the Code, the appraisal staff shall deem the owner as having returned the property acquired by transfer at the same value finally determined to be applicable to such property for the preceding year.

(iii) When transferred property deemed unreturned. The appraisal staff shall not deem as returned any property:

(I) That is an improvement made since January 1 of the preceding tax year to property that has been transferred;

(II) That has been transferred and for which the real estate transfer tax PT-61 form has not been properly completed;

(III) That has been transferred and for which the real estate transfer tax PT-61 form has not been filed with the clerk of superior court on or before the deadline for returning property in the year following the year the property is transferred; and

(IV) That has been transferred and for which the real estate transfer tax has not been paid.

(c) Reassessments. The appraisal staff may not recommend to the board of tax assessors a reassessment of the same real property for which a final assessment has already been made by the board. For the purposes of this subsection, the appraisal staff shall presume that a final assessment on real property includes both the land and any improvements to the land.

1. Recently appealed real property. The appraisal staff shall observe the provisions of Code section 48-5-299 (c) and this subparagraph before recommending a change to the assessment of real property that was the subject of an appeal on either the immediately preceding tax digest or the next immediately preceding tax digest. Such property shall be designated in the appraisal staff's records as recently appealed property for the two tax years following the year of the appeal. This subparagraph shall not apply when such property has been returned by the taxpayer at a value different from the appeal-established value.

2. Changing assessment of recently appealed real property. In the two tax years following an appeal, the appraisal staff may not recommend an increase of assessment for the sole purpose of changing the valuation established or decision rendered in an appeal to the board of equalization, hearing officer, arbitration, or superior court. Rather a new appraisal must be accompanied by an on-site inspection to determine the occurrence of any substantial additions, deletions, or improvements to such property, errors in the appraisal staff's records or material factors that substantially affect the current fair market value of such property since the appeal was heard that established the value of the property. The appraisal staff may recommend, consistent with the provisions of this subparagraph, to the board of tax assessors a change of assessment on the property that was the subject of the appeal when an appraisal based on current market conditions indicates the value has changed substantially from the value established by the recent appeal. Such appraisal shall be accompanied by a written statement attesting to the fact that an appraiser has conducted the required on-site inspection of the subject property and setting forth the reasons why the appraiser believes that a change of assessment is authorized under Code section 48-5-299 (c) and this subparagraph. The written statement shall attest to at least one of the following: substantial additions, deletions, or improvements to such property has occurred since January 1 of the appeal year; an error has been discovered in the property records regarding the description or characteristics of the subject property; or an occurrence of other material factors that substantially affect the current fair market value of the subject property. With respect to the term 'substantial'; when making determinations of whether to increase a recently appealed property the appraiser shall consider the subject property components since the time of appeal (appeal hearing date), such as the value of new improvements, value of additions to existing improvements (footprint of exchanged structure has been altered), major remodeling or renovations to existing structures (footprint of exchanged structure has not been altered), and adjustments to land due to consolidation of tracts, new surveys, zoning changes, land use changes. In the event an appealed property is renovated or remodeled, the term 'substantial' shall

be construed such that both the property owner and BOA would reasonably conclude a major renovation/remodeling has occurred. Any modifications made to the appealed property after the appeal hearing date that result in a lower value of the appealed property shall be considered in the final valuation of property for the subsequent January 1 assessment.

(d) Collecting and maintaining property information. The appraisal staff shall keep a record of information relevant to the ownership and valuation of all real property in the county and shall follow the procedures in this subparagraph when collecting and maintaining such real property data.

1. Description of property information. The type of information the appraisal staff shall maintain includes, but is not limited to, property ownership, location, size, use, physical characteristics, sales prices, construction costs, rents, and operating expenses to the extent such information is available. The appraisal staff shall, consistent with this subparagraph, recommend to the board of tax assessors a uniform policy regarding the information to be included in their records.

(i) Geographic information. Cadastral maps or computerized geographic information systems are to be maintained by the appraisal staff for all real property located in the county. In the event the county governing authority has established a separate mapping office and the maps maintained by such office conform with the requirements of this subparagraph, the appraisal staff may provide relevant information to such mapping office and still be in compliance with this subparagraph. Minimum mapping specifications shall include the following: all streets and roads plotted and identified; property lines delineated for each real property parcel; unique parcel identifier for each parcel; and physical dimensions or acreage estimate for each parcel. The appraisal staff shall use the parcel identifiers to link the real property records to the maps. The appraisal staff shall notify the Revenue Commissioner of all proposed changes to existing parcel-numbering systems before implementing such changes.

(ii) Sales information. The appraisal staff shall maintain a record of all sales of real property that are available and occur within the county. The appraisal staff should also familiarize themselves with overall market trends within their immediate geographical area of the state. They should collect and analyze sales data from other jurisdictions having market and usage conditions similar to their county for consideration when insufficient sales exist in the county to evaluate a property type, especially large acreage tracts. The Real Estate Transfer Tax document, Department of Revenue Form PT-61, shall be a primary record source. However, the appraisal staff may also review deeds of transfer and security deeds recorded in the Office of the Superior Court Clerk, and probated wills recorded in the Office of the Probate Judge to maintain a record of relevant information relating to the sale or transfer of real property. Records required to be maintained shall include at a minimum the following information: map and parcel identifier; sale date; sale price; buyer's name; seller's name; deed book and page number; vacant or improved; number of acres or other measure of the land; representativeness of sale using the confirming criteria provided in Rule 560-11-2-.56 (1)(d); any income and expense information reasonably available from public records; property classification as provided in Rule 560-11-2-.21, and; when available, the appraised value for the tax year immediately following the year in which the sale occurred

(iii) Property characteristics. The appraisal staff shall maintain a record of real property characteristics. This record shall include, but not be limited to, sufficient property characteristics to classify and value the property. In addition, the following criteria may be considered when determining which characteristics should be gathered and maintained: factors that influence the market in the location being considered; requirements

of the valuation approach being employed; digest classification and stratification; requirements of other governmental and private users; and marginal benefits and costs of collecting and maintaining each property characteristic.

(iv) Land and location characteristics. The appraisal staff shall maintain a record of the land and location characteristics. The record should include, but not be limited to, location, frontage, width, depth, shape, size, topography, landscaping, slope, view, drainage, hydrology, off-site improvements, soil condition, soil productivity, zoning, absorption, nuisances, use, covenants, neighborhood, corner influence, proximity to recreational water, and quality of access.

(v) Improvement characteristics. The appraisal staff shall maintain a record of the characteristics of the improvements to land. The record shall include, but not be limited to, the location, size, actual use, design, construction quality, construction materials, age and observed condition.

2. Collecting property information. The appraisal staff shall, consistent with the policies of the board of tax assessors and this subparagraph, physically inspect properties when necessary to gather the information required by Rule 560-11-10-.09(2)(d).

(i) Field inspections. The appraisal staff shall develop and present to the board of tax assessors for approval procedures that provide for periodic field inspections to identify properties and ensure that property characteristics information is complete and accurate. The procedures shall include guidelines for the physical inspection of the property by either appraisers or specially trained data collectors. The format should be designed for standardization, consistency, objectivity, completeness, easy use in the field, and should facilitate later entry into a computer assisted mass appraisal system, when one is used. When interior information is required, the procedures shall include guidelines on how and when to seek access to the property along with alternative procedures when such access is not permitted or feasible.

3. Maintaining property characteristics information. The appraisal staff shall systematically update the property characteristics information in response to changes brought about by new construction, new parcels, remodeling, demolition, and destruction. The appraisal staff shall physically measure and update their records to reflect all such changes to real properties in the county.

4. Records retention schedules. The appraisal staff shall develop, in accordance with the provisions of Code section 50-18-99, records retention schedules for each series of documents maintained in their office and have such schedules approved by the board of tax assessors before submitting the schedules to the State Records Committee for official approval pursuant to Code section 50-18-92.

(i) Building permits. In counties that issue building permits, no appraisal shall be based solely on declarations of proposed construction cost made by the person obtaining such building permits.

(ii) Aerial photographs. New aerial photographs should be compared to previous aerial photographs, if such photographs exist, to discover new or previously unrecorded construction.

(iii) Field review frequency. All real property parcels should be physically reviewed at least once every three years to ascertain that property information records are current.

(3) Land valuation. The appraisal staff shall estimate land values by use of the sales comparison or income approach to value as provided in this subparagraph giving preference to the sales comparison approach when adequate land sales are available. The appraisal staff shall identify and describe the property, collect site-specific information, make a study of trends and factors influencing value and obtain a physical measurement of the site. Once the subject is analyzed, the appraisal staff shall classify the land for valuation. Once land values have been estimated, such appraisals should be regularly reviewed and updated.

(a) Land analysis and stratification. The appraisal staff shall appraise land separately from the improvements both to consider the trends and factors affecting each and to arrive at a separate assessment for the digest. In no event, however, may the separate appraisals of the land and improvements exceed the fair market value of the land and improvements when considered as a whole. For appraisal purposes, land shall be separated into different categories based on its use and sales within the market.

1. Site analysis. The appraisal staff shall utilize the trends and factors affecting the value of the subject property, such as its accessibility and desirability. The existing zoning, existing use, existing covenants and use restrictions in the deed and in law shall be applied. The other factors the appraiser shall apply include, but are not limited to, environmental, economic, governmental, and social factors. Site-specific information that may be considered includes, but is not limited to, location, frontage, width, depth, shape, size, topography, landscaping, slope, view, drainage, hydrology, off-site improvements, soil condition, soil productivity, zoning, absorption, nuisances, use, covenants, neighborhood, corner influence, proximity to recreational water, and the quality of access.

2. Market research and verification. The appraisal staff shall build and maintain an up-to-date file system of qualified sales as provided in Rule 560-11-10-.09(2)(d)(1)(ii). Other preferred information to be considered is the motivations of the buyer and seller, as obtained from actual interviews of the parties to the sales. Adjustments to the sales to be considered by the appraiser include, but are not limited to, time of sale; location; physical characteristics; partial interest not conveyed; trades or exchanges included; personal property included; leases assumed; incomplete or unbuilt community property; atypical financing; existing covenants; deed restrictions; environmental, economic, governmental and social factors affecting the sale property and the subject parcel. These adjusted qualified sales may then be used to appraise the subject property.

(b) Acreage tract valuation. The appraisal staff shall determine the small acreage break point to differentiate between small acreage tracts and large acreage tracts and develop or acquire schedules for the valuation of each. When this small acreage break point cannot easily be determined, the appraisal staff shall recommend to the board of tax assessors a reasonable break point of not less than five acres nor more than twenty-five acres. The base land schedules should be applicable to all land types in a county. The documentation prepared by the appraisal staff should clearly demonstrate how the land schedule is applied and explain its limitations.

1. Small acreage tract valuation schedule. After the appraisal staff has performed the site analysis, as provided in Rule 560-11-10-.09(3)(a)(1), they shall analyze the market to identify groups of comparable properties that may be combined in the valuation process, as provided in Rule 560-11-10-.09(4)(b)(3). The appraisal staff shall then analyze the sales to establish a representative base price per acre, and adjustment factors for reflecting value added by the characteristics discovered in the site analysis. Using such base value and the adjustment factors, the appraisal staff shall develop the small acreage schedule for all acreage levels through the small acreage break point.

2. Large acreage tract valuation schedule. After the appraisal staff has performed the site analysis, as provided in Rule 560-11-10-.09(3)(a)(1), they shall analyze the market to identify groups of comparable properties that may be combined in the valuation process, as provided in Rule 560-11-10-.09(4)(b)(3). The appraisal staff shall then analyze the sales to establish a representative benchmark price per acre, and adjustment values for reflecting incremental value associated with different productivity levels, sizes, and locations, as discovered in the site analysis. Using such benchmark values and adjustment values, the appraisal staff shall develop the large acreage schedule for all acreage levels above the small acreage break point.

(i) Land productivity values. The appraisal staff should analyze sales of large acreage tracts to extract the value of all improvements, crop allotments, standing timber, and any other factors that influence the value above the base land value. The appraisal staff should then stratify the sales into two categories of open land and woodland. The base land values should be further stratified into up to nine productivity grades for each category of land, with grade one being the best, using the productivity classifications of the United States Department of Agriculture Natural Resources Conservation Service, where available. Where soil productivity information is not available, the appraisal staff may consult with the local United States Department of Agriculture Natural Resources Conservation Service Supervisor. Alternately, the appraisal staff may use any acceptable means by which to determine soil productivity grades including, but not limited to, aerial and infrared photography, historical soil productivity information, and present use. The appraisal staff should analyze sales within the strata and determine benchmark values for as many productivity grades as possible. The missing strata values are then determined by extrapolating between grades. In the absence of sufficient benchmark values, a system of productivity factors may be developed from crop or timber production based on ratings provided by the United States Department of Agriculture Natural Resources Conservation Service.

(ii) Pond values. The appraisal staff should analyze sales of large acreage tracts containing ponds to extract the value of ponds. The appraisal staff should develop up to three grades of ponds based upon the quality of construction with regard to the dam, the amount of tree clearing within the pond body, and the nature of the waterline around the pond.

(iii) Location and size adjustments. The appraisal staff should plot sales on an index map of the county where trends in sales prices based on size and location may be analyzed. From this analysis, the appraisal staff should develop adjustments for each homogeneous market area, which are based on a tract's location within the county. Within each identified homogeneous market area, sales should also be analyzed to develop adjustment factors for ranges of tract sizes where the market reflects a relationship between the value per acre and the number of acres in a tract. Such factors should be calculated to the fourth decimal place and should extend from the small acreage break point to the tract acreage point where size no longer appears to have a significant impact on the price paid per acre. The appraiser should select an acreage point between these two points that represents a typical agricultural use tract size and assign it an index factor value of 1.0000. Such adjustments should be supported by clearly identifiable changes in selling prices per acre. Finally, large acreage tracts that have sold within the most recent 24 months, unless no such sale has occurred in which case the look back period should be 48 months, should be appraised using the schedule of adjustment factors and a sales ratio study performed to test for uniformity and conformity of the schedule to Rule 560-11-2-.56, and if the schedule thus conforms, the adjustments shall then be applied to all other large acreage tracts that are within the scope of the schedule being tested.

(iv) Adjustments for absorption When insufficient large tract sales are available to create a reliable schedule of factors, the appraisal staff may use comparable sales to develop values for the size tracts for which comparables exist, and then adjust these values for larger tracts by (1) estimating a rate of absorption for the

smaller tracts for which data exists, (2) dividing the large tract into smaller, marketable sections, (3) developing a sales schedule with estimated income by year reflecting the absorption rate and the value characteristics of each of the smaller tracts, (4) discounting the income schedule to the present using an appropriate discount rate, and (5) summing the resulting values to arrive at an estimated value for the property.

(v) Standing Timber Value Extraction. When determining the market value of land underlying standing timber, where such standing timber is taxed in accordance with Code section 48-5-7.5, the appraiser shall not rely exclusively on the sales prices of such land that has recently had the timber harvested. Rather he or she shall also consider sales of land with standing timber after the value of such standing timber has been determined in accordance with this subparagraph and deducted from the selling price.

(I) Determine timber value from buyer and seller. For all types of timber, the value of the standing timber on recently sold land should be determined from reliable information from the buyer and seller clearly segregating the value of the standing timber from the underlying land. In the absence of such information, the appraiser may use one of the following methods to determine the value of the standing timber if in his or her judgment the results are reasonably consistent with other sales where buyer and seller information is known:

I. Calculate value of merchantable timber. For all types of merchantable timber, the value of the standing timber may be determined by multiplying estimated volumes by product class, such as softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood, of timber on the property by prices for each product class as obtained from the table of weighted average prices paid for harvested timber applicable to the year during which the sale occurred and prepared by the Commissioner pursuant to paragraph (g) of Code section 48-5-7.5. For the purposes of this subparagraph, merchantable timber shall include stands that have been in production for more than fifteen years. Estimated volumes by product class may be obtained by one of the following methods: reliable information from the buyer or seller or from specially trained data collectors who have estimated volumes from a visual on-site inspection or from an aerial survey.

II. Calculate value of pre-merchantable planted pine timber. For pre-merchantable planted pine timber, the value of the standing timber may be determined by estimating the value of the timber at the age of merchantability and then prorating this value to the actual age of the pre-merchantable stand. The appraiser may arrive at this estimate using the following steps:

A. For each applicable timber product class, multiply the estimated tons of timber volume yield per acre for each product class at the age of merchantability times the locally prevailing timber price per ton of such product classes. Sum the individual results of the timber product class calculations into a single result.

(A) In the absence of reliable locally prevailing timber price per ton information, the appraiser may use timber price per ton from the table of weighted average prices paid for harvested timber prepared by the Commissioner pursuant to paragraph (g) of Code section 48-5-7.5.

(B) In the absence of specific yield information to the contrary, the appraiser may estimate timber volume yields at an average yield of 52.2 tons per acre or preferably by using the land productivity classifications established by Rule 560-11-10-.09(3)(b)(2)(i) and the following tables of estimated yields of fully stocked planted timber stands at age fifteen, and then adjusting the yields according to the actual stocking density of the timber stand.

Loblolly Pine-Lower Coastal Plain

| Georgia Tax Productivity Rating | Georgia Tax Adjusted Site Index Range | Site Index Used For Growth Projections | Tons/Acre @ Age 15 |
|---|---|---|---|
| 1 | 90-101 | 96 | 139 |
| 2 | 85-89 | 87 | 110 |
| 3 | 81-84 | 83 | 98 |
| 4 | 80 | 80 | 90 |
| 5 | 75-79 | 77 | 81 |
| 6 | 70-74 | 72 | 69 |
| 7 | 60-69 | 65 | 53 |
| 8 | 10-59 | 45 | 19 |
| 9 | 0-9 | 0 | 0 |

Loblolly Pine-Lower Coastal Plain

| Georgia Tax Productivity Rating | Pulpwood | Chip-n-Saw |
|---|---|---|
| 1 | 125 | 14 |
| 2 | 99 | 11 |
| 3 | 88 | 10 |
| 4 | 81 | 9 |
| 5 | 73 | 83 |
| 6 | 66 | 3 |
| 7 | 51 | 2 |
| 8 | 19 | 0 |
| 9 | - | - |

Loblolly Pine-Upper Coastal Plain

| Georgia Tax Productivity Rating | Georgia Tax Adjusted Site Index Range | Site Index Used For Growth Projections | Tons/Acre @ Age 15 |
|---|---|---|---|
| 1 | 90-101 | 96 | 129 |
| 2 | 85-89 | 87 | 103 |
| 3 | 81-84 | 83 | 93 |
| 4 | 80 | 80 | 85 |
| 5 | 75-79 | 77 | 78 |
| 6 | 70-74 | 72 | 67 |
| 7 | 60-69 | 65 | 53 |
| 8 | 10-59 | 45 | 18 |
| 9 | 0-9 | 0 | 0 |

Loblolly Pine-Lower Coastal Plain

| Georgia Tax Productivity Rating | Georgia Tax Adjusted Site Index Range | Site Index Used For Growth Projections | Tons/Acre @ Age 15 |
|---|---|---|---|

Loblolly Pine-Upper Coastal Plain

| Georgia Tax Productivity Rating | Pulpwood | Chip-n-Saw |
|---|---|---|
| 1 | 116 | 13 |
| 2 | 93 | 10 |
| 3 | 84 | 9 |
| 4 | 77 | 8 |
| 5 | 70 | 8 |
| 6 | 63 | 4 |
| 7 | 49 | 3 |
| 8 | 18 | 0 |
| 9 | - | - |

Loblolly Pine-Piedmont

| Georgia Tax Productivity Rating | Georgia Tax Adjusted Site Index Range | Site Index Used For Growth Projections | Tons/Acre @ Age 15 |
|---|---|---|---|
| 1 | 90-101 | 96 | 123 |
| 2 | 85-89 | 87 | 98 |
| 3 | 81-84 | 83 | 88 |
| 4 | 80 | 80 | 81 |
| 5 | 75-79 | 77 | 74 |
| 6 | 70-74 | 72 | 62 |
| 7 | 60-69 | 65 | 48 |
| 8 | 10-59 | 45 | 17 |
| 9 | 0-9 | 0 | 0 |

Loblolly Pine-Upper Coastal Plain

| Georgia Tax Productivity Rating | Pulpwood | Chip-n-Saw |
|---|---|---|
| 1 | 111 | 12 |
| 2 | 88 | 10 |
| 3 | 79 | 9 |
| 4 | 73 | 8 |
| 5 | 66 | 8 |
| 6 | 59 | 3 |
| 7 | 46 | 2 |
| 8 | 17 | 0 |
| 9 | - | - |

Loblolly Pine-Piedmont

| Georgia Tax Productivity Rating | Georgia Tax Adjusted Site Index Range | Site Index Used For Growth Projections | Tons/Acre @ Age 15 |
|---|---|---|---|

Slash Pine- Lower Coastal Plain

| Georgia Tax Productivity Rating | Georgia Tax Adjusted Site Index Range | Site Index Used For Growth Projections | Tons/Acre @ Age 15 |
|---|---|---|---|
| 1 | 90-101 | 96 | 155 |
| 2 | 85-89 | 87 | 114 |
| 3 | 81-84 | 83 | 98 |
| 4 | 80 | 80 | 87 |
| 5 | 75-79 | 77 | 77 |
| 6 | 70-74 | 72 | 61 |
| 7 | 60-69 | 65 | 42 |
| 8 | 10-59 | 45 | 11 |
| 9 | 0-9 | 0 | 0 |

Slash Pine- Lower Coastal Plain

| Georgia Tax Productivity Rating | Pulpwood | Chip-n-Saw |
|---|---|---|
| 1 | 139 | 16 |
| 2 | 103 | 11 |
| 3 | 88 | 10 |
| 4 | 78 | 9 |
| 5 | 69 | 8 |
| 6 | 59 | 3 |
| 7 | 58 | 2 |
| 8 | 11 | 0 |
| 9 | - | - |

Slash Pine- Upper Coastal Plain

| Georgia Tax Productivity Rating | Georgia Tax Adjusted Site Index Range | Site Index Used For Growth Projections | Tons/Acre @ Age 15 |
|---|---|---|---|
| 1 | 90-101 | 96 | 150 |
| 2 | 85-89 | 87 | 113 |
| 3 | 81-84 | 83 | 99 |
| 4 | 80 | 80 | 87 |
| 5 | 75-79 | 77 | 77 |
| 6 | 70-74 | 72 | 62 |
| 7 | 60-69 | 65 | 43 |
| 8 | 10-59 | 45 | 12 |
| 9 | 0-9 | 0 | 0 |

Loblolly Pine-Piedmont

| Georgia Tax Productivity Rating | Georgia Tax Adjusted Site Index Range | Site Index Used For Growth Projections | Tons/Acre @ Age 15 |
|---|---|---|---|

Slash Pine- Upper Coastal Plain

| Georgia Tax Productivity Rating | Pulpwood | Chip-n-Saw |
|---|---|---|
| 1 | 135 | 15 |
| 2 | 102 | 11 |
| 3 | 89 | 10 |
| 4 | 78 | 9 |
| 5 | 69 | 8 |
| 6 | 59 | 3 |
| 7 | 41 | 2 |
| 8 | 12 | 0 |
| 9 | - | - |

(C) In the absence of reliable local information on typical timber product class volume yields at the age of merchantability, the appraiser may assume that ninety percent (90%) of the timber will be pulpwood and ten percent (10%) will be chip-n-saw.

B. Multiply the result in subparagraph A. by the number of acres of pre-merchantable timberland.

C. Deduct from the result in subparagraph B. the normal cost to establish a timber stand on cut over woodland, which shall be known as the base value. Normal cost may be determined from planters, local site preparation and planning contractors and other reliable sources.

D. Divide the result in subparagraph C. by the age of merchantability to determine the average annual timber growth value. In the absence of reliable local information to the contrary, the age of merchantability shall be fifteen years.

E. Multiply the result in subparagraph D. by the actual age of the standing timber to arrive at the value of the accumulated timber growth.

F. Add back the base value deducted in subparagraph C. to the result in subparagraph E. to yield the total value of the pre-merchantable standing timber.
III. Determine value of other pre-merchantable timber.
For types of pre-merchantable timber other than planted pine, the value of the standing timber may be determined from the best information available. In the absence of local reliable information to the contrary, the value of other pre-merchantable timber may be estimated as follows:

A. Natural stands less than five years of age should be assigned no value.

B. Natural pre-merchantable stands five years of age and older should be valued in the same manner as planted pine timber is valued, except the appraiser should make no adjustments for the base cost of establishing the timber stand; yields for natural pine stands should be estimated at fifty percent of the volume determined for a planted pine stand; and yields for hardwood stands should be estimated at forty percent of the value determined for a planted pine stand.

(c) Site valuation. The appraisal staff may use the valuation methods in this subparagraph to appraise sites that have been developed for residential, commercial or industrial use.

1. Valuation methods with sufficient sales. The appraisal staff shall use one, or a combination of more than one, of the valuation methods in this subparagraph when sufficient sales are available to reliably support the appraisal. These methods may be used to value the land directly.

(i) Comparative unit method. To use the comparative unit method, the appraisal staff shall stratify the land sales into a stratum comparable in market area or use type to the subject parcel. The appraiser then determines a land comparison unit by which the subject parcel is normally bought and sold in the market place and converts the sales price of the comparable properties to a typical per comparison unit value, using the median measure of central tendency. Per-measurement-unit, lump sum, and percentage adjustments are then made as needed to reflect the value of subject land features that differ from the base land features. The appraiser may use one of the following five basic comparison units: front foot, square foot, acre, site or lot, and units buildable. The appraisal staff may rely upon the comparative unit method for areas where parcels vary in size but are fairly homogeneous in other aspects, as opposed to areas where the sites are similar in size but vary substantially in site characteristics. The reliability of the analysis should be verified by a calculation of the coefficient of dispersion and the price related differential. These statistical indicators should fall within the standards of Rule 560-11-2-.56 before the appraiser relies upon the selected sales to appraise the subject parcel.

(ii) Base lot method. To use the base lot method, the appraisal staff shall appraise the base parcel in each stratum using the comparative unit method, with the base lot serving as the subject parcel. Once the base-lot's appraised value is established, it is used as a benchmark to appraise other individual parcels. The appraiser may use the base-lot method when the site characteristics are generally similar. Adjustments shall be developed using paired-sales analysis or other forms of market research. Then, the appraiser shall adjust the comparables to the base lot, calculate the measure of central tendency, and select a representative base-lot appraised value. The reliability of the analysis may be verified by a calculation of the coefficient of dispersion and the price related differential. These statistical indicators should fall within the standards of Rule 560-11-2-.56 before the appraiser relies upon the selected sales to select a base-lot appraised value.

(iii) Cost-of-development method. To use the cost-of-development method, the appraisal staff shall estimate the total development costs and subtract these costs from the projected sales prices of the developed lots to indicate the appraised value for the raw land. The projected improvements must represent the most probable use of the land. Estimated costs should include the direct costs of site preparation, utility hookups, all indirect costs, and a reasonable allowance for owner profit. The appraiser may use this method to directly value land in transition from agricultural use to residential or commercial use when there are insufficient sales to apply the comparative unit or base lot methods.

2. Valuation methods with insufficient sales. When vacant land sales are limited, the appraisal staff may use

alternative methods to determine residual land values. These residual land values may be used in the same way as vacant land sales in order to establish comparative unit or base lot values. The appraisal staff shall not use these methods to establish land values directly. The alternative methods that may be used are allocation, abstraction, capitalization of ground rent, and land residual capitalization.

(i) Allocation method. Using this method, the appraisal staff estimates the typical percentage of combined land and improvement value attributable to the land alone. This land percentage estimate should be based on knowledge of the market for properties of the class being appraised and the appraiser should take into consideration the site value in previous years before being improved, the land-to-improvement ratios in similar neighborhoods, and an analysis of new construction on similarly classified sites.

(ii) Abstraction method. Using this method, the appraisal staff estimates the land residual value by subtracting the depreciated replacement cost of improvements from the sale price of an improved property.

(iii) Capitalization of ground rents method. Using this method, the appraisal staff determines the market rent of the subject site, computes a net income, selects a capitalization rate, and computes the present worth of the future benefits of the subject parcel. The appraiser should not use this method when there is insufficient market information available to estimate the income potential of the subject parcel.

(iv) Land residual capitalization method. Using this method, the appraisal staff develops the annual net operating income attributable to the property and develops capitalization rates for both the land and the improvements to the land. The estimated improvement value is multiplied by the improvement capitalization rate and the result is deducted from the forecasted annual net operating annual income. The remaining income, the residual amount attributable to the land, is then capitalized, using the land capitalization rate, into a value indicator for the land. The appraiser should only use the land residual capitalization method on new income-producing improved properties either when the improvement has little or no observed depreciation of any kind and a well-supported improvement value can be developed, or when an improvement can be hypothesized and its cost and net operating income reliably estimated.

3. Special procedures. The appraisal staff shall observe the special procedures contained in this subparagraph when appraising the described property types.

(i) Transitional land. The appraisal staff shall analyze any unusual sale amount for a single parcel of land that seems to indicate a transition from one type land use to another type land use, such as from agricultural to residential or from residential to commercial and conversely. The appraisal staff should consider that a single sale might not necessarily indicate a changing market. The appraisal staff should analyze such sales to ensure that the new use is clearly indicated by a pattern of sales before qualifying and adjusting such sales for use as comparables for appraising the remaining comparable land.

(ii) Absorption rates. When appraising a new subdivision, the appraisal staff shall use discounted cash-flow analysis in conjunction with the cost-of-development method to appraise the unsold parcels when it is anticipated that the parcels will require several more years of exposure to the market to sell. The appraisal staff may consider typical holding periods, marketing, and management practices when estimating anticipated revenues and allowable expenses.

(4) Improvement valuation. Except as provided in subparagraph (a) of this subparagraph, the appraisal staff will use the following three approaches when appraising real property: the direct sales comparison approach,

the cost approach, and the income approach. In determining the reliability and representativeness of each approach or combination of approaches, the appraisal staff shall consider those factors most likely to influence buyers and sellers when those buyers and sellers are determining exchange prices in the market place, and the sufficiency of available sales, cost, income and expense information to reliably quantify those factors. However, irrespective of the valuation approach used, the final results of any appraisal of real property by the appraisal staff shall in all instances comply with the definition of fair market value in Code section 48-5-2.

(a) Cost approach. The appraisal staff shall use the following three steps when applying the cost approach: Estimate the cost new of the improvements, subtract accrued depreciation, and add the value of the land.

1. Estimating cost new. In estimating the cost new of any buildings, structures, or other improvements to land, the appraisal staff shall consider the following:

(i) Types of costs. The appraisal staff shall include both direct and indirect costs that would be incurred to build and market the property, including normal overhead and profit. The approach would normally produce the replacement cost. The appraisal staff may consider the reproduction cost, and adjust for depreciation accordingly, when appraising an unusual or special-purpose property.

(I) Comparative unit method. Unless otherwise provided under Rule 560-11-10-.09(4)(a)(1)(i), the appraisal staff shall determine benchmark per-square-foot, per-cubic-foot, or other per-measurement-unit costs for base structures using cost guides or local cost information. Such benchmark per-measurement-unit costs may then be applied to the subject improvements to determine typical replacement cost new. Per-measurement-unit, lump sum, and percentage adjustments are then made as needed to reflect the value of subject improvements features that differ from the base structures. All forms of depreciation are then applied as a lump sum factor based on the age and useful life of the subject improvements.

(II) Unit-in-place method. The appraisal staff may use the unit-in-place method when making adjustments in the comparative unit method. This method determines costs of individual construction components on a per-measurement-unit, in-place basis. The total cost of each component of the subject improvement is then found by multiplying the various per-measurement-unit costs by the number of actual measurement units installed in the subject improvement. The appraisal staff may also use this method when estimating costs for unusual or special-purpose improvements, in which case the component costs would be summed and combined with applicable indirect costs to obtain an estimate of the total replacement cost new of the subject improvements. All forms of depreciation are then applied as a lump sum factor based on the age and useful life of the subject improvements

(III) Quantity survey method. The appraisal staff may separately itemize all various labor, material, and indirect costs when it is desirable to produce the reproduction cost new. All forms of depreciation are then applied separately based on the physical deterioration, functional obsolescence, and economic obsolescence observed by the appraiser. The appraisal staff may use this method in the development and trending of comparative unit and unit-in-place costs.

(IV) Trended original cost method. When determining the cost of structures where the comparative unit or unit-in-place methods are inapplicable, the appraisal staff may trend the original costs over time by factors obtained from a construction cost index guide. The appraisal staff shall not use this method when the original cost figures are not accurate or complete.

(ii) Sources of cost information. The appraisal staff may obtain cost information by directly collecting information from contractors, builders, developers, property owners, and other market place participants. Cost information may be obtained from firms that compile and publish construction information, with the appraisal staff supplementing or modifying such information with locally gathered cost information. The appraisal staff may obtain cost manuals specifically developed for the county by construction cost services and mass appraisal firms.

(iii) Updating costs. Cost information shall be updated by the appraisal staff as necessary to reasonably reflect current construction costs for the various construction classes. Indexing may be used in the short term to update cost information, but in no event shall the appraisal staff rely on indexing alone for more than three years.

(iv) Location modifiers. The appraisal staff shall develop base construction cost tables. Modifiers, in the form of factors to be applied to the cost tables, may then be developed for areas to reflect local market conditions. Different sets of modifiers may be necessary to reflect the market for different property types within a county.

(v) Cost models. The appraisal staff shall develop or acquire representative cost models that contain the manual or automated cost factor tables used in the cost approach. The models should be applicable to all building types in a county and be based on actual updated costs as defined in Rule 560-11-10-.09(4)(a)(1)(iii). The models should clearly identify included indirect costs, contain depreciation estimation guidelines, and provide for systematic cost estimation on manual or automated forms. The documentation prepared by the appraisal staff should clearly demonstrate how the cost model is applied and explain its limitations.

2. Estimating depreciation. The appraisal staff shall estimate the depreciation by determining the difference between replacement or reproduction cost new and the current market value of an improvement. This determination shall require an analysis by the appraiser of physical deterioration, functional obsolescence and economic obsolescence present, keeping in mind that physical deterioration and functional obsolescence may include curable and incurable components. The appraiser may estimate depreciation as a total amount or as a percentage of replacement or reproduction cost new. Improvements with special circumstances may be treated on an exception basis. The appraisal staff shall use the effective age of improvements, when different from the actual age, when estimating depreciation. The methods the appraisal staff may use to estimate depreciation include, but are not limited to, the following four methods:

(i) Sales comparison method. To apply the sales comparison method, the appraisal staff develops estimates of total depreciation from market-derived schedules. To develop such schedules, the appraiser stratifies the sales information by type of construction and other relevant features. The appraiser then computes building residuals by deducting estimated land values from the sales prices and expressing the building residuals as a percentage of replacement cost new. The resulting "percent good" factors are then plotted against the effective ages of the properties to develop the depreciation tables. This method may be used when current representative and adequate sales information is readily available.

(ii) Age/Life method. To apply the age/life method, the appraisal staff develops estimates of physical deterioration and normal functional obsolescence using a simple sliding scale or straight-line calculation and then applies any necessary adjustments for additional functional or economic obsolescence. This method may be used when current representative and adequate sales information is not readily available.

(I) Capitalization of income method. To apply the capitalization of income method, the appraisal staff uses income-based appraisals in place of sales and applies these appraisals to the sales comparison method to develop estimates of total depreciation.

(II) Observed condition method. To apply the observed condition method, the appraisal staff breaks down depreciation into all its various component parts. This method requires detailed analysis of all forms of depreciation and is generally reserved for "model building," special use properties, or when raised by a property owner during the course of an appeal.

(b) Sales comparison approach. When using the sales comparison approach, the appraisal staff shall estimate value by comparing the subject property to similar properties that have recently sold. The appraisal staff shall use the following four steps when applying the sales comparison approach: market research and verification, selecting appropriate units of comparison, making reasonable adjustments based on the market, and applying the adjusted comparison units to the subject of the appraisal.
1. General considerations. The appraisal staff shall consider the following when applying the sales comparison approach:

(i) Bona fide sales preferred. A bona fide sale of a subject property should be carefully analyzed by the appraisal staff to determine if it is an accurate indicator of such subject property's fair market value. When such a sale is supported by sufficient other sales of similar property to reasonably estimate the market, the appraisal staff shall consider the sale as the best evidence of fair market value. In the absence of such a sale of the subject, sales prices of comparable properties shall be considered the best evidence of fair market value.

(ii) Economic principles affecting approach. When applying the sales comparison approach, the appraisal staff shall rely upon the economic principles of supply and demand, substitution, and contribution. The interaction of supply and demand factors determines property prices. The principle of substitution states that a prudent buyer will pay no more for a property than for a comparable property with similar utility. The principle of contribution as applied to the sales comparison approach means the value of a property component is measured by its contribution to the whole rather than by its cost.

2. Market research and verification. The appraisal staff shall build and maintain an up-to-date file system of qualified sales as provided in Rule 560-11-10-.09(2)(d)(1)(ii). Other preferred information to be considered is the motivations of the buyer and seller, as obtained from actual interviews of the parties to the sales. Adjustments to the sales to be considered by the appraiser include, but are not limited to, time of sale; location; physical characteristics; partial interest not conveyed; trades or exchanges included; personal property included; leases included; incomplete or unbuilt community property; atypical financing; existing covenants; deed restrictions; environmental, economic, governmental and social factors affecting the sale property and the subject parcel. These adjusted qualified sales may then be used to appraise the subject parcel.

3. Market analysis and stratification. The appraisal staff shall analyze the market to identify groups of comparable properties that may be combined in the valuation process. Properties may be combined and classified to reflect use, location, neighborhood, or other comparison criteria that have been shown to reflect the interest of buyers and sellers.

4. Comparable sales analysis. When applying the analysis, the appraisal staff should identify a representative number of comparable properties that have recently sold, apply the adjustments indicated by the market

research and verification process to such comparables, and then adjust such comparables for physical differences from the subject property. The appraiser may then develop an estimated value of the subject property from the adjusted sales prices of the comparable properties. This process may be computer assisted in a mass appraisal environment.

5. Sales ratio applications. The appraisal staff shall conduct sales ratio studies to periodically measure the quality of their appraisals relative to the market. Such studies should be designed to measure whether appraisals meet the overall legal standards provided in Rule 560-11-2-.56 and provide more precise analysis of the quality of appraisals within and between market strata used by the appraisal staff to compare properties. When sales ratio studies reveal excessive inequities within a stratum, the appraisal staff should consider reappraising the properties in the stratum. When such studies reveal excessive inequities between strata, and there is acceptable uniformity within the strata, the appraisal staff should consider trending to correct this uniformity problem.

(i) Trending. The appraisal staff shall use the procedures in this subparagraph when applying trend factors to improve uniformity. Stratify properties by property type and neighborhood. Determine the measure of central tendency by computing the median assessment ratio, substituting the aggregate ratio when the properties in the stratum tend to be heterogeneous. Then divide the legal assessment ratio by the calculated measure of central tendency to calculate the trend factor. The appraisal staff should not apply trending factors in excess of 1.15. In such instances, the appraisal staff should correct intra-strata differences by reappraising the properties within the affected strata. Before finalizing the application of trending factors, the appraisal staff should calculate the coefficient of dispersion to verify that uniformity among assessments will be improved by trending.

(c) Income approach. When using the income approach, the appraisal staff shall estimate value by determining the present value of the projected income stream from the use of the subject property in the future.

1. Income and expense analysis. The appraisal staff shall analyze the income stream and project a future income stream that reflects typical management and current market conditions.

(i) Components of income and expense analysis. The appraisal staff may consider the following components when performing the income and expense analysis: typical unit rent, potential gross income, miscellaneous income, effective gross income, vacancy and collection loss, typical expenses, replacement reserves, and net operating income. Expenses such as depreciation charges, debt service, ad valorem taxes, income taxes, and business expenses not associated with the property should not be considered. While complete information is not required on each individual property, the appraisal staff should secure sufficient information to develop typical unit rents, typical vacancy and collection loss ratios, and typical expense ratios for various type properties before applying the income approach.

(ii) Analyzing reported data. The appraisal staff may use actual income and expense information when they reflect typical management and current market conditions; otherwise, typical figures should be used. The appraiser may stratify properties and develop typical unit rents, vacancy and collection loss ratios, and expense ratios to evaluate the reasonableness of reported figures for individual properties and to substitute for unreported figures. The appraiser may also use multiple regression analysis to estimate typical rents as a function of such variables as construction quality, age, location, size of building, and other relevant factors. Multiple regression analysis may also be used to estimate typical expense ratios, and other income and expense components. The appraiser should not consider outdated or non-market leases. Percentage leases

should be expressed in actual dollar amounts and averaged over a period of years. Periodic expenditures for replacements should be pro-rated over their economic lives.

2. Capitalization methods. The appraisal staff shall use the procedures in this subparagraph to capitalize the income into an estimate of value. The appraisal staff may utilize the following rates while using the income approach and its various methods and techniques. The discount rate is the annual return on the investment in the property. It is a component of a total capitalization rate. The interest rate is the rate of return on borrowed funds. It is a component of the discount rate. The equity yield rate is the annual return on the equity portion of the investment in the property. It is a component of the total capitalization rate in the mortgage equity technique.

(i) Direct capitalization. The appraisal staff shall, when applying this method, use either overall rates or income multipliers. Both require adequate sales data and accurate estimates of potential annual gross income, effective annual gross income, or annual net operating income.
(I) Overall rates. Using the most common version of this method, the appraisal staff develops the annual net operating income of a sample of properties that have sold. The individual annual net operating incomes are divided by the individual sale prices resulting in the individual overall rates. A representative overall rate is then selected from the sample and applied to the subject property by dividing its annual net operating income by the selected overall rate resulting in an estimate of value for the property. The appraisal staff may also employ other techniques to develop an overall rate, such as the weighted land to improvement ratio method; the net income ratio method, and the debt coverage ratio method.

(II) Income multipliers. Using this method, the appraisal staff may use potential gross income, effective gross income, or annual net operating income from a sample of properties that have sold. Individual sale prices are divided by the selected level of income resulting in individual multipliers. A representative multiplier is then selected from the sample and applied to the subject property by multiplying the selected level of income by the multiplier appropriate to the level of income selected resulting in an estimate of value for the property.

(ii) Annuity capitalization. Annuity capitalization may be used to apply the income approach when the subject property is under a long-term lease. The appraisal staff develops capitalization rates for both land and improvements to the land. The appropriate residual technique is selected based on the known value of either land or improvement. The land or improvement value is multiplied by the appropriate capitalization rate, and the result is deducted from the annual net operating income. The remaining residual income to either land or improvement is then capitalized by the appropriate rate resulting in an estimate of value for either land or improvement.

(iii) Sinking fund capitalization. Sinking fund capitalization may be used to apply the income approach when periodic reserves for replacement are set aside in equal amounts, at a safe rate, in order to restore or rebuild the improvements in the future. It is applied in the same manner as annuity or straight-line capitalization.

(iv) Straight-line capitalization. Straight-line capitalization may be used to apply the income approach when the appraisal staff uses straight-line depreciation schedules. It is applied in the same manner as annuity capitalization and sinking fund capitalization.

(v) Discounted cash flow analysis. Discounted cash flow analysis may be used to apply the income approach when the appraisal staff is valuing a lease and the residual value of the property at the end of the lease term. Each year's income stream is discounted by applying a present-value factor to the cash flow expected for

each year. The estimated property value at the end of the lease term is also discounted. The discounted amounts are summed resulting in an estimate of value for the property.

(vi) Mortgage equity analysis. Mortgage equity analysis may be used when the appraisal staff can reliably determine mortgage terms and cash flow and reliably estimate the holding period and the percentage by which the property will appreciate or depreciate over the holding period. The appraisal staff computes a constant annual payment from the interest rate and amortization term and selects an appropriate equity yield rate. The estimated cash flow over the holding period is discounted at the equity yield rate, as is the anticipated selling price of the property. The two discounted amounts are added to the present mortgage balance resulting in an estimate the value for the property.

(vii) Residual capitalization techniques. The appraisal staff may use a residual technique to apply the income approach when either the improvement or land component of the property value can be reliably estimated or documented by sales.

(viii) Building residual technique. The appraisal staff may use a building residual technique when the land value of the subject property is known and documented by comparable sales. The appraisal staff develops the total annual net operating income attributable to the property and develops capitalization rates for land and improvements to the land. The land value is multiplied by the land capitalization rate and the result is deducted from the total annual net operating income. The remaining residual income to the improvement is capitalized using the improvement capitalization rate into an indicator of value for the improvement. This is added to the land value resulting in an estimate of value for the property.

(ix) Land residual technique. The appraisal staff may use this technique when the improvement value is known and documented by current cost figures. It is applied in the same manner as the building residual technique except a residual land income is capitalized into an indication of land value and added to the improvement value resulting in an estimate of value for the property.

(d) Special procedures. The appraisal staff shall observe the special procedures contained in this subparagraph when appraising the described property types.

1. Valuation of common areas. The appraisal staff shall take into account the extent that the fair market value of individually owned units in a residential subdivision, planned commercial development, or condominium also represents the fair market value of any ownership interest in any common area that is conveyed with the individually owned units. When the appraisal staff determines that the fair market value of the common area is included in the fair market value of the individually owned units, the appraisal staff may recommend a nominal assessment of the common area parcel. When the appraisal staff makes such a determination, the fair market value of residual interests not conveyed to the owners of the individually owned units shall be appraised and an assessment recommended to the board of tax assessors.

2. Construction in progress. Construction in progress shall be appraised in the same manner as other similar real property taking into account that there may be little or no physical deterioration on such property and that the fair market value may be diminished due to the incomplete state of construction. The appraisal staff should attempt to value construction in progress by forecasting the future cash flow a project would generate and discounting at a rate that reflects the risk and uncertainty of that cash flow. If the construction in progress is being financed by a lending institution that has established an account from which funds may be drawn by

the builder as construction progresses, the appraisal staff may consider the percentage of such funds expended as of January 1 as a possible indication of percentage completion of construction in progress. In the absence of sufficient information to perform such an analysis, the appraisal staff should estimate the percentage of completion of all construction in progress as of January 1 of the tax year using the best information available. The appraisal staff should then estimate the fair market value of the improvement upon completion. The appraisal staff should then estimate the fair market value as of January 1 as being the estimated fair market value upon completion multiplied by the percentage of completion on January 1. If comparable sales information of real property under construction is generally not available and there is no other specific evidence to measure the probable loss of value if the property is sold in an incomplete state of construction, the appraisal staff may multiply the identified total cost of construction by a uniform market risk factor of .75.

3. Assemblage. The county appraisal staff shall not combine multiple rural parcels into a single taxable rural parcel unless all the following have been satisfied: (1) parcels must be contiguous or separated by only a stream, creek, non-navigable river, road, street, highway, railroad or other recognized thoroughfare, (2) parcels must be titled in exactly the same name, (3) parcels must fall entirely within the same taxing district, and (4) parcels that are contiguous but lie in different taxing districts and are otherwise eligible for combination shall be valued in the same manner as the total acreage of the combined parcels would dictate.

(5) Final estimate of fair market value. After completing all calculations, considering the information supplied by the property owner, and considering the reliability of sales, cost, income and expense information, the appraisal staff will correlate any values indicated by those approaches to value that are deemed to have been appropriate for the subject property and form their opinion of the fair market value. The appraisal staff shall present the resulting proposed assessment, along with all supporting documentation, to the board of tax assessors for an assessment to be made by that board.

Authority: O.C.G.A. §§ 48-2-12, 48-5-2, 48-5-10, 48-5-11, 48-5-12, 48-5-15, 48-5-18, 48-5-20, 48-5-105, 48-5-263, 48-5-269, 48-5-269.1, 48-5-299, 48-5-300, 48-6-1 through 48-6-10.
Authority O.C.G.A. Secs. 48-2-12, 48-5-2, 48-5-10, 48-5-11, 48-5-12, 48-5-15, 48-5-18, 48-5-20, 48-5-105, 48-5-263, 48-5-264, 48-5-269, 48-5-269.1, 48-5-292, 48-5-295, 48-5-299, 48-5-300, 48-6-1 through 48-6-10.
HISTORY: Original Rule entitled "Real Property Appraisal" adopted. F. Sept. 20, 1999; eff. Oct. 10, 1999. Amended: F. Apr. 14, 2004; eff. May 4, 2004. Amended: ER. 560-11-10-0.2-.09 adopted. F. Jan. 19, 2011; eff. Jan. 20, 2011, as specified by the Agency. Amended: F. Nov. 9, 2011; eff. Nov. 29, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016. Note: Correction of non-substantive typographical error, "tables of estimated yields" in section (3)(b)(II)(B) revised, as specified by the Agency. Effective Mar. 7, 2016.

**Chapter 11 PREFERENTIAL ASSESSMENT**

***560-11-3-.19 Farm Property Preferential Assessment/Application/Covenant Form. ****

* This form [See below]

(1) In order for tangible real property to qualify for the preferential assessment provided for in O.C.G.A. Sections 48-5-7 and 48-5-7.1, its primary use must be the good faith commercial production of agricultural products. Such land must be devoted to bona fide agricultural purposes, which as a general rule, contemplates both the usage of multiple acre tracts and an overall pursuit of profit. The mere ownership of multiple acres whose primary use is not the good faith commercial production of agricultural products but is only used in the limited, occasional or sporadic production of agricultural products would not qualify for the preferential assessment.
(2) For purposes of this regulation, the following terms are defined to mean:
(a) "Bona fide agricultural purposes" means the production, as a part of an overall business pursuit engaged in for profit of one or more types of agricultural products including horticultural products, floricultural products, forestry products, dairy products, livestock products, poultry products, apiarian products, and any other form of farm product.
(b) "Good faith commercial production" means an overall business pursuit factually and genuinely engaged in for the primary purpose of producing agricultural products for a profit.
(c) "Primary use" means that use which is the principal, chief and leading use or activity to which the property is devoted.
(d) "Storage or processing of agricultural products" means to put or set aside agricultural products for safekeeping or for use when needed or the act or series of acts performed upon agricultural products to transform such products into a different state of condition.
(3) O.C.G.A. Section 48-5-7.1 requires the State Revenue Commissioner to annually submit a report to the Governor and General Assembly which, among other things, shows the fiscal impact of preferential assessment and the assessed value eliminated from each county's digest as a result of such assessment. To aid in the collection of such date for statistical accounting purposes, tangible real property which receives the preferential assessment shall utilize an identification code of A-3 and improvements which are devoted to the storage or processing of agricultural products from or on such property shall utilize an identification code of A-1.
(4) All applications for the preferential assessment of tangible real property devoted to bona fide agricultural purposes as set forth in O.C.G.A. Section 48-5-7 and O.C.G.A. Section 48-5-7.1 as well as the covenant described therein shall be made upon the form adopted by the State Revenue Commissioner for that purpose. Form PT-230 set forth below has been adopted by the Commissioner for said purpose.

AUTHORITY: O.C.G.A. Secs. 48-5-7, 48-5-7.1.
ADMINISTRATIVE HISTORY: Original Rule entitled "Farm Property Preferential Assessment/Application/Covenant Form" was filed on October 28, 1983; effective November 17, 1983.

PT 230 (7 83)

## APPLICATION FOR PREFERENTIAL AGRICULTURAL ASSESSMENT

FOR OFFICIAL USE ONLY

| | |
|---|---|
| NAME OF OWNER | PARCEL IDENTIFICATION NUMBER |
| NAME OF FAMILY FARM CORPORATION (If Applicable) | TAXPAYER ACCOUNT NUMBER |
| MAILING ADDRESS | COUNTY NO — YEAR — NO. |
| CITY STATE ZIP CODE | DATE FILED |
| | DATE APPROVED / DATE DENIED |
| | DATE NOTIFIED / DATE APPEALED |
| | YEAR COVENANT BEGINS / ENDS / TAX DISTRICT |

TO THE BOARD OF TAX ASSESSORS OF _____ COUNTY

IN ACCORDANCE WITH THE PROVISIONS OF THE STATE CONSTITUTION AND LAWS AUTHORIZING PREFERENTIAL ASSESSMENT OF BONA FIDE AGRICULTURAL PROPERTY AT 75% OF THE VALUE WHICH OTHER TANGIBLE REAL PROPERTY IS ASSESSED, I HEREBY MAKE APPLICATION FOR PREFERENTIAL ASSESSMENT ON THE FOLLOWING DESCRIBED PROPERTY:

| PHYSICAL ADDRESS OF PROPERTY | | | |
|---|---|---|---|
| NUMBER OF ACRES | LAND DISTRICT OR G.M.D. | LAND LOT | RECORDED DEED BOOK AND PAGE |

PLEASE STATE THE NUMBER AND TYPE OF STORAGE AND PROCESSING BUILDINGS LOCATED ON THE PROPERTY:

_____

_____

_____

Please state the number of acres used for the following purposes:

| | | | | | |
|---|---|---|---|---|---|
| Horticultural | _____ | Dairy | _____ | Apiarian Products | _____ |
| Floricultural | _____ | Livestock | _____ | Agricultural Products | _____ |
| Forestry | _____ | Poultry | _____ | Other Farm Products | _____ |

## COVENANT AGREEMENT

In consideration of my receipt of the preferential assessment provided for in O.C.G.A. § 48-5-7 and 7 . 1, I the undersigned, do hereby solemnly swear, covenant and agree that:

I am the lawful owner of the property described on the reverse side of this document or, if said property is owned by a family-farm corporation, I am authorized to execute this document on behalf of said corporation.

I have personal knowledge of the property described thereon and that the primary use of said property is good faith commercial production of agricultural products with a sincere intention to produce products for profit.

I have not received or made a pending application for preferential assessment in this county or any other county with respect to any property, which taken together with this property, would exceed 2000 acres.

No person who has a beneficial interest in this property, including any interest in the nature of stock ownership, will receive any benefit of preferential assessment as to more than 2000 acres in any tax year.

I agree to maintain and use this property in bona fide agricultural purposes as defined by O.C.G.A. § 48-5-7 . 1 (a) for a period of at least 10 years. Said 10 year period shall begin on January 1st of the year immediately following the year in which this covenant is executed and shall continue through and including the last day of December of the 10th succeeding year.

I hereby agree to immediately notify the Board of Tax Assessors, in writing, in the event there is a change in use or ownership of said property.

I understand that, if this covenant is breached, a penalty shall be imposed as provided for by law. Said penalty shall bear interest as provided for by law and that said penalties and interest shall constitute a lien against the property described hereon.

If said property is owned by a family-farm corporation, 80% or more of its gross income for the year immediately preceding the year for which this covenant will begin was derived from bona fide agricultural pursuits carried out on tangible real property located in this state, which property is devoted to bona fide agricultural purposes.

All the data contained on this form is true, correct and complete.

Given under my hand and seal this ____ day of _____ , 19 ___ .

_____
(Notary Public)

_____ (Seal)
(Authorized Signature)

_____
(Unofficial Witness)

Georgia law, O.C.G.A. Section 48-5-7 . 1, provides that, if this application is denied, the applicant may appeal. Such appeal shall be made in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311.

**Chapter 12 TIMBER**

***560-11-5-.01 Forms.***

(1) The Commissioner shall prepare and furnish a form, herewith adopted and designated as PT-283T, to be used by purchasers and sellers of standing timber to report taxable sales or harvests under this Chapter. Reports of unit price sales filed with the local county authorities shall be confidential, shall not be revealed to any persons other than authorized tax officials, and shall be exempt from disclosure under Article 4 of Chapter 18 of Title 50 of the Official Code of Georgia.
(2) The Commissioner shall prepare and furnish a form, herewith adopted and designated as PT-283TQ, to be used by purchasers when filing with the Commissioner the composite quarterly report required by Regulation 560-11-5-.05(2), of all purchases of standing timber by lump sum sales reflecting total volumes and total prices paid for the various timber product classes purchased during the preceding calendar quarter.
(3) A computer generated form PT-283T and form PT-283TQ may be used by any person reporting timber sales and harvests if the computer generated forms provide the necessary information and have been approved by the Commissioner.
(4) All form PT-283T reports and all approved computer generated PT-283T reporting forms filed with the county tax collector or tax commissioner and the board of tax assessors shall be retained for a period of three years after the date of receipt after which these may be disposed of consistent with any records disposition standards adopted by the appropriate authority of the county.

Authority O.C.G.A. Secs. 48-2-12, 48-5-2, 48-5-7.4, 48-5-7.5.
History. Original Rule entitled "Forms" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992. Repealed: New Rule of same title adopted. F. Jan. 27, 1998; eff. Feb. 16, 1998.

***560-11-5-.02 Definitions.***

(1) For the purpose of implementing O.C.G.A. Section 48-5-7.5 and these regulations, the following terms are defined to mean:
(a) "Applicable millage rates" shall mean the millage levied by the taxing authority on tangible property for the preceding calendar year.
(b) "Sale" of standing timber shall mean the arm's length, bona fide sale of standing timber for harvest separate and apart from the underlying land and shall not include the simultaneous sale of a tract of land and the standing timber thereon.
(c) "Standing timber" shall be defined to include softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood. Such term shall not include any of the following:
1. Orchard trees, ornamental or Christmas trees;
2. By-products of standing timber such as straw, cones, leaves or turpentine;
3. By-products of harvesting such as bark or stumps that are not included in the consideration between buyer and seller in lump sum or unit price sales; or
4. Fuel wood harvested by the owner from his own property which is used exclusively for heating purposes within the premises occupied by said owner.
(d) "Timber product classes" shall be defined as follows: 1) softwood pulpwood, 2) hardwood pulpwood, (3) softwood chip-n-saw, 4) softwood saw timber, 5) hardwood saw timber, 6) softwood poles, 7) softwood posts, 8) hardwood posts, 9) softwood fuel wood chips, 10) hardwood fuel wood chips, 11) softwood fuel wood firewood and 12) hardwood fuel wood firewood.

(e) "Total property tax digest" means the total net assessed value to which the levy for maintenance and operations purposes shall be applied, and consists of all taxable tangible real and personal property appearing on the county tax digest for the applicable tax year including motor vehicle property, mobile home property and property of railroad and public utility companies.

Ga. L. 1937-38, Ex. Sess. p. 77 ( Ga. Code Sec. 48-2-12); Ga. L. 1991, p. 1903 ( Ga. Code Sec. 48-5-7.4).
HISTORY. Original Rule entitled "Definitions" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992. REPEALED: New Rule, same title, adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996.

***560-11-5-.03 Taxable Timber Sales and Harvests.***

(1) Where standing timber is sold by timber deed, contract, lease, agreement, or otherwise to be harvested within a three-year period after the date of the sale and for a lump sum price, the standing timber to be harvested within said three-year period shall be assessed for taxation as of the date of the sale. The tax shall be levied based upon the total lump sum price paid by the purchaser in an arm's length bona fide sale.
(a) Ad valorem taxes shall be assessed as of the date of the sale and shall be payable by the seller who shall remit the amount of the taxes due to the purchaser in the form of a negotiable instrument payable to the tax collector or tax commissioner. The purchaser shall remit the seller's negotiable instrument to the tax collector or tax commissioner within five business days after receipt from the seller along with a report of the sale using form PT-283T or a computer generated form PT-283T as approved by the Commissioner, and the tax collector or tax commissioner shall promptly deliver a receipt to the seller showing the tax has been paid. The purchaser shall be personally liable for the tax if he does not remit the seller's negotiable instrument as required or if he fails to collect the negotiable instrument from the seller and in any event he shall remit the taxes due to the tax collector or tax commissioner within five business days of the date of the sale. With said remittance, a copy of the report form PT-283T or a computer generated form PT-283T as approved by the Commissioner, shall also be furnished by the purchaser to the board of tax assessors.
(b) Any standing timber described in any sale instrument which is not harvested within three years after the date of the sale shall later be assessed for taxation following its future harvest or sale. In the event it is later harvested by the original purchaser, the board of tax assessors shall use the table of values prescribed by the Commissioner in Regulation 560-11-5-.05(1), and the taxes shall be paid by the original purchaser; otherwise, upon its sale or harvest after three years, the procedures for taxation shall be according to the manner in which such timber is sold or harvested.
(c) The ad valorem taxes on lump sum sales shall be paid to the tax collector or tax commissioner prior to and as a prerequisite for the filing for record with the clerk of superior court any instrument conveying the standing timber upon which taxes are due and payable, and no such instrument shall be recorded unless it has entered upon or attached thereto a certificate from the tax collector or tax commissioner showing that the taxes have been paid.
(2) Where standing timber is sold, in an arm's length, bona fide sale, by timber deed, contract, lease, agreement, or otherwise by unit prices, the purchaser shall furnish to the seller and to the board of tax assessors a report form PT-283T or a computer generated form PT-283T as approved by the Commissioner, reflecting the total dollar value paid to the seller as well as the individual volumes of timber harvested identified by timber product classes. The report shall cover all timber harvested through the last business day of the immediately preceding calendar quarter and it shall be furnished to the seller and the board of tax assessors within 45 days after the end of the calendar quarter during which the timber is harvested. A copy of the report PT-283T or a computer generated form PT-283T as approved by the Commissioner shall also be furnished by the seller to the board of tax assessors within 60 days after the end of each calendar quarter.

(a) Ad valorem taxes shall be payable to the tax collector or tax commissioner as specified by Regulation 560-11-5-.04(3) based upon the fair market value of the harvested timber which shall be the total dollar values paid by the purchaser in the arm's length, bona fide sale.
(3) Where standing timber is harvested by the owner of such timber from his own land, the owner shall, within 45 days after the end of the calendar quarter, file with the board of tax assessors a report form PT-283T or a computer generated form PT-283T as approved by the Commissioner of the volumes harvested through the last business day of the calendar quarter.
(a) Ad valorem taxes on owner harvest timber shall be payable to the tax collector or tax commissioner within 45 days after the end of the calendar quarter, based upon the fair market value of the harvested timber which shall be the total dollar values calculated using the average standing timber price schedule specified by Regulation 560-11-5-.05(1).
(4) Every sale and every harvest of standing timber occurring on or after January 1, 1992 that has not been previously taxed shall be a taxable event, with the exception of those sales of standing timber not to be harvested within three years. Where standing timber is sold or harvested (excepting only a sale not for harvest within three years) in any manner which is not a reportable taxable event under these Regulations as a lump sum sale, a unit price sale, or an owner harvest, such timber shall be subject to ad valorem taxation. Any such sale or harvest shall be reported and taxed under whichever provisions of this Regulation is most nearly applicable.
(a) Where, at the time of harvest, the standing timber owner does not own the underlying land and has not acquired such timber under a taxable lump sum or unit price sale, as would be the case where timber has been acquired prior to January 1, 1992, the harvest of such timber shall be a taxable event and shall be treated as an owner harvest, with the exception that the reporting requirement and the payment of taxes due shall be the responsibility of the owner of the standing timber instead of the underlying landowner.

Authority O.C.G.A. Secs. 48-2-12, 48-5-2, 48-5-7.4, 48-5-7.5.
History. Original Rule entitled "Taxable Timber Sales and Harvest" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992. Repealed: New Rule of same title adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996. Repealed: New Rule of same title adopted. F. Jan. 27, 1998; eff. Feb. 16, 1998.

***560-11-5-.04 Procedures for Timber Taxation.***

(1) Standing timber shall be assessed for ad valorem taxation only once upon its sale or harvest as required by O.C.G.A. 48-5-7.5 and these Regulations. Said tax shall be levied upon the 100% fair market value of such timber as prescribed using applicable millage rates for each taxing jurisdiction.
(2) Where, with respect to any taxable event, the board of tax assessors has reason to believe that the reported sale is other than an arm's length, bona fide sale or that the reported volumes or values of the transaction are incorrect, the board may inquire into the transaction and make corrections to the fair market value of the timber in the same manner as changes to the fair market value of other taxable, tangible property are made. In any such instance, the taxpayer notification procedures, the appeal rights and remedies, and the hearing procedures shall all be accomplished in the same manner that other ad valorem tax assessments and appeals are accomplished.
(3) The tax collector or tax commissioner shall prepare and mail, on a quarterly basis, tax bills for ad valorem taxes due on sales and harvests other than lump sum sales and owner harvests. Except as otherwise provided in these Regulations, such taxes shall be payable by the landowner within 30 days after receipt of the tax bill. For the purpose of this Regulation, receipt of the tax bill shall be presumed to have occurred within one day after the date of mailing for taxpayers who are residents of the county and within three days after the date

of mailing for taxpayers who are not residents of the county.

Ga. L. 1937-38, Ex. Sess. p. 77 ( Ga. Code Sec. 48-2-12); Ga. L. 1991, p. 1903 ( Ga. Code Sec. 48-5-7.4).
HISTORY. Original Rule entitled "Procedures for Timber Taxation" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.
REPEALED: New Rule, same title, adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996.

***560-11-5-.05 Average Standing Timber Price Schedule.***

(1) Within 60 days after the end of each calendar year, the Commissioner shall provide the board of tax assessors of each county with a table of the weighted average prices paid for the various timber product classes in each county or region of the State. In preparing this table of standing timber values, the Commissioner, so far as is reasonable and applicable, shall consider reports received by the Department of prices paid, as well as information prepared by and recommendations received from the Georgia Forestry Commission. The Commissioner may also consider commercially available sources of average sales prices. The most recent table of standing timber values furnished by the Commissioner shall be used by the board of tax assessors to determine the fair market value of harvested timber subject to taxation for taxable events other than taxable lump sum sales or taxable unit price sales. Taxpayer appeals of such determinations by the board of tax assessors shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311.
(2) In addition to the filing with appropriate county authorities of reports of standing timber harvests and sales, purchasers shall, within 45 days after the end of the quarter, file with the Commissioner composite quarterly reports, using form PT-283TQ, of all purchases by county of standing timber by lump sum sales and unit price sales reflecting total volumes and total prices paid for the various timber product classes purchased during the preceding calendar quarter. Such quarterly reports shall not be subject to the penalty provisions of O.C.G.A. Section 48-5-7.5. Such quarterly reports shall be subject to the confidentiality provisions of O.C.G.A. Section 48-2-15.

Ga. L. 1937-38, Ex. Sess. p. 77 ( Ga. Code Sec. 48-2-12); Ga. L. 1991, p. 1903 ( Ga. Code Sec. 48-5-7.4).
HISTORY. Original Rule entitled "Average Standing Timber Price Schedule" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992. REPEALED: New Rule, same title, adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996.

***560-11-5-.06 County Digest Timber Supplement.***

Where the total property tax digest for any county for tax years 1992 through 1995 is so affected by the new method of ad valorem taxation of standing timber that a supplement to the digest is authorized by O.C.G.A. Section 48-5-7.5, the supplemental assessment shall be assessed and taxes shall be levied against the land underlying the standing timber so removed from the digest. The supplemental assessment shall be assessed against each such property in a pro rata manner based upon the value of standing timber on each such property that was removed from the digest.

Ga. L. 1937-38, Ex. Sess. p. 77 ( Ga. Code Sec. 48-2-12); Ga. L. 1991, p. 1903 ( Ga. Code Sec. 48-5-7.4).HISTORY. Original Rule entitled "County Digest Timber Supplement" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

## Chapter 13 CONSERVATION USE ASSESSMENT

### *560-11-6-.01 Application of Chapter.*

Regulations in this Chapter apply to the current use valuation of property provided for in Georgia Code 48-5-7.4.

Authority: O.C.G.A. §§ 48-2-12, 48-5-7, 48-5-7.4, 48-5-269.
History. Original Rule entitled "Application of Chapter" adopted. F. May 28, 1993; eff. June 17, 1993. Repealed: New Rule of same title adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995. Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004. Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

### *560-11-6-.02 Definitions.*

For the purposes of implementing O.C.G.A. Section 48-5-7.4, O.C.G.A. Section 48-5-269 and these Regulations, the following terms are defined to mean:
(a) "Beneficial interest," in addition to legal ownership or control, means the right to derive any profit, benefit, or advantage by way of a contract, stock ownership or interest in an estate;
(b) "Contiguous" means real property within a county that abuts, joins, or touches and has the same undivided common ownership. If an applicant's tract is divided by a public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track, then the applicant has, at the time of the initial application, a one-time election to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track.
(c) "Continued Covenant" means a covenant entered and carried forward, for the remainder of the original or renewal covenant term, by a qualified subsequent owner who has acquired all or a part of a property;
(d) "Good Faith Production" means:
1. A viable utilization of the property for the primary purpose of any good faith production, including, but not limited to, subsistence farming or commercial production, from or on the land of agricultural products or timber;
2. The primary use of the property shall include, but not be limited to:
(i) Raising, harvesting, or storing crops;
(ii) Feeding, breeding, or managing livestock or poultry;
(iii) Producing plants, trees, fowl, or animals;
(iv) Production of aquaculture, horticulture, floriculture, forestry, dairy, livestock, poultry, or apiarian products; or
(v) Land conservation and ecological forest management in which commercial production of wood and wood fiber products may be undertaken primarily for conservation and restoration purposes rather than financial gain.
3. Factors which may be considered in determining if such property is primarily used for good faith production of agricultural products or timber may include, but are not limited to:
(i) The nature of the terrain;
(ii) the density of the marketable product on the land;
(iii) the past usage of the land;
(iv) the economic merchantability of the agricultural product; and

(v) the utilization or non-utilization of recognized care, cultivation, harvesting, and like practices applicable to the product involved and any implemented plans thereof;
(e) "Maintenance in its natural condition" means to manage the land in such a manner that would not ruin, erode, harm, damage, or spoil the nature, distinctiveness, identity, appearance, utility or function that originally characterized the property as environmentally sensitive under O.C.G.A. Section 48-5-7.4(a)(2);
(f) "Mineral exploration" means the examination and investigation of land by drilling, boring, sinking shafts, driving tunnels, or other means, for the purpose of discovering the presence and extent of valuable minerals. Such term does not include the excavation of any such minerals after discovery;
(g) "Primary purpose or primary use" means the principal use to which the property is devoted, as distinct from an incidental, occasional, intermediate or temporary use for some other purpose not detrimental to or in conflict with its primary purpose, i.e., the devotion to and utilization of the property for the full time necessary and customary to accommodate the predominant use, e.g. the growing season, the crop cycle or planting to harvest cycle;
(h) "Qualifying use" means the primary use to which the property is devoted that qualifies the property for current use valuation under O.C.G.A. Section 48-5-7.4;
(i) "Renewal Covenant" means an additional ten year covenant entered upon the expiration of a previous ten year covenant; provided, however, that the owner may enter into a renewal contract in the ninth year of a covenant period;
(j) "Tract" means a parcel of property, less underlying property excluded from the covenants for residences, that is delineated by legal boundaries, levying authorities tax district boundaries, or other boundaries designated by the tax assessors to facilitate the proper identification of property on their maps and records.
(k) "Underlying Property" means the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less for which the taxpayer has provided documents which delineate the legal boundaries so as to facilitate the proper identification of such property on the board of tax assessors maps and records.

Authority: O.C.G.A. §§ 48-2-12, 48-5-7.4, 48-5-269.
History. Original Rule entitled "Definitions" adopted. F. May 28, 1993; eff. June 17, 1993. Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013. Amended: F. May 18, 2015; eff. June 7, 2015 .

***560-11-6-.03 Qualification Requirements.***

In addition to those requirements of O.C.G.A. 48-5-7.4, the following qualification requirements shall apply:
(a) Property that otherwise qualifies for current use valuation as bona fide agricultural property shall exclude the entire value of any residence and its underlying property'. This provision for excluding the underlying property' of a residence from eligibility in the conservation use covenant shall only apply to property that is first made subject to a covenant or is subject to the renewal of a previous covenant. Additionally, the taxpayer shall provide any one of the following types of legal descriptions regarding such underlying property':
1. A plat of the underlying property' prepared by a licensed land surveyor, showing the location and measured area of the underlying property' in question;
2. A written legal description of the underlying property' delineating the legal metes and bounds and measured area of the underlying property' in question; or
3. Such other alternative property boundary description as mutually agreed upon by the taxpayer and county assessor. An acceptable alternative property boundary description may include a parcel map drawn by the county cartographer or GIS technician.

(b) The owner of a tract, lot, or parcel of land totaling less than 10 acres, after the appropriate underlying property is excluded for residential use, shall be required by the tax assessor to submit additional relevant records regarding proof of bona fide conservation use for qualified property that is either first made subject to a covenant or is subject to a renewal of a previous covenant and the following provisions shall apply:
1. If the owner of the subject property provides proof that such owner has filed with the Internal Revenue Service a Schedule E, reporting farm related income or loss, or a Schedule F, with Form 1040, or, if applicable, a Form 4835, pertaining to such property, the provisions requiring additional relevant records regarding proof of bona fide conservation use, shall not apply to such property;
2. Prior to a denial of eligibility for conservation use assessment, the tax assessor shall conduct and provide proof of a visual on-site inspection of the property; and
3. The tax assessors shall provide reasonable notice to the property owner before conducting such visual, on-site inspection of the property for the purposes of determining final eligibility.
(c) No property shall qualify for current use valuation as residential transitional property unless it is devoted to use by a single family and occupied more or less continually by the owner as the primary place of abode and for which the owner is eligible to claim a homestead exemption. The property that otherwise qualifies for current use valuation as residential transitional property shall be limited to the real property consisting of the residential improvement and no more than the contiguous five acres of land;
(d) In determining whether or not an applicant or the property in question qualifies for current use valuation provided for environmentally sensitive properties, the board of tax assessors shall require the applicant to submit a certification by the Department of Natural Resources as required by O.C.G.A.
12-2-4(k) that the specific property is environmentally sensitive property as defined by O.C.G.A. 48-5-7.4. Additionally, the board of tax assessors may require accompanying documentation or information including but not limited to:
1. Evidence of the legal ownership of the property;
2. Evidence that the past usage of the property demonstrates it has not been developed or significantly altered or otherwise rendered unfit for its natural environmental purpose; and
3. Evidence that the property has been and will continue to be maintained in its natural condition;
(e) In determining whether or not an applicant or the property in question qualifies for current use valuation provided for constructed storm water wetland conservation use properties, the board of tax assessors shall require the applicant to submit a certification by the Department of Natural Resources as required by O.C.G.A. 12-2-4 that the specific property is constructed storm-water wetlands of the free-water surface type property as defined by O.C.G.A. 48-5-7.4. Additionally, the board of tax assessors may require accompanying documentation or information including but not limited to:
1. Evidence of the legal ownership of the property;
2. A plat of the tract in question prepared by a licensed land surveyor, showing the location and measured area of the tract;
3. A certification by a licensed professional engineer that the specific design used for the constructed storm-water wetland was recommended by the engineer as suitable for such site after inspection and investigation; and
4. Information on the actual cost of constructing and an estimated cost of operating the storm-water wetland, including without limitation a description of all incorporated materials, machinery, and equipment.
(f) No property shall maintain current use valuation as constructed storm water wetland conservation use property unless the owner of such property files with the board of tax assessors on or before the last day for filing ad valorem tax returns for each tax year for which conservation use valuation is sought an annual inspection report from a licensed professional engineer certifying that as of the date of such report the property is being maintained in a proper state of repair so as to accomplish the objectives for which it was designed.

(g) No property shall qualify for current use valuation as conservation use property if such valuation would result in any person who has a beneficial interest in such property receiving any benefit from current use valuation on more than 2,000 acres in this state in any tax year. Any person so affected shall be entitled to the benefits of current use valuation on no more than 2,000 acres of such land in this state;
(h) Except as necessary to effect the provisions of the 2,000 acre limitation, a taxing jurisdiction boundary, or to exclude any property which is under a separate covenant as residential transitional property, each covenant must encompass the entire tract of property for which the conservation use valuation is sought. In those instances where inclusion of the total acreage of a tract would cause the owner to exceed the 2,000 acre limitation, the owner shall be permitted to designate so much of a contiguous area of the tract that will equal but not exceed the 2,000 acre limitation.

Authority: O.C.G.A. §§ 48-2-12, 48-5-7, 48-5-7.4, 48-5-269.
History. Original Rule entitled "Qualification Requirements" adopted. F. May 28, 1993; eff. June 17, 1993. Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004. Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

***560-11-6-.04 Applications.***

(1) All applications for current use assessment shall be made using forms adopted by the commissioner for that purpose. Forms PT-283A, PT-283E, PT-283R, PT-283S (Rev. 09/06) and applicable questionnaires are hereby adopted and prescribed for use by the applicant seeking current use assessment. The application shall be filed with the board of tax assessors of the county in which the property is located. A board of tax assessors may not require additional information from an applicant for purposes of determining eligibility of property for current use assessment except as otherwise provided in O.C.G.A. § 48-5-7.4 and these regulations. However, the board of tax assessors must consider any additional information submitted by the applicant in support of their application for current use assessment.
(2) In those counties where U.S. Department of Agriculture, Natural Resources Conservation Service soil survey maps are available, it shall be the responsibility of the board of tax assessors to delineate the soil types on the tax records of the applicant's property.
(3) In those counties where the board of tax assessors has not been able to obtain U.S. Department of Agriculture, Natural Resources Conservation Service soil survey maps, the board of tax assessors shall determine the soil types of the applicant's property using the best information available.
(4) Applications for current use valuation provided for environmentally sensitive properties may be filed without certification by the Department of Natural Resources; provided, however, that the specific property is stipulated to be environmentally sensitive. Failure to file such certification with the board of tax assessors within thirty (30) days of the last day for filing the application for current use assessment may result in the application being denied by the board of tax assessors.
(5) Applications for current use valuation provided for constructed storm water wetland conservation use properties shall not be certified as meeting the criteria of bona fide constructed storm-water wetlands of the free-water surface type unless an authorized employee or agent of the local governing authority has inspected the site before, during, and after construction of the storm-water wetland to determine that the property is being used for controlling or abating pollution of surface or ground waters of this state by storm-water runoff or by otherwise enhancing the water quality of surface or ground waters of this state.
(6)Application for conservation use value assessment may be withdrawn prior to the current year's "final assessment" as defined in these regulations.
(7) If a qualified owner has entered into an original bona fide conservation use covenant and subsequently

acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the ten-year period of the original covenant subject to the following provisions:
(a) The subsequently acquired qualified property shall be less than 50 acres; and
(b) Such subsequently acquired property may not be subject to another existing current use covenant or preferential assessment.
(c) For the purpose of establishing the entry date of the original covenant, the assessor shall use the January 1[st] assessment date of the first year for which the original covenant is in effect.
(d) The covenant application for the contiguous acreage to be added to an existing covenant shall be made for the add-on acreage only and shall reference the existing original covenant by parcel number.
(8) When property receiving current use assessment and subject to a conservation use covenant is transferred to a new owner and the new owner fails to apply for continuation of the current use assessment on or before the deadline for filing tax returns in the year following the year in which the transfer occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event the board of tax assessors shall send to both the transferor and the transferee a notice of the board's intent to assess a penalty for breach of the covenant. The notice shall be entitled "Notice of Intent to Assess Penalty for Breach of a Conservation Use Covenant" and shall set forth the following information:
(a) the requirement of the new owner of the property to apply for continuation of the current use assessment within thirty (30) days of the date of postmark of the notice;
(b) the requirement of the new owner of the property to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant;
(c) the change to the assessment if the covenant is breached; and
(d) the amount of penalty if the covenant is breached.
(9) In the event the new owner fails to apply during the period provided for in paragraph (7) of this regulation, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the new owner's lack of qualification or intent not to continuously devote the property to an applicable bona fide qualifying use. In such event the board of tax assessors shall be authorized to declare the covenant in breach and assess a penalty.
(10) When property receiving current use assessment and subject to a conservation use covenant is transferred to an estate or heirs by virtue of the death of a covenant owner, and the estate or heirs fail to apply for a continuation of the current use assessment on or before the deadline for filing tax returns in the year following the year in which the death occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event in which case the board of tax assessors shall send to any remaining parties to the covenant, whether the estate or the heirs a notice entitled "Notice of Intent to Terminate a Conservation Use Covenant." The notice shall set forth the following:
(a) the requirement of the estate or heirs to the property currently receiving current use assessment to apply for a continuation of the current use assessment within thirty (30) days of the date of postmark of the notice;
(b) the requirement of the estate or heirs to the property currently receiving current use assessment to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant; and
(c) the change to the assessment if the covenant is breached.
(11) In the event the estate or heirs fail to apply during the period provided for in paragraph (9) of this regulation, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the estate or heirs' lack of qualification or intent not to continuously devote the property to an applicable bona fide qualifying use. In such event the board of tax assessors shall be authorized to declare the covenant in breach without penalty.
(12) All approved applications for current use assessment shall be filed with the clerk of the superior court in the county where the property is located.

(a) the fee of the clerk of the superior court for recording approved applications shall be paid by the owner of the property with the application for current use assessment.
(b) the board of tax assessors shall collect the recording fee from the applicant seeking current use assessment and such recording fee to be in the amount provided for in Article 2 of Chapter 6 of Title 15 and shall be paid to the clerk of the superior court when the application is filed with the clerk.
(c) if the application for current use assessment is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to O.C.G.A. § 48-5-306 and shall return any filing fee paid by the applicant.
(13) At such time as property ceases to be eligible for current use assessment, the owner of the property shall file an application for release of current use assessment with the county board of tax assessors.
(a) The board of tax assessors shall approve the release upon verification that all taxes and penalties have been satisfied.
(b) The board of tax assessors shall file the approved release in the office of the clerk of the superior court in the county in which the original covenant for current use assessment was filed. No fee shall be paid to the clerk of the superior court for recording such release.

Authority: O.C.G.A. §§ 48-2-12, 48-5-7, 48-5-7.4, 48-5-269, 48-5-306.
History. Original Rule entitled "Applications" adopted. F. May 28, 1993; eff. June 17, 1993. Repealed: New Rule of same title adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995. Repealed: New Rule of same title adopted. F. Feb. 24, 1997; eff. Mar. 16, 1997. Repealed: New Rule of same title adopted. F. Mar. 10, 1999; eff. Mar. 30, 1999. Amended: F. Feb. 2, 2000; eff. Feb. 22, 2000. Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004. Amended: F. Dec. 20, 2006; eff. Jan. 9, 2007. Repealed: New Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008. Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

***560-11-6-.05 Change of Qualifying Use.***

(1) During the covenant period the owner may change, without penalty, the use of the property from one qualifying use to another qualifying use, such as from timber land to agricultural land, but such owner shall be required to give notice of any such change to the board of tax assessors on or before the last day for the filing of a tax return in the county for the tax year for which the change is sought. Failure to so notify the board of tax assessors of the change in use may constitute a breach of covenant effective upon the date of discovery of the breach.
(2) When the qualifying use of property receiving current use assessment and subject to a conservation use covenant is changed to another qualifying use and the owner fails to notify the board of tax assessors on or before the deadline for filing tax returns in the year following the year in which the change in use occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event the board of tax assessors shall send to the owner a notice of the board's intent to assess a penalty for the breach of the covenant. The notice shall be entitled "Notice of Intent to Assess Penalty for Breach of a Conservation Use Covenant" and shall set forth the following information:
(a) the requirement of the owner of the property currently receiving current use assessment to notify the board of tax assessors of the current qualifying use of the property within thirty (30) days of the date of postmark of the notice;
(b) the requirement of the new owner of the property currently receiving current use assessment to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant;
(c) the change to the assessment if the covenant is breached; and
(d) the amount of penalty if the covenant is breached.

(3) In the event the new owner fails to respond to the notice provided for in paragraph (2) of this regulation by providing information concerning the change in use of the property to the board of tax assessors, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the owner's lack of response. The board of tax assessors shall be authorized to declare the covenant in breach and assess a penalty.
(4) In those instances where the property owner has duly notified the tax assessors that the use of the property has been changed from one qualifying use to another qualifying use, the board of tax assessors shall recalculate the current use valuation of the property for said tax year in accordance with the valuation standards and tables prescribed by these Regulations for the new qualifying use. However, the limitation on valuation increases or decreases provided for by O.C.G.A. § 48-5-269 shall be applied to the recomputed valuation as if the owner had originally covenanted the property in the new qualifying use.
(5) In addition to the provisions for property subject to the covenant to lie fallow or idle pursuant to O.C.G.A. § 48-5-7.4(p)(2), allowing conservation use property to lie fallow due to economic or financial hardship shall not be considered a change of qualifying use nor a breach of the covenant provided the owner notifies the board of tax assessors on or before the last day for filing a tax return in the county of the land lying fallow and does not allow the land to lie fallow for more than two years within any five-year period.

Authority: O.C.G.A. §§ 48-2-12, 48-5-7.4, 48-5-269.
History. Original Rule entitled "Change of Qualifying Use" adopted. F. May 28, 1993; eff. June 17, 1993. Amended: F. Dec. 20, 2006; eff. Jan. 9, 2007. Repealed: New Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008. Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

***560-11-6-.06 Breach of Covenant.***

(1) If a breach of covenant occurs during a tax year but before the tax rate is established for that year, the penalty for that partially completed year shall be calculated based upon the tax rate in effect for the immediately preceding tax year. However, the tax due for the partially completed year shall be the same as would have been due absent a breach.
(2) If a breach occurs on all or part of the property that was the subject of an original covenant and was transferred in accordance with O.C.G.A. § 48-5-7.4(i), then the breach shall be deemed to have occurred on all of the property that was the subject of the original covenant. The penalty shall be assessed pro rata against each of the parties to the covenant in proportion to the tax benefit enjoyed by each during the life of the original covenant.
(3) The breach shall be deemed to occur upon the occasion of any event which would otherwise disqualify the property from receiving the benefit of current use valuation. The lien against the property for penalties and interest shall attach as of the date of such disqualifying event.
(4) If a covenant is breached by the original covenantor or a transferee who is related to the original covenantor within the fourth degree of civil reckoning, and where such breach occurs during the sixth through tenth years of a renewal covenant, the penalty imposed shall be the amount by which current use assessment has reduced taxes otherwise due for each year in which such renewal covenant was in effect, plus interest at the rate specified in O.C.G.A. § 48-2-40 from the date the covenant was breached.
(5) Before a penalty is assessed, notice shall be provided to the taxpayer by the board of tax assessors that the covenant has been breached. This notice shall include the specific grounds of the breach, provide to the taxpayer notice to cease and desist the alleged breach activity, and notify the taxpayer that they have thirty (30) days to correct the breach.
(6) If the board of tax assessors determines that a breach has occurred and the taxpayer has not corrected

the situation within the time limit specified, the taxpayer has the right to appeal the determination of the breach to the board of equalization as provided in O.C.G.A. § 48-5-311.

Authority: O.C.G.A. §§ 48-2-12, 48-2-40, 48-5-7.4, 48-5-269.
History. Original Rule entitled "Breach of Covenant" adopted. F. May 28, 1993; eff. June 17, 1993. Repealed: New Rule of same title adopted. F. Mar. 10, 1999; eff. Mar. 30, 1999. Repealed: New Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008. Amended:F. Jun. 10, 2013; eff. Jun. 30, 2013.

***560-11-6-.07 Valuation of Qualified Property.***

Annually, and in accordance with the provisions and requirements of O.C.G.A. 48-5-269, the Commissioner shall propose and promulgate by regulation as specified by the Georgia Administrative Procedure Act, tables and standards of value for current use valuation of properties whose qualifying use is as bona fide conservation use properties. Once adopted by the Commissioner, these tables and standards of value shall be published and otherwise furnished to the boards of tax assessors and shall serve as the basis upon which current use valuation of such qualified properties shall be calculated for the applicable tax year.
(a) Conservation use land shall be divided into two use groups consisting of nine soil productivity classes each. These two use groups shall be agricultural land (crop land and pasture land) and timber land. The Commissioner shall determine the appropriate soil characteristics or site index factors for each of these eighteen soil productivity classes for use as a guide for the assessors. In those counties where the Soil Conservation Service of the U.S. Department of Agriculture has classified the soil according to its productivity, the Commissioner shall instead prepare and publish a table converting the Soil Conservation Service's codes into the eighteen soil productivity classes.
(b) The state shall be divided into the following areas for the purpose of accumulating the income and market information necessary to determine conservation use values:
1. For the purpose of determining the income of crop land and pasture land, the state shall be divided into an appropriate grouping of the nine crop-reporting districts as delineated by the Georgia Agricultural Statistical Service and which shall be referred to as agricultural districts;
2. For the purpose of determining the income of timber land, the agricultural districts shall be combined into timber zones as follows: agricultural districts #1, #2 and #3 shall compose timber zone #1, agricultural districts #4, #5 and #6 shall compose timber zone #2, and agricultural districts #7, #8 and #9 shall compose timber zone #3;
3. For the purpose of determining the market value of agricultural land and timber land, the state shall be divided into an appropriate grouping of the nine crop-reporting districts as delineated by the Georgia Agricultural Statistical Service. Such areas shall be referred to as market regions.
(c) Sixty-five percent of the conservation use value shall be attributable to the capitalization of net income from the property and this component of total value shall be determined as follows:
1. For crop land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre net income from those major predominant acreage crops harvested in at least 125 counties of Georgia ("base crops"). In making this calculation, the Commissioner, utilizing the latest information either published or about to be published in the Georgia Department of Agriculture's edition of Georgia Agricultural Facts and the United States Department of Agriculture Economic Research Service's Costs of Production-Major Field Crops, shall:
(i) For each year, determine for each of the nine agricultural districts the yield per acre for each of the base crops;
(ii) For each year, determine for each of the nine agricultural districts the acres harvested of each of the

separate base crops and the total acres harvested of all the base crops;
(iii) For each year, determine a state-wide price received per unit of yield for each of the base crops;
(iv) For each year, determine a state-wide cost of production consisting of the typical costs incurred in the production of the base crops, including, but not limited to, the reasonable cost of planting, harvesting, overhead, interest on operating loans, insurance and management;
(v) For each year, using the determinations herein, compute for each of the nine agricultural districts, the weighted net income per acre by summing the results of the computation of each base crop's net income obtained by multiplying the yield per acre times the percentage of total acreage times the price received and then making a reduction to account for the cost of production;
(vi) Compute for each of the nine agricultural districts, the per acre income valuation by capitalizing the average per acre weighted net income before property taxes, utilizing the rate of capitalization provided for in O.C.G.A.
48-5-269 plus the effective ad valorem tax rate;
2.(i) For pasture land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre rental rates of pasture property. In making this calculation, the Commissioner, utilizing the latest information available, shall:
(ii) Compute for each of the nine agricultural districts, the per acre income valuation by capitalizing the average per acre rental rates weighted by the acreage of hay harvested each year utilizing the rate of capitalization provided for in O.C.G.A. 48-5-269;
3.(i) The income valuation derived for crop land and pasture land shall be combined into the income valuation for agricultural land by calculating and applying a weighted average of all crop and pasture acreage in each agricultural district.
(ii) Using soil productivity data from the Soil Conservation Service of the U.S. Department of Agriculture, determine productivity influence factors by calculating the relationships between the volumes of corn that will grow on the soils contained within each of the nine productivity classes. Apply these factors to the per acre income valuation of agricultural land to determine the income valuations for each of the nine soil productivity classes.
4. For timber land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre net income from hardwood and softwood harvested in Georgia. In making this calculation the Commissioner shall:
(i) For each timber category and zone, determine for the immediately preceding five years for which information is available, the unit prices received by the sellers of standing timber in Georgia from reports received by the Commissioner of actual sales, from information furnished by the Georgia Forestry Commission, from commercially prepared publications of average sales prices, or from a combination of these sources;
(ii) For each timber category and zone, determine the average volumes of the various types of timber harvested annually in Georgia;
(iii) For each timber category and zone, compute the gross income each year from the harvests of timber by multiplying the unit price for each year times the annual average harvest volumes of each type of timber harvested;
(iv) For each timber zone, determine the acres of softwood timber land and hardwood timber land;
(v) For each timber zone, compute the weighted gross income per acre for each year by dividing the gross income from the harvest of softwoods each year by the acreage of softwood timberland; dividing the gross income from the harvest of hardwoods each year by the acreage of hardwood timberland and weighting the two resulting per acre gross incomes by the percentage of acres of softwood and hardwood timberland to total acres of timberland;
(vi) For each timber zone, determine the costs of production of timber for each year including, but not limited to, the cost of site preparation, planting, seedlings, prescribed burnings, management, marketing costs and

ad valorem taxes due on the harvest or sale of timber;
(vii) For each timber zone, determine the acreages of timberland annually receiving production treatments, i.e. site preparation, planting and burning;
(viii) For each timber zone, compute the production expenses per acre incurred each year by multiplying the expense by the appropriate factor, i.e. multiply the cost of site preparation per acre by the percentage of acres annually receiving this treatment, multiply the harvest tax millage by the weighted gross income per acre;
(ix) For each timber zone, compute the net income per acre for each year by subtracting the production expenses incurred during the year from the weighted gross income per acre for that year;
(x) For each timber zone, calculate the per acre income valuation by capitalizing the average per acre net income before property taxes, utilizing the rate of capitalization provided for in O.C.G.A. 48-5-269 plus the effective ad valorem tax rate;
(xi) Determine productivity influence factors by calculating the relationships between the volumes of Loblolly Pine grown on each of the nine productivity classes of soil and apply these factors to the per acre income valuation for the benchmark land, to determine the income valuations for each of the nine soil productivity classes.
(d) Thirty-five percent of the conservation use value shall be attributable to values produced by a market study consisting of sales data from arms length bona fide sales of comparable real property with and for the same existing use. In determining this increment of total value, the Commissioner shall:
1. Gather a statistically valid sample of qualified sales of agricultural and timber properties;
2. Calculate a residual land value for each sale in the sample by adjusting the sales price to remove any portion representing value attributable to any component of the sale other than the land;
3. Utilizing the residual land value sale prices, determine, as far as is practical, the relationships between the average sales price per acre for each of the nine soil productivity classes in each of the market regions.
(e) Environmentally sensitive properties and constructed storm water wetland conservation use properties shall be classified by the board of tax assessors as being within the timber land use group and shall be valued according to the current use value determined for timber land of the same or similar soil productivity class.
(f) The current use value for land lying under water, such as ponds, lakes or streams, shall be the value determined for the lowest productivity level of the predominate adjacent land use.
(g) Land utilized for an orchard or vineyard shall be classified as crop land. The trees, shrubs or vines shall be considered an improvement to the land and separately valued.
(h) Current use valuation for qualified bona fide residential transitional property shall be determined annually by the board of tax assessors by the consideration, as applicable, of the current use of such property, its annual productivity, if any, and sales data of comparable real property with and for the same existing use.
(i) Except as otherwise provided, the total current use valuation for any property, including qualified improvements, whose qualifying use is as bona fide conservation use property for any year during the covenant period shall not be increased or decreased by more than three percent from the current use valuation for the immediately preceding tax year or be increased or decreased during the entire covenant period by more than 34.39 percent from its current use valuation for the first year of the covenant period. The limitations imposed herein shall apply to the total value of all the conservation use property that is the subject of an individual covenant including any improvements that meet the qualifications set forth in O.C.G.A. 48-5-7.4(a)(1); provided, however, that in the event the owner changes the use of any portion of the land, such as from timber land to agricultural land, or adds or removes therefrom any such qualified improvements, the limitations imposed by this subsection shall be recomputed as if the new uses and improvements were in place at the time the covenant was originally entered. This limitation on increases or decreases shall not apply to the current use valuation of residential transitional property.

Authority: O.C.G.A. §§ 48-2-12, 48-5-7, 48-5-7.4, 48-5-269.
History. Original Rule entitled "Valuation of Qualified Property" adopted. F. May 28, 1993; eff. June 17, 1993. Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004. Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

***560-11-6-.08 Appeals***.

(1) Applications for current use valuation as conservation use property or residential transitional property provided by O.C.G.A. Section 48-5-7.4 shall be approved or denied by the county board of tax assessors. If the application is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to O.C.G.A. Section 48-5-306. Such notice shall include the following simple non-technical assessment reason in bold font "CONSERVATION USE COVENANT APPLICATION DENIED." Appeals from the denial of an application shall be made in the same manner, according to the same time requirements, and decided in the same manner that other ad valorem tax assessment appeals are made pursuant to O.C.G.A. Section 48-5-311.
(2) For the first year of the covenant period the taxpayer shall be notified by the board of assessors of the current use valuation placed on the property for that year. Appeals shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311.
(3) During the covenant period the taxpayer shall be given notification of any change in the current use valuation made by the board of tax assessors for the then current tax year. Appeals shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311.
(4) Appeals regarding the current use valuation of conservation use property under paragraphs (2) and (3) of this regulation may be made contesting the board of tax assessor's initial determination or subsequent change of the qualifying use of the property, the soil classification of any part or all of the qualified property, the valuation of any qualified improvements, the assessment ratio utilized with regard to the qualified property; as well as with regard to any alleged errors that may have been made by the assessors in the application of the tables and standards of value prescribed by the Commissioner. An appeal, however, may not be made to the local board of tax assessors concerning the tables or standards of value prescribed by the Commissioner pursuant to Regulation 560-11-6-.09.
(5) The tax assessors shall continue to notify the taxpayer of any changes to the fair market value of the covenanted property, and such notice shall conform to the provisions of O.C.G.A. Section 48-5-306. A taxpayer desiring to appeal such changes shall do so in the same manner as other assessment appeals are made pursuant to O.C.G.A. Section 48-5-311.

Authority: O.C.G.A. §§ 48-2-12, 48-5-7.4, 48-5-269, 48-5-306, 48-5-311.
History. Original Rule entitled "Appeals" adopted. F. May 28, 1993; eff. June 17, 1993. Amended:F. Jun. 10, 2013; eff. Jun. 30, 2013.

***560-11-6-.09 Table of Conservation Use Land Values***.

(1) For the purpose of prescribing the 2017 current use values for conservation use land, the state shall be divided into the following nine Conservation Use Valuation Areas (CUVA 1 through CUVA 9) and the following accompanying table of per acre land values shall be applied to each acre of qualified land within the CUVA

for each soil productivity classification for timber land (W1 through W9) and agricultural land (A1 through A9):

(a) CUVA #1 counties: Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Murray, Paulding, Polk, Walker, and Whitfield. Table of per acre values: W1-828, W2-743, W3-675, W4-619, W5-567, W6-526, W7-493, W8-453, W9-413, A1-1,502, A2-1,421, A3-1,317, A4-1,207, A5-1,089, A6-974, A7-866, A8-760, A9-650;

(b) CUVA #2 counties: Barrow, Cherokee, Clarke, Cobb, Dawson, DeKalb, Fannin, Forsyth, Fulton, Gilmer, Gwinnett, Hall, Jackson, Lumpkin, Oconee, Pickens, Towns, Union, Walton, and White. Table of per acre values: W1-1,121, W2-1,014, W3-915, W4-829, W5-764, W6-717, W7-676, W8-621, W9-564, A1-1,646, A2-1,467, A3-1,305, A4-1,154, A5-1,034, A6-923, A7-828, A8-751, A9-676;

(c) CUVA #3 counties: Banks, Elbert, Franklin, Habersham, Hart, Lincoln, Madison, Oglethorpe, Rabun, Stephens, and Wilkes. Table of per acre values: W1-1,121, W2-1,014, W3-915, W4-829, W5-764, W6-699, W7-588, W8-478, W9-400, A1-1,253, A2-1,139, A3-1,020, A4-904, A5-788, A6-712, A7-584, A8-489, A9-413;

(d) CUVA #4 counties: Carroll, Chattahoochee, Clayton, Coweta, Douglas, Fayette, Haralson, Harris, Heard, Henry, Lamar, Macon, Marion, Meriwether, Muscogee, Pike, Schley, Spalding, Talbot, Taylor, Troup, and Upson. Table of per acre values: W1-809, W2-724, W3-657, W4-602, W5-524, W6-489, W7-425, W8-367, W9-299, A1-1,028, A2-920, A3-843, A4-754, A5-662, A6-550, A7-476, A8-369, A9-266;

(e) CUVA #5 counties: Baldwin, Bibb, Bleckley, Butts, Crawford, Dodge, Greene, Hancock, Houston, Jasper, Johnson, Jones, Laurens, Monroe, Montgomery, Morgan, Newton, Peach, Pulaski, Putnam, Rockdale, Taliaferro, Treutlen, Twiggs, Washington, Wheeler, and Wilkinson. Table of per acre values: W1-689, W2-638, W3-586, W4-536, W5-485, W6-436, W7-382, W8-331, W9-275, A1-762, A2-663, A3-616, A4-564, A5-503, A6-428, A7-351, A8-277, A9-202;

(f) CUVA #6 counties: Bulloch, Burke, Candler, Columbia, Effingham, Emanuel, Glascock, Jefferson, Jenkins, McDuffie, Richmond, Screven, and Warren. Table of per acre values: W1-681, W2-626, W3-571, W4-520, W5-465, W6-412, W7-357, W8-301, W9-246, A1-864, A2-758, A3-695, A4-638, A5-564, A6-469, A7-382, A8-293, A9-206;

(g) CUVA #7 counties: Baker, Calhoun, Clay, Decatur, Dougherty, Early, Grady, Lee, Miller, Mitchell, Quitman, Randolph, Seminole, Stewart, Sumter, Terrell, Thomas, and Webster. Table of per acre values: W1-730, W2-664, W3-605, W4-543, W5-479, W6-419, W7-357, W8-293, W9-232, A1-1,004, A2-910, A3-809, A4-703, A5-603, A6-505, A7-391, A8-297, A9-200;

(h) CUVA #8 counties: Atkinson, Ben Hill, Berrien, Brooks, Clinch, Coffee, Colquitt, Cook, Crisp, Dooly, Echols, Irwin, Jeff Davis, Lanier, Lowndes, Telfair, Tift, Turner, Wilcox, and Worth. Table of per acre values: W1-794, W2-719, W3-644, W4-571, W5-497, W6-425, W7-350, W8-277, W9-226, A1-1,014, A2-959, A3-866, A4-772, A5-679, A6-586, A7-453, A8-367, A9-271;

(i) CUVA #9 counties: Appling, Bacon, Brantley, Bryan, Camden, Charlton, Chatham, Evans, Glynn, Liberty, Long, McIntosh, Pierce, Tattnall, Toombs, Ware, and Wayne. Table of per acre values: W1-803, W2-724, W3-657, W4-584, W5-507, W6-438, W7-364, W8-291, W9-226, A1-940, A2-906, A3-813, A4-724, A5-634, A6-543, A7-453, A8-361, A9-271.

AUTHORITY: O.C.G.A. §§ 48-2-12, 48-5-7, 48-5-7.4, 48-5-269.
HISTORY: Original Rule entitled "Table of Conservation Use Land Values" adopted. F. May 28, 1993; eff. June 17, 1993. Repealed: New Rule of same title adopted. F. May 13, 1994; eff. June 2, 1994. Repealed: New Rule of same title adopted. F. Mar. 1, 1995; Mar. 21, 1995. Repealed: New Rule of same title adopted. F. Jan. 28, 1996; eff. Feb. 18, 1996. Repealed: New Rule of same title adopted. F. Feb. 24, 1997; eff. Mar. 16, 1997. Repealed: New Rule of same title adopted. F. Jan. 27, 1998; eff. Feb. 16, 1998. Repealed: New Rule of same title adopted. F. Mar. 10, 1999; eff. Mar. 30, 1999. Amended: F. Feb. 2, 2000; eff. Feb. 22, 2000. Amended: F. Apr. 20, 2001; eff. May 10, 2001. Repealed: New Rule of same title adopted. F. Apr. 17, 2002; eff. May 7, 2002. Repealed: New Rule of same title adopted. F. May 19, 2003; eff. June 8, 2003. Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004. Amended: F. Mar. 29, 2005; eff. Apr. 18, 2005. Repealed: New Rule of same title adopted. F. Mar. 1, 2006; eff. Mar. 21, 2006. Amended: F. Feb. 21, 2007; eff. Mar. 13, 2007. Amended: F. Apr. 21, 2008; eff. May 11, 2008. Repealed: New Rule of same title adopted. F. Apr. 15, 2009; eff. May 5, 2009. Repealed: New Rule of same title adopted. F. Mar. 15, 2010; eff. Apr. 4, 2010. Repealed: New Rule of same title adopted. F. Mar. 3, 2011; eff. Mar. 23, 2011. Amended: F. Apr. 24, 2012; eff. May 14, 2012. Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013. Amended: F. Apr. 22, 2014; eff. May 12, 2014. Amended: F. May 18, 2015; eff. June 7, 2015. Amended: F. Feb. 23, 2016; eff. Mar. 14, 2016. Amended: F. Mar. 24, 2017; eff. Apr. 13, 2017.

## Chapter 14 FOREST LAND CONSERVATION USE ASSESSMENT

### *560-11-11-.01 Definitions.*

As used in this Regulatory Chapter, the term:
(a) "Application" shall mean the application for QFLP designation, which includes a three part form consisting of: Section A - Application; Section B - Questionnaire; and Section C -Covenant. All three parts of the application shall be completed by the applicant seeking the QFLP designation.
(b) "Contiguous" shall mean real property within a county that abuts, joins, or touches and has the same undivided common ownership.
1. If an applicant's tract is divided by a county boundary, public roadway, public easements, public right-of-way, natural boundary, land lot line or railroad tracks then the applicant has, at the time of the initial application, a one-time election to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right-of-way, natural boundary, land lot line or railroad track.
(c) "Department" shall mean the Georgia Department of Revenue.
(d) "Entity registered to do business in this state" shall mean any 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 that is registered to do business with the Secretary of the State of Georgia or that has been created by a court.
(e) "FLPA" shall mean the Georgia Forest Land Protection Act of 2008 as codified in O.C.G.A. § 48-5-7.7.
(f) "Forest Land" shall mean the timbered area of a tract of land as determined by the Local Board of Tax Assessors.
(g) "Good Faith Subsistence" shall mean the use of the forest land in a manner that minimizes change or damage to the natural state of the forest land.
(h) "Local Board of Tax Assessors" shall mean the local board of tax assessors in any county where the application for QFLP designation is filed and the real property is located.
(i) "Notice of Breach" shall mean the notice sent by the Local Board of Tax Assessors in the county where the breach has occurred.
(j) "Permissible Breach" shall mean a breach enumerated in O.C.G.A. § 48-5-7.7(p), which will serve to terminate the QFLP Covenant. However, the breaching party is not subject to penalties and interest.
(k) "Plat" shall mean a legible drawing done on, at a minimum, 8 ½ x 11 20lb paper sufficiently delineating the boundaries of the tract of real property for which QFLP designation is sought.
1.All Plats shall be drawn with the top of the page being north.
(l) "Primary Use" shall mean a use of the tract which is
1. According to O.C.G.A. § 48-5-7.7 (b)(2)(C).
2. As set forth on the Department's application form and is approved by the Local Board of Tax Assessors.
(m) "QFLP" stands for Qualified Forest Land Property of greater than 200 acres
1. That meets the qualifications set forth in FLPA.
2. That has been approved by the Local Board of Tax Assessors.
3. For which a QFLP Covenant has been
(i) Signed on behalf, or by all parties owning an undivided interest in the fee simple tract; and
(ii) Recorded in any appropriate county's real property index.

(n) "QFLP Covenant" shall mean the fifteen (15) year covenant required by O.C.G.A. §48-5-7.7. The form of the covenant shall be in the manner prescribed by the Commissioner.

(o) "Secondary Use" shall mean secondary uses of the tract as specified in the FLPA as determined by the Local Board of Tax Assessors.
(p) "Underlying Property" means the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less, for which the taxpayer has provided documents which delineate the property boundaries so as to facilitate the proper identification of such property on the covenant applicant and the board of tax assessors maps and records.

Cite as Ga. Comp. R. & Regs. r. 560-11-11-.01 Authority: O.C.G.A. Secs. 48-2-12, 48-5-7, 48-5-7.7, 48-5-271.
History. Original Rule entitled "Table of Forest Land Protection Act Land Use Values" adopted. F. Apr. 15, 2009; eff. May 5, 2009. Amended: ER. 560-11-11-0.40-.01 entitled "Definitions" adopted. F. May 22, 2009; eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009. Amended: F. May 18, 2015; eff. June 7, 2015.

***560-11-11-.02 Withdrawing or Amending an Application for QFLP.***

(1) An application for QFLP may be amended or withdrawn at any time prior to the initial approval or denial of such QFLP application by the local county board of tax assessors by giving notification of such amendment or withdrawal.
(2) The notification for amending or withdrawing the application shall be considered received by the local board of assessors when hand delivered or when date stamped by the United States Postal Service.

Cite as Ga. Comp. R. & Regs. r. 560-11-11-.02 Authority: O.C.G.A. Secs. 48-2-12, 48-5-7.7.
History. Original Rule entitled "Withdrawing or Amending an Application for QFLP" adopted as ER. 560-11-11-0.40-.02. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009. Amended: F. May 18, 2015; eff. June 7, 2015.

***560-11-11-.03 QFLP Qualifications.***

(1) The Local Board of Tax Assessors shall be responsible for approving all QFLP applications.
(2) Real property for which QFLP designation is sought shall meet all requirements as set forth in O.C.G.A. § 48-5-7.7 and
(a) At least one-half of area of the applicant's tract of real property for which QFLP designation is sought must be used for a Qualifying Purpose as set forth in O.C.G.A. § 48-5-7.7, and Department regulations;
(b) The portion of the tract not being used for a Qualifying Purpose must not be used for any other type of business other than as set forth in O.C.G.A. § 48-5-7.7; and
(c) Uses of any portion of the tract not being used for a Qualifying Purpose may be deemed acceptable uses by the Local Board of Tax Assessors, and therefore not in breach of the QFLP Covenant, provided that
1. The Local Board of Tax Assessors determines that such portion is
(i) Minimally managed so that it does not contribute significantly to erosion or other environmental or conservation problems; or
(ii) Being used for any secondary uses as listed in O.C.G.A. § 48-5-7.7(b)(2)(C).

(3) Area around cellular phone tower pads used or maintained as part of the pad, shall not constitute a breach of the QFLP Covenant if
(a) The tract is less than 2,000 acres the total area of the pads does not exceed six (6) acres, or

(b) For tracts larger than 2,000 acres, the total area of cellular phone tower pads does not exceed six (6) acres for every 2,000 acres.
(c) Any roadway to the cellular phone tower pads shall not be included in the determination of the six (6) acre maximum.

(4) To obtain QFLP designation for a contiguous tract of real property located in multiple counties, the applicant must enter into a single QFLP Covenant for the entire contiguous tract. This QFLP Covenant must be approved and recorded in each county where the contiguous tracts are located.
(a) If one or more counties deny a QFLP application, any portions of the contiguous tract which are approved, may still be eligible for QFLP designation provided that
1. Any remaining tract or tracts meets the minimum qualifications as set forth in O.C.G.A. § 48-5-7.7, and Department regulations.
2. The QFLP Covenant is signed by all owners and the appropriate Local Board(s) of Tax Assessors; and
3. Recorded in the appropriate county's real property index.
(5) The QFLP Covenant shall be effective upon the county signing and recording the QFLP Covenant in the real property index.
(a) Any appeals to the denial of QFLP designation or failure by the Local Board of Tax Assessors to sign the Covenant, shall be made in the manner provided for in O.C.G.A. §48-5-311.
1. If an appeal is not resolved until the subsequent year after the filing of the application and the applicant receives a favorable decision on the appeal the applicant shall be entitled to the benefits derived from the QFLP Covenant beginning in the year for which the application was filed.
(6) Property that otherwise qualifies for a Forest Land Conservation Use Covenant shall exclude the entire value of any residence and its underlying property. This provision for excluding the underlying property of a residence from eligibility in the conservation use covenant shall only apply to property that is first made subject to a covenant or is subject to the renewal of a previous covenant. Additionally, in conjunction with the covenant application, the taxpayer shall provide any one of the following types of property boundary descriptions regarding such underlying property:
(a) A plat of the underlying property prepared by a licensed land surveyor, showing the location and measured area of the underlying property in question;
(b) A written legal description of the underlying property delineating the legal metes and bounds and measured area of the underlying property in question; or
(c) Such other alternative property boundary description as mutually agreed upon by the taxpayer and county assessors. An acceptable alternative property boundary description may include a parcel map drawn by the county cartographer or GIS technician.

Cite as Ga. Comp. R. & Regs. r. 560-11-11-.03 Authority: O.C.G.A. Secs. 48-2-12, 48-5-7.7.
History. Original Rule entitled "QFLP Qualifications" adopted as ER. 560-11-11-0.40-.03. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009. Amended: F. May 18, 2015; eff. June 7, 2015.

***560-11-11-.04 QFLP Application.***

(1) The Commissioner hereby adopts the form in Regulation 560-11-11-.11 Exhibit (A), as the Form to be used by all counties as the application for the FLPA.
(2) All applicants for QFLP designation shall include with their application
(a) A plat of the tract for which QFLP designation is sought.

(b) A written legal description of the tract.
(3) If a legal description or plat is contested by the county, then the county shall have the burden to prove its assertion that the plat or legal description as provided by the applicant is deficient.

Authority O.C.G.A. Secs. 48-2-12, 48-5-7.7.History. Original Rule entitled "QFLP Application" adopted as ER. 560-11-11-0.40-.04. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

***560-11-11-.05 Period for Local Board of Assessors to Approve or Deny QFLP Applications.***

(1) A Local Board of Tax Assessors shall have one hundred twenty days from receipt of an application for QFLP designation to approve or deny such application.
(2) The application must be filed with the Local Board of Tax Assessors no later than the last day for filing ad valorem tax appeals of the annual notice of assessment, except that in the case of property which is the subject of a tax appeal of the annual notice of assessment under O.C.G.A. §48-5-311, an application for forest land conservation use assessment may be filed at any time while such appeal is pending.
(3) Upon approval, the Local Board of Tax Assessors must notify the applicant within thirty (30) days of its decision and provide the QFLP Covenant to the applicant for signatures.
(4) Upon denial of an Application, the Local Board of Tax Assessors must notify the applicant in the manner provided for in O.C.G.A. §48-5-306.(5) If an Application is denied by the Local Board of Tax Assessors, any fees advanced by the applicant shall be returned to the applicant within thirty (30) days of the denial by the Local Board of Tax Assessors.

Cite as Ga. Comp. R. & Regs. r. 560-11-11-.05 Authority: O.C.G.A. Secs. 48-2-12, 48-5-7.7, 48-5-306.
History. Original Rule entitled "Period for Local Board of Assessors to Approve or Deny QFLP Applications" adopted as ER. 560-11-11-0.40-.05. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009. Amended: F. May 18, 2015; eff. June 7, 2015.

***560-11-11-.06 QFLP Covenant.***

(1) All contiguous tracts of an owner within a county for which forest land conservation use assessment is sought shall be in a single covenant unless otherwise required by law.
(2) The QFLP Covenant shall
(a) Be signed and recorded in any county where the tract is located and owner(s) have made application and received approval for QFLP designation.
1. The QFLP Covenant shall be signed by all owner(s) of record of the tract.
2. An individual may sign on behalf of the owner(s) of record by providing that such person has established that individual has sufficient legal authority satisfactory to the Local Board of Tax Assessors, to act on behalf of the owner(s).
(b) Have an effective date of January 1 of the year for which the application was filed and the QFLP Covenant is signed by all required parties.
(3) An applicant receiving a favorable ruling for an appeal shall receive all benefits derived from the QFLP Covenant beginning in the year for which the application was filed, irrespective of if the appeal is not resolved until subsequent year(s).
(4) The QFLP Covenant and benefits derived therefrom shall not extend to any portion of the tract for which

the QFLP Covenant has not yet been signed and recorded in that county's real property index.

Cite as Ga. Comp. R. & Regs. r. 560-11-11-.06 Authority: O.C.G.A. §§ 48-5-7.7.
History. Original Rule entitled "QFLP Covenant" adopted as ER. 560-11-11-0.40-.06. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009. Amended: F. May 18, 2015; eff. June 7, 2015.

***560-11-11-.07 Notice of Breach.***

(1) The Notice of Breach shall be sent within thirty (30) days from the day that the breach is reported to or discovered by the Local Board of Tax Assessors to
(a) The owner(s) of record of the real property in breach.
(b) The Local Board of Tax Assessors in every other county where the QFLP is located.
(2) The Notice of Breach shall include the following:
(a) The location of the breach;
(b) The date the breach was reported or discovered;
(c) An explanation of the breach;
(d) Whether the remedy is remediation or cease and desist of the breach;
(e) The date by which the remedy must be completed; and
(f) The penalty for not remedying or ceasing or desisting the breach.
(3) The thirty (30) day period for the owner to remedy the breach shall not begin until the owner has received a Notice of Breach that complies with the requirements set forth in this Regulation.

Authority O.C.G.A. Secs. 48-2-12, 48-5-7.7.History. Original Rule entitled "Notice of Breach" adopted as ER. 560-11-11-0.40-.07. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

***560-11-11-.08 Notification and Inspection Concerning QFLP in Breach of Covenant.***

(1) The owner(s) of record of the tract of real property in breach shall have thirty (30) days from the date of receipt of the Notice of Breach by any owner of record to remedy the breach as specified in the Notice of Breach.
(2) Beginning on the first day after the thirty (30) day period for an owner(s) of record of the tract of real property to remedy the breach, the Local Board of Tax Assessors shall have forty-five (45) days in which to conduct a physical inspection of the real property to determine if the prescribed remedy has been completed.
(3) The Local Board of Tax Assessors shall have fifteen (15) days from the date of the physical inspection or the end of the inspection period, whichever is later, to send a written notice to the owner(s) of record of the tract, and any counties that encompass the tract subject to the breached QFLP Covenant, to inform the owner(s) whether the tract of real property is in compliance with the QFLP Covenant.
(a) Failure to inspect the tract of real property shall be deemed a determination that the tract is in compliance with the QFLP Covenant.
(4) If a QFLP Covenant covers multiple counties then the Local Board of Tax Assessors in the county where the breach has occurred shall send the same written notifications to the Local Board of Tax Assessors in all affected counties where the QFLP Covenant is in force and effect.
(a) Such written notifications shall be sent within the same time period, and in the same manner, as the

written notification sent to the owner(s) of record notifying them of the breach and the determination of whether or not the tract is in compliance with the QFLP Covenant.
(5) Appeals concerning notice, inspection or any other issue, must be made in the manner provided for in O.C.G.A. § 48-5-311.
(6) Notifications required by this Regulation that are sent by the Local Board of Tax Assessors to owner(s) of record of the tract subject to QFLP Covenant; and to any other counties where the tract is located and subject to the QFLP Covenant, shall be sent via certified mail by the United States Postal Service, commercial delivery service, commercial courier, or personal service to the last known address of the owner(s) of record.

Authority O.C.G.A. Secs. 48-2-12, 48-5-7.7, 48-5-311.History. Original Rule entitled "Notification and Inspection Concerning QFLP in Breach of Covenant" adopted as ER. 560-11-11-0.40-.08. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

***560-11-11-.09 Release of Covenant.***

(1) When a tract of real property is no longer eligible as a QFLP due to a non-remedied breach, or at the expiration of the QFLP Covenant, the owner of such tract of real property shall file an application with the Local Board of Tax Assessors for release of the tract of real property from the QFLP Covenant
(a) Within sixty (60) days of the last day the tract was eligible as QFLP; or
(b) Within sixty (60) days of the last day of the QFLP Covenant.
(2) The Local Board of Tax Assessors must within fifteen (15) days from receipt of an application for release, determine if all taxes and penalties, if applicable, have been paid and satisfied on the tract of real property.
(a) Upon approval of the application for release of the tract real property from the QFLP Covenant, the Local Board of Tax Assessors shall have fifteen (15) days to
1. Provide written notification to the applicant that the release has been approved.
2. File the release with the office of the Clerk of Superior Court in the county where the original QFLP Covenant was filed, and provide a copy to the applicant.
(3) If an application for release is denied, the Local Board of Tax Assessors shall send written notification to the applicant within fifteen (15) days of receipt of such application and it shall include the reason(s) for denial.
(a) Appeals resulting from denial of release shall be made in the manner provided for in O.C.G.A. § 48-5-311.

Authority O.C.G.A. Secs. 48-2-12, 48-5-7.7, 48-5-311.History. Original Rule entitled "Release of Covenant" adopted as ER. 560-11-11-0.40-.09. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

***560-11-11-.10 Penalty for Breach.***

(1) If a breach should occur during the QFLP Covenant period then a penalty shall be imposed by the Local Board of Tax Assessors.
(a) The method for calculating the amount of the penalty owed is set forth in O.C.G.A § 48-5-7.7(m).
(b) Penalties and interest imposed pursuant to O.C.G.A. § 48-5-7.7, shall constitute a lien against that portion of the property which is subject of the original covenant, and shall be collected in the same manner as unpaid ad valorem taxes.
(2) If all or part of the tract subject of the original QFLP Covenant is transferred during a the covenant period to another qualified owner, and following such transfer the acquiring owner and/or transferring owner cause a breach of the covenant, then:

(a) Any county affected by the breach must seek recovery of penalties and interest from the breaching party by any judicial means including but not limited to; foreclosure of the breaching party's property.
(3) Activities listed in O.C.G.A. § 48-5-7.7(q) shall not constitute a breach of the QFLP Covenant.
(4) If a contiguous tract is subject to a QFLP Covenant in multiple counties then a breach occurring in any of the counties where the contiguous tract is located shall constitute a breach of the entire contiguous tract. The owner of the contiguous tract shall be assessed all penalties and interest resulting from the breach of the QFLP Covenant.
(5) If a breach occurs solely as the result of a Permissible Breach then no penalty shall be assessed but the QFLP Covenant will be terminated.

Authority O.C.G.A. Sec. 48-5-7.7.History. Original Rule entitled "Penalty for Breach" adopted as ER. 560-11-11-0.40-.10. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009. Amended:F. Jun. 30, 2011; eff. Jul. 20, 2011.

***560-11-11-.11 Forms.***

(1) The Commissioner hereby adopts
(a) Exhibit (A) as the Form for QFLP Application,
(b) Exhibit (B) as the Form for the QFLP Covenant,
(c) Exhibit (C) as the Form for the Notice of Breach, and
(d) Exhibit (D) as the Form for the Application for Release.

Authority O.C.G.A. Sec. 48-2-12.History. Original Rule entitled "Forms" adopted as ER. 560-11-11-0.40-.11.F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

***560-11-11-.12 Table of Forest Land Protection Act Land Use Values.***

(1) For the purpose of prescribing the 2017 current use values for conservation use land, the state shall be divided into the following nine Forest Land Protection Act Valuation Areas (FLPAVA 1 through FLPAVA 9) and the following accompanying table of per acre land values shall be applied to each acre of qualified land within the FLPAVA for each soil productivity classification for timber land (W1 through W9):

(a) FLPAVA #1 counties: Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Murray, Paulding, Polk, Walker, and Whitfield. Table of per acre values: W1-828, W2-743, W3-675, W4-619, W5-567, W6-526, W7-493, W8-453, W9-413;

(b) FLPAVA #2 counties: Barrow, Cherokee, Clarke, Cobb, Dawson, DeKalb, Fannin, Forsyth, Fulton, Gilmer, Gwinnett, Hall, Jackson, Lumpkin, Oconee, Pickens, Towns, Union, Walton, and White. Table of per acre values: W1-1,121, W2-1,014, W3-915, W4-829, W5-764, W6-717, W7-676, W8-621, W9-564;

(c) FLPAVA #3 counties: Banks, Elbert, Franklin, Habersham, Hart, Lincoln, Madison, Oglethorpe, Rabun, Stephens, and Wilkes. Table of per acre values: W1-1,121, W2-1,014, W3-915, W4-829, W5-764, W6-699, W7-588, W8-478, W9-400;

(d) FLPAVA #4 counties: Carroll, Chattahoochee, Clayton, Coweta, Douglas, Fayette, Haralson, Harris, Heard, Henry, Lamar, Macon, Marion, Meriwether, Muscogee, Pike, Schley, Spalding, Talbot, Taylor, Troup, and Upson. Table of per acre values: W1-809, W2-724, W3-657, W4-602, W5-524, W6-489, W7-425, W8-367, W9-299;

(e) FLPAVA #5 counties: Baldwin, Bibb, Bleckley, Butts, Crawford, Dodge, Greene, Hancock, Houston, Jasper, Johnson, Jones, Laurens, Monroe, Montgomery, Morgan, Newton, Peach, Pulaski, Putnam, Rockdale, Taliaferro, Treutlen, Twiggs, Washington, Wheeler, and Wilkinson. Table of per acre values: W1-689, W2-638, W3-586, W4-536, W5-485, W6-436, W7-382, W8-331, W9-275;

(f) FLPAVA #6 counties: Bulloch, Burke, Candler, Columbia, Effingham, Emanuel, Glascock, Jefferson, Jenkins, McDuffie, Richmond, Screven, and Warren. Table of per acre values: W1-681, W2-626, W3-571, W4-520, W5-465, W6-412, W7-357, W8-301, W9-246;

(g) FLPAVA #7 counties: Baker, Calhoun, Clay, Decatur, Dougherty, Early, Grady, Lee, Miller, Mitchell, Quitman, Randolph, Seminole, Stewart, Sumter, Terrell, Thomas, and Webster. Table of per acre values: W1-730, W2-664, W3-605, W4-543, W5-479, W6-419, W7-357, W8-293, W9-232;

(h) FLPAVA #8 counties: Atkinson, Ben Hill, Berrien, Brooks, Clinch, Coffee, Colquitt, Cook, Crisp, Dooly, Echols, Irwin, Jeff Davis, Lanier, Lowndes, Telfair, Tift, Turner, Wilcox, and Worth. Table of per acre values: W1-794, W2-719, W3-644, W4-571, W5-497, W6-425, W7-350, W8-277, W9-226;

(i) FLPAVA #9 counties: Appling, Bacon, Brantley, Bryan, Camden, Charlton, Chatham, Evans, Glynn, Liberty, Long, McIntosh, Pierce, Tattnall, Toombs, Ware, and Wayne. Table of per acre values: W1-803, W2-724, W3-657, W4-584, W5-507, W6-438, W7-364, W8-291, W9-226.

AUTHORITY: O.C.G.A. §§ 48-2-12, 48-5-7, 48-5-7.7, 48-5-271.

HISTORY: Original Rule entitled "Table of Forest Land Protection Act Land Use Values" adopted as ER. 560-11-11-0.40-.12. F. and eff. May 22, 2009, the date of adoption. Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009. Repealed: New Rule of same title adopted. F. Mar. 15, 2010; eff. Apr. 4, 2010. Repealed: New Rule of same title adopted. F. Mar. 3, 2011; eff. Mar. 23, 2011. Amended: F. Apr. 24, 2012; eff. May 14, 2012. Amended: F. Jun. 25, 2013; eff. Jul 15, 2013. Amended: F. Apr. 22, 2014; eff. May 12, 2014. Amended: F. May 18, 2015; eff. June 7, 2015. Amended: F. Feb. 23, 2016; eff. Mar. 14, 2016. Amended: F. Mar. 24, 2017; eff. Apr. 13, 2017.

***560-11-11-.13 Valuation of Additional Qualified Property which is Contiguous to the Property in the Original Covenant.***

(1) If a qualified owner has entered into an original forest land conservation use covenant and subsequently acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the fifteen (15) year period of the original covenant; provided, however, that such subsequently acquired qualified property shall be less than two hundred (200) acres.
(2) If the qualified owner makes such an election, then additional qualified property shall be valued in accordance with O.C.G.A. § 48-5-269.
(a) When calculating the additional qualified property's initial value, this initial value shall not be subject to

the three percent (3%) limitation provided for in O.C.G.A. 48-5-271(b).

Authority O.C.G.A. Secs. 48-5-7.7, 48-5-269, 48-5-271.History. Original Rule entitled "Valuation of Additional Qualified Property which is Contiguous to the Property in the Original Covenant" adopted. F. Jun. 30, 2011; eff. Jul. 20, 2011.

**Chapter 15 PUBLIC UTILITY**

***560-11-3-.04 Public Utility Financial Report -- Form PT-29.***

This report is filed by public utilities and reports the financial condition of the public utility as of January 1. This report must be filed by March 1.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Public Utility Financial Report -- Form PT-29" was filed on May 25, 1971; effective June 14, 1971.

***560-11-3-.05 Power Company Annual Return for Taxation -- Form PL-56.***

This return is filed by power companies and reports all property owned by the power company on January 1. This return must be filed by March 1.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Power Company Annual Return for Taxation -- Form PL-56" was filed on May 25, 1971; effective June 14, 1971.

***560-11-3-.06 Gas or Water Company Annual Return for Taxation -- Form PT-57.***

This return is filed by gas or water companies and reports all property owned by the gas or water company on January 1. This return must be filed by March 1.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Gas or Water Company Annual Return for Taxation -- Form PT-57" was filed on May 25, 1971; effective June 14, 1971.

***560-11-3-.07 Railroad Company Annual Return for Taxation -- Form PT-58.***

This return is filed by railroad companies and reports all property owned by the railroad company on January 1. This return must be filed by March 1.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Railroad Company Annual Return for Taxation -- Form PT-58." was filed on May 25, 1971; effective June 14, 1971.

***560-11-3-.08 Telephone or Telegraph Company Annual Return for Taxation -- Form PT-59.***

This return is filed by telephone or telegraph companies and reports all property owned by the telephone or telegraph company on January 1. This return must be filed by March 1.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Telephone or Telegraph Company Annual Return for Taxation -- Form PT-59" was filed on May 25, 1971; effective June 14, 1971.

## Chapter 16 MOTOR VEHICLE ASSESSMENTS

### *560-11-2-.22 Motor Vehicle Assessments.*

Annually the State Revenue Commissioner shall prepare and publish a manual of motor vehicle assessments for the various types of motor vehicle property in Georgia. In addition the State Revenue Commissioner shall calculate as nearly and completely as is practical the assessed values on motor vehicle prebill applications furnished to the various county tax collectors. In all cases the assessed valuations appearing in the published motor vehicle assessment manual shall be the assessed value of a specific motor vehicle. Provided, however, that when the assessed valuation as calculated on the motor vehicle prebill application for a specific vehicle differs from the assessed valuation for the same vehicle published in the motor vehicle assessment manual by twenty-five dollars ($ 25.00) or less, the county tax collector is authorized to accept the prebill valuation as being correct for that specific vehicle for the current year.

Authority Ga.Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.
History. Original rule entitled "Motor Vehicle Assessments" adopted. F. Feb. 12, 1973; eff. Mar. 4, 1973.

## Chapter 17 MOTOR VEHICLE APPORTIONMENT

### *560-11-7-.01 Purpose of Regulations.*

(1) These regulations have been adopted by the Commissioner pursuant to O.C.G.A. Section 48-2-12 in order to promulgate specific policies and procedures of the Department applicable to the administration and collection of ad valorem tax on motor vehicles pursuant to O.C.G.A. Section 48-5-471 when such motor vehicles are engaged in interstate commerce and subject to apportionment.
(2) This regulation shall apply to all motor vehicles subject to ad valorem taxation for the calendar year beginning January 1, 1995.

AUTHORITY: - 48-5-445 O.C.G.A. Secs. 48-5-442 - 48-5-445, 48-5-450, 48-5-471.ADMINISTRATIVE HISTORY: Original Rule entitled "Purpose of Regulations" adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

### *560-11-7-.02 Forms.*

The Commissioner shall prepare and furnish a form, herewith adopted and designated as PT-95, to be used by all persons seeking apportionment of ad valorem assessments on motor vehicles and trailers used in interstate commerce under this regulation.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-5-269, 48-5-442 - 48-5-445, 48-5-471.ADMINISTRATIVE HISTORY: Original Rule entitled "Forms" adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

### *560-11-7-.03 When Apportionment Permitted.*

(1) Motor vehicles and trailers subject to ad valorem tax under O.C.G.A. Section 48-5-471 may acquire an ad valorem tax situs in states other than Georgia if, pursuant to their use in interstate commerce, such motor vehicles and trailers are used throughout the previous calendar year either along fixed or regular routes or, alternatively, are habitually employed within a non-domiciliary state, albeit upon irregular routes.
(2) Upon a proper showing of such circumstances to the tax authorities for the county where such property is returnable by law, the Georgia fair market value assessed upon such vehicle shall be the value otherwise assessed, multiplied by the "apportionment ratio" set forth in Regulation 560-11-7-.03(3).
(3) The "apportionment ratio" for a particular tax year shall be equal to one (1) minus the ratio of the total miles driven or traversed during the previous calendar year in those states other than Georgia in which the motor vehicle or trailer, as of January 1 of the tax year in question, has acquired an ad valorem tax situs, to the total miles driven or traversed in all states during the previous calendar year. The tax commissioner may use accumulated mileage of the tax payer's fleet of those vehicles based in Georgia on January 1 of the tax year in question as opposed to individual vehicle mileage to determine the apportionment ratio if the fleet mileage is deemed to fairly and reasonably indicate the correct situs of the value to be apportioned for the specific vehicle being registered in the county.
(4) For purposes of this regulation, "state" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States and any political subdivision of the foregoing jurisdictions.

AUTHORITY: - 48-5-445 O.C.G.A. Secs. 48-5-442 - 48-5-445, 48-5-471. ADMINISTRATIVE HISTORY: Original Rule entitled "When Apportionment Permitted" adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

***560-11-7-.04 Procedures.***

(1) Any owner seeking apportionment of ad valorem assessments on motor vehicles and trailers used in interstate commerce shall file form PT-95 with the tax commissioner at the time the motor vehicle registration form is submitted.
(2) The tax commissioner shall require the owner seeking apportionment of ad valorem assessments on motor vehicles and trailers to properly complete the form PT-95 which will serve as an affidavit of the correctness of the information. Additionally, the tax commissioner may require accompanying documentation sufficient to demonstrate that the owner's motor vehicles or trailers have acquired a tax situs in another state. Examples of such documentation may include the following:
(a) Evidence of individual or fleet vehicle mileage records such as those submitted to the Department of Revenue for apportionment of registration fees under the International Registration Plan (IRP);
(b) Evidence that ad valorem taxes were paid to another state with respect to such vehicle if such state imposes an ad valorem tax;
(c) Evidence that highway use or motor fuel taxes were paid to another state with respect to such vehicle;
(d) Evidence that registration fees (apportioned or unapportioned) were paid to another state.
(3) The tax commissioner shall consider the evidence submitted with the form PT-95 and shall make the initial determination as to whether the value of the motor vehicle should be apportioned and shall make the assessment accordingly. The tax commissioner shall enter upon the form PT-95 the amount and date of such assessment. A copy of the form PT-95 shall be furnished to the taxpayer and shall serve as notice of the assessment of the vehicle made by the tax commissioner.

AUTHORITY: O.C.G.A. Secs. 48-5-444, 48-5-445, 48-5-471 - 48-5-475.ADMINISTRATIVE HISTORY: Original entitled "Procedures adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

***560-11-7-.05 Appeals.***

(1) Any owner who contests the apportionment decision of the tax commissioner made pursuant to Regulation 560-11-7-.04(3) may appeal such decision by either filing with the tax commissioner an affidavit of illegality as outlined in Regulation 560-11-7-.05(2) or filing an appeal with the board of tax assessors as outlined in Regulation 560-11-7-.05(3).
(2) The motor vehicle license plate may be obtained without payment of the ad valorem tax, as outlined in O.C.G.A. Section 48-5-450, by filing with the tax commissioner an affidavit of illegality to the assessment; and filing either 1) a surety bond issued by a State authorized surety company or 2) a bond approved by the clerk of superior court of the county or 3) a cash bond.
(a) The bond shall be in the amount equal to the tax and any penalties and interest which may be found to be due.
(b) The bond shall be made payable to the tax commissioner.
(c) The affidavit and bond are to be transferred by the tax commissioner immediately to the superior court to be tried as affidavits of illegality are tried in tax cases.
(3) As an alternative to filing an affidavit of illegality, any owner requesting apportionment who contests the value assessment of a motor vehicle may appeal such assessed value in the same manner as other ad valorem

tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311.
(a) The time allowed for the filing of a written appeal shall be 45 days from the date of the tax commissioner's initial assessment as reflected on the form PT-95, or from the deadline date for the payment of the tax, whichever date occurs first.
(b) The time allowed for the filing of an appeal shall be 30 days rather than 45 days in those counties providing for the collection and payment of ad valorem taxes in installments.
(c) Upon receipt of an appeal, the tax assessors shall immediately notify the tax commissioner that an appeal has been filed by the taxpayer. If the appeal is filed before the payment of the tax, the tax commissioner shall issue a "temporary ad valorem tax bill" for the collection of the ad valorem tax and all tag fees. The temporary ad valorem tax amount shall be based on 85% of the current year's valuation or the previous year's valuation, whichever is higher. Such temporary tax bill shall be accompanied by a notice to the taxpayer that the bill is temporary pending the outcome of the appeal process and also indicate there may be additional tax or refund due based on the resolution of the appeal.
(d) Once a final determination is made of the value on appeal, any interest due on additional tax or payable on a refund is to be made as provided in O.C.G.A. Section 48-5-311.
(e) Further appeals to the board of equalization and superior court are to be handled as provided in O.C.G.A. Section 48-5-311.

AUTHORITY: O.C.G.A. Secs. 48-5-269, 48-5-450, 48-5-311.
ADMINISTRATIVE HISTORY: Original Rule entitled "Appeals" adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

***560-11-7-.06 Distribution of Alternative Ad Valorem Tax on Apportionable Vehicles***

(1) The commissioner shall annually distribute the alternative ad valorem tax on apportionable vehicles as provided by Code Section 40-2-152 from the separate, segregated fund as soon as is reasonably practicable, subject to the following deadlines:
(a) For distribution year 2015, not later than August 1, 2015;
(b) For distribution years 2016, 2017, 2018, and 2019, no later than April 1 of the calendar year immediately following the calendar year in which such taxes were paid to the commissioner; and
(c) For distribution years 2020 and thereafter, no later than August 1 of the calendar year immediately following the calendar year in which such taxes were paid to the commissioner.

(2) To qualify for the alternative ad valorem tax distribution, each tax jurisdiction shall:
(a) Certify that such jurisdiction is a county, municipality, county school district, or independent school district which levies or causes to be levied for its benefit a property tax on real and tangible personal property; and
(b) Submit to the commissioner a Form PT-38 or its equivalent, along with any other documentation requested by the commissioner, no later than March 31 of each distribution year.

(3) When a qualified tax jurisdiction becomes disqualified for any reason, the commissioner shall distribute the applicable portion of the alternative ad valorem tax proceeds of the disqualified tax jurisdiction among the remaining qualified jurisdictions within the county

AUTHORITY: O.C.G.A. Secs. O.C.G.A. §§ 40-2-11, 40-2-152, 48-2-12. ADMINISTRATIVE HISTORY: Original Rule entitled "Distribution of Alternative Ad Valorem Tax on Apportionable Vehicles" adopted. F. June 26, 2015; eff. July 16, 2015

## Chapter 18 MOTOR VEHICLE TITLE AD VALOREM TAX

### *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) "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.
(i) "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.
(j) "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 charge for a period not to exceed thirty (30) days within a calendar year to any one customer whose motor vehicle is being serviced by such dealer.
(k) "Motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(33).
(l) "New motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(34).
(m) "Month" means a period of thirty (30) consecutive calendar days.
(n) "Owner" shall have the same meaning as provided for in O.C.G.A. § 40-1-1(39).
(o) "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.
(p) "Proceeds" means the combined state ad valorem title tax fee, local ad valorem title tax fee, administrative fee, penalties, and interest.
(q) "Rebuilt title" shall have the same meaning as provided for in O.C.G.A. § 40-3-37.
(r) "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.
(s) "Rental motor vehicle" means a motor vehicle designed to carry ten (10) or fewer passengers and used primarily for the transportation of persons that is rented or leased without a driver.
(t) "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.
(u) "Salvage motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-3-2(11).
(v) "Salvage title" shall have the same meaning as provided for in O.C.G.A. § 40-3-36.

(w) "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.
(x) "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.
(y) "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. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Definitions" approved. F. Jan.4, 2013; eff. Jan. 24, 2013.

***560-11-14-.02 Applicability***.

(1) Except as otherwise provided by O.C.G.A. § 48-5C-1, any motor vehicle purchased or sold in Georgia on or after March 1, 2013 for which a title is issued in this state shall be subject to the state and local title ad valorem tax fee. Such motor vehicle shall be exempt from sales and use tax as provided under O.C.G.A. § 48-8-3 and shall not be subject to the ad valorem tax as otherwise required under Chapter 5 of Title 48.
(a) The date of purchase shall be used to determine whether the vehicle was purchased or sold on or after March 1, 2013 and accordingly whether the state and local title ad valorem tax fee is due as well as the applicable exemptions from sales and use tax under O.C.G.A. § 48-8-3 and ad valorem tax under Chapter 5 of Title 48.
(2) Except as otherwise provided by O.C.G.A. § 48-5C-1, any motor vehicle purchased or sold outside of Georgia with its first use in Georgia occurring on or after March 1, 2013 for which a title is issued in this state shall be subject to the state and local title ad valorem tax fee. Such motor vehicle shall be exempt from sales and use tax as provided under O.C.G.A. § 48-8-3 and shall not be subject to the ad valorem tax as otherwise required under Chapter 5 of Title 48.
(a) The date of purchase shall be used to determine whether the vehicle was purchased or sold on or after March 1, 2013 and accordingly whether the state and local title ad valorem tax fee is due as well as the applicable exemptions from sales and use tax under O.C.G.A. § 48-8-3 and ad valorem tax under Chapter 5 of Title 48.
(3) Any owner of a motor vehicle purchased in Georgia on or after January 1, 2012 and prior to March 1, 2013 for which a title was issued in this state shall be authorized to opt in such motor vehicle to the provisions of O.C.G.A. § 48-5C-1 at any time beginning March 1, 2013 but prior to January 1, 2014 in accordance with regulation 560-11-14-.04.
(a) The date of purchase shall be used to determine whether the vehicle is eligible to opt in.
(4) A leased or rented motor vehicle which is registered in Georgia on or after March 1, 2013 for which a title is issued in this state shall be subject to the state and local title ad valorem tax fee. The sales and use tax exemption under O.C.G.A. § 48-8-3 shall not apply to such motor vehicles. The state and local title ad valorem tax fee shall be paid at or before the time such motor vehicle is registered in this state in order for the registration and issuance of the title to be completed.
(5) Any motor vehicle subject to the state and local title ad valorem tax fee under O.C.G.A. § 48-5C-1 shall continue to be subject to the title, license plate, revalidation decal, and registration requirements and applicable fees as otherwise provided in Title 40 in the same manner as motor vehicles which are not subject to the state and local title ad valorem tax fee under O.C.G.A. § 48-5C-1.
(6) Examples
(a) A person enters into a contract to purchase a motor vehicle from a dealership in Georgiafor which the

date of purchase is January 15, 2013. The dealership submits the application for certificate of title and registers the vehicle on the purchaser's behalf. The certificate of title is issued on February 15, 2013. The motor vehicle is not subject to the state and local title ad valorem tax fee because the date of purchase is not on or after March 1, 2013. This transaction does not qualify for the sales and use tax exemption under O.C.G.A. § 48-8-3 and would be subject to ad valorem tax under Chapter 5 of Title 48 because the date of purchase is not on or after March 1, 2013. Because the date of purchase occurred after January 1, 2012 and prior to March 1, 2013 and a title was issued in this state, the owner is authorized to opt the motor vehicle into the provisions of O.C.G.A. § 48-5C-1 at any time beginning March 1, 2013 but prior to January 1, 2014 in accordance with regulation 560-11-14-.04.

(b) A person enters into a contract to purchase a motor vehicle from a dealership in Georgiafor which the date of purchase is February 28, 2013. The dealership submits the application for certificate of title and registers the vehicle on the purchaser's behalf. The certificate of title is issued on March 15, 2013. The motor vehicle is not subject to the state and local title ad valorem tax fee because the date of purchase is not on or after March 1, 2013. This transaction does not qualify for the sales and use tax exemption under O.C.G.A. § 48-8-3 and would be subject to ad valorem tax under Chapter 5 of Title 48 because the date of purchase is not on or after March 1, 2013. Because the date of purchase occurred after January 1, 2012 and prior to March 1, 2013 and a title was issued in this state, the owner is authorized to opt the motor vehicle into the provisions of O.C.G.A. § 48-5C-1 at any time beginning March 1, 2013 but prior to January 1, 2014 in accordance with regulation 560-11-14-.04.

(c) A person enters into a contract to purchase a motor vehicle from a dealership in Georgiafor which the date of purchase is March 1, 2013. The dealership submits the application for certificate of title and registers the vehicle on the purchaser's behalf. The certificate of title is issued on March 15, 2013. The motor vehicle is subject to the state and local title ad valorem tax fee because the date of purchase occurred on or after March 1, 2013. This transaction qualifies for the sales and use tax exemption under O.C.G.A. § 48-8-3 and would not be subject to ad valorem tax under Chapter 5 of Title 48 because the date of purchase occurred on or after March 1, 2013.

(d) An individual who is a resident of Georgia purchases a motor vehicle from a neighbor in Georgiafor which the date of purchase is February 15, 2013. The individual submits the application for certificate of title and registers the vehicle. The certificate of title is issued on March 1, 2013. The vehicle is not subject to the state and local title ad valorem tax fee because the date of purchase is not on or after March 1, 2013. This transaction would be exempt from sales and use tax as a casual sale pursuant to regulation 560-12-1-.07. This vehicle would be subject to ad valorem tax under Chapter 5 of Title 48 because the date of purchase is not on or after March 1, 2013. Because the date of purchase occurred after January 1, 2012 and prior to March 1, 2013 and a title was issued in this state, the owner is authorized to opt the motor vehicle into the provisions of O.C.G.A. § 48-5C-1 at any time beginning March 1, 2013 but prior to January 1, 2014 in accordance with regulation 560-11-14-.04.

(e) An individual who is a resident of Georgia purchases a motor vehicle from a neighbor in Georgiafor which the date of purchase is March 1, 2013. The individual submits the application for certificate of title and registers the vehicle. The certificate of title is issued on March 15, 2013. The motor vehicle is subject to the state and local title ad valorem tax fee because the date of purchase occurred on or after March 1, 2013. This transaction qualifies for the sales and use tax exemption under O.C.G.A. § 48-8-3 and would not be subject to ad valorem tax under Chapter 5 of Title 48 because the date of purchase occurred on or after March 1, 2013.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.

History : Original Rule entitled "Applicability" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***560-11-14-.03 Rates, Distributions and Collections.***

(1) Rate of State and Local Title Ad Valorem Tax Fee
(a) The rate of the state and local title ad valorem tax fee to be imposed shall be determined by reference to the rate in effect on the date of purchase of the motor vehicle.
(2) Distribution of Proceeds
(a) The allocation and distribution of proceeds shall be determined pursuant to subsection (c) of O.C.G.A. § 48-5C-1.
(b) Prior to the collection and distribution of any proceeds, the county tag agent must have obtained a written certification of agreement from the county governing authorities, municipal governing authorities, the local board of education and any independent school district within such county, for the purpose of determining the appropriate allocation of the proceeds. Such certification shall occur at least annually.
(c) In the event a county tag agent receives proceeds which were due to the county tag agent of a different county, such county tag agent incorrectly receiving such proceeds shall remit said proceeds to the correct county tag agent. If a dispute exists as to which county is due said proceeds, an aggrieved county may seek recourse as provided for in O.C.G.A. § 48-5-17.
(d) The county tag agent shall be authorized to collect proceeds through Electronic Title and Registration and the allocation and distribution of proceeds shall include those proceeds received through Electronic Title and Registration.
(3) Collections
(a) The commissioner and county tag agent shall each take appropriate enforcement actions to ensure the collection of outstanding proceeds as required by O.C.G.A. § 48-5C-1.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Rates, Distributions and Collections" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***560-11-14-.04 Opt-In Election.***

(1) The owner of any motor vehicle purchased in Georgia on or after January 1, 2012 and prior to March 1, 2013, for which a title was issued in this state, shall be authorized to opt in to the provisions of O.C.G.A. 48-5C-1 by filing an affirmative written election to the county tag agent in the county residence of the vehicle owner.
(2) Any such election must be made during the period beginning March 1, 2013 but prior to January 1, 2014, and only upon compliance with the following requirements:
(a) The total amount of state and local title ad valorem tax fees which would be due from March, 1 2013, to December 31, 2013, if such vehicle had been titled in 2013 shall be determined; and
(b) The total amount of state and local sales and use tax and state and local ad valorem tax under Chapter 5 of Title 48 which were due and paid in 2012 for that motor vehicle and, if applicable, the total amount of such taxes which were due and paid for that motor vehicle in 2013 shall be determined; and
(c) If the amount derived under subparagraph (a) is greater than the amount derived under subparagraph (b), the owner shall remit the difference to the tag agent.
(d) If the amount derived under subparagraph (a) is less than the amount derived under subparagraph (b), no additional amount shall be due and payable by the owner and the owner shall not be entitled to a refund of such difference.
(3) To complete the election and receive credit for qualifying sales and use tax and ad valorem tax under

Chapter 5 of Title 48, as described in part (2) of this regulation, the owner shall provide the purchase agreement or bill of sale to the county tag agent along with documentation approved by the commissioner demonstrating that such taxes have been paid.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Opt-In Election" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***560-11-14-.05 Family Inheritance, Devise or Bequest.***

(1) Beginning March 1, 2013, a motor vehicle acquired by an immediate family member upon the death of the owner through inheritance, devise, or bequest shall be subject to this regulation.
(a) 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.
1. 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.
(b) 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.
(2) 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 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. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Family Inheritance, Devise or Bequest" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***560-11-14-.06 Family Transfer.***

(1) Beginning March 1, 2013, a motor vehicle transferred between immediate family members shall be subject to this regulation.
(a) 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.
1. 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.

(b) 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.
(2) 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. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.History : Original Rule entitled "Family Transfer" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***560-11-14-.07 Salvage and Rebuilt Motor Vehicles***.

(1) Any person applying for a salvage title shall be subject to the state title ad valorem tax fee rate as provided by O.C.G.A. § 48-5C-1(b)(2). Such person shall submit the application for a salvage certificate of title together with the state title ad valorem tax fee to the commissioner.
(a) Due to the salvage value of motor vehicles not being captured in the assessment manuals utilized by the department, the commissioner shall designate a standardized valuation for salvage motor vehicles to be used for purposes of the state title ad valorem tax fee. Such valuation shall be considered the fair market value of the motor vehicle.
(2) Any person who acquires a salvage motor vehicle who intends to rebuild such motor vehicle shall make the vehicle available to the commissioner for inspection and shall make application for a rebuilt title to the commissioner. Such person shall be directed to the county tag agent for payment of the state and local title ad valorem tax fee, as applicable.

Authority: O.C.G.A. §§ 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Salvage and Rebuilt Motor Vehicles" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013. Amended: F. Jul. 10, 2013; eff. Jul. 30, 2013.

***560-11-14-.08 International Registration Plan***.

(1) Any person operating a commercial motor vehicle subject to the International Registration Plan who is required to title such commercial motor vehicle in this state shall apply for the certificate of title with the county tag agent at which time such person shall pay the state and local title ad valorem tax fee. Such person shall subsequently submit an application to the commissioner in accordance with the International Registration Plan.
(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).

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.History : Original Rule entitled "International Registration Plan" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***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 six (6) calendar months or fewer, commencing on the date such loaner vehicle istemporarily withdrawn from inventory. Immediately upon the expiration of such six (6) calendar month period, if the dealer does not 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. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.History : Original Rule entitled "Loaner Vehicles and Dealer Inventory" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***560-11-14-.10 Non-Profit Organizations.***

(1) Any motor vehicle which is donated to a non-profit organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, for the purpose of being transferred to another person shall, when titled in the name of such nonprofit organization, be subject to a reduced rate of the state and local title ad valorem tax fee.
(2) The reduced rate under part (1) of this regulation shall be the rate applicable to salvage motor vehicles provided under O.C.G.A. § 48-5C-1(b )(2).
(3) In order to obtain the reduced rate, qualifying non-profit organizations shall provide at the time of application for certificate of title proof of their tax exempt status under Section 501(c )(3) of the Internal Revenue Code and shall certify on a form prescribed by the commissioner that such motor vehicle was donated to such organization for the purpose of being transferred to another person.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.History : Original Rule entitled "Non-Profit Organizations" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***560-11-14-.11 Rental Motor Vehicle Concern Certification.***

(1) Rental motor vehicle concerns shall qualify for a reduced rate of the state and local title ad valorem tax fee as provided by this regulation.
(2) In the case of rental motor vehicles owned by such rental motor vehicle concerns:
(a) The state and local title ad valorem tax fee rate shall be as provided in O.C.G.A. § 48-5C-1(d).
(3) To qualify for the rates as provided in part (2) of this regulation:
(a) In the immediately prior calendar year the rental motor vehicle concern must have had an average amount of sales and use tax attributable to the rental charge of each rental motor vehicle of at least $ 400.
(b) The rental motor vehicle concern must obtain certification by the commissioner as provided by part (4) of this regulation.
(4) Certification Process
(a) The application for certification as a qualified rental motor vehicle concern shall be made on a form prescribed by the commissioner.

(b) The rental motor vehicle concern shall obtain certification on an annual basis in order to continue to qualify for the rates as provided in part (2) of this regulation. Such certification shall be valid as of March 1 and shall continue until the end of February of the subsequent calendar year.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Rental Motor Vehicle Concern Certification" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***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.

(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:

(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 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 transfershall receive the reduced rate of title ad valorem tax applicable to immediate family members.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Exemptions" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013. Amended: F. July 27, 2015; eff. Aug. 16, 2015.

***560-11-14-.13 Penalties and Interest; Waivers; Refunds.***

(1) Any penalties or interest incurred and due shall be paid at the time of application for certificate of title or such application shall be deemed incomplete and rejected by the county tag agent.
(2) Penalties and interest shall be waived in accordance with the following provisions:
(a) Upon written approval by the governing authority of the county in accordance part (2)(b) of this regulation and O.C.G.A. § 48-5-242, 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 state and local ad valorem title tax fees, 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.
(b) The waiver of penalties or interest in accordance with this part 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 of the tax collector or tax commissioner to make the final determinations. Such resolution may establish rules and regulations governing the administration of this regulation and establish guidelines to be followed by the tax collector or tax commissioner when granting such waivers.
(3) Penalties and interest shall be waived by the tax collector or tax commissioner in accordance with O.C.G.A. § 48-2-39 relating to the filing of an application on a Saturday, Sunday or legal holiday.
(4) Refunds
(a) A refund of proceeds shall be made to a taxpayer when such proceeds have been illegally or erroneously assessed.
(b) A refund of proceeds shall be made to a taxpayer when such proceeds have been voluntarily or involuntarily overpaid.
(c) A request for the refunding of proceeds may be made by a taxpayer in accordance with O.C.G.A. § 48-5-380.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.History : Original Rule entitled "Penalties and Interest; Waivers; Refunds" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***560-11-14-.14 Used Car Market Guide.***

The commissioner shall designate a reputable used car market guide for use in determining the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee for which a value is not listed in the current motor vehicle ad valorem assessment manual.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original rule entitled "Used Car Market Guide" approved. F. Jan.4, 2013; eff. Jan. 24, 2013.

***560-11-14-.15 Fraudulent Transfers and False Information.***

(1) There shall be a penalty imposed on any person who, in the determination of the commissioner, falsifies any information in any bill of sale used for purposes of determining fair market value. Such penalty shall not exceed $ 2,500 as a state penalty and $ 2,500 as a local penalty as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.
(2) There shall be a penalty imposed on any person who, in the determination of the commissioner, falsifies any material information in any affidavit required for purposes of title transfers between immediate family members. Such penalty shall not exceed $ 2,500 as a state penalty and $ 2,500 as a local penalty as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.
(3) There shall be a penalty imposed on the transfer of all or any part of the interest in a business entity that includes primarily as an asset of such business entity one or more motor vehicles when, in the determination of the commissioner, such payment is done to evade the payment of state and local title ad valorem tax fees. Such penalty shall not exceed $ 2,500 as a state penalty per motor vehicle and $ 2,500 as a local penalty per motor vehicle as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.
(4) In the event the county tag agent has reason to believe that a violation of this regulation has occurred, or upon request of the commissioner following receipt of information of a possible violation of this regulation, the county tag agent shall provide the commissioner the following items, as applicable: the original or a certified copy of the alleged falsified bill of sale or affidavit, a written statement of the facts of the allegation, and any other supporting evidence relevant to the allegation.
(5) The commissioner shall make a determination and any assessment of penalties within sixty (60) days from the date the commissioner received information that a violation under this regulation may have occurred.

Authority: O.C.G.A. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Fraudulent Transfers and False Information" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

***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 ad valorem title 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.
(2) The motor vehicle license plate may be obtained without payment of the state and local title ad valorem tax fee, as outlined in O.C.G.A. § 48-5-450, by filing with the tax commissioner an affidavit of illegality to the assessment; and filing either 1) a surety bond issued by a state authorized surety company or 2) a bond approved by the clerk of superior court of the county or 3) a cash bond.
(a) The bond shall be in the amount equal to the tax and any penalties and interest which may be found to be due.
(b) The bond shall be made payable to the tax commissioner.
(c) The affidavit and bond are to be transferred by the tax commissioner immediately to the superior court to be tried as affidavits of illegality are tried in tax cases.
(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) Upon receipt of an appeal, the tax assessors shall immediately notify the tax commissioner that an appeal has been filed by the taxpayer. If the appeal is filed before the payment of the state and local title ad valorem tax fee, the tax commissioner shall issue a temporary bill for the collection of the ad valorem tax and all tag fees. The temporary amount shall be based on 85% of the valuation. Such temporary tax bill shall be accompanied by a notice to the taxpayer that the bill is temporary pending the outcome of the appeal process and also indicate there may be additional tax or refund due based on the resolution of the appeal.
(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. Secs. 40-2-12, 40-3-3, 48-2-12, 48-5C-1.
History : Original Rule entitled "Appeals" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

## Chapter 19 MOBILE HOMES

### *560-11-9-.01 Purpose and Scope.*

(1) These regulations have been adopted by the Commissioner pursuant to O.C.G.A. Section 48-2-12 and O.C.G.A. Section 48-5-442 in order to provide specific policies and procedures of the Department applicable to the valuation and collection of ad valorem tax on mobile homes pursuant to Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated.
(2) The procedures prescribed by Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated and these rules and regulations for returning mobile homes for taxation, determining applicable rates for taxation, and collecting the ad valorem tax on mobile homes shall be exclusive of all other property.
(3) These regulations shall become effective January 1, 1998.

Ga. L. 48-2-12, 48-5-440 through 48-5-451, 48-5-490 through 48-5-495.
HISTORY. Original Rule entitled "Purpose and Scope" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

### *560-11-9-.02 Definitions.*

As used in these regulations, the term:
(1) Reserved.
(2) "Mobile home" means a manufactured home or relocatable home as defined in Part 2 of Article 2 of Chapter 2 of Title 8 of the Official Code of Georgia Annotated. Any mobile home which qualifies the taxpayer for a homestead exemption under the laws of this state and any mobile home held in inventory for sale by a dealer engaged in the business of selling mobile homes at wholesale or retail shall not be subject to these regulations.

O.C.G.A. Secs. 8-2-131, 48-2-12, 48-5-440 through 48-5-442, 48-5-444 through 48-5-448, 48-5-450, 48-5-451, 48-5-490 through 48-5-495.
HISTORY. Original Rule entitled "Definitions" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. AMENDED: F. May 3, 2000; eff. May 23, 2000.

### *560-11-9-.03 Return of Mobile Homes.*

(1) Every mobile home owned in this state on January 1 is subject to ad valorem taxation by the various taxing jurisdictions authorized to impose an ad valorem tax on property. Taxes shall be charged against the owner of the mobile home, if known, and, if unknown, against the specific mobile home itself.
(2) On or before April 1 of each year, or at the time of the first sale or transfer before April 1, every owner of a mobile home shall return such mobile home for taxation and pay the taxes due on the mobile home in the county where the mobile home is situated on January 1.
(a) In those instances where a mobile home is primarily used in connection with an established business where there is a reasonable expectation that the mobile home will be moved about in such a manner that it will not be more or less permanently situated in a single county as of January 1, such mobile home shall be returned and the taxes due paid in the county where the business is located.
(b) In those instances where a mobile home has been moved from the county where it was more or less

permanently located on January 1, it shall nevertheless be returned and the taxes paid in such county, however, the owner may submit reasonable evidence of such tax payment to the tax commissioner of the county where the mobile home is now situated and that tax commissioner shall issue a mobile home location permit for such county.
(c) Where there has been a sale or transfer of a mobile home and the new owner seeks a mobile home location permit in a county other than that in which the previous owner was required to return the mobile home and pay the taxes due, the new owner, in the absence of satisfactory evidence obtained from the old owner that taxes have been paid, may request from the tax commissioner of such county a certificate indicating that all taxes outstanding have been paid. Upon receipt of the certificate from the new owner, the tax commissioner of the county where the mobile home is now situated shall issue the required mobile home location permit.
(d) Upon sale of a mobile home by a dealer after January 1, the dealer shall complete and provide to the purchaser Form PT-41. The purchaser shall submit Form PT-41 to the tax commissioner at the time the mobile home location permit is obtained. Upon receipt of Form PT-41, the tax commissioner shall collect any outstanding taxes from prior years that may be unpaid, and shall then issue the required mobile home location permit for the current year without payment of tax. The tax commissioner shall retain one copy of Form PT-41 and distribute a copy to the purchaser, the dealer, the board of tax assessors, and the Motor Vehicle Division.

O.C.G.A Secs. 48-2-12, 48-5-440 through 48-5-448, 48-5-450, 48-5-451, 48-5-490 through 48-5-495.
HISTORY. Original Rule entitled "Return of Mobile Homes" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. AMENDED: F. May 3, 2000; eff. May 23, 2000. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-9-.04 Issuance of Permits; Display of Decals.***

(1) Each year every owner of a mobile home subject to taxation under Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated shall on or before April 1 and at the time of returning such mobile home for taxation, pay all taxes due to the tax commissioner on such mobile home and obtain a mobile home location permit.
(2) The tax commissioner shall not issue such location permit until all outstanding taxes due on the mobile home, including delinquent taxes, interest and penalties, are paid.
(3) The tax commissioner shall give the taxpayer a decal as evidence of the payment of all outstanding taxes and the issuance of a mobile home location permit.
(a) The mobile home decal shall be in the color and form prescribed each year by the Commissioner and shall reflect the county of issuance and the calendar year for which the permit is issued.
(b) The mobile home decal shall be attached to the mobile home of the owner immediately after receiving it from the tax commissioner. The local governing authority may by local ordinance provide for a uniform manner of displaying such decal that facilitates the enforcement of this Regulation. In the absence of such an ordinance, the decal shall be prominently displayed on the mobile home in a manner that makes it clearly visible to appraisal officials that come on the premises to inspect the mobile home.
(4) Any person acquiring a mobile home after January 1 of each year shall obtain from the tax commissioner a mobile home location permit by April 1 or within 45 days of acquisition, whichever occurs later, upon satisfactory evidence that all outstanding taxes due on the mobile home, including delinquent taxes, interest and penalties, if any, have been paid.
(5) Each year every owner of a mobile home situated in this state on January 1 which is not subject to taxation under Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, by virtue of its qualifying

the owner for a homestead exemption or if acquired from a dealer after January 1, shall nevertheless obtain a mobile home decal from the tax commissioner by April 1, or within 45 days of acquisition, whichever occurs later. The decal shall be designed, attached and displayed as provided in this Regulation.

O.C.G.A. Secs. 48-2-12, 48-5-440 through 48-5-442, 48-5-444 through 48-5-448, 48-5-450, 48-5-451, 48-5-490, 48-5-492 through 48-5-495.
HISTORY. Original Rule entitled "Issuance of Permits; Display of Decals" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. AMENDED: F. May 3, 2000; eff. May 23, 2000. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-9-.05 Inspections and Citations.***

(1) It shall be the duty of the county property appraisal staff to annually inspect each mobile home located in the county to determine if the owner is properly displaying the decal evidencing the issuance of a mobile home location permit. The staff may schedule the inspections throughout the year or during any portion of the year as meets their annual work flow management needs.
(2) The property appraisal staff shall notify the owner, if known, or the occupant, if the owner is not known, of each mobile home for which a decal is not properly displayed, of the requirements of O.C.G.A. Section 48-5-492 and these regulations to secure and display such decal. The notice shall also describe the penalty under O.C.G.A. Section 48-5-493 and Regulation 560-11-9-.11 for failure to properly display such decal.
(3) The county governing authority may appoint an agent authorized under O.C.G.A. Section 15-10-63 to issue citations to owners failing to properly display mobile home decals. Such agent may be a member of the board of tax assessors, a member of the appraisal staff or some other designee suitable to the county governing authority. The county governing authority shall notify the county appraisal staff of the name of the authorized agent within 5 days of the agent's appointment.
(4) Within 30 days after the end of each calendar quarter, or more frequently at the property appraisal staff's discretion, the property appraisal staff shall forward to the tax commissioner and the authorized agent, if one has been appointed, a list of mobile homes discovered during the quarter, if any, that are not displaying the required mobile home decal. The list shall contain the information set forth in Regulation 560-11-9-.08(1) to enable these officials to locate and identify each mobile home thereon.
(5) The authorized agent, if one has been appointed, upon receipt of the list set forth in this Regulation, shall issue a citation to the owner of each mobile home for which a mobile home decal is not attached. If the authorized agent is a member of the board of tax assessors or the property appraisal staff, the notice required in Section 2 of this Regulation and the citation required in this Section may be issued to the owner simultaneously.
(6) Within 30 days of the date the citation is issued, but not earlier than 15 days from the date the citation is issued, the county shall impose the appropriate fines upon and prosecute the subject of the citation as provided in O.C.G.A. Section 48-5-493.
(7) Nothing in this Regulation shall prohibit or limit the county authorities from providing other methods for prosecution of an owner failing under O.C.G.A. Section 48-5-492 and these regulations to secure and display a mobile home decal.

O.C.G.A. Secs. 15-10-60 through 15-10-66, 48-2-12, 48-5-263, 48-5-299, 48-5-440 through 48-5-442, 48-5-444 through 48-5-448, 48-5-450, 48-5-451, 48-5-490, 48-5-492 through 48-5-495.
HISTORY. Original Rule entitled "Inspections and Citations" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. AMENDED: F. May 3, 2000; eff. May 23, 2000.

***560-11-9-.06 Transporting Mobile Homes.***

(1) It shall be unlawful for any person to move or transport any mobile home which is required to and which does not have attached and displayed thereon the mobile home decal required by O.C.G.A. Section 48-5-492.
(2) Any person who violates Section 1 of this regulation shall be guilty of a misdemeanor and shall be prosecuted as provided in O.C.G.A. Section 48-5-493.

Ga. L. 48-5-492, 48-5-493.
HISTORY. Original Rule entitled "Transporting Mobile Homes" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

***560-11-9-.07 Valuation Methods.***

(1) Beginning January 1, 1999 and effective for the tax year 1999 and each subsequent tax year, the fair market value of all mobile homes subject to taxation under Article 10 of Chapter 5 of Title 48 shall be determined by the county board of tax assessors in accordance with these regulations. For the tax year 1998, the tax commissioner shall continue to use the procedures as shown in the manual provided by the Commissioner to determine the fair market value of all mobile homes.
(2) The valuation methods employed by the county board of tax assessors shall result in a fair market value, as fair market value is defined in O.C.G.A. Section 48-5-2, of each mobile home as of January 1 of the tax year for which the digest is being prepared.
(3) The county board of tax assessors may use any combination of the following when arriving at the value for each mobile home, however, the approach used may not differ substantially from that employed to arrive at the value for a mobile home subject to tax under Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated. For any valuation guides that may be used, the board shall select those most likely to reflect the value of each mobile home as of January 1 and make any further adjustments deemed necessary to arrive at a January 1 valuation.
(a) The appropriate periodic edition of the National Automobile Dealers Association's Manufactured Housing Appraisal Guide;
(b) The appropriate periodic edition of the Marshall & Swift Residential Valuation System; and
(c) Any other valuation model using commonly accepted appraisal techniques including, but not limited to, quality classes, unit cost, observed obsolescence and value tables for structural additions.
(4) Each mobile home shall be assessed at 40 percent of the fair market value determined in accordance with this Regulation.
(5) Reserved.

O.C.G.A. Secs. 48-2-12, 48-5-2, 48-5-7, 48-5-440 through 48-5-448, 48-5-450, 48-5-451, 48-5-490 through 48-5-495.HISTORY. Original Rule entitled "Valuation Methods" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. AMENDED: F. May 3, 2000; eff. May 23, 2000.

***560-11-9-.08 Mobile Home Digest.***

(1) On the tenth day of each month, a county's tax commissioner shall report to the board of tax assessors a list of all mobile homes for which during the preceding month:
(a) Location permits were issued, and
(b) Returns for taxation were sent.
(2) The monthly reporting requirement may be changed by a signed written agreement between the tax commissioner and the board of tax assessors, but shall not be sent less than once per calendar year or later than December 1st.
(a) The list sent by the county's tax commissioner shall contain the following information regarding each mobile home:
(1) Manufacturer, model, and year;
(2) Serial number;
(3) Size;
(4) Owner's name and address;
(5) Map and parcel number (if a map and parcel number has previously been assigned by the board of tax assessors);
(6) The mobile home's physical location, street address, lot number, and park name (if applicable and known);
(7) Tax district; and
(8) Assessment (if set by the board of tax assessors).
(3) On or before January 5[th] of each year, and before the county's digest is submitted to the tax commissioner, a county's board of tax assessors shall meet to receive and inspect the tax returns and location permits for the county's mobile homes that have been reported to the tax commissioner during the preceding twelve months.
(a) If any mobile homes have not been reported or returned to the tax commissioner by January 5[th] of each year, then the county board of tax assessors shall have the authority to add those mobile homes to the county's digest.
(4) For each mobile home listed in a county's digest, the county's board of tax assessors shall develop a valuation which, in the board's judgment, best represents the fair market value that the mobile home will have as of January 1 of the tax year for which the digest is being prepared.
(a) This valuation shall include any improvements to the mobile home and shall reflect any changes to the value of the mobile home resulting from market changes or physical depreciation as of January 1 of the tax year for which the digest is being prepared.
(5) On or before January 5[th] of each year, a county's board of tax assessors shall return to the tax commissioner the mobile home digest with the proposed assessments.
(6) The total assessed value of the mobile home digest shall be added to the county's consolidated summary at the time the county's official digest is transmitted to the Revenue Commissioner, or at such other time as the digest is required to be compiled.
(a) The assessed value on the mobile home digest shall be used by the tax commissioner for the purpose of calculating tax bills.
(7) Effective January 1, 1999, when a mobile home is returned for taxation after the mobile home digest has been delivered by the board of tax assessors to the county's tax commissioner, the county's tax commissioner shall, within 10 days of receipt of the return, forward it to the county's board of tax assessors. Within 10 days of receiving the return, the county's board of tax assessors shall assess the mobile home's fair market value and notify the county's tax commissioner of the assessment.
(a) The tax commissioner shall then bill the owner pursuant to Regulation 560-11-9-.10.
(b) The owner of the mobile home shall be afforded an opportunity to appeal and receive a temporary bill

pursuant to Regulation 560-11-9-.09.
(c) Such returns shall be designated "Not On Digest" by the tax commissioner and accounted for as such in their official accounts.

Authority O.C.G.A. Secs. 48-5-311, 48-5-442, 48-5-448, 48-5-450.
History. Original Rule entitled "Mobile Home Digest" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. Amended:F. May 9, 2011; eff. May 29, 2011.

***560-11-9-.09 Appeals.***

(1) A mobile home owner who disagrees with the county board of tax assessor's assessment of their mobile home(s) on the ad valorem property tax bill may challenge such assessment by either electing to:
(a) Appeal the assessed value of the mobile home in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section 48-5-311 as follows:
1. Filing a notice of appeal with the county's board of tax assessors within 45 days of date printed on the ad valorem property tax bill, or by April 1st, whichever occurs later.
2. After an appeal has been filed, the county's board of tax assessors shall notify the county's tax commissioner within 10 days of said appeal. A temporary tax bill, like those in O.C.G.A. § 48-5-311 (E)(6)(d)(iii)(I), shall be issued for every mobile home which is on appeal. A mobile home owner shall pay their temporary tax bill by April 1, if the appeal is not yet resolved, or upon receipt, if temporary tax bill is issued after April 1. Upon payment of temporary tax bill, the county's tax commissioner shall issue a mobile home location permit. Nothing in this Regulation shall prevent the county's tax commissioner from assessing penalties and interest against a mobile home owner who receives a temporary tax bill after April 1 because said owner failed to return their mobile home by April 1.
3. Once there is a determination regarding the appeal, the county's board of tax assessors shall, within 10 days, notify the county's tax commissioner of the final assessment established by such appeal. If necessary, the county's tax commissioner shall then, within 10 days, bill the taxpayer for any additional ad valorem property taxes due or issue a refund, if there has been an overpayment of taxes.
(b) Secure a location permit for the year in question by filing with the county's tax commissioner an affidavit of illegality and by filing either 1) a surety bond issued by a State authorized surety company or 2) a bond approved by the clerk of superior court of the county or 3) a cash bond, pursuant to O.C.G.A. Section 48-5-450.
(2) If the owner of a mobile home, subsequent to paying the tax without having filed an appeal or affidavit of illegality, believes that the tax has been illegally or erroneously assessed and collected, then the owner may file with the county governing authority a request for a refund. Such request may be filed within three years of the date of payment of the tax under the provisions of O.C.G.A. § 48-5-380.
(a) Only errors of fact or law which have resulted in erroneous or illegal taxation shall be considered. A mobile home owner's claim based on mere dissatisfaction with an assessment shall not constitute that the assessment was erroneous or illegal within the meaning of O.C.G.A. § 48-5-380.

Authority O.C.G.A. Secs.48-5-311, 48-5-380, 48-5-442, 48-5-450.
History. Original Rule entitled "Appeals" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. Amended: F. May 9, 2011; eff. May 29, 2011. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-9-.10 Collection of Tax.***

(1) It shall be the duty of the tax commissioner to issue tax bills using form PT-40 to each owner of a mobile home appearing on the mobile home digest on or after January 1 of each calendar year, but not later than February 1.
(2) Reserved.
(3) Ad valorem taxes imposed on mobile homes shall be based on the assessments as determined from the procedures shown in the manual provided by the Commissioner for the tax year 1998 and as determined by the board of tax assessors pursuant to Regulation 560-11-9-.07 for tax year 1999 and thereafter, and the mill rate levied by the taxing authority on tangible property for the previous calendar year.
(4) The tax commissioner shall collect all ad valorem taxes imposed on mobile homes irrespective of the tax authority levying the taxes. No other official shall be authorized to collect such taxes.
(5) The tax commissioner collecting the ad valorem taxes on mobile homes shall remit to the tax authority imposing the tax such sums as have been collected, less the commissions, on or before the fifteenth day of the month following the month of collection, or on a more frequent basis at the tax commissioner's election.
(6) The tax commissioner shall withhold from each taxing authority commissions on all net ad valorem tax collections made for the jurisdiction on mobile homes during any calendar year. Such commissions shall be withheld as prescribed in O.C.G.A. Section 48-5-447 and, along with any fees collected, shall be retained by the tax commissioner or disposed of in accordance with those general laws and local Acts specifically providing for the disposition of such fees and commissions.

O.C.G.A. Secs. 48-2-12, 48-5-440 through 48-5-448, 48-5-450, 48-5-451, 48-5-490, 48-5-492 through 48-5-495.HISTORY. Original Rule entitled "Collection of Tax" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. AMENDED: F. May 3, 2000; eff. May 23, 2000.

***560-11-9-.11 Penalties.***

(1) Every owner of a mobile home subject to these regulations, in addition to the ad valorem tax due on the mobile home, shall be liable for a penalty of 10 percent of the tax due or $ 5, whichever is greater, for their failure to make the return or pay the tax by April 1 of each year.
(2) Reserved.
(3) Every owner of a mobile home located in a county on January 1 and subject to these regulations, in addition to the ad valorem tax due on the mobile home, if applicable, and the penalty, if applicable, for failure to make the return or pay the tax by April 1 of each year, shall be guilty of a misdemeanor if they fail to secure, attach and display on a mobile home the decal that is required by Regulation 560-11-9-.04. Upon conviction thereof, the owner shall be punished by a fine of not less than $ 100.00 nor more than $ 300.00, except that upon receipt of proof of purchase of a decal prior to the date of the issuance of a summons, the fine shall be $ 50.00 provided, however that in the event such person owns more than one mobile home in an individual mobile home park, the maximum fine under this paragraph for such person with respect to such mobile home park shall not exceed $1,000.00. The county governing authority may, by local ordinance, provide for penalties for owners who locate a mobile home in the county after January 1 and fail to secure, attach and display on a mobile home the decal that is required by Regulation 560-11-9-.04.
(4) Any person who moves or transports a mobile home which is required to and which does not have attached and displayed thereon the decal required by Regulation 560-11-9-.04 shall be guilty of a misdemeanor and shall be punished by a fine of not less than $ 200.00 nor more than $ 1,000.00 or by imprisonment for not more than 12 months, or both.

(5) The tax commissioner may issue executions for nonpayment of mobile home taxes in the manner prescribed in Georgia Code Section 48-3-3. The collection of such executions shall follow the procedures prescribed in Chapter 3 of Title 48 of the Official Code of Georgia Annotated. Such executions shall bear interest at the rate prescribed by Georgia Code Section 48-2-40 once issued.

O.C.G.A. Secs. 48-2-12, 48-2-40, 48-3-3, 48-5-440 through 48-5-442, 48-5-444 through 48-5-448, 48-5-450, 48-5-451, 48-5-490, 48-5-492 through 48-5-495.

HISTORY. Original Rule entitled "Penalties" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997. AMENDED: F. May 3, 2000; eff. May 23, 2000. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-9-.12 Notice of Right to Appeal Mobile Home Valuation.***

Any proposed assessment or ad valorem property tax bill sent to an owner of a mobile home(s), by a county's board of tax assessor, shall contain the following sentence in bold:
"If you feel that your mobile home's value is too high for ad valorem taxation purposes, you should file an appeal or tax return with County Board of Tax Assessors for an opportunity to have your mobile home's value reduced."

Authority O.C.G.A. Sec. 48-5-311.History. Original Rule entitled "Notice of Right to Appeal Mobile Home Valuation" adopted. F. May 9, 2011; eff. May 29, 2011.

## Chapter 20 PROPERTY TAX CREDIT

### *560-11-2-.37 Property Tax Credit -- Ad Valorem Tax Bills*. *Amended.*

Beginning with the tax year 1975, each county tax commissioner or collector shall prepare and furnish to each taxpayer owing State, County or County School taxes a tax bill showing the total amount of such taxes levied for the current tax year, the dollar amount of property tax credit computed for the taxpayer, the net amount of such taxes due by the taxpayer for the current year, the amount of the total property tax relief grant authorized to the county not credited to taxpayers under the terms of the Act of the General Assembly, a statement that the tax credit is a result of the passage of the Act of the General Assembly, and a statement of the taxpayer claiming his entitlement to the credit and certifying that all credits claimed do not exceed $ 1,000. Appropriate standard tax bill forms shall be furnished by the State Revenue Commissioner. Provided, however, that any county tax commissioner or collector desiring to prepare and furnish tax bill forms other than the standard form furnished by the State Revenue Commissioner is hereby authorized to do so provided the form actually used reflects the information required herein, including the taxpayer certification form, and provided the tax commissioner or collector receives prior written approval from the State Revenue Commissioner before such forms are used. In those instances where county property taxes are authorized by law to be paid to the tax collector or commissioner in installment payments, the property tax relief provided for herein shall be calculated and shown as a credit against the last installment of county property taxes owed for the current year. In those instances where the county property taxes are paid to the county tax collector or commissioner by a mortgagee (lender) for its borrowers, the mortgagee (lender) may make the required certification to the tax collector or commissioner on behalf of its borrowers at the time the taxes are paid for the current tax year. Such certifications made by mortgagees (lenders) shall be in a form acceptable to the tax collector or tax commissioner. Provided, however, that under the terms of the Act granting such credits and under the terms of this Regulation, the responsibility of the mortgagee who pays taxes on behalf of its borrowers extends only to making the certification on behalf of its borrowers at the time the taxes are paid as required herein, and the responsibility for the correctness of such certification on behalf of individual taxpayers rests with the taxpayers.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Act No. 610, 1975 Session of General Assembly.
ADMINISTRATIVE HISTORY: Original Rule was filed on May 17, 1973; effective June 6, 1973. AMENDED: Filed June 11, 1975; effective July 1, 1975.

### *560-11-2-.38 Property Tax Credit -- Calculation*. *Amended.*

(1) Each year, on or before June 1, the State Revenue Commissioner shall furnish to the governing authority of each county and to the tax commissioner or collector of each county, from information certified to him by the several county tax receivers and tax commissioners, the total amount of property tax relief funds allocated to that particular county for the current tax year as authorized by Act of the General Assembly, and that portion of such total amount of property tax relief funds, allocated to that particular county for the current tax year, to be used for homestead credit purposes as authorized by Act of the General Assembly.
(2) Once the county tax digest has been compiled for the current year as required by law, the governing authority of each county shall determine the appropriate tax rate to be levied for county general operations as is normally done.

(3) Once the county tax digest has been approved by the State Revenue Commissioner for the current year as required by law, the county tax collector or tax commissioner shall calculate the appropriate tax credits as follows:

(a) Determine the amount of property tax credit authorized against county ad valorem property taxes for each "homestead" tangible property located within the county, which credit shall equal an amount computed by dividing the grant authorized for homestead purposes for the county by the number of homesteads in the county for the current year; provided, however, that no credit authorized as homestead relief shall exceed one-half of the credit recipient's county government maintenance and operation tax liability.

(b) Determine the total amount of property tax relief credited against county ad valorem maintenance and operation taxes for all "homestead" property within the county.

(c) The amount of property tax relief authorized for homestead purposes for the county in excess of the amount calculated in accordance with subparagraphs (a) and (b) of subsection (3) of this Section shall be used as a pro rata property tax credit against the ad valorem county maintenance and operation property taxes on all tangible property subject to taxation in the county for the current tax year, except motor vehicles and trailers, and except that property required by law to be returned to the State Revenue Commissioner.

(d) The county-wide pro rata property tax credit shall be calculated as a percentage of county government maintenance and operation taxes levied, which percentage shall be computed by dividing the total amount of property tax relief funds available for distribution to the county after deducting the total amount of property tax relief granted by the "homestead" property tax credits under subparagraphs (a) and (b) of subsection (3) of this Section by the total taxes levied against tangible property authorized to receive credit for general county purposes after the "homestead" property tax credits have been deducted. The percentage thus derived shall be applied against the total county maintenance and operation taxes levied for each property for general county tax purposes after deduction for any "homestead" property tax credit, if any, to which the taxpayer may be entitled; provided, however, that no credit claimed in any county, or combination of credits claimed in all counties wherein the taxpayer owns property, shall exceed the lesser of $ 1,000 or the credit recipient's total tax liability for county government ad valorem maintenance and operation property taxes; further provided, that where a taxpayer cannot claim entitlement to any or all of the credit calculated for a particular county because of the total credit maximum state wide, the taxpayer shall certify to the tax collector or commissioner in a form acceptable to the tax collector or commissioner in that county the amount of the credit, if any, to which he is entitled.

(e) Determine the total amount of property tax relief credited pro rata against county government ad valorem maintenance and operation taxes within the county.

(f) All property tax credits authorized shall be calculated based upon the tax digest for the current tax year approved by the State Revenue Commissioner as required by law. Any property not returned for taxation as required by law which is assessed by the board of tax assessors after the digest for the current year has been approved by the State Revenue Commissioner shall not be entitled to such property tax credits for the current year. Provided, however, that when the assessment of any property is under appeal at the time the digest is approved by the Commissioner and the assessment is not yet finalized for the current year, that property shall be considered by the county at the value assessed by the board of tax assessors when making the property tax relief calculations required by law and in accordance with this Regulation. If the final determination of the assessed value of such property results in an assessment higher than that of the board of tax assessors, the additional property tax credits shall be granted to the taxpayer. If the final determination of the assessed value of such property results in an assessment lower than that of the board of tax assessors, the excess property tax credits calculated for said property shall become county funds and shall be retained by the governing authority of the county.

(g) All property tax credits authorized but not distributed due to erroneous or duplicate assessments or other

errors whereby assessments are subsequently removed from the digest approved by the State Revenue Commissioner for the current year shall become county funds and shall be retained by the governing authority of the county, and any excess of the total grant authorized but not utilized after complete compliance with the terms of the Act shall become county funds and shall be retained by the governing authority of the county.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Act No. 610, 1975 Session of General Assembly.
ADMINISTRATIVE HISTORY: Original Rule was filed on May 17, 1973; effective June 6, 1973. AMENDED: Filed June 11, 1975; effective July 1, 1975.

***560-11-2-.39 Property Tax Credit -- Reports****. Amended.*

(1) Beginning with the tax year 1975, the governing authority of each county shall, prior to the time the tax bills for the current year are furnished to the taxpayers of the county, certify to the State Revenue Commissioner on a form to be furnished by the State Revenue Commissioner the total amount of property tax relief credited against county ad valorem property taxes for all "homestead" property located within the county calculated in accordance with subsections 3(a) and (b) of Regulation No. 560-11-2-.38, the total amount of pro rata property tax relief credited against ad valorem county property taxes on all tangible property, except motor vehicles and trailers, and except property required by law to be returned to the State Revenue Commissioner, located within the county calculated in accordance with subsection (3) (d) of Regulation No. 560-11-2-.38, the amount of the total grant authorized to the county not credited under the terms of the Act of the General Assembly and that the calculations of the individual taxpayers' tax relief credits against county government maintenance and operation taxes have been made in strict compliance with the provisions of the Act and the Regulations adopted pursuant thereto.
(2) The State Revenue Commissioner shall not authorize the appropriate State fiscal officer to disperse property tax relief grant funds authorized by Act of the General Assembly to any county until the certification required in Subsection (1) of this Section has been received and approved.

AUTHORITY: Ga. L. 1937-38, Extra Sess., p. 77, et seq., as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Act No. 610, 1975 Session of General Assembly.
ADMINISTRATIVE HISTORY: Original Rule was filed on May 17, 1973; effective June 6, 1973. AMENDED: Filed June 11, 1975; effective July 1, 1975.

***560-11-2-.57 Homeowner Tax Relief Grants****.*

(1) For the purposes of implementing Chapter 89 of Title 36 of the Official Code of Georgia Annotated and this Rule, the following terms are defined to mean:
(a) "Applicable rollbacks" means a rollback of an ad valorem tax millage rate pursuant to O.C.G.A. § 48-8-91(a) in a county or municipality that levies a local option sales tax, a rollback of an ad valorem tax millage rate pursuant to O.C.G.A. § 36-70-24, a subtraction from an ad valorem millage rate pursuant to O.C.G.A. § 20-2-334 in a local school system that receives a state school tax credit, and a reduction of an ad valorem tax millage rate pursuant to O.C.G.A. § 33-8-8.3(a)(2) in a county that collects insurance premium tax.
(b) "Constitutional homestead exemption" means all statewide homestead exemptions and all local homestead exemptions that are authorized in or pursuant to the Constitution of the State of Georgia.
(c) "County millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks,

levied by a county for county maintenance and operations purposes and applying to a qualified homestead, but shall not include any ad valorem tax millage rate levied for purposes of bonded indebtedness or any ad valorem tax millage rate levied within a special tax district that was not created or reported on the 2004 ad valorem tax digest certified to and received by the State Revenue Commissioner on or before December 31, 2004.

(d) "Current year's tax digest" means the roll of tangible properties within a county, including the qualified homesteads, that are made subject to ad valorem taxation during the calendar year that ends within the fiscal year for which the General Assembly appropriates a homeowner tax relief grant.

(e) "Eligible assessed value" means the amount of the assessed value of a qualified homestead that the General Assembly may fix in the General Appropriations Act to serve as the basis for determining the portion of the homeowner tax relief grant that is due each owner of a qualified homestead appearing on each county's current year's tax digest.

(f) "Homeowner tax relief credit" means the amount applied to reduce the otherwise applicable tax liability on a qualified homestead on a dollar-for-dollar basis, but shall not in any case exceed the amount of the otherwise applicable tax liability on a qualified homestead after the granting of all applicable constitutional homestead exemptions and millage rollbacks.

(g) "Local billing authority" means the county tax commissioner when the taxes that are eligible for the homeowner tax relief credit are collected by such tax commissioner. Local billing authority means the municipal fiscal authority when the taxes that are eligible for the homeowner tax relief credit are collected by such municipal fiscal authority.

(h) "Maximum eligible credit" means the homeowner tax relief credit amount that results when the eligible assessed value of a qualified homestead is multiplied times the applicable state, county, and school millage rates.

(i) "Municipal fiscal authority" means the person authorized to collect taxes for a local independent school system. This would be the county tax commissioner in a county that has contracted with a local independent school system to collect taxes, otherwise it is a person authorized by a local independent school system to collect taxes on behalf of such system.

(j) "Municipal millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by a municipality for maintenance and operations purposes and applying to a qualified homestead, but shall not include any ad valorem tax millage rate levied for purposes of bonded indebtedness or any ad valorem tax millage rate levied within a special tax district that was not created or reported on the 2004 ad valorem tax digest certified to and received by the State Revenue Commissioner on or before December 31, 2004.

(k) "Prior year's tax digest" means the roll of tangible properties within a county, including the qualified homesteads, that were made subject to ad valorem taxation during any calendar year that precedes the calendar year to which the current year's tax digest applies.

(l) "Qualified homestead" means a homestead qualified for the state $ 2,000 homestead exemption authorized in O.C.G.A. § 48-5-44, and actually receiving such exemption or any other increased state homestead exemption authorized in Part 1 of Article 2 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated.

(m) "School millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by or on behalf of a local school system for school maintenance and operations purposes and applying to a qualified homestead. School millage rate shall not include any ad valorem tax millage rate levied for purposes of bonded indebtedness or, in the case of local independent school systems, the school millage rate shall not include any millage rate levied by the municipality for purposes other than the maintenance and operation of such independent school system.

(n) "State millage rate" means the ad valorem tax millage rate levied annually by the Governor with the assistance of the State Revenue Commissioner pursuant to O.C.G.A. § 48-5-8.

(2) In each year that the General Assembly provides for homeowner tax relief grants, the local billing authority shall determine the individual homeowner tax relief credit to appear on each tax bill they prepare for a qualified homestead. The total amount of credit to be allowed each such taxpayer shall be determined as follows:
(a) The maximum state homeowner tax relief credit shall be determined by multiplying the eligible assessed value of the qualified homestead by the state millage rate.
(b) The state tax liability shall be determined by multiplying the net assessed value after deducting all constitutional homestead exemptions by the state millage rate.
(c) The state homeowner tax relief credit shall be the lower of the maximum state homeowner tax relief credit or the state tax liability computed in subparagraphs (a) and (b) of this paragraph.
(d) The county homeowner tax relief credit shall be determined by repeating subparagraphs (a) and (b) of this paragraph substituting the county millage rate for the state millage rate and then selecting the lower of the maximum county homeowner tax relief credit or the county tax liability.
(e) The school homeowner tax relief credit shall be determined by repeating subparagraphs (a) and (b) of this paragraph substituting the school millage rate for the state millage rate and then selecting the lower of the maximum school homeowner tax relief credit or the school tax liability.
(f) The total homeowner tax relief credit shall be determined by adding together the state, county, and school homeowner tax relief credits as determined in subparagraphs (c), (d) and (e) of this paragraph.
(g) The municipal homeowner tax relief credit shall be determined by repeating subparagraphs (a) and (b) of this paragraph substituting the municipal millage rate for the state millage rate and then selecting the lower of the maximum municipal homeowner tax relief credit or the municipal tax liability.
(h) The credit allowed the taxpayer may be reduced to 85 percent of the amount that would ordinarily be due if the property is still under appeal at the time the bills are computed. When the appeal is resolved, the taxpayer's credit shall be adjusted accordingly.
(3)(a) For any owner of a qualified homestead who would, absent the homeowner tax relief credit, have an ad valorem tax liability on such homestead, the local billing authority or municipal fiscal authority shall be required to prepare and furnish a tax bill in accordance with the provisions of this subparagraph. Such bill shall be prepared even if there is no remaining tax liability after the credit has been applied. Such tax bill shall include the following information:
1. The total amount of homeowner tax relief credit, labeled "HTRG Credit" on the bill; and
2. A prominent notice in substantially the following form:
"The HTRG Credit' reduction shown on your bill is the result of homeowner tax relief enacted by the Governor and the General Assembly of the State of Georgia."
(b) Any homeowner tax relief credit allowed a taxpayer shall be shown on the digest extension where the net tax due is shown.
(4)(a) Immediately following the actual preparation of ad valorem property tax bill amounts the tax commissioner shall provide to, if not previously provided to, the State Revenue Commissioner a copy of the digest in a computer readable format acceptable to the State Revenue Commissioner. Such copy shall contain either the following information, or information acceptable to the Commissioner from which the following information may be determined for each qualified homestead:
1. The name of the owner(s);
2. The parcel identification number;
3. The tax district where such qualified homestead is located;
4. The code for each property class and stratum as such class and stratum are defined in Rule 560-11-2-.21, 40 percent value and, where applicable, acres for each property class;
5. The separate homestead codes and 40 percent values for state, county and school maintenance and operations purposes;
6. The separate amounts of state, county and school tax liability before the homeowner tax relief credit; and

7. The separate amounts of state, county and school homeowner tax relief credit allowed the taxpayer.
(b) The local billing authority shall also certify to the Commissioner on forms provided by the Department the following information:
1. The total number of qualified homesteads;
2. The county millage rate and school millage rate;
3. The total amount of homeowner tax relief credits actually allowed on the tax bills for the current tax year; and
4. The net amount of homeowner tax relief credits allowed taxpayers for any prior year's tax digest, when such credits have not been previously certified. Such net amount shall be determined by deducting any homeowner tax relief credits determined to have been illegally or erroneously allowed taxpayers from any homeowner tax relief credits determined to have been illegally or erroneously denied taxpayers. Such net amount shall be accompanied by an itemized listing containing the information required in subparagraph (a) of this paragraph along with a brief explanation of the basis for each adjustment.
(c) For those counties providing for the collection and payment of taxes in installments, the certification required in this paragraph shall be made immediately following the preparation of ad valorem tax bills for each installment. If only one bill is prepared showing the several installments, then such certification shall be made immediately following the preparation of such bill.
(d) For those counties issuing ad valorem tax bills under temporary collections pursuant to O.C.G.A. § 48-5-310, the certification required in this paragraph shall be made immediately following the preparation of ad valorem tax bills for the temporary billing. The final certification shall be made immediately following the preparation of ad valorem tax bills for the final billing.
(e) For the purposes of this paragraph, the actual preparation of the tax bill amounts means those steps and calculations necessary for the local billing authority to definitively determine the amount of homeowner tax relief credit due each qualified homestead and the total of such credits. The bills are not required to be actually printed or mailed before the certification required by this paragraph may be made to the Commissioner.
(5) Within 60 days of receipt of the certification required by paragraph (4)(b) of this Rule, the State Revenue Commissioner shall remit to the local billing authority the homeowner tax relief grants for the state, county and school system based on the amounts certified in subparagraph (4)(b)3. and subparagraph (4)(b)4. of this Rule, unless during that time the State Revenue Commissioner determines the certification to be in error. In such an event, the State Revenue Commissioner shall require the local billing authority to provide a corrected certification and the time allowed for the State Revenue Commissioner to make the remittance shall begin anew.
(6) The local billing authority shall distribute, after deducting appropriate commissions, the homeowner tax relief grants to the state, county, school system, and municipality as if such grants represented ad valorem taxes collected directly from the taxpayers.
(7)(a) The local billing authority shall recover any credit that is erroneously or illegally granted in the same manner as other delinquent ad valorem taxes are collected. The local billing authority shall maintain a separate ledger or bank account entitled "Homeowner Tax Relief Credit Adjustments Account" to account for any homeowner tax relief credits that have been determined to have been illegally or erroneously granted and that have been withheld or recovered from taxpayers.
(b) The local billing authority shall allow a taxpayer a homeowner tax relief credit when it is determined that such credit has been illegally or erroneously denied such taxpayer on the current year's tax digest. The local billing authority shall be further authorized, to the extent there are funds available in the Homeowner Tax Relief Credit Adjustments Account, to distribute such allowed credits in accordance with paragraph (6) of this Rule. When there are insufficient funds available in such account to distribute such allowed credits, the local billing authority shall not be required to distribute such credits in accordance with paragraph (6) of this Rule until such time as additional homeowner tax relief grants for this specific purpose are appropriated by the

General Assembly and distributed by the State Revenue Commissioner to the local billing authority.
(c) Any balance in the Homeowner Tax Relief Credit Adjustments Account shall be certified by the local billing authority in accordance with subparagraph (4)(b)4. of this Rule, and shall be deducted by the State Revenue Commissioner from the current year's homeowner tax relief grant distribution made in accordance with paragraph (5) of this Rule. The local billing authority shall then transfer such balance to his or her regular tax collection accounts to be added to the balance of the current year's homeowner tax relief grants, when received from the State Revenue Commissioner, and distributed in accordance with paragraph (6) of this Rule.

Authority O.C.G.A. Secs. 20-2-334, 33-8-8.3, 36-89-1 to 36-89-6, 48-2-12, 48-5-8, 48-5-44, 48-5-310, 48-8-91, 48-8- 104.
History. Original Rule entitled "Homeowner Tax Relief Grants" was adopted as ER. 560-11-2-0.13-.57.F. May 27, 1999; eff. May 25, 1999, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter is adopted, as specified by the Agency. Amended: Permanent Rule of same title adopted. F. Aug. 24, 1999; eff. Sept. 13, 1999. Amended: F. Dec. 30, 2006; eff. Jan. 9, 2007.

## Chapter 21 HOMESTEAD EXEMPTION

### *560-11-2-.48 School Tax Homestead Exemption--Application.*

(1) In order for a taxpayer to be a "qualified individual" for the School Tax Homestead Exemption under O.C.G.A. § 48-5-52, such taxpayer shall:
(a) Be an "Applicant" as defined by O.C.G.A. § 48-5-40(1);
(b) Have timely filed an application and affidavit with:
1. In the case of residents of county school districts, the county tax receiver or tax commissioner; or
2. In the case of residents of independent school districts, the governing authority; and
(d) Be sixty-two (62) years of age or older as of January 1 of the year in which the application and affidavit is filed; and
(e) Not have a net income exceeding $ 10,000 for the immediately preceding taxable year for income tax purposes.
(2) "Homestead" shall have the meaning as provided for in O.C.G.A. § 48-5-40.
(3) The governing authority of each municipality, where there is an independent school district, shall designate, in writing, an official who will receive taxpayer applications and affidavits for the School Tax Homestead Exemption within that municipality. The named official shall receive all such applications unless the municipality's governing authority designates, in writing, another official to receive said applications and affidavits.
(a) Each municipality shall immediately transmit a copy of its written designation to the Director of Local Government Services.
(4) In order for a county or municipal tax official to make a determination of eligibility, an application and affidavit shall include, but not be limited to, the following information:
(a) The age of applicant on January 1 of the year in which the application and affidavit is filed.
(b) The income of the applicant including the income of the spouse, if applicable, who also occupies the homestead.

Authority Ga. L. 1937-38, Extra Sess., pp. 77, et Seq., as amended; Ga. Code Ann. 48-5-40, 48-5-52, 92-8405, 92-8406, 92-8409, 92-8457; Ga. L. 1974, pp. 183 et seq. Administrative
History. Original Rule was filed on January 15, 1975; effective February 4, 1975. Amended: F. May 9, 2011; eff. May 29, 2011.

### *560-11-2-.49 School Tax Homestead Exemption -- Qualifications.*

(1) The applicant must be 62 years of age or older on or before January 1 of the year for which the exemption is claimed.
(2) The applicant's total gross income from all sources, including the gross income from all sources of all members of the family residing within the homestead, for the immediately preceding calendar year shall not exceed $ 6,000.
(a) For the purposes of this exemption, the term "gross income from all sources" shall mean and include all income from wherever and whatever source derived, including (but not limited to) the following items:
1. compensation for services, including fees, commissions, and similar items;
2. gross income derived from business;
3. gains derived from dealings in property;
4. interest;

5. rents;
6. royalties;
7. dividends;
8. alimony and separate maintenance payments;
9. income from life insurance and endowment contracts;
10. annuities;
11. pensions;
12. income from discharge of indebtedness;
13. distributive share of partnership gross income;
14. income from an interest in an estate or trust;
15. Federal old-age, survivor, or disability benefits.
(b) Income for all members of the family residing within the homestead shall be measured using the same definitions as used to measure claimant's income.
(c) For the purposes of this exemption, the term "all members of the family" shall mean and include all persons related, in any degree, to the claimant by blood, marriage, or otherwise by law (e.g. adoption).

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1974, pp. 183, et seq.
ADMINISTRATIVE HISTORY: Original Rule was filed on January 15, 1975; effective February 4, 1975.

***560-11-2-.50 School Tax Homestead Exemption -- Failure to File.***

Failure to make proper application for the school tax homestead exemption within the time provided shall constitute a waiver of the exemption for that tax year. Provided, however, that said taxpayer who fails to make proper application within the time provided or whose application is denied for any reason shall be entitled to homestead exemption for school tax purposes in an amount to which he is otherwise entitled for State and county tax purposes.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1974, pp. 183, et seq.
ADMINISTRATIVE HISTORY: Original Rule was filed on January 15, 1975; effective February 4, 1975.

***560-11-2-.51 School Tax Homestead Exemption -- Applicability of Other Provisions of Law.***

All provisions of law governing application, definitions, and determination of eligibility applicable to the homestead exemption granted by Ga. Laws 1946, p. 12, shall apply, insofar as practicable, to the school tax homestead exemption unless such provisions are in conflict with Ga. Laws 1974, p. 183 or these Regulations promulgated thereunder.

AUTHORITY: Ga. L. 1937-38, Extra Sess., p. 77, et seq., as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1974, p. 183, et seq.ADMINISTRATIVE HISTORY: Original Rule entitled "School Tax Homestead Exemption -- Applicability of Other Provisions of Law" was filed on January 15, 1975; effective February 4, 1975.

***560-11-2-.52 School Tax Homestead Exemption -- Amount.***

The value of the homestead, but not to exceed $ 10,000 of its assessed valuation, shall be exempt from county school tax or independent school district tax as provided by law. Said amount shall be exempted from all ad valorem taxes for educational purposes levied by, for, or in behalf of any such school system, including taxes to retire bonded indebtedness.

AUTHORITY: Ga. L. 1937-38, Extra Sess., p. 77, et seq., as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1974, p. 183, et seq.
ADMINISTRATIVE HISTORY: Original Rule entitled "School Tax Homestead Exemption -- Amount" was filed on January 15, 1975; effective February 4, 1975.

***560-11-2-.53 School Tax Homestead Exemption Information to Be Furnished to State Revenue Commissioner.***

Each year, on or before August 1 or at the time the county tax digest for that year is submitted to the State Revenue Commissioner, the county tax receiver or tax commissioner and the appropriate municipal official shall forward to the State Revenue Commissioner copies of all school tax homestead exemption applications where the exemption has been granted or a listing of all such approved applications which listing shall contain name of applicant, social security number of the applicant, and the names and social security numbers of all members of the family residing within the homestead whose income was considered in the income determination.

Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.
HISTORY. Original Rule entitled "School Tax Homestead Exemption--Information to Be Furnished to State Revenue Commissioner" adopted. F. Jan. 15, 1975; eff. Feb. 4, 1975.

***560-11-2-.54 Homestead Exemptions of $ 4,000 for Certain Elderly Persons -- Income Exclusion.***

For the purposes of determining eligibility for increased homestead exemption from all State and county taxes in the amount of $ 4,000 for certain elderly persons as provided in Article VII, Section I, Paragraph IV of the Constitution, the term "net income" shall not include income received as retirement, survivor or disability benefits under the Federal Social Security Act or under any other public or private retirement, disability or pension system, or any combination of benefits received from the herein named sources, except such income which is in excess of the maximum amount authorized to be paid to an individual and his spouse, on January 1 of the year for which the exemption is sought, under the Federal Social Security Act. Income from such sources, or any combination of such sources, which is in excess of such maximum amount shall be included as net income for the purposes of determining eligibility for the increased homestead exemption.

AUTHORITY: Ga. L. 1937-38, Extra Sess., p. 77, et seq., as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1974, p. 1648, et seq.ADMINISTRATIVE HISTORY: Original Rule entitled "Homestead Exemption of $ 4,000 for Certain Elderly Persons -- Income Exclusions" was filed on January 15, 1975; effective February 4, 1975.

**Chapter 22 PROPERTY TAX BILL**

***560-11-3-.17 Property Tax Bill -- General Property Tax -- PT-63.***

This form is prepared annually by the county tax commissioner or collector and furnished to each taxpayer who owes State, county or county school tax for the current tax year. The form shows the total amount of such taxes levied on property owned by the taxpayer, the amount of property tax credit granted by Act of the 1973 Session of Georgia's General Assembly, and the net amount of such taxes due for the current tax year.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427); Act No. 229, 1973 Session of General Assembly.
ADMINISTRATIVE HISTORY: Original Rule entitled "Property Tax Bill -- General Property Tax -- PT-63" was filed on May 17, 1973; effective June 6, 1973.

***560-11-3-.20 Property Tax Bill – Electronic Election.***

In the discretion of the tax commissioner, the taxpayer may make an election on form prescribed by the Commissioner to receive tax bills or subsequent delinquent notices via electronic transmission in lieu of, or in addition to, receiving a paper bill via first-class mail. Following such election, the tax bill shall be transmitted to the taxpayer via e-mail, with delivery or read receipt requested, in portable document format using all e-mail addresses provided by the taxpayer, and the date shown on such transmission shall serve as a postmark. In any instance where such transmission proves undeliverable, the tax commissioner shall mail such tax bill or subsequent delinquent notice to the address of record as found in the county board of tax assessors' records.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-3-3.
HISTORY: Original Rule entitled "Property Tax Bill - Electronic Election" adopted. F. Jan. 4, 2016; eff. Jan. 24, 2016.

## Chapter 23 MUNICIPAL PROPERTY TAX INSTALLMENTS

### *560-11-2-.19 Municipal Corporation Ad Valorem Taxes Installments.*

(1) Except as otherwise authorized by the State Revenue Commissioner as provided by law, any municipal corporation in this State located in any county whose annual tax digest for the current year has not been prepared and approved by the State Revenue Commissioner when such municipal corporation normally sends ad valorem tax bills to its taxpayers and begins collection of the annual taxes due is hereby authorized to collect taxes due in the following manner:
(a) The municipal corporation must, by appropriate action of the governing authority, adopt a method of paying ad valorem taxes for the current year in two or more installments.
(b) The municipal corporation must use as the basis of taxation for all installment payments so adopted, except the final installment, the valuation for the property as finally determined for State and county tax purposes for the preceding tax year.
(c) The municipal corporation must use as the basis of taxation for the final installment for the current year, the valuation as finally determined and approved by the State Revenue Commissioner for State and county tax purposes for the current tax year. Taxes due on the final installment shall be adjusted to reflect total tax liability to the municipalcorporation for the property based upon the county valuation of the property and the municipal corporation tax rate for the current tax year after credit has been given for estimated taxes paid previously on such property. Should the estimated taxes previously paid on such property under the installment method adopted exceed the total tax liability for the current year, the excess payment shall be refunded by the municipal corporation.
(2) Nothing contained in this Regulation shall be deemed or construed to impose any liability for the payment of any such ad valorem taxes upon any person, firm or corporation for property which was not owned on the first day of January of the applicable tax year.

Authority Ga. Code Ann. Secs. 92-4004, 92-8405, 92-8406, 92-8409, 92-8427.
History. Original Ruleentitled "Municipal Corporation Ad Valorem Taxes - Installments" adopted. F. May 1, 1973; eff. May 21,1973.

***560-11-2-.16 Real Estate Transfer Tax-Filing Declaration Forms****. Amended.*

(1) Except as provided for in paragraph (2) of this rule, any deed, instrument or other writing which conveys any lands, tenements, or other realty must be accompanied by Form PT-61 (1 original and 3 copies). Said form shall be properly completed and signed by the seller or his authorized agent and by the buyer or his authorized agent, prior to such instrument being presented to the Clerk of Superior Court for recording. As used herein, "properly completed" shall be deemed to include the following TYPED or LEGIBLY PRINTED information:
(a) Seller's Information - The form shall contain the complete name, street mailing address, city, state and zip code of the seller and the month, day and year the sale occurred.
(b) Buyer's Information - The form shall contain complete name, street mailing address, city, state zip code of the buyer for the purpose of receiving tax notices and billings. The intended use of the property by the buyer at the time of the transfer shall be listed and designated as being residential (R), agricultural (A), commercial (C), or industrial (I).
(c) Property Information - The complete description of the property being conveyed, the county name where the property is located shall be listed and the city name (if the property lies within the limits of a city). The number of acres of property, map and parcel number, district, land lot and sublot and block shall be shown.
(d) Value and Tax Information - The actual value of the consideration received by the seller for the real and personal property conveyed to the buyer shall be shown separately on the form(PT-61) prescribed in subsection (c) of Code section 48-6-4. This consideration total should reflect all cash, other property or goods, and the assumption of mortgages or other obligations. If the actual value of the consideration is not known, the estimated fair market value of real and personal property conveyed should be shown, separately, along with an estimate of the value of the personal property conveyed. The amount of any lien or encumbrance prior to the transfer and not removed thereby shall be shown.
1. The actual consideration or the fair market value, if the actual consideration is not readily determinable, of the real property conveyed less any liens or encumbrances existing prior to the sale and not removed by the sale shall be the basis upon which the tax is computed. The phrase "ten dollars and other valuable consideration" or other similar phrases are not proper disclosures of consideration. This basis shall be shown along with the tax due.
2. The actual consideration of personal property conveyed shall be shown separately on the form and may be deducted from the basis upon which the tax is computed if the estimate of personal property is accompanied by appropriate evidence of its accuracy.
(e) Other Information - Any other information requested on the most current version of form PT-61 shall be listed.
(f) Certification - The seller or seller's authorized agent shall certify that all the items of information entered on the transfer form PT-61 are true and correct (to the best of his knowledge and belief) and that he is aware that the making of any willful false statement of material facts will subject him to the provision of the penal law relative to the making and filing of false instruments.
1. The buyer or buyer's authorized agent shall acknowledge that, by law, he is required to file a timely property tax return on all improved and unimproved real property subject to tax on January 1. The buyer or buyer's authorized agent further acknowledges that the property described on form PT-61 has not been subdivided or improved during the year of the transfer and if no tax return is filed, he will be deemed to have returned it at the same valuation as was finally determined for the year in which the transfer took place.
2. By filing the form PT-61, the buyer is not relieved from the responsibility of filing a new timely return where

the property transferred has been split from an existing property or where there have been substantial changes or new improvements to the property, nor would the filing of the form PT-61 relieve the buyer from filing an application for homestead or other exemptions to which he may be entitled.
(2) The properly completed form PT-61 shall accompany all deeds, instruments or other writings when these writings are presented to the Clerk for recording with the exception of the following types of instruments:
(a) Security deed instruments;
(b) Instruments releasing an interest in real estate covered by an existing security deed; provided the body of the release instrument identifies the security deed and it specifically states that the purpose of the instrument is to release the security interest represented by the identified security deed;
(c) Deeds of correction; provided the body of the corrective deed identifies the existing instrument it is correcting and specifically states the purpose of the corrections being made to the identified instrument.

AUTHORITY: O.C.G.A. Secs. 48-2-1, 48-2-7, 48-2-12, 48-5-15, 48-5-20, 48-5-269, 48-6-1 - 48-6-10.
ADMINISTRATIVE HISTORY: Original Rule entitled "Real Estate Transfer Tax -- Filing Declaration" was filed on May 25, 1971; effective June 14, 1971. AMENDED: Rule repealed and a new Rule entitled "Real Estate Transfer Tax -- Filing Declaration Forms" adopted. Filed January 21, 1982; effective February 10, 1982. AMENDED: Rule repealed and a new Rule of the same title adopted. Filed February 28, 1983; effective March 20, 1983. REPEALED: New Rule of same title adopted. F. Jun. 9, 1989; eff. Jun. 29, 1989. REPEALED: New Rule, same title, adopted. F. Nov. 9, 1993; eff. Nov. 29, 1993. Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

***560-11-2-.17 Real Estate Transfer Tax-Calculation and Collection of Tax****. Amended.*

(1) After determining that Form PT-61 is properly completed, the clerk or his deputy shall calculate and collect the proper tax due in accordance with O.C.G.A. Sec. 48-6-1 and 48-6-4.
(2) Prior to submitting Form PT-61 to the State Revenue Department, the clerk or his deputy shall complete that portion of said form reserved for his use by including the following:
(a) Deed book and page numbers;
(b) Date of recording;
(c) If a new plat is also being filed, the plat book and page numbers;
(d) Any other information required on the most current version of form PT-61;
(e) Signature of clerk or his deputy reviewing the form.
(3) In the event that the clerk or his deputy determines that form PT-61 is not properly completed, it should be returned to the appropriate party for completion. In such event, the deed or conveyance shall not be eligible for recording until accompanied by a properly completed PT-61.

AUTHORITY: O.C.G.A. Secs. 48-2-12; 48-6-1 - 48-6-10.
ADMINISTRATIVE HISTORY: Original Rule entitled "Real Estate Transfer Tax -- Calculation of Tax" was filed on May 25, 1971; effective June 14, 1971. AMENDED: Rule repealed and a new Rule entitled "Real Estate Transfer Tax -- Calculation and Collection of Tax" adopted. Filed January 21, 1982; effective February 10, 1982. AMENDED: Rule repealed and a new Rule of the same title adopted. Filed February 28, 1983; effective March 20, 1983. REPEALED: New Rule of same title adopted. F. Jun. 9, 1989; eff. Jun. 29, 1989.

***560-11-2-.18 Real Estate Transfer Tax - Disposition of Forms.***

(1) On or before the 15th day of each month, the Clerk of Superior Court shall submit the original copy of form PT-61 filed with him for the preceding calendar month to the Revenue Commissioner along with a properly completed recapitulation form PT-62 showing the total taxable transactions for the preceding month, the total tax collected, the fees earned by the Clerk, and the net amount of taxes being remitted to the Commissioner.
(a) The clerk shall retain one copy of the forms PT-61 and PT-62 for a period of one year after the date these forms are required to be sent to the Revenue Commissioner, after which they may be disposed of consistent with any records disposition standards.
(2) On or before the 15th day of each month, the Clerk of Superior Court shall submit one copy of form PT-61 filed with him for the preceding calendar month to the Chairman of the Board of Tax Assessors, or his designated appraisal staff.
(a) The Chairman of the Board of Tax Assessors shall retain one copy of all forms PT-61 filed with him for a period of three years after the date of receipt after which these may be disposed of consistent with any records disposition standards adopted by the appropriate authority in the county.
(3) On or before the 15th day of each month, the Clerk of Superior Court shall submit one copy of form PT-61 filed with him for the preceding calendar month to the County Tax Commissioner.
(a) The County Tax Commissioner shall retain his copy of form PT-61 consistent with any records disposition standards adopted by the appropriate authority in the county.

AUTHORITY: Ga. L. 1967, pp. 788, 790, as amended ( Ga. Code Ann., Secs. 92-801-810); O.C.G.A. Secs. 48-2-1, 48-2-7, 48-2-12, 48-5-15, 48-5-20, 48-5-269, 46-6-1 - 48-6-10, 50-18-90 - 50-18-103.
ADMINISTRATIVE HISTORY: Original Rule entitled "Real Estate Transfer Tax -- Disposition of Forms -- Monthly Reports" was filed on May 25, 1971; effective June 14, 1971. REPEALED: New Rule entitled "Real Estate Transfer Tax -- Tax Assessor's Review -- Disposition of Forms" adopted. F. Jun. 9, 1989; eff. Jun. 29, 1989. REPEALED: New Rule, same title, adopted. F. Nov. 9, 1993; eff. Nov. 29, 1993.

***560-11-3-.15 Real Estate Transfer Tax Form -- PT-61.***

This form is completed by the seller or the seller's authorized agent and must be submitted in quadruplicate (1 original and 3 copies) to the Clerk of Superior Court before any lands, tentments or other realty transferred can be filed for record or recorded by the Clerk of Superior Court. This form discloses the value of property conveyed or transferred and amount of tax due.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1967, pp. 788, 790, as amended; O.C.G.A. Secs. 48-2-1, 48-2-7, 48-2-12, 48-5-15, 48-5-20, 48-5-269, 48-6-1 - 48-6-10.
ADMINISTRATIVE HISTORY: Original Rule entitled "Real Estate Transfer Tax Form -- PT 61" was filed on May 25, 1971; effective June 14, 1971. AMENDED: F. Jun. 9, 1989; eff. Jun. 29, 1989. REPEALED: New Rule, same title, adopted. F. Nov. 9, 1993; eff. Nov. 29, 1993.

***560-11-3-.16 Monthly Reporting Form -- Real Estate Transfer Tax -- PT-62***.

This form is completed monthly by the Clerk of Superior Court and accompanies all forms PT-61 to the Revenue Commissioner. This form provides for the documentation by the Clerk of total number of taxable transactions, total tax collected, and amount of commissions retained by the Clerk for collecting the tax.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1967, pp. 788, 790, as amended.
ADMINISTRATIVE HISTORY: Original Rule entitled "Monthly Reporting Form -- Real Estate Transfer Tax -- PT-62" was filed on May 25, 1971; effective June 14, 1971.

## Chapter 25 INTANGIBLE RECORDING TAX

### *560-11-3-.09 Intangible Property Tax Return -- Form PL-159.*

This return is filed by individuals, partnerships, associations, fiduciaries and corporations and reports all intangible property owned as of January 1. This return must be filed by April 15.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Intangible Property Tax Return -- Form PL-159" was filed on May 25, 1971; effective June 14, 1971.

### *560-11-3-.10 Report of Corporation's Stockholders and Bondholders -- Form PL-160.*

This form is filed by domestic and foreign corporations and reports all stockholders and bondholders of the corporations.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Report of Corporation's Stockholders and Bondholders Form PL-160" was filed on May 25, 1971; effective June 14, 1971.

### *560-11-3-.11 Summary Report to Accompany Form PL-160 -- Form PL-161.*

This verifies and is attached to the PL-160 forms filed by the corporation. This report, together with all PL-160 forms, must be filed by March 1.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Summary Report to Accompany Form PL-160 Form -- PL-161" was filed on May 25, 1971; effective June 14, 1971.

### *560-11-3-.12 Report of Intangible Property Held for Georgia Residents -- Form PL-170.*

This report is filed by public officials, corporations, co-partnerships, individuals, trustees or pledgees, and reports all securities held on January 1 for the use, benefit or accommodation of any person or firm residing in Georgia.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Report of Intangible Property Held for Georgia Residents -- Form PL-170" was filed on May 25, 1971; effective June 14, 1971.

***560-11-3-.13 Summary Report to Accompany Form PL-170 -- Form PL-171.***

This report verifies and is attached to the PL-170 forms filed. This report, together with all PL-170 forms, must be filed by March 1.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).ADMINISTRATIVE HISTORY: Original Rule entitled "Summary Report to Accompany Form PL-170 -- Form PL-171" was filed on May 25, 1971; effective June 14, 1971.

***560-11-8-.01 Purpose of Regulations.***

These regulations have been adopted by the Commissioner pursuant to O.C.G.A. Section 48-2-12 in order to promulgate specific policies and procedures of the Department applicable to the administration and collection of intangible recording tax pursuant to O.C.G.A. Section 48-6-60. These regulations are administrative regulations applicable to a class of instruments within the meaning of O.C.G.A. Section 48-6-71 and, as contemplated by such section, shall constitute a determination of the Commissioner with respect to each such class of instruments described herein and may be relied upon as such.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-6-60, 48-6-77.HISTORY: Original Rule entitled "Purpose of Regulations" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.02 Tax Payment and Rate.***

An intangible recording tax is due and payable on each instrument securing one or more long-term notes at the rate of $ 1.50 per each $ 500.00 or fraction thereof of the face amount of all notes secured thereby in accordance with O.C.G.A. Section 48-6-61 and these regulations. This tax is assessed on the security instrument securing one or more long-term notes secured by real property, to be paid upon the recording thereof, and must be paid within 90 days from the date of the instrument executed to secure the note or notes. The maximum tax on a single security instrument is $ 25,000.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-6-61.HISTORY: Original Rule entitled "Tax Payment and Rate" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.03 Definitions.***

(1) "Collecting officer" means the tax collector or tax commissioner of the county; provided, however, that in each county of this state having a population of 50,000 or more according to the United States Decennial Census of 1990 or any future such census, collecting officer means the Clerk of Superior Court of the county.
(2) "Instrument" or "security instrument" means any written document presented for recording for the purpose of conveying or creating a lien or encumbrance on real estate for the purpose of securing a long-term note secured by real estate.
(3) "Long-term note secured by real estate" shall mean any note representing credits secured by real estate by means of mortgages, deed to secure debt, purchase money deeds to secure debt, bonds for title, or any other form of security instrument, when any part of the principal of the note falls due more than three years

from the date of the note or from the date of any instrument executed to secure the note and conveying or creating a lien or encumbrance on real estate for such purpose.
(4) "Short-term note secured by real estate" shall mean any note which would be a long-term note secured by real estate were it not for the fact that the whole of the principal of the note falls due within three years from the date of the note or from the date of any instrument executed to secure the note.
(a) A short-term note is reported as of January 1 of each year, as intangible personal property on Form PL-159 and taxed at the rate of 10 cents per thousand.
(b) A short-term note remains classified as short-term according to its terms, as long as it remains outstanding, although the indulgence of the creditor allows it to extend beyond a three year period.
(c) A renewal note in payment of an existing short-term note is to be classified according to its own terms as to whether it is short-term or long-term.
(d) A short-term note, with option to renew or extend by the borrower, where any part of the principal or interest of the note becomes due or may become due more than three years from execution is classified as long-term.
(e) A "bona fide demand note" is always a short-term note according to its terms; provided however, that a note denominated as a "demand" note where the maturity date as determined from the instrument extends or may extend beyond three years, is nevertheless a long-term note. For purposes of this regulation, a "bona fide demand note" is a note payable unconditionally on demand whose maturity date is not determined by any contingency other than the demand of the holder.
(f) A note which matures the same month and date as executed only three (3) years later, is a short-term note.

AUTHORITY: O.C.G.A. Secs. 48-6-21, 48-6-23, 48-6-23(a)(1), 48-6-64, 48-6-70.HISTORY: Original Rule entitled "Definitions" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.04 Modification.***

Intangible recording tax is not required to be paid on any instrument that modifies by extension, transfer, assignment or renewal, or gives additional security for an existing note, when the intangible recording tax has been paid on the original instrument or the original note or holder of the original instrument was exempt.

AUTHORITY: O.C.G.A. Secs. 48-6-62(b), 48-6-65.HISTORY: Original Rule entitled "Modifications" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.05 Refinancing.***

(1) Intangible recording tax is not required to be paid on that part of the face amount of a new instrument securing a long-term note secured by real estate which represents a refinancing by the original lender and original borrower of unpaid principal of an existing instrument securing a long-term note secured by real estate still owned by the original lender, if the intangible recording tax was paid on the original instrument or the original holder of the instrument was exempt.
(a) The new instrument must contain a statement of what part of the face amount represents a refinancing of unpaid principal. This information must be disclosed on the face of the instrument or in the alternative may be submitted in the form of an affidavit indicating which part of the face amount represents a refinancing of unpaid principal.

(2) Where two or more instruments securing long-term notes, secured by separate deeds to secure debt and held by the original borrower and the original lender, are consolidated, with no new money advanced, into a single instrument securing a long-term note with a single deed to secure debt, intangible recording tax is due, up to the statutory maximum, on that portion of the indebtedness secured by the new instrument, if any, that does not represent unpaid principal on the consolidated notes.
(3) Where instruments securing long-term and short-term notes, secured by separate deeds to secure debt and held by the original borrower and the original lender, are consolidated, with no new money advanced, into a single instrument securing a long-term note with a single deed to secure debt, intangible recording tax is due, up to the statutory maximum, on that portion of the indebtedness secured by the new instrument, if any, that does not represent unpaid principal on the long-term note or notes.

AUTHORITY: O.C.G.A. Secs. 48-2-20, 48-6-61 -- 48-6-69.HISTORY: Original Rule entitled "Refinancing" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.06 Additional Advance.***

(1) In the case of a new note or a modification of a preexisting note, representing an additional extension of credit to be secured by a previously recorded instrument which otherwise requires no further recording, the intangible tax is determined according to the terms of the new note.
(2) In lieu of recording a new or amended security instrument, the holder of the note may elect alternatively to execute an affidavit setting forth the amount of the additional advance, in words and figures, and the correct date on which the additional advance falls due, and the page and book of the previously recorded instrument.
(3) The collecting officer of the county where the tax was first paid shall collect the intangible recording tax due and shall enter upon or attach to the affidavit the certificate that the intangible recording tax has been paid, the date, and the amount of the tax, and such affidavit shall be recorded and attached to the previously recorded instrument.

AUTHORITY: O.C.G.A. Sec. 48-6-62(b)HISTORY: Original Rule entitled "Additional Advance" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.07 Multi-State Property.***

(1) Resident holder: If the holder of an instrument conveying property located both within and without the State of Georgia to secure a long-term note, is a resident of Georgia, the amount of the tax required is that amount that would be due were the property located wholly within the State of Georgia. The maximum amount of Georgia intangible recording tax payable with respect to the instrument is $ 25,000.
(2) Nonresident holder: A nonresident, if a business entity, for the purposes of this regulation is defined as any business entity that is incorporated or organized under law other than the law of Georgia and maintains its principal place of business in a state other than Georgia.
(a) If the holder of an instrument conveying property located both within and without the State of Georgia is a nonresident of Georgia, the amount of tax due would be $ 1.50 per $ 500.00 or fraction thereof of the principal of the note, times (x) the ratio of the value of real property located in Georgia to the value of all real property, in-state and out-of-state, securing the note.

(b) All values must be certified under oath by the holder presenting the instrument for recording. The application of the $ 25,000 cap is made after the above referenced computation is completed. An example follows:

| | | |
|---|---|---|
| $ 100,000,000 | = | Total Loan Amount |
| 10% | = | % of FMV of Real Property located within Ga. |
| 90% | = | % of FMV of Real Property located outside Ga. |
| $ 300,000 | = | Tax on Loan Amount ($ 100,000,000 x .003) |
| 30,000 | = | Tax on 10% of Loan Amount (Ga. portion) |
| 25,000 | = | Tax (after application of the cap) |

(3) Resident and nonresident holders: Where a single security instrument secures long-term notes held by both residents and nonresidents and the long-term notes held by the residents and the nonresidents are clearly identifiable from the security instrument, the nonresident holders will be allowed to apportion their tax paid based on the apportionment formula described in subsection (2)(b).

(a) Resident holders in the same transaction, however, will be required to pay the intangible recording tax as if the property were located wholly within the State of Georgia on that portion of indebtedness represented by the long-term notes they hold. The maximum amount of Georgia intangible recording tax payable with respect to the indebtedness is $ 25,000.

(b) If the notes held by residents and nonresidents cannot be distinguished from the face of the security instrument, no holder, resident or nonresident, will be allowed to apportion their tax paid based on the apportionment formula described in subsection (b).

AUTHORITY: O.C.G.A. Secs. 48-6-61, 48-6-69.HISTORY: Original Rule entitled "Multi-state Property" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.08 Multi-County Property.***

(1) With respect to any instrument given as security for a long-term note wherein the real property is located in more than one county, the intangible recording tax shall be paid to each county in which the instrument is recorded. The value of the real property located in each county must be certified under oath by the holder of the note presenting the instrument for recording.

(2) The collecting officer in each county shall certify that the proper intangible recording tax has been paid along with any penalties assessed on the instrument.

(3) If the holder desires to record the instrument simultaneously in more than one county, the holder should submit a counterpart of the instrument for recording in each individual county. The counterpart should contain the appropriate description of the property that is encumbered in the subject county along with an affidavit that sets forth the value of the real property encumbered in every county being secured by the instrument.

Authority O.C.G.A. Secs. 48-2-12, 48-6-4, 48-6-8, 48-6-60, 48-6-61, 48-6-62, and 48-6-64 et seq.
History. Original Rule entitled "Multi-County Property" adopted. F. Jun, 17, 1996; eff. Jul. 7, 1996. Amended: F. Jan. 3, 2013; eff. Jan. 23, 2013.

***560-11-8-.09 Wrap-around Note.***

Intangible recording tax is due on the entire face amount of a security instrument securing a "wrap-around" note which is otherwise a long-term note secured by real estate. This type of transaction is not a modification by extension, transfer, assignment, or renewal as defined in Revenue Rule 560-11-8-.04 above and does not fall within the provisions of Revenue Rule 560-11-8-.04 since there is a new lender.

AUTHORITY: O.C.G.A. Sec. 48-6-60, 48-6-77.HISTORY: Original Rule entitled "Wrap-around Note" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.10 Interest Included in Note-Add On.***

If a deed to secure debt reflects an amount secured, that is greater than the principal amount of the note, and the description of the note contained in the security instrument does not clearly indicate what part of the face amount of the note is principal and what part represents other charges, the holder may at the time of recording, present a sworn affidavit itemizing the principal amount of the note and the other charges. The collecting officer shall then use the principal amount from the sworn affidavit in determining the proper tax liability.

AUTHORITY: O.C.G.A. Sec. 48-6-61HISTORY: Original Rule entitled "Interest Included in Note-Add On" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.11 Adjustable Rate Mortgages ("ARM").***

Where an instrument secures a long-term note which contemplates the extension of credit based upon an adjustable interest rate, the intangible tax due is computed as follows:
(a) Where the instrument contemplates negative amortization, the intangible tax is based upon the total amount of the credit contemplated within the instrument, if determinable. In some cases, this will be reflected as a percentage of the initial principal balance and in some cases it will be a fixed dollar amount.
(b) If the instrument does not contain a ceiling, or negative amortization may occur based on some future rate index, then the total credit contemplated cannot be determined. The intangible recording tax is then due on the initial principal balance as shown on the face of the instrument, and if negative amortization occurs, the holder of the instrument must execute and submit an affidavit as provided for in Revenue Rule 560-11-8-.05 concerning the intangible recording tax computation on additional advances and pay the intangible recording tax on the additional credit extended.

AUTHORITY: O.C.G.A. Secs. 48-2-12, 48-6-62.HISTORY: Original Rule entitled "Adjustable Rate Mortgage ("ARM") adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.12 Instrument Securing Short-Term and Long-Term Notes.***

Where a single instrument secures both long-term and short-term notes, intangible recording tax is due on the sum of the amounts of both the long-term and short-term notes, up to the maximum tax allowed per instrument.

AUTHORITY: O.C.G.A. Secs. 48-6-60 - 48-6-77.HISTORY: Original Rule entitled "Instrument Securing Short-Term and Long-Term Notes" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.13 Secured Lines of Credit.***

(1) Intangible recording tax is due and payable by the note holder, upon the recording of an instrument securing a long-term revolving line of credit secured by real estate, a long-term line of credit secured by real estate or long-term equity line of credit secured by real estate on the total amount of the line of credit, whether advanced or not.
(2) The determination of whether the revolving line of credit, secured line of credit, or equity line of credit is long-term is made at the time of recording from the face of the instrument. If the term of the revolving line of credit, secured line of credit, or the equity line of credit will extend beyond a three year period, notwithstanding when advances will be advanced or repaid, the revolving line of credit, the secured line of credit, or equity line of credit, will be deemed long-term.
(3) The $ 25,000 maximum intangible tax limit provided for in O.C.G.A. Section 48-6-61 shall apply with respect to the total amount of credit contemplated by the line of credit. No additional tax will be due on subsequent advances secured by the instrument as long as the principal outstanding at any one time does not exceed the maximum amount permitted to be outstanding as determined from the face of the instrument.

AUTHORITY: O.C.G.A. Sec. 48-2-12HISTORY: Original Rule entitled "Secured Lines of Credit" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.14 Exemptions.***

Any mortgage, deed to secure debt, purchase money deed to secure debt, bond for title or any other form of security instrument is not subject to intangible recording tax where any of the following applies:
(a) Where any of the following is a party: The United States, the State of Georgia, any agency, board, commission, department or political subdivision of either the United States or this state, any public authority, any non-profit public corporation, or any other publicly held entity sponsored by the government of the United States or this state.
(b) Where any of the following is Grantee: a federal credit union, a state of Georgia chartered credit union, or a church.
(c) Where the instrument is given as additional security, to correct a previously recorded instrument, or to substitute real estate; provided the body of the new instrument identifies the existing instrument and specifically states the purpose of the new instrument.
(d) Where the instrument does not secure a note, (e.g., guaranty agreement; bail bond; performance agreement; bond issue; indemnity agreement; divorce decree; letter of credit).
(e) In the case of a transfer or assignment, where the original note or the holder of the original note was exempt.

(f) Where the instrument is recorded pursuant to a plan of reorganization confirmed under Chapter 11 of the U.S. Code and where the instrument is accompanied by documentation verifying confirmation of the plan of reorganization.

AUTHORITY: O.C.G.A. Secs. 48-5-41(a)(1)(A), 48-6-22, 48-6-60, 48-6-65(a), 48-6-65(a)(2), 48-6-65(b)(1).
HISTORY: Original Rule entitled "Exemptions" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.15 Determination Letter Requests.***

Requests for determination letter rulings by the Commissioner should always include a copy of the deed to as notes and financial agreements may also be helpful in making a decision.

AUTHORITY: O.C.G.A. Sec. 48-6-71
HISTORY: Original Rule entitled "Determination Letter Requests" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996.

***560-11-8-.16 Claim for Refund.***

(1) Any taxpayer who disputes the taxability of an instrument or the amount of tax assessed by the collecting officer may pay the tax under Protest. The Protest must be filed at the moment the instrument is recorded and tax is paid. It cannot be filed after the instrument has been recorded. The Protest must be filed in duplicate and signed by the collecting officer at the time of recording. One copy should be attached to the instrument being recorded with the second copy forwarded by the collecting officer to the Department of Revenue at the address indicated on the Protest form.
(2) The collecting officer who receives the protested payment shall deposit it into a special escrow account.
(3) A taxpayer who files a Protest must file a Claim for Refund in order to "perfect" the Protest. The Claim for Refund must be filed no later than thirty days from the date of the Protest. It may also be executed at the time the Protest is filed. The Claim for Refund shall be filed in triplicate with the Department of Revenue and sent to the address indicated on the Claim for Refund form. A fourth copy shall be filed with the collecting officer who recorded the instrument under Protest.
(4) Any taxpayer whose Protest and Claim for Refund is denied, in whole or in part, has the right to bring an action for refund of the amount so claimed and not approved against the collecting officer who received the payment and recorded the instrument. The action must be filed in the Superior Court of the county in which the instrument was recorded under Protest or in the Georgia Tax Tribunal.
(5) If the Claim for Refund is approved, in whole or in part, the collecting officer who collected the tax shall refund to the taxpayer the amount approved without interest.

Authority O.C.G.A. Secs. 48-2-12, 48-6-76.
History. Original Rule entitled "Claim for Refund" adopted. F. Jun. 17, 1996; eff. Jul. 7, 1996. Amended: F. Jan. 3, 2013; eff. Jan. 23, 2013.

**Chapter 26 ESTATE TAX**

***560-11-3-.14 Estate Tax Return Form.***

A copy of the Federal Estate Tax Return Form is filed with the Property Tax Unit.

AUTHORITY: Ga. L. 1937-38, Extra Sess., pp. 77, et seq., as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).
ADMINISTRATIVE HISTORY: Original Rule entitled "Estate Tax Return Form" was filed on May 25, 1971; effective June 14, 1971.

## Chapter 27 ILLEGAL DIGEST ENTRY REVIEW

### *560-11-15-.01 Definitions.*

(1) "Commissioner" means the Commissioner of the Georgia Department of Revenue and shall include any person delegated authority by the Commissioner to administer the provisions of this Chapter and O.C.G.A. § 48-5-342.

(2) "Digest" means the total listing of taxable assessments on the annual tax roll of a given county that has been certified by the tax receiver or county tax commissioner to the Department of Revenue for the purpose of gaining authorization for billing and collecting ad valorem tax.

(3) "Illegal Digest Entry" means a real property parcel or other interest in real property that is identified by the Commissioner as appearing illegally on a certified digest because such property is not subject to taxation under Chapter 5 of Title 48. The term shall not apply to disputes concerning value or exemptions utilized to calculate taxable value.

(4) "Same Property" means a real property parcel or other interest in real property, utilizing substantially the same address or county provided description, which was previously determined to be an Illegal Digest Entry.

AUTHORITY: O.C.G.A. § 48-5-342.
HISTORY: Original Rule entitled "Definitions" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

### *560-11-15-.02 Commissioner's Determination of Property Illegally Appearing on a County Digest.*

1) The Commissioner may, upon his or her own initiative, determine whether any property is illegally appearing on a Digest.

(2) The Commissioner may, upon a written complaint filed with the Department by a taxpayer, determine whether a property is illegally appearing on a Digest. Complaints as to valuation or exempt status of a particular parcel or other interest in real property shall not be considered under this Chapter.

(3) Upon making a determination of illegality, the Commissioner shall strike any Illegal Digest Entry from the Digest and return the Digest to the county tax commissioner and county board of tax assessors for removal of the Illegal Digest Entry and resubmission of the Digest to the Commissioner.

(4) A determination letter shall be issued by the Commissioner to the county board of tax assessors and a copy of such letter will be furnished to the taxpayer.

AUTHORITY: O.C.G.A. § 48-5-342.
HISTORY: Original Rule entitled "Commissioner's Determination of Property Illegally Appearing on a County Digest" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

***560-11-15-.03 Appeal of Commissioner's Determination.***

(1) The county board of tax assessors may appeal the Commissioner's decision to remove property from the Digest by filing an appeal pursuant to this Chapter.

(2) The appeal shall be in writing, signed by the chairman of the county board of tax assessors, and filed with the office of the Commissioner by the county board of tax assessors within 45 days of the date of mailing of the Commissioner's letter of determination.

(3) A copy of the appeal filed with the Commissioner shall be mailed to the taxpayer by the county board of tax assessors.

AUTHORITY: O.C.G.A. § 48-5-342.
HISTORY: Original Rule entitled "Appeal of Commissioner's Determination" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

***560-11-15-.04 Nature of the Appeal; Hearing Procedure; Evidence.***

(1) The county board of tax assessors shall have the right to an appeal hearing before the Commissioner and shall have the right to be represented by legal counsel and to present evidence.

(2) Documents or other written evidence to be presented at the appeal hearing must be provided to the Commissioner not less than seven (7) days prior to the time of the hearing. The weight and sufficiency of such evidence shall be determined within the sole discretion of the Commissioner.

AUTHORITY: O.C.G.A. § 48-5-342.
HISTORY: Original Rule entitled "Nature of the Appeal; Hearing Procedure; Evidence" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

***560-11-15-.05 Ruling; Decision.***

Upon decision pursuant to an appeal, the Commissioner shall issue a final decision to the county board of tax assessors as to whether the property in question is illegally appearing on the Digest and shall mail a copy to the taxpayer. The decision of the Commissioner shall order the removal or inclusion of the item on the Digest.

AUTHORITY: O.C.G.A. § 48-5-342.
HISTORY: Original Rule entitled "Ruling; Decision" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

***560-11-15-.06 Recurring Illegal Digest Entries for Same Property; Revocation of Qualified Status; Reinstatement.***

(1) If the Same Property is found by the Commissioner on a Digest within five (5) years of removal under this Chapter, the Commissioner will make a determination on whether the property is an Illegal Digest Entry.

(2) Where the Commissioner finds such property illegally appearing on the county Digest within five (5) years of removal under this Chapter, the Commissioner shall provide notice in writing to the county board of tax assessors of such finding of illegality. The county board of tax assessors may file an appeal pursuant to this Chapter to the Commissioner's notice no later than 45 days of the date of mailing by the Commissioner of such notice. A copy of such appeal filed with the Commissioner shall be mailed to the taxpayer.

(3) Where the finding of Illegal Digest Entry is upheld after hearing, or upon failure of the county board of tax assessors to file an appeal, the Commissioner will issue a final decision and serve such final decision on the Department of Community Affairs for appropriate action pursuant to O.C.G.A. § 48-5-342. The Commissioner shall return the Digest to the county for removal of the property and for Digest resubmission Upon resubmission of the corrected Digest by the county and approval by the Commissioner, the Department will notify the Department of Community Affairs of such corrective action pursuant to O.C.G.A. § 48-5-342.

(4) Where the finding of Illegality of Digest Entry is overturned after hearing, the Commissioner will promptly approve the Digest as originally submitted and will issue a final decision in accordance therewith.

AUTHORITY: O.C.G.A. § 48-5-342.
HISTORY: Original Rule entitled "Recurring Illegal Digest Entries for Same Property; Revocation of Qualified Status; Reinstatement" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.