



**Georgia Department of Revenue**

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**Local Government  
Services  
&  
Motor Vehicle Divisions**

**Vicki Lambert**  
Director



# Georgia Department of Revenue

## Local Government Services

### Digest Compliance

- Appraisal & Assessment
- Audits

### Distributions

- FLPA Grants
- Sales Tax

### Training

- Tax Officials
- Other Local Government Officials

### Centralized Assessments

- Public Utility Digest
- Railroad Equipment Car Digest

### Unclaimed Property

- Holders
- Claims



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## SALES TAX



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## Sales Tax Information Available from DOR

- **Commodity Reports:**
  - Accommodations
  - Auto
  - Construction
  - Food/bars
  - General Merchandise
  - Home Furnishings
  - Manufacturing
  - Misc Service
  - Other Retail
  - Other Services
  - Utility
  - Wholesale
- **List of Registered Businesses**
  - Names
  - Address
  - Does not include \$\$ paid
  - County-wide information only



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## Links

- Commodity:
  - [https://etax.dor.ga.gov/ptd/dis/LGS\\_2013\\_Sep\\_Commodity\\_Report.pdf](https://etax.dor.ga.gov/ptd/dis/LGS_2013_Sep_Commodity_Report.pdf)
- Local Sales Tax Distributions:
  - [https://gtc.dor.ga.gov/\\_/#1](https://gtc.dor.ga.gov/_/#1)



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## MOTOR VEHICLES



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## Title Ad Valorem Tax (TAVT)

- Vehicle Purchased After March 1, 2013
  - Title Ad Valorem Tax Due
    - 6.75% Rate
  - Exempt from sales tax
  - Exempt from ad valorem tax (birthday tax)

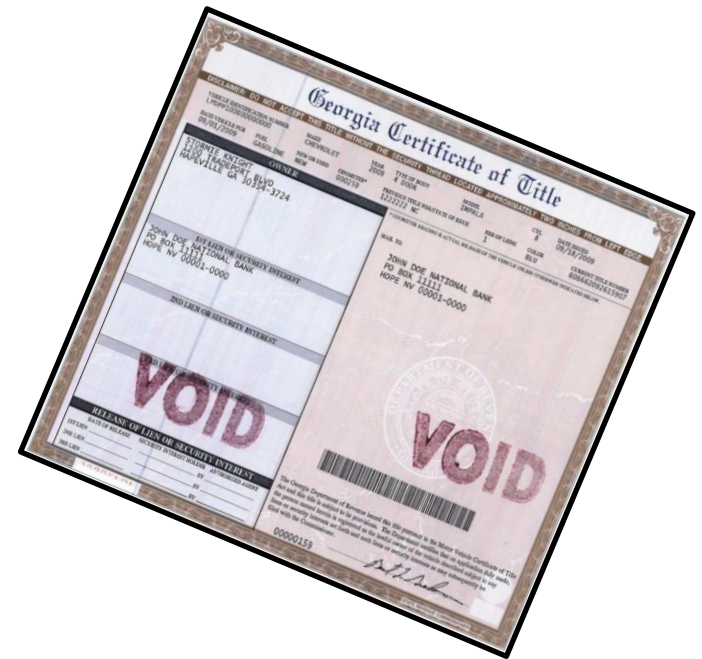




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## Definitions

- **“Motor Vehicle”** means every vehicle which is self-propelled (O.C.G.A. § 40-1-1(33))
  - Titled Vehicles







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## Comparison

### Prior to March 1, 2013

\$35,000 sale price

\$15,000 trade in

\$20,000 taxable value

$\$20,000 * 7.0\% \text{ Sales Tax} =$   
\$1,400

Ad valorem based on 25 mills =  
\$350

**Year 1 taxpayer pays \$1,750**

Annually pays \$20 registration fee  
+  
ad valorem tax

### Since March 1

\$35,000 sale price for new vehicle

\$15,000 trade in

\$20,000 taxable value

$\$20,000 * 6.75\% =$   
\$1,350.00 TAVT

**Savings of \$400**

Annually pays \$20 registration  
fee



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## Consumers Save – Affect on your budget?

- Revenue lost from annual ad valorem tax will be made up by collecting the title ad valorem tax on casual sales
  - Prior to March 1 no sales tax collected





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## Revenue

- Local Governments guaranteed \$1 billion year 1
  - Increases by 2% each year
- State guaranteed \$535,000,000 year 1
  - Increases by 2% each year





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## 2 separate Target amounts

- State Target amount
  - Adjusts the overall rate
- Local Target amount
  - Adjusts how the split is calculated





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## State & Local Title Ad Valorem Tax

Tax Year	Tax Rate	State %	Local %
2013	6.5%	57%	43%
2014	6.75	55%	45%
2015	7%	55%	45%
2016*	7%	53.5%	46.5%
2017*	7%	44%	56%
2018*	7%	40%	60%
2019*	7%	36%	64%
2020*	7%	34%	66%
2021*	7%	30%	70%
2022 – forward*	7%	28%	72%



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## Distribution to Locals

- True-up ad valorem tax
- Distribute remainder based on local sales tax pennies





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## How to Calculate Ad Valorem True-Up

- Subtract the amount of ad valorem tax on motor vehicles (old method) collected in the same month of 2012

	Amount Collected March 2012	Amount Collected March 2013	Difference
District			
County			
School			
Special Districts			
Municipalities			



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## Shortfall

- What happens when there is insufficient funds to make up the difference in ad valorem tax?
  - Allocate a proportionate amount of available proceeds to each governing authority & school boards
  - Any remaining funds to be paid will be paid from next month's proceeds





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## How is remainder of local money distributed

- 3 buckets

- 1/3 – school system/systems

- 1/3 county and city governments

- Lost % -or

- Population

- 1/3 county & city governments

- SPLOST Agreements

- No SPLOST then based on population

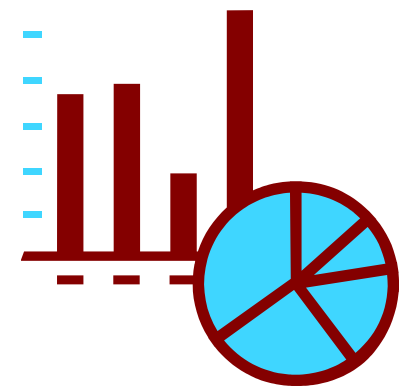




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## TAVT Statistics

- \$1,134,076,009 collected in revenue as of 1/29/2014
- Standard Transactions (6.5 or 6.75%)
  - 1,378,000
  - \$1,054,000
- Opt-In transactions
  - 523,000
  - \$12,985,000
- Out of State
  - 90458
  - \$42,365,318.42





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## Local Government Guarantee

- 1<sup>ST</sup> Year guarantee to local governments = **\$1 Billion**
    - Ad valorem tax
    - Sales tax
    - TAVT
  - Total ad valorem tax collected:
    - \$705,542,654
  - Total TAVT collected
    - \$448,259,594
- } **\$1,153,802,248**



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## Contacts

### Sales Tax

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### TAVT

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## Questions

