

**Commissioner Questions March 12, 2014 Questions on Property Taxes and the Tax Assessor's Office**

**Part 1**

**Q. What is the Ad valorem tax?**

A. This is more commonly known as property tax, which is a large source of revenue for governments in Georgia. The basis for ad valorem taxation is the fair market value of the property, which is established January 1<sup>st</sup> of each year. The tax is levied on the assessed value of the property which, by law, is established at 40% of the fair market value. The amount of tax is determined by the tax rate (mill rate) levied by various entities (one mill is equal to \$1.00 for each \$1,000 of assessed value or .001).

**Q. What entities are involved in the ad valorem tax process?**

A. The following government entities are involved in the process:

The County Tax Commissioner  
The County Board of Tax Assessors  
The County Board of Equalization  
The County Commissioner  
The County Board of Education  
The State Revenue Commissioner

**Q. What is the Tax Commissioner's role in this process?**

A. This office is established by the Constitution and is an elected position in all counties except two. This is the official serving as agent of the State Revenue Commissioner and responsible for the registration of motor vehicles; and performing all functions related to billing, collecting, disbursing, and accounting for ad valorem taxes collected in the county. This office does not regulate the amount of taxes, but only collects the taxes.

**Q. What is the Board of Tax Assessors and who appoints them?**

A. This Board consists of three members who are appointed by the County Commissioner(s) in all counties except one. They are responsible for determining taxability, value and equalization of all assessments within the county. The County Board of Tax Assessors notifies taxpayers when changes are made to the value of the property; receive and review all appeals filed; and assures that the appeal process proceeds properly. In addition, they approve all exemptions claimed by the taxpayer.

**Q. What does the Board of Equalization do?**

A. The Board of Equalization is appointed by the Grand Jury, and is the body charged with hearing and adjudicating administrative appeals to property and assessments made by the Board of Tax Assessors. (Note: An arbitration method of appeal is available to the taxpayer in lieu of an appeal to the board of equalization at the option of the taxpayer at the time the appeal is filed).

**Q. What is the role of the County Commissioner(s) in the process?**

**A.** The Commissioner establishes the annual budget for county government operations each year, and levies the mill rate necessary to fund the portions of the budget to be paid for by ad valorem tax.

**Q. What part does the County Board of Education play?**

**A.** The Board of Education establishes the annual budget for school purposes and then recommends their mill rate, which, with very few exceptions, must be levied for the school board by the county commissioner.

**Q. What does the State Revenue Commissioner do?**

**A.** This position exercises general oversight of the entire ad valorem tax process. In addition, the State levies ad valorem tax each year in an amount, which cannot exceed one-fourth of one mill (.00025).

**Continued next week**