

HB 202 SUMMARY

Effective upon signature of the Governor:

- Section 1:** Changes 40-1-1 to include a definition of 'Manufacturer Headquarters'.
- Section 2:** Changes 40-2-38 to include language about how to treat vehicles that are leased to Employees of manufacturers for TAVT.
- Section 3:** Changes 40-3-4 includes language clarifying exclusions from motor vehicle titling to include vehicles owned by a manufacturer headquarters.
- Section 28:** All laws and parts of laws in conflict with this Act are repealed.

Effective July 1, 2015:

- Section 13:** Amends 48-5-302 extending the deadline for the Assessors to turn over the digest to the Tax Commissioner to July 15.
- Section 15:** Amends 48-5-311:
- Creates the 'Appeal Administrator' position within the Clerk's office and defines certain duties regarding the filing and processing of complaints on BOE members;
- Requires the BOC to reserve a line item in the budget for the Appeal Administrator;
- Requires Appeal Administrator to hold all documentation for 12 months;
- Initiates changes to the functioning of the BOE:
- Gives Grand Jury jurisdiction to hear complaints and remove members;
 - Members of BOE choose the Chairman and Vice Chairman rather than Grand Jury;
 - Gives Appeal Administrator administrative authority over functioning of the BOE;
 - BOE members must own property in the county for which they serve;
 - BOE members are required to file a form, created by the Superior Court Clerks of GA, outlining their education, employment background, experience and qualifications;
 - BOE members shall complete 20 hours of continuing education within 1 year of reappointment; no member will be seated until this requirement is met;
 - Gives Clerk authority to administer oath of office to BOE members;

Changes to appeal process:

- Lowers FMV threshold for hearing officer cases to \$750,000;
- Qualifies wireless equipment to be heard by a hearing officer;
- Outlines requirements for BTA consideration of fee appraisals submitted in support of an appeal;
- Outlines requirements for BTA consideration of the most current sales ratio study submitted in support of an appeal;
- Taxpayer may amend an assertion of value declared on the uniform appeal form;
- More than one appeal by a single taxpayer may be consolidated and be heard as a single appeal hearing in any of the appeal processes;
- Once all deadlines to appeal have expired, the BTA shall forward the final value to the tax commissioner within 10 days;
- Revenue Commissioner shall create a uniform 30 day notice to be used in all counties;
- Taxpayer's stated value becomes the assessed value if BTA hasn't acted within 180 days;
- BTA can get extension if appeal volume exceeds 3% of total digest value;
- BTA can get further extension from the commissioner for good cause;

If extension granted, BTA must publicize on website;

If deadline still not met, Revenue Commissioner has authority to require additional training, or any other remediation as the Commissioner may deem appropriate;

- Notification of BOE hearing shall include language advising each party of the opportunity to request proof documentation from the other party. Such proof documentation to be submitted no later than 7 days prior to the hearing;
- BOE to announce decision at conclusion of hearing before proceeding to another hearing;

Hearing Officer:

- Allows contiguous properties under same ownership and appealed to be combined for the purpose of meeting the \$750,000 threshold;
- Further defines meaning of 'wireless property';
- BTA must issue notification to the taxpayer if the board decides no change in value is warranted. If, within 30 days, the taxpayer has not responded, the BTA is to forward the appeal to the Hearing Officer;

- Appeal Administrator must submit all necessary documentation to the taxpayer and BTA;
- If a qualified Hearing Officer cannot be found, appeal will be forwarded to BOE;
- At conclusion of hearing, the Hearing Officer will either send the decision to both parties, or deliver by hand with written receipt;
- Hearing Officers shall be compensated \$75 for the first hour, \$25 for each hour thereafter at a minimum;
- Requires Hearing Officers to receive 4 hours of training on recent legislation annually;
- Any failure to obtain any of the requirements will render the Hearing Officer ineligible to serve;
- All provisions in this subsection can be waived with the consent of both parties.

Recording Interviews:

Any taxpayer can request an interview with any member of BTA staff, and staff must, within 30 days, grant such interview. The BTA staff can be granted an extension of 30 days with written notification to taxpayer. Superior Courts shall have jurisdiction in enforcing this requirement where a failure to comply will result in a \$100 fine to the county.

Additional Appeal/BOE changes:

- A BOE panel shall consist of no more than 3 members;
- BOE members shall be compensated at \$25 for continuing education;
- Changes interest calculation language;
- All correspondence must be sent to the taxpayer and their legal representative. Failure to comply results in the waiving of any affected deadline outlined in this code section;

Effective January 1, 2016:

Section 4: Changes language in 48-2-40 concerning the payment of 10% penalty for failure to Return property:

Section 5: Amends 48-3-3 allowing for policy on electronic filing for tax bills;

Section 6: Amends 48-3-27 relating to the penalty for obstructing levying officers;

Section 7: Amends 48-5-32 reducing the amount of time each levying authority has to advertise tax rates to one week;

Section 8: Amends 48-5-148 further allowing electronic payment transactions;

to **Section 9:** Amends 48-5-205 to extend the deadline to September 1 for the Tax Commissioner submit the digest to DOR.

Section 10: Amends 48-5-265 to allow for intergovernmental agreements between counties to form a joint Tax Assessor office;

Also allows for sharing of designated property appraisal staff between counties;

Further clarifies the requirements when an outside firm is hired by the BTA for any appraisal project, including requiring members of such firms to uphold similar educational requirements as would a member of the appraisal staff;

Requires the hiring of such firm to be noted in the BTA minutes;

Section 11: Amends 48-5-274 to instruct the auditor to time adjust sales prices back to the Jan. 1 appraisal date for the purposes of the annual sales ratio study.

Further, deductions must be made when the sale includes personal property, exempt property or standing timber;

Section 12: Amends 48-5-299 eliminating (b) (1) and (2) (A) and (B) (see section 4);

Amends the language for 48-5-299(c) to better define when a successive 2 year value lock shall be applied;

- Shall not apply when a taxpayer fails to attend their hearing, or if they do attend but fail to present any written evidence;
- Shall not apply when a taxpayer files a subsequent return;
- Shall not apply when a taxpayer files a subsequent appeal;
- Value can be adjusted in subsequent years by BTA upon discovery of substantial change in property characteristics or substantial error in BTA record;

Section 14: Amends 48-5-306 to allow for the revised hearing officer threshold of \$750,000 to be included on the assessment notice;

Also amends language as to what can be requested by the taxpayer to include a description of methodology used by the BTA in establishing values;

Superior court shall have jurisdiction to enforce this code section which would be taken into account in any awarding of attorney's fees.

Section 16: Further amending 48-5-311 concerning nonbinding arbitration and Superior Court:

Changing 'binding' to 'nonbinding' (can continue to Superior Court);

No other change to body of section EXCEPT:

(x) attorney's fees are awarded by the proximity of the decision value to either of the parties final values;

Appeals to the Superior Court:

Fee for filing to court reduced to \$25.

Section 17: Reserved

Section 18: Amends 48-5-345 to require the Revenue Commissioner to compile statistics concerning appeals, BOE, Hearing Officer, arbitration and Superior Court hearings from the prior tax year annually;

All statistics will be available through the department's website;

Beginning with digests on or after the effective date, no ¼ mil penalty will be assessed;

Section 19: Amends 48-5-405 including language for 'independent school systems';

Section 20: Amends 48-5-492 to back the date for mobile home taxation for location permitted Use to April 1;

Section 21: Amends 48-5-493 to change the fine amount for mobile home non-compliance to not less than \$100 nor more than \$300;

Sets a cap of \$1000 for multiple mobile home owners;

Section 22: Amends 48-5-494 to further clarify the April 1 mobile home compliance deadline;

Section 23: Amends 48-5C-1 to allow for exemption from TAVT for MARTA;

Section 24: Amends 48-6-2 to instruct the Clerks in posting data on state form PT-61;

Section 25: Amends 48-5-4 to further instruct the Clerks in posting data to state form PT-61;

Section 26: Amends 48-8-3 to allow exemption on equipment used in renovation or construction in the case of a particular private GA college.

Additional Points to consider:

- Sections 9, 12, and 15 of this Act shall be applicable to all appeals filed on or after the date of Jan. 1, 2016: This is interesting in that all of section 15 deals with the appeals process...so while it is singled out to be in effect July 1, as most of the section deals with appeals and the appeal process, it may not be in effect until January 1. We may need to wait for the legal and DOR minds to analyze this language for further clarification;
- A conflict has been noted between when the hearing officer reduction in threshold goes into effect (July 1) and when that portion of the assessment notice goes into effect (Jan. 1).
- Another rather unusual occurrence has been noted. The BTA extension to get the digest to the TC falls under the July 1 effective date, so we should have until July 15 this year; while the extension for the TC to get the digest to DOR isn't effective until Jan. 1 (or, next year).
Hmmm.....

