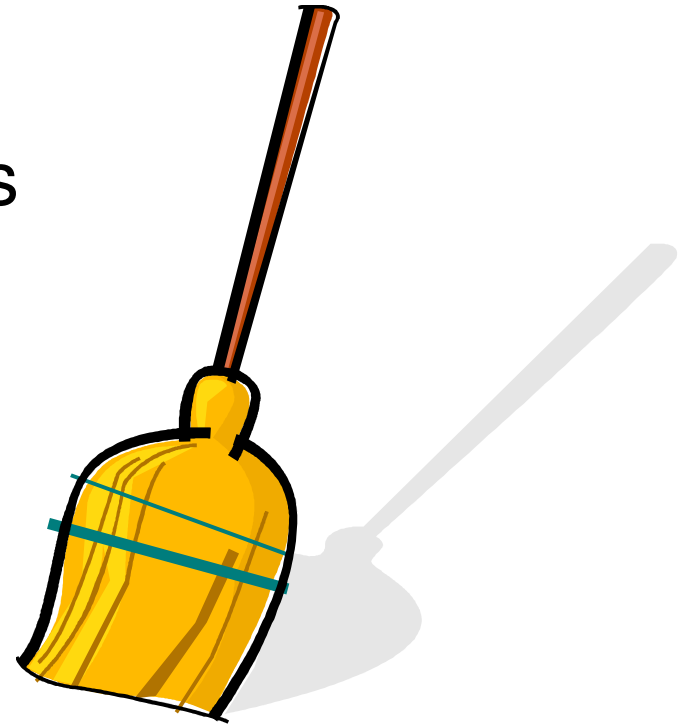




# Georgia Department of Revenue

## Senate Bill 346

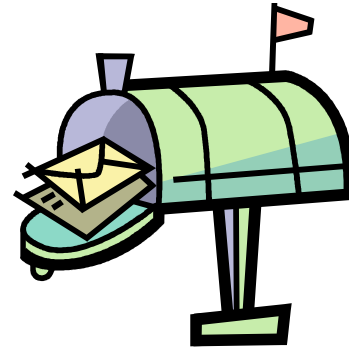
- A sweeping overhaul of
  - property tax assessments
  - appeal process
  - notices
  - training
  - tax billing
  - advertising
  - digest submission





# Georgia Department of Revenue

## SB 346



- Part 1, Section 1-1
- Amends 48-5-306 and add new requirements for assessment change notices:
  - Use of an *statewide uniform* assessment notice established by the Commissioner by rule and regulations
  - Send notices annually to all owners of real property
    - Higher, lower, or value same as prior year
    - Does not “require” annual countywide revaluation
  - Taxpayer can choose to receive notices electronically – if electronic transmission is made available by county



# Georgia Department of Revenue

## SB 346

- New requirements for the assessment change notice:
  - Contact information for person in the office administratively responsible for handling appeal (line 77)
  - Website address of the BOA (if available) (Line 81)
  - Statement that all documents and records used to determine the current value are available upon request (line 83)
  - Estimate of the current year's taxes based on the new proposed assessment for all taxing jurisdictions (line 87)





# Georgia Department of Revenue

## SB 346

- Assessment notice requirements -- continued
  - Options for the appeal process and statement that option must be declared when appeal is filed: (line 91)
    - Board of Equalization with appeal to superior court
    - Arbitration without an appeal to superior court
    - For non-homestead property valued > \$1,000,000 an appeal to a hearing office with appeal to superior court
- *All* taxpayers now have 45 days to file an appeal (line 98)





## Georgia Department of Revenue

### SB 346

- The assessment notice must contain the following statement in bold print: (line 103)  
**“The estimate of your ad valorem tax bill for the current year is based on the previous year’s millage rate and the fair market value contained in this notice. The actual tax bill you receive may be more or less than this estimate. This estimate may not include all eligible exemptions.”**



# Georgia Department of Revenue

## SB 346



- Recommendation: Use the taxpayer's exemptions to cut down on telephone calls and give more accurate estimate.
- Notices to be mailed no later than **July 1** except in the case of corrections or mapping changes (line 108)
- Undeliverable notices posted on the front of the courthouse –or – posted on the BOA website – in either case for 30 days (line 115)



## SB 346

- BOA must provide, upon taxpayer's request:  
(line 131)
  - copies of all documents reviewed in making the assessment, (ORR provisions apply for copying charges and staff time)
  - the *address* and parcel identification number of all real property utilized as qualified comparables,
  - all factors considered in establishing the new assessment.



# Georgia Department of Revenue

## Recap of Part I of SB 346

- New requirements:
  - Send assessment notice to all owners of real property every year
  - Estimate of current year taxes based on current year proposed value and last year's millage rate for all taxing jurisdictions required on the notice
    - Statement regarding the estimated must be included on the assessment change notice
  - Notices mailed by July 1
  - 45-day appeal period in all counties
  - Statewide uniform notice as prescribed by the Revenue Commissioner
  - Notice to taxpayer of appeal path options
  - Taxpayer can choose to receive notices via electronic transmission (if made available by BOA)
  - Statement on notice that all records and data used to determine assessment available in BOA office
  - List of undeliverable notices posted on courthouse or on county website.



# Georgia Department of Revenue

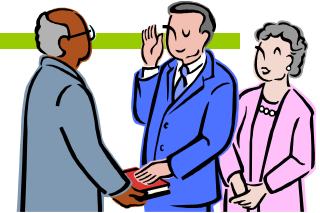
## SB 346

- Part II, Section 2-1
  - Amends 48-5-311 by adding new provision for the governing authorities of two or more counties to establish a regional board of equalization (line 198)
    - Requires intergovernmental agreement specifying
      - how the members will be appointed by the respective grand jury in each county
      - Which county clerk of court will have oversight over and supervision of the board
      - Requires hearing held in taxpayer's county





# Georgia Department of Revenue



## SB 346

- Board of Equalization members will be required to take and execute in writing the following oath: (line 268)

I, \_\_\_\_\_, agree to serve as a member of the board of equalization of the County of \_\_\_\_\_ and will decide any issue put before me without favor or affection to any party and without prejudice for or against any party. I will follow and apply the laws of this state. I also agree not to discuss any case or any issue with any person other than members of the board of equalization except at any appeal hearing.

I shall faithfully and impartially discharge my duties in accordance with the Constitution and laws of this state, to the best of my skill and knowledge. So help me God.

\_\_\_\_\_  
Signature of member or alternate member



# Georgia Department of Revenue

## SB 346

- *Chief* judge, or designee, is responsible for charging each member and alternate member of the board of equalization
- Clerk of superior court has responsibility to oversee and supervise board of equalization and hearing officers (line 302)





# Georgia Department of Revenue

## SB 346



- Duties and powers
  - Language amended for the board of equalization to *recommend, not order*, a partial or total county-wide revaluation (line 292)
- The BOE required to adopt procedures which comply strictly with the regulations adopted by the Revenue Commissioner governing the board of equalization.



# Georgia Department of Revenue

## SB 346

- Duties of clerk of court include:
  - requiring grand jury to appoint members
  - Providing notice required by O.C.G.A. § 15-12-81 to the grand jury
  - Collecting name and qualifications of possible appointees
  - Presenting names to the grand jury
  - Processing the appointments and administering the oath of office
  - Ensuring all members are trained
  - Maintaining records of training, attendance records, compensation and appointment dates
  - Presenting name of possible appointees to the grand jury to fill vacancies



# Georgia Department of Revenue

## SB 346

- Duties of county superior court clerk for boards of equalization – continued
  - Informing the BOE of the requirement to establish procedures for conducting appeals
  - Scheduling of board hearings
    - Date, time and place of hearings to the taxpayer and the board of tax assessors
  - Mailing the decision letters to the taxpayer and the county board of tax assessors



# Georgia Department of Revenue

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## SB 346

- Duties of county superior court clerk regarding hearing officers:
  - Ensuring all members are trained
  - Maintaining records of training, attendance records,
  - Scheduling of hearings
    - Date, time and place of hearings to the taxpayer and the board of tax assessors
  - Mailing the decision letters to the taxpayer and the county board of tax assessors



# Georgia Department of Revenue

## **15-12-81. Notice of upcoming appointment by grand jury.**

(a) Whenever it is provided by law that the grand jury of any county shall elect, select, or appoint any person to any office, notice thereof shall be given in the manner provided in subsection (b) of this Code section.

(b) It shall be the duty of any board, authority, or entity whose members are elected, selected, or appointed by the grand jury of a county to notify the clerk of superior court in writing, at least 90 days prior to an upcoming election, selection, or appointment by the grand jury, that the grand jury shall elect, select, or appoint a person to the office held by such member at the time of notice; except where a vacancy has been created by death, resignation, or removal from office, in which case notice shall be given within ten days of the creation of the vacancy. It shall be the duty of the clerk of superior court, upon receiving notice of the upcoming appointment, to publish in the official organ of the county a notice that certain officers are to be elected, selected, or appointed by the grand jury of the county. The publication shall be once a week for two weeks during a period not sooner than 60 days prior to the election, selection, or appointment, except, where a vacancy has been created by death, resignation, or removal, notice shall be published once a week for two weeks during a period not sooner than ten days prior to the election, selection, or appointment. The cost of advertisement shall be paid from the funds of the county. It shall be the duty of the governing authority of the county to pay the cost promptly upon receiving a bill for the advertisement.



# Georgia Department of Revenue

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## SB 346

- County governing authority must:
  - Provide the resources required for supervision and appointment of hearing officers (line 328)
  - Provide facilities, secretarial, and clerical help to clerk for handling appeals (line 328)



# Georgia Department of Revenue

## SB 346

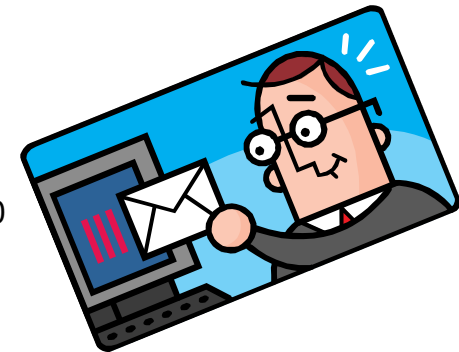
- Clerk of superior court is required to maintain all county records from the hearing (BOE & Hearing Officers) until deadline to file appeal to superior court expires. (line 334)
  - If appeal not filed, the records can be destroyed
  - If appeal is filed to superior court, appeal records must be filed and made part of the record.
- If appeal to superior court is filed, the clerk of the court shall file such records in the civil action that is considered open by the clerk of superior court for such appeal and such records shall become part of the record on appeal in accordance with paragraph (2) of subsection (g) of this Code section. (line 338)



# Georgia Department of Revenue

## SB 346

- Appeal
  - May be filed by the *property owner* as of the last date for filing an appeal (line 344) on a uniform appeal form prescribed by the Revenue Commissioner (line 355)
    - January 1 owner - or – if the property sells after January 1 and prior to the last date for filing an appeal, the new owner has appeal rights
  - Must specify when filing appeal one of the following options: (line
    - County board of equalization and superior court (line 347)
      - Taxability, uniformity of assessment, value, denial of exemption, breaches of covenants
      - Real & personal property
    - Arbitrator (line 350)
      - Binding and decision cannot be appeal to superior court
      - Value
      - Real & personal property
    - Hearing officer and superior court (line 352)
      - Value and/or uniformity
      - Property must be non-homesteaded and valued > \$1,000,000
      - Real property





# Georgia Department of Revenue

## SB 346

- Clerk of court can grant additional extensions for good cause shown to reschedule hearings (line 373)
  - Taxpayer and board of assessors may request extension
- Commissioner will promulgate rules and regulations setting procedures and standards which boards of equalization, hearing officers, and arbitrators must follow in determining appeals (line 376)
  - Rules updated and revised at least every 5 years
- Appeal can be submitted by email, if the BOA has a written policy allowing electronic service (line 380)
- If BOA and the taxpayer mutually agree on a value, the appeal can be terminated upon execution of a written agreement between the parties and is effective as of the date the agreement is signed (line 408 and line 518)
  - The 3-year freeze provision in O.C.G.A. 48-5-299(c) applies unless waived by both parties (line 523)



# Georgia Department of Revenue



## SB 346

- The “21-day notice” is now a “30-day notice” (line 413)
- The board of equalization must render the decision at the conclusion of the hearing (line 462)
- Interest due on additional taxes due applies now to homestead property. Maximum amount of interest due remains at \$150. (line 506)



# Georgia Department of Revenue

## Recap of Part II

- Regional board of equalization established by intergovernmental agreement
- New oath for BOE members
- Clerk of court has “oversight” of BOE and hearing officers
- Clerk of court must maintain all records until time for filing appeal to superior court has expired.
- Commissioner to prescribe state-wide appeal form
- When the appeal is filed the taxpayer must specify the appeal path



# Georgia Department of Revenue

## Recap of Part II

- Clerk of Court may grant more than one extension (or rescheduling of a hearing)
- Both parties may agree to a value and terminate the appeal
- 30 days to appeal a revision made by the BOA (21-day notice is now a 30-day notice)
- Revenue Commissioner to promulgate rules and regulations regarding procedures and policies which shall be followed by the Board of Equalization, hearing officer and arbitrators.
- Revenue Commissioner to adopt a uniform appeal form which a taxpayer *may* use
- The owner of the property as of January 1 may file an appeal – or if the property sells after January 1 and prior to the last date for filing an appeal, the new owner has appeal rights.



# Georgia Department of Revenue

## SB 346 – Hearing Officer

- Appeals of value or uniformity for non-homestead property with a value in excess of \$1,000,000 may be submitted to a hearing officer (line 526)
  - Hearing officer also make decision on matters of uniformity of assessment of property with other properties located within a municipality that falls in more than one county
- Hearing officers must be Classified by the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board as either: (line 531)
  - State certified general real property appraisers, or
  - State certified residential real property appraisers
- Applicants must:
  - Submit an application
  - List counties where they are willing to serve
  - Answer a disqualification questionnaire
  - Provide a resume
- Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board must approve applicants to serve as hearing officers
  - Annually publish a list of qualified and approved hearing officers



# Georgia Department of Revenue

## SB 346

- Taxpayer selects this option when filing the notice of appeal with the BOA
- BOA has 90 days to review the written appeal (line 547)
- If changes or corrections are made the taxpayer has 30 days to notify BOA that changes are not acceptable (line 549)
- Upon notice that the changes are not acceptable the BOA has 30 days to provide notice and all necessary papers to the clerk of superior court (line 552)
- Clerk of court will randomly select a hearing officer with expertise in hearing or appraising the type of property that is the subject of the appeal
- If the county and the appellant cannot agree on a hearing officer (line 554)



# Georgia Department of Revenue

## SB 346

- Duties and Responsibilities
  - Swear in the witnesses
  - Determine the fair market value of the real property
    - BOA has the “burden of proof”
  - Hearing officer verbally delivers decision at the end of the hearing and provide notice in writing to the taxpayer
    - No requirement that the BOA be notified in writing (will include this in the DOR regulations)
- Either party may appeal decision to superior court
- The appeal may be terminated upon signed agreement by both parties – 48-5-299(c) applies. (line 569)



# Georgia Department of Revenue

## SB 346

- Compensation paid at the rate of not less than \$25/hour. (line 576)
  - Paid from county treasury
  - Issue – what if a hearing officer is not willing to serve for \$25/hour – can the taxpayer agree to pay difference?
- Required to attend training to be qualified to serve as a hearing officer
  - Costs of training to be paid by the hearing officer
- If unable to appoint a hearing officer the clerk of court notifies the board of tax assessors in writing and the appeal is certified to the board of equalization.



# Georgia Department of Revenue

## SB 346

- Revenue Commissioner promulgate rules and regulations for hearing officers to include the following:
  - Uniform appeal form
  - Qualifications of hearing officers
  - Training, including an eight-hour course on Georgia property law, Georgia evidence law, preponderance of evidence, burden of proof, credibility of the witnesses, and weight of evidence
  - Disqualification questionnaire
  - Selection
  - Removal
  - Any other matter deemed necessary
  - The Commissioner is required to seek input from all interested parties for the promulgation of the rules and regulations



# Georgia Department of Revenue

## SB 346 Recap on Hearing Officers

- Decide appeals on non-homestead property with a value > \$1,000,000 and specified at time the appeal is filed
- Hear appeals on value and uniformity
- BOA has the burden of proof
- Hearing Officers approved by Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board and certified as:
  - Certified general real estate appraiser, or
  - Certified residential real property appraiser
- Hearing officer may be mutually agreed to by both parties, but if not the hearing officer will be appointed by the superior court clerk
- Superior court clerk will schedule hearings and notify both parties
- Hearing officer verbally renders decision at the conclusion of the hearing and is required to notify the taxpayer in writing
- Taxpayer and board of assessors may appeal to superior court
- Compensation of \$25/hour or more
- Rules and regulations promulgated for procedures, training, qualifications, etc.



# Georgia Department of Revenue



## SB 346

- Appeals to superior court
  - By mutual agreement, the taxpayer and the board of assessors may waive an appeal to the county board of equalization and proceed directly to superior court. (line 599)
  - If the county board of equalization or hearing officer do not change an assessment by more than 20% the board of assessors can not appeal to superior court without notifying the county governing authority. (line 602)
    - County governing authority has 10 days to vote to prohibit the appeal
  - An appeal to superior court may be emailed, if the county has written policy allowing electronic service (line 611)
  - Appeal from decision of board of equalization or hearing officer must be filed within 30 days of the date of the mailing of the decision (line 619)
  - Appeal is to be placed on the court's next available jury or bench trial calendar, at the taxpayer's election (line 641)



# Georgia Department of Revenue

## SB 346

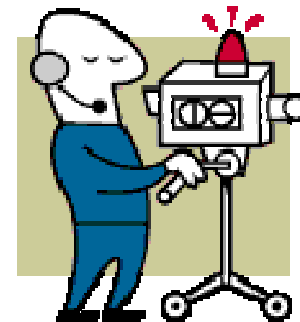
- Same rules for recovering court costs and attorney's fees apply if decision from the court differs from either the board of equalization or hearing officer decisions: (line 660)
  - Final value 80% or less on commercial property
  - Final value 85% or less on all other property
- Interest due on amount of additional taxes limited to \$150, including homestead property (line 674)



# Georgia Department of Revenue

## SB 346

- Other changes:
  - Any type recording of proceeding is now allowed (line 678)
  - Disqualification provision applies to hearing officer (line 685)





# Georgia Department of Revenue

## SB 346

- Definition of *Service of Notice (line 717)*
  - Date of filing defined
    - U.S. Postal Service postmark
    - Receipt of delivery by statutory overnight delivery
    - Electronically if BOA has a written policy consenting to electronic service
      - Portable document format to all e-mail addresses provided by the BOA
      - Subject line of the email just contain the words “STATUTORY ELECTRONIC SERVICE” in capital letters.
    - Proof of service may be made within 45 days of receipt of the notice of current assessment to the taxpayer by certificate of the taxpayer, the taxpayer’s attorney, or the taxpayer’s employee by written admission or by affidavit. Failure to make proof of service shall not affect the validity of service.
  - When an attorney is acting as the taxpayer’s agent, all notices regarding hearing times, dates, certifications, or officials actions shall be provided to the attorney



# Georgia Department of Revenue

## SB 346 – Recap –Part II

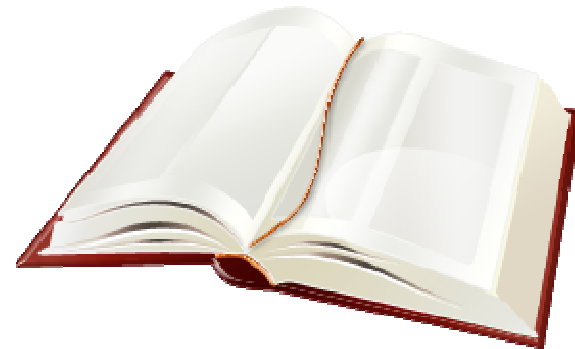
- Decision of hearing officer or board of equalization may be appealed to superior court by taxpayer and/or county
- Appeal can go filed straight to superior court if both county and taxpayer agree
- All appeals to superior court to be placed on court's next available jury or bench trial calendar
- All proceedings can be recorded by audio and/or video
- Hearing officers can be disqualified for same cause as board of equalization members
- Added new definition for "Service of Notice"
- If county elects to accept appeal by email, the following must be the subject line of the email in capital letters: 'STATUTORY ELECTRONIC SERVICE'
- County is required to provide taxpayer's attorney copies of all notices of hearings times, dates, certification or official actions.



# Georgia Department of Revenue

## SB 346

- Part III, Section 3-1
  - Amends O.C.G.A. § 48-5-18
    - Return book close on April 1 in every county
      - Eliminates the March 1 return deadline





# Georgia Department of Revenue

## SB 346

- Part IV, Section 4-1 -- Training
  - Adds new code section O.C.G.A. § 48-5-13 (line 771)

- Defines “local tax officials and staff”
  - County tax collectors and tax commissioners
  - County appraisers and county appraisal staff
  - Members of the county board of tax assessors

### Revenue commissioner to provide training

- Review material at least every 5 years and update as necessary
- offer training online, if feasible
- Courses open to the public

» If space available and upon payment of “reasonable” fees

- Revenue commissioner allowed to contract with professionals and other organizations with expertise in instruction of property tax administration, property taxation or related matters
- Revenue commissioner will adopt rules and regulations for administration of this code section

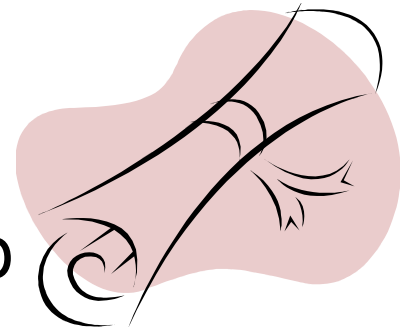




# Georgia Department of Revenue

## SB 346

- Section 4-2 amending O.C.G.A. § 48-5-291
  - BOA members must have a high school diploma or equivalent
    - Experience no longer a substitute
  - Changes the training requirements to reference new O.C.G.A. § 48-5-13





# Georgia Department of Revenue

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## SB 346

- Section 4-3

- Amends reference for training requirements of board of equalization members in O.C.G.A. § 48-5-311 to new O.C.G.A. § 48-5-13



## Georgia Department of Revenue

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### SB 346 Recap –Part III & Part IV

- Close of return book in all counties now April 1
- A new code section O.C.G.A. § 48-5-13 dealing with approved training of local county tax officials



# Georgia Department of Revenue

## SB 346

- Part V, Section 5-1 (line 845)



- Adds new definition to O.C.G.A. § 48-5-2 of an “Arms length, bona fide sale”
  - “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.”



# Georgia Department of Revenue

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## SB 346

- This definition excludes from consideration as an arm's length bona fide sale any sale under power transaction that occurs on the courthouse steps since the lending institution is considered a related or affiliated party



# Georgia Department of Revenue

## SB 346

- Section 5-2
  - Adds new language to the definition of fair market value: (Line 855)
    - “Fair market value of property” means the amount a knowledgeable buyer would pay for the property and a willing seller would accept for the property at an arm’s length, bona fide sale. The income approach, if data is available, shall be considered in determining the fair market value of income-producing property. Notwithstanding any other provision of this chapter to the contrary, the transaction amount of the most recent arm’s length, bona fide sale in any year shall be the maximum allowable fair market value for the next taxable year.....



# Georgia Department of Revenue

## SB 346

- This new language requires consideration of the income approach for income producing properties – if the data is available
- Sales price is value for the next tax year if the sales price is lower than the MAV on the property



# Georgia Department of Revenue

## SB 346

- Issues with the new language:
  - What affect will this have on the sales ratio study?
  - If the sales price is higher than the MAV – value cannot be increased to sales price until moratorium ends
  - Are you going to use sales price without regard to changes that may have occurred since the sales date, such as:
    - House remodeled/repaired
    - New construction added
    - Parcel split
    - Additional acreage added to parcel



# Georgia Department of Revenue

## SB 346

- Section 5-3 amends O.C.G.A. § 48-5-2 (line 871)
  - Removes the word **consider** and replaces it with **apply** (line 871)
    - The tax assessor shall **apply** the following criteria in determining the fair market value of property
  - Amends language in O.C.G.A. § 48-5-2 (b)(iv) by striking **Foreclosure sales** and beginning paragraph with **Bank sales** (line 879)
  - Revenue Commissioner may, by rules and regulations, establish other criteria to be applied in the determination of fair market value (line 883)



# Georgia Department of Revenue

## SB 346

- Section 5-4 (line 888)
  - Further amends O.C.G.A. § 48-5-2 by adding a (B.2)
    - In determining the fair market value of real property, the tax assessor shall not include the value of intangible assets, including the cost of trade name, the brand and flag value, the amortized cost of incentives and concessions for anchor tenants, project and asset management, the value of staff in place, patient service mix, managed care agreements, working capital, reservation systems, customer loyalty programs, merchandizing and advertising arrangements and all intellectual property.

v1

## Slide 46

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**v1**

there is a change on this language in the works -- hopefully I will be able to make significant changes to this language before printing.  
vklamber, 4/23/2010



# Georgia Department of Revenue

## SB 346 Recap of Part V

- Amendments to O.C.G.A. § 48-5-2
  - New definition of arm's length, bona fide sale
  - Requires consideration of income approach, if data is available, on income-producing properties
  - Transaction price (sales price) is the taxable value for the next tax year
  - Change language from consider to apply for criteria to be considered in determining fair market value
  - Takes out the language referring to “foreclosures”
  - Revenue commissioner can designate other criteria
  - Adds restriction on including value of intangible assets in determining the value of real property



# Georgia Department of Revenue

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## SB 346

- Part VI, Section 6-1 amends O.C.G.A. § 48-5-311(f) dealing with arbitration
  - Adds definition of “certified appraisal” (line 899)
    - Appraisal or appraisal report given, signed and certified as such by a real property appraiser as classified by the Georgia Real Estate Commission and the Georgia Real Estate Appraisers Board



# Georgia Department of Revenue

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## SB 346

- Eliminates option for non-binding arbitration
- Modifies binding arbitration
  - Taxpayer must stipulate this option when filing the appeal



# Georgia Department of Revenue



## SB 346

- Timeline for binding arbitration
  - BOA has 10 days to acknowledge receipt of appeal and inform taxpayer that a certified appraisal must be provided and filing paid within 45 days of filing the appeal (line 954)
    - and the amount of the filing fee included in the acknowledgement (line 954)
  - If taxpayer fails to provide the appraisal and pay the filing fee within 45 days, the appeal is terminated unless the taxpayer requests the appeal be sent to the county board of equalization
  - BOA has 45 days after receipt of appraisal to review and either accept or reject the value on the appraisal
    - If appraisal is accepted the value becomes final
    - Recommendation: tell taxpayer you have accepted the appraisal value
  - If BOA rejects appraisal, within 45 days the BOA must certify the appeal to the clerk of the superior in the county along with papers stipulated by the taxpayer
    - Recommendation #1: send notification to the taxpayer that the appraisal is rejected and request for arbitration has been certified to the clerk of superior court
    - Recommendation #2: immediately, or as soon as possible, certify the appeal



# Georgia Department of Revenue

## SB 346

- If the county does not act within the 45 day window, the certified appraisal becomes the final value. (line 975)
- If the appeal to binding arbitration was filed for the 2009 tax year, the taxpayer provided the certified appraisal, the county has failed to either accept or reject the appraisal, the certified appraisal value is deemed to be the final value (line 977)



# Georgia Department of Revenue

## SB 346

- When appeal is certified to clerk of superior court, notice must be served to taxpayer, taxpayer's attorney or employee with a copy of the certification, any papers specified by the taxpayer and the civil file number (line 984)
- Within 15 days the chief judge issues an order authorizing the arbitration (line 988)
- Corrected language on Line 997 specifying that an arbitrator must be a state certified general real property appraiser or state certified residential real property appraiser



# Georgia Department of Revenue

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## SB 346

- Requires that arbitrator tell the taxpayer and the county his decision at the conclusion of the hearing (line 1018)
- If the county loses, the county must pay the clerk of the superior fees, if any, as well as the cost of the arbitrator (line 1029)
- If the county prevails, the taxpayer must pay the clerk of the superior fees, if any, as well as the cost of the arbitrator (line 1031)



# Georgia Department of Revenue

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## SB 346

- Section 6-2 amends O.C.G.A. § 48-5B-1
  - County board of tax assessors not required to maintain any value other than “moratorium value”
  - The  $\frac{1}{4}$  mill recovery or the \$5/parcel penalty not assessed until moratorium ends



# Georgia Department of Revenue

## SB 346 Recap of Part VI

- Non-binding arbitration eliminated
- Defines “certified appraisal”
- Allows for notification to taxpayers of all requirements for arbitration within 10 days of receipt of appeal
- Provides the taxpayer with 45 days to submit certified appraisal and superior court filing fee
- The BOA has 45 days to accept or reject appraisal
- If taxpayer does not provide appraisal and filing fees with 45 days appeal may be terminated unless taxpayer requests appeal be sent to board of equalization
- For appeals filed in 2009, if the board of assessors has failed to act and the taxpayer submitted the required appraisal, the appraisal value is deemed to be the final value
- Loser pays costs of superior court clerk and arbitrator
- Specifies the level of appraiser that can serve as an arbitrator
- Arbitrator required to announce decision at the conclusion of the hearing
- County not required to maintain FMV during moratorium period
- County cannot be assessed  $\frac{1}{4}$  mill recovery or \$5/parcel penalty during moratorium period



# Georgia Department of Revenue

## SB 346

- Part VII, Section 7-1 amends O.C.G.A. § 48-5-380 (line 1058)
  - Requires county or municipality to refund taxes which are determined to be
    - Erroneously or illegally assessed, or
    - Voluntarily or involuntarily overpaid
  - Clarifies that the refund is paid from funds of county, municipality, board of education, the state, or any other entity (line 1100)
    - TAD, CID, Fire District, Hospital Authority, Development Authority
  - Requires the governing authority of county or municipality to adopt rules and regulations for administration of this code section





# Georgia Department of Revenue



## SB 346

- Part VIII, Section 8-1 amends O.C.G.A. § 48-5-18 (line 1119)
  - If the public utility values are not given to the county by August 1 the county may bill these companies at 85% of the taxpayer's bill for the previous year
  - Once the final assessment is received the taxpayer will receive a bill for additional taxes or a refund, which ever is applicable
  - Tax Commissioner not liable for penalty in O.C.G.A. § 48-5-135 for billing and collection of taxes prior to the receiving an approved Order to Bill and Collect Taxes for tax bills issued under this provision



# Georgia Department of Revenue

## SB 346 – Recap of Parts VII & VIII

- Part VII
  - requires a county and/or municipality to refund taxes determined to have been overpaid
  - Refund to be paid from funds of each of the taxing jurisdictions receiving the initial payment
  - Requires the governing authority to adopt rules and regulations
- Part VIII
  - Allows county tax commissioner to bill the public utility companies based on 85% of prior year's tax bill in the event the current year values are not provided prior to August 1.
  - Corrected bill mailed when the final assessment is determined
  - Does not subject TC to the \$2 for every \$1 collected penalty in O.C.G.A. § 48-5-135



# Georgia Department of Revenue



## SB 346

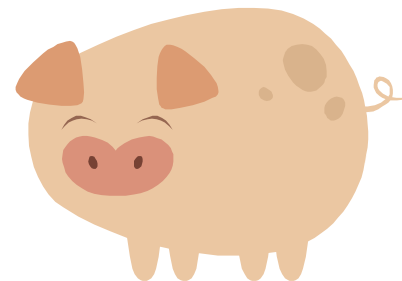
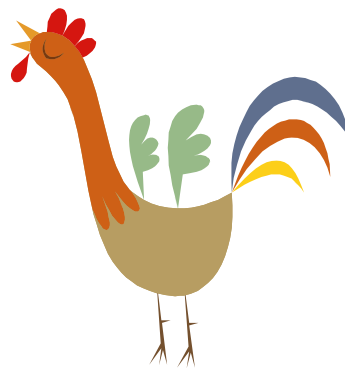
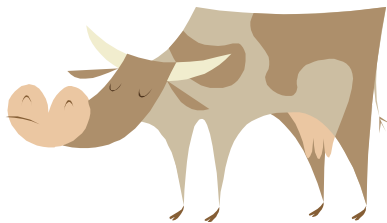
- Part IX, Section 9-1 amends O.C.G.A. § 48-5-23
  - Allows for taxes, *fees or special assessments* to be collected in installments (line 1146)
    - Removes the word **two**, so county may elect for taxes to be paid in multiple installment payments (line 1147)
  - Adds language that the collection also covers fees, or special assessments (line 1146)
  - Resolution adopted by county or municipality governing authority must
    - Be adopted by December 31 prior to the tax year implemented
    - Establish the due dates for the installment payments
    - Set a due date earlier than December 20 for payment of the final installment



# Georgia Department of Revenue

## SB 346

- Section 9-2 adds a new code section O.C.G.A. § 48-5-9.1 (line 1227)
  - Allows county to accept any form of payment
    - Credit Cards





# Georgia Department of Revenue

## SB 346

- Part X, Section 10-1 amends O.C.G.A. § 48-5-32.1
  - Requires the county tax commissioner, or collecting officer for a municipality, to calculate and certify the “roll back rate” to the county or independent school system and to the Revenue Commissioner (line 1262)
  - Requires rollback rate calculated for only M & O millage rate (line 1282)
  - Advertisements of property tax increases must be advertised in newspaper and on the county website of both the recommending and levying authorities (line 1287)



# Georgia Department of Revenue



## SB 346

- Adds new language in advertisement to tell taxpayer the proposed millage rate and the millage rate that is the “roll back millage rate” (line 1297)
- Using average home value (rounded to nearest \$25,000) inform the public the \$ amount of the tax increase (line 1299)
- Using average value of non-homestead property (rounded to nearest \$25,000) inform the public the \$ amount of the tax increase (line 1302)
- Requires advertisement be at least 30 square inches and posted in newspaper at least one week prior to each hearing (line 1308)
- Requires posting of advertisement on website
- The advertisement may include reasons for the tax increase (line 1310)



# Georgia Department of Revenue

## SB 346

- The commissioner shall not accept a digest for review or issue an order authorizing the collection of taxes if the recommending authority or levying authority has established a millage rate in excess of the correct rollback without complying fully with the procedures required by this Code section (line 1326)



# Georgia Department of Revenue

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## SB 346

- Part XI, Section 11-1 amends O.C.G.A. § 48-5-304
  - Removes the appeal limitation to submit a digest
    - Current law
      - 3% value in dispute in a non-revaluation year
      - 5% value in dispute or # of parcel in a revaluation year
    - Digest can be submitted without regard to the number of appeals



# Georgia Department of Revenue

## SB 346

- Digest can be submitted without regard to the number of appeals
  - DANGER!!!
    - Must effectively communicate to the county and school boards the potential value loss
    - New digest submission requirements will require an affidavit signed by all parties that they are aware of the potential revenue adjustments caused by the resolution of appeals





# Georgia Department of Revenue

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## SB 346

- Part XII, Section 12-1 amends O.C.G.A. § 48-5-303
  - BOA given authority to correct factual errors in the tax digest discovered within 3 years – IF – such correction is to the benefit of a taxpayer
    - Notice given to taxpayer and to the tax commissioner



## Georgia Department of Revenue

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### SB 346 – Recap of Parts IX - XII

- Part IX
  - allows for payment of taxes in multiple installments and a due date prior to December 20<sup>th</sup>
  - Provides for any form of payment to be accepted



## Georgia Department of Revenue

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### SB 346 – Recap of Parts IX - XII

- Part X changes “Notice of Property Tax Increase” advertisement
  - to specify the rollback millage rate and estimate the increase in \$ as a result of the higher millage rate for both
    - Residential homestead property
    - Non-residential property
  - Only required for M & O Levy
  - Advertisement must be at least 30” square inch
  - Notice must also be posted on county and school websites



## Georgia Department of Revenue

### SB 346 – Recap of Parts IX - XII

- Part XI
  - allows submission of tax digest to the Commissioner and an Order to Bill and Collect issued without regard to the value in dispute or the number of parcels appealed
- Part XII
  - BOA given authority to make corrections within 3 years when the correction is in favor of the taxpayer



# Georgia Department of Revenue

## SB 346

- EFFECTIVE DATES:
  - Part VI becomes effective upon signature of Governor
    - Section 6-1-- Changes to the arbitration process
      - Eliminates non-binding arbitration
      - Defines a “certified appraisal”
      - Determines a final value for 2009 appeals to binding arbitration if the BOA has failed to act timely
    - Section 6-2 -- Moratorium
      - Revenue Commissioner will not assess 1/4 mill recovery or \$5/parcel penalty
      - County not required to maintain value other than moratorium value



# Georgia Department of Revenue

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## SB 346

- Effective Date
  - All other Parts
    - January 1, 2011