

MUSCOGEE COUNTY – MOTOR VEHICLE APPEAL PROCESS SUMMARY

(As adopted for the Board of Tax Assessors Policy Manual on 01/11/2016)

1. How is a motor vehicle appraised for tax purposes in Georgia?

For most vehicles the values are set out in a manual prepared by the Commissioner of the Georgia Department of Revenue (DOR). The values shown in the motor vehicle ad valorem assessment manual are determined by the Revenue Commissioner using an average of fair market value and wholesale value. The County appraisers are required to use the DOR values. These values are prepared for taxation purposes, not for appraising a vehicle for sale or purchase. As appeals of motor vehicle valuations are received, staff shall recommend an opinion of fair market value pursuant to O.C.G.A. 48-5C-1. These values are arrived at by using a variety of market guides that are available to the public. Exclusive of instances where the initial value is not listed in the current motor vehicle ad valorem assessment manual, the appraiser shall not grant precedence to the acquisition price in the opinion of value recommended.

2. What legal authority guides the process?

O.C.G.A. § 48-5C-1, pursuant to amendments signed into law in House Bill 266, provides for the following valuation process and definition of "Fair Market Value":

- For new motor vehicles: Use the greater of the retail selling price (or in the case of a lease, the agreed upon value) or the value listed in the motor vehicle ad valorem assessment manual. The higher number that is used should then be reduced by the trade-in value, as well as reduced by any rebate or cash discounts provided by the selling dealer at the time of the sale. Retail selling price (or in the case of a lease, the agreed upon value) includes charges for delivery, freight, document fees, and other such fees and is meant to mirror the taxable base that was formerly used for sales tax.
- For used motor vehicles: Use the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the motor vehicle ad valorem assessment manual based upon a nationally recognized motor vehicle industry pricing guide for fair market and wholesale mark values minus trade in for dealer sales. If not listed in the motor vehicle ad valorem assessment manual, the appraiser will use the value from the bill of sale or the value from a reputable used car market guide designated by the commissioner, whichever is greater.
- Both new and used car dealer sales receive a reduction for trade-in value.

3. What avenues of appeal does a taxpaying owner have in case of a disagreement about the value?

Any taxpayer may appeal their valuation to the Board of Tax Assessors. As referenced in paragraph 1 above, the staff will review the value when an appeal is filed and present a recommendation to the Board of Tax Assessors to reduce, uphold or increase the assessed value. The taxpayer will then be notified of any change in value decided by the Board of Tax Assessors. If the taxpayer disagrees with this value, there are three alternative courses currently available to a taxpayer:

i. Board of Equalization

Appealing to the Board of Equalization (BOE) is free to the taxpayer. Each BOE is a three-member panel made up of Muscogee County property owners. Each board member has attended at least 40 hours of training in property tax laws and appraisal. The BOE is independent from the Board of Tax Assessors.

If you select this option you will be scheduled for a hearing before the BOE. The BOE will have reviewed your letter of appeal, and will listen to your presentation, and they will listen to the County appraiser. The BOE will then render an independent decision as to the value of the property, and you

will be notified of this decision in writing at the end of the hearing. Either party may appeal to Superior Court within 30 days of the BOE decision. Fees will be required if you appeal to Superior Court.

ii. **Binding Arbitration**

Within 10 days of receiving your appeal to Binding Arbitration, the Board of Tax Assessors (BTA) will send an acknowledgement to the taxpayer stating a requirement to provide the BTA, at your expense, a certified appraisal of your property prepared by a qualified appraiser. Also, you will be required to submit a filing fee of \$25.00. You will have 45 days to submit your certified appraisal and your \$25.00 filing fee. Upon receipt, the Board of Tax Assessors must either accept or reject your appraisal. If we accept your appraisal this will become the final value, the appeal will be resolved, and we will return your check for \$25.00. If we do not accept your appraisal, within 45 days we must certify your appeal to the Clerk of Superior Court with your filing fee of \$25.00. If we do not act within 45 days, your certified appraisal shall become the final value. Within 15 days of filing the appeal with the Clerk of Superior Court, the Chief Judge shall issue an order authorizing the arbitration. Within 30 days of his/her appointment, the arbitrator will schedule the time and location of the hearing. At the Conclusion of the hearing the arbitrator shall render a decision regarding the value of the property by choosing either the value presented by the Board of Tax Assessors, or the value presented by the taxpayer. The "loser" must pay the cost of the arbitrator. Provisions of binding arbitration may be waived at any time by written consent of both parties. The decision of the arbitrator is final and is not appealable to Superior Court.

iii. **Affidavit of Illegality**

Taxpayer choice of appealing the value of a vehicle through "an affidavit of illegality" is based on a taxpayer claim that the car should not be taxed in Georgia, probably because it is taxed elsewhere. It requires a Bond in the amount of the tax plus any penalties and interest, and shall be paid to the Tax Commissioner's office. The Tax Commissioner will forward it to Superior Court. The Affidavit of Illegality will be tried by a jury in Superior Court.

4. Does the law establish particular reasons for appealing your value?

State law says an appeal can only be filed for three reasons, and you must state which applies. The three reasons are:

- i. Value: If you believe the State has incorrectly assessed your property
- ii. Taxability: If you believe the property in question should not be taxable
- iii. Denial of Exemption: If you believe you were denied an exemption which you previously applied for.

5. How does one get started? What are the procedures?

Muscogee County has created an easy to fill out, printable PDF Appeal Form, to make it easy to appeal your vehicle valuation. The use of this form is not mandatory and you may choose to write a letter instead.

All vehicles appealed in the state of Georgia are valued as of January 1 of each year. This means if you purchase property June 13 the valuation date the state uses is January 1 of that year. The valuation will consider mileage, condition and any other reason you believe the value should be reduced.

6. What if I disagree with the value the State has placed on my vehicle which is the value for the Ad Valorem Tax Fee?

Things needed for the title ad valorem tax fee appeal (**TAVT**):

- Appeal Form or Letter stating your intent

- Copy of paid Tag Registration from the Tax Commissioner
- Bill of Sale
- Mileage as of sale date or January 1
- Statement of condition of motor vehicle. Photos will be taken by appraiser during inspection.

7. What are the deadlines to be met in these processes?

The deadlines for filing appeals of motor vehicle valuations are as follows:

- The TAVT has a deadline of 45 days from the due date of the tax. This can yield two dates depending on where you purchased the vehicle from. The 45 day period starts at either one of these deadlines.
- If purchased from a dealer you have seven (7) days to register and title your property.
- If you purchased from an individual or brought property into Georgia from another state, you have thirty 30 days to purchase your title and register your property.
- The AVT has a much simpler deadline for the due date of the tax. Your Registration Renewal Notice serves as notice of value and is typically mailed out 6 weeks before the tax due date. The tax due date is the deadline for the appeal.
- Under State law the deadlines are firm and not flexible at the discretion of the Assessor's office or Tax Commissioner's Office.

8. How will a motor vehicle be valued when it is appealed?

A motor vehicle or a trailer, once appealed is appraised by using the average of the wholesale price (or trade in value) and the retail price, and then, according to the State procedures, adjustments will be made for differences from standards in mileage, condition, title, etc.

Please contact the Personal Property Division at 706-653-4402 if you have any questions. The Personal Property Division Manager is Stacy Pollard at 706-225-3588 or spollard@columbusga.org.