

ACCG Policy Council Recommendations:

- **Digest Preparation Efficiency and Simplification** – Make several changes that will help counties submit their tax digest to the state on time. Currently more than 75% of counties are late submitting their tax digest.

Over the years, new laws and policies have made it very difficult and in some cases impossible for counties to submit their digests on-time.

When digests are not approved on-time, counties, schools and cities are not able to collect their taxes in a timely manner, forcing many local governments to use their revenue reserves or borrow money.

The taxpayer ultimately suffers because they have to pay the interest costs on the borrowed money or lost interest on county reserve funds.

- **Manufactured Housing/Mobile Homes** – Move the ad valorem tax deadline and increase fines for failure to display a current decal.

The ad valorem tax deadline for non-homesteaded, non-real property mobile homes should be moved from May 1st back to April 1st of each year.

ACCG also requests f Fines for failure to display a current decal should be increased to a minimum of \$100 with a \$300 maximum per violation.

- **Increase in Magistrate Court Filing Fees from \$22.00 to \$54.00** – Although the General Assembly increased most court fees based on the rate of inflation during the 2010 legislative session, the Magistrate Court fees were not increased. This increase will better reflect the cost of providing services in Magistrate Court.
- **Telecommunications Excise Tax** – Eliminate cable and telephone franchise fee system and replace it with a 3.5% local telecommunications excise tax.

The current tax structure does not provide equity among service providers because they are taxed differently based upon the type of technology they use to deliver their service.

Local government revenues on telecommunication companies have been flat or in decline because they have not adequately captured many of the newly emerging technologies.

ACCG asks the General Assembly to eliminate the current franchise fees and taxes on telecommunication service providers and replace these revenues with a 3.5% local

telecommunications excise tax. The local revenues should be split between the counties and the cities based upon a population formula.

- **Campaign and Financial Reporting** – Reform reporting requirements for local government officials by streamlining the process and requiring the state to promptly process and post submission of reports.
- **Unfunded Mandates** – Continue to reduce or eliminate outdated or unnecessary requirements on counties.
- **Subdivision of Land and Plats** – Eliminate loopholes that allow plats and subdivisions of land to be filed/recorded with the Superior Court without first getting county or city approval.

Under current law, whenever a county board of commissioners or city council prepares and adopts subdivision regulations, no plat of subdivision of land within the county or city can be filed or recorded in the office of the clerk of superior court without approval of the county or the city. However, the law also provides for an exception.

Approval by the county or city is not a precondition for filing a plat where no new streets or roads are created, no new utility improvements are required, or no new sewer improvements or septic tank approvals are required.

The General Assembly should eliminate these loopholes to better protect the health and safety of the public.

- **DOR Penalties for Tax Digest Non-Compliance** – Grant a five-year moratorium on DOR penalties for tax digest non-compliance.

Georgia Law provides for stiff penalties against county governments for deficiencies found in the annual tax digest. One is commonly known as the ¼ mil recovery and the other is a \$5 per parcel penalty.

Given the ongoing issues in the real estate market, new laws that have changed the definition of fair market value, and the law mandating value limits for prior year sales, the process used by the Georgia Department of Audits (DOA) to measure digest compliance is flawed and unpredictable.

ACCG requests the Legislature enact a five year moratorium on both of these penalties on local governments allowing time for the real estate market to begin to stabilize and the DOA time to develop a more predictable methodology for measuring digest compliance.

- **Redirected Fees** – Pursue legislation to halt the redirection of fees from their statutorily-designated purposes to the state’s General Fund.
 - Adopt a constitutional amendment creating a constitutional trust fund to truly dedicate these fees;
 - Adopt a constitutional amendment authorizing the General Assembly to establish dedicated trust funds, then having to vote on redirecting any monies to the state’s General Fund;
 - Establish a mechanism whereby these fees are collected and dispersed at the local level, not subject to the State’s appropriations process; or
 - Eliminate the fees or reduce them proportionally to the amount that actually goes toward their statutorily-designate purpose.

ACCG opposes the adoption of any additional “fees” which impact local governments until the issue of redirecting these monies to the State’s General Fund has been effectively resolved through any of the above measures.

- **Increase Inmate Per-Diem Rate from \$20.00 to \$25.00.** Paid to the prisons by the Department of Corrections for housing state’s inmates. This fee has not been increased since the mid 1990s, but the cost of housing the inmates continues to increase each year.
- **Administration of Energy Excise Tax** – Several changes are necessary to ease administration of this new tax.
 1. Definition of ag production is very broad making it easy to qualify for the exemption certificate but administratively it will be difficult to separate out the exempt energy use from the nonexempt energy use.
 2. Threshold for manufacturing that would give remainder of business the exemption
 3. Require a copy of the sales tax exemption be sent to a local government levying the excise tax
 4. Service locations on the exemption certificate
 5. Penalties and interest for late payment or failure to pay
- **County Officials’ Funds** – Make it clear that all funds received by county officers and officials must be audited and included in the county’s financials.

Full Accounting – County commissioners, as trustees of the people, have a fiduciary duty to properly oversee and account for revenues received by all officials of the county including constitutional officers.

As such, the law should be amended to make it clear that all funds received by any county official from whatever source—including confiscated funds and property—must be deposited in the general fund or other appropriate fund of the county on a monthly basis with all such funds being appropriated and audited in accordance with state and federal law.

- **Titling Recreation Vehicle** – To ensure tax compliance, require recreational vehicles to be titled and replace the sales tax and annual ad valorem tax with the new title tax system.

It is difficult for counties to ensure the proper sales taxes and ad valorem taxes are remitted on recreational vehicles (e.g. ATVs and boats) and aircraft because these vehicles are not tracked. The lack of uniformity in sales tax collections places Georgia dealers at a competitive disadvantage with out of state dealers and private sellers. ACCG ask the General Assembly to help counties track these vehicles by requiring them to be titled and remove the sales tax and annual ad valorem tax in lieu of placing these vehicles under the new title tax system. This change would benefit the owners, sellers and insurers of these types of vehicles and simplify the tax administration.

- **Illegal Immigration Reform Revisions** – Revise current law to clearly define requirements and streamline bureaucratic procedures mandated by state law.
 - ✓ clearly define requirements that state and local governments must abide by;
 - ✓ allow for the submission of affidavits, reports, secure and verifiable documents and other materials to be provided by mail, electronically, facsimile, or by other secure methods;
 - ✓ allow legal residents to renew their public benefits without having to annually submit the above documents; and
 - ✓ consolidate county reporting requirements into one annual report to one agency.
- **Passport Application Fees** – Prohibit Clerks of Court from keeping the \$25 fee as personal compensation. Deposit money in the county's general fund.
- **Notices in Legal Organ** – Start scaling back the number of notices that counties are mandated to publish in their legal organ and instead give counties the option to post notices on the Internet.

Counties should be provided with the flexibility to post mandated notices on their websites or on a common statewide website instead. The press is free to post these notices in newspapers as a public service to which they are committed, but should not be subsidized by local taxpayers in doing so.