

GENERAL INFORMATION

Ad valorem tax, more commonly known as property tax, is a large source of revenue for local governments in Georgia. The basis for ad valorem taxation is the fair market value of the property, which is established as of January 1 of each year. The tax is levied on the assessed value of the property which, by law, is established at 40% of 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).

Several distinct entities are involved in ad valorem taxation:

The **County Tax Commissioner**, an office established by the Constitution and elected in all counties except one (Dougherty), is the official responsible for receiving tax returns by taxpayers or designating the Board of Tax Assessors to receive them; receiving and processing applications for homestead exemption; serving as agent of the State Revenue Commissioner for the registration of motor vehicles; and performing all functions relating to billing, collecting, disbursing and accounting for ad valorem taxes collected on behalf of Sumter County, the Sumter County Schools, and the State of Georgia.

The **County Board of Tax Assessors**, appointed for fixed terms by the Sumter County Board of Commissioners is responsible for determining what property is taxable and seeing that all properties are appraised and assessed fairly and equally. The Board notifies taxpayers of their real property assessments annually and when changes are made to the value of personal property; they receive, review, and process all appeals filed by taxpayers; and they insure that the appeals process proceeds properly. In addition, they approve all exemption applications claimed by the taxpayer.

The **County Board of Equalization**, appointed by the Grand Jury, is the body charged by law with hearing and adjudicating administrative appeals to property values and assessments made by the Board of Assessors. The appeal process available to taxpayers also includes *Hearing Officers* and *Arbitration* in lieu of an appeal to the Board of Equalization.

The **Board of County Commissioners** or **County Governing Authority**, an elected body, establishes the budget for county government operations each year, and they then levy the mill rate necessary to fund the portion of the budget to be paid for by ad valorem tax.

The **County Board of Education**, an elected body, establishes the annual budget for school purposes and they then recommend their mill rate, which, with very few exceptions, must be levied for the school board by the County Commissioners.

The **State Revenue Commissioner** exercises general oversight of the entire ad valorem tax process - approving the County Digest and granting permission to the County Tax Commissioner to bill and collect said taxes.

TAX RETURNS

Taxpayers are required to file at least an initial tax return for taxable property (both real and personal property) owned on January 1 of the tax year. In Sumter County the time for filing returns is January 1 through April 1. These returns are filed with the Tax Assessors Office. The tax return is a descriptive listing of the property owned by the taxpayer which includes the taxpayer's declaration of the value of the property.

Once the initial tax return is filed, the law provides for an automatic renewal of that return each succeeding year at the value finally determined for the preceding year. The taxpayer is required to file a new return only as additional property is acquired, improvements are made to existing property, or other changes occur. A new return, filed during the return period, may also be made by the taxpayer to declare a different value from the existing value where the taxpayer is dissatisfied with the current value placed on the property by the Board of Tax Assessors. This serves the purpose of establishing the taxpayer's appeal rights if the declared value is changed again by the Board of Tax Assessors.

HOMESTEAD EXEMPTIONS

Various homestead exemptions have been enacted to reduce the burden of ad valorem taxation for State of Georgia homeowners. The exemptions apply to property owned by the taxpayer and occupied as his or her legal residence. (Some exceptions may apply).

Applications for Homestead Exemptions

An applicant seeking a homestead exemption shall file a written application with the Tax Assessor's Office at any time during the calendar year subsequent to the property becoming the primary residence of the applicant up to and including April 1, for which the exemption is sought. Homestead applications received after that date may be applied to the next year's tax bill.

Once granted, the homestead exemption is automatically renewed each year and the taxpayer does not have to apply again unless there is a change of ownership or the taxpayer seeks to qualify for a different exemption.

Local Homestead Exemption

Under authority of the State Constitution several different types of homestead exemptions are provided. In addition, local governments and school systems are authorized to provide for increased exemption amounts and several have done so. The Tax Assessor's Office can answer questions regarding the standard exemptions as well as any local exemptions that are in place.

The **Standard Homestead Exemption** is available to all homeowners who otherwise qualify by ownership and residency requirements and it is an amount equal to \$2,000 which is deducted from the 40% assessed value of the homestead property. The exemption applies to the maintenance and operation portion of the mill rate levy of the County and the County School System and the State mill rate levy. It does not apply to the portion of the mill rate levied to retire bonded indebtedness.

The **Standard Elderly School Tax Homestead Exemption** is an increased homestead exemption for homeowners 62 and older where the net income from all family members residing in the homestead does not exceed \$10,000 for the preceding year. A portion of Social Security income and certain retirement income are excluded from the calculation of the income threshold. This exemption applies only to school tax, but it does include taxes levied to retire school bonded indebtedness. The amount of the exemption is up to \$10,000 deducted from the 40% assessed value of the homestead property.

The **Standard Elderly General Homestead Exemption** is available to homeowners who otherwise qualify and who are 65 and older where the net income of the applicant and spouse does not exceed \$10,000 for the preceding year. A portion of Social Security income and certain retirement income are excluded from the calculation of the income threshold. This exemption, which is in an amount up to \$4,000 deducted from the 40% assessed value of the homestead property applies to county taxes, school taxes, and the state tax and it does apply to taxes levied to retire bonded indebtedness.

The **Disabled Veteran Homestead Exemption** is available to certain disabled veterans, un-remarried spouses or minor children in an amount equal to \$100,896 in 2021 but adjusted annually by a certain index by the Department of Veterans Affairs. Such exemption amount is deducted from the 40% assessed value of the homestead property and applies to all ad valorem tax levies. Specific proof of disability from the Department of Veterans Affairs is required.

The **Surviving Spouse of Member of Armed Forces Killed in Action Exemption** is available to the un-remarried surviving spouse of a member of the Armed Forces of the United States who was killed in or who died as a result of any war or armed conflict engaged in by the United States. The surviving spouse must furnish appropriate documentation from the Department of Defense that spousal benefits are received as a result of the death of the Armed Forces member.

The **Peace Officer or Firefighter Homestead Exemption** is available for the surviving spouse of a peace officer or firefighter who was killed in the line of duty. The surviving spouse is exempt from the full value of the homestead with respect to all ad valorem.

The **Floating or Varying Homestead Exemption** is available to homeowners 62 or older with gross household incomes of \$30,000 or less. The exemption applies to state and county ad valorem taxes but it does not apply to school tax. The exemption is called a floating exemption because the amount of the exemption increases as the value of the homestead property is increased.

The **Property Tax Deferral Program** provides for a method for qualified property owners 62 and older with gross household income of \$15,000 or less to defer but not exempt the payment of ad valorem taxes on a part or all of the homestead property. Generally the tax would be deferred until the property ownership changes or until such time that the deferred taxes plus interest reach a level equal to 85% of the property's fair market value.

Approval or Denial of Homestead: With respect to all of the homestead exemptions, the Board of Tax Assessors makes the determination as to eligibility; however, if the application is denied the taxpayer must be notified and an appeal procedure then is available for the taxpayer.

SPECIALIZED AND PREFERENTIAL ASSESSMENT PROGRAMS

Two general types of specialized or preferential assessment programs are available for certain owners of certain types of property.

The Agricultural Preferential Assessment Program authorizes assessment at 30% rather than 40% of fair market value for certain agricultural properties being used for bona fide agricultural purposes. The property owner must enter into a 10-year covenant with the Board of Tax Assessors. Penalties may apply if the covenant is breached.

The Forest Land Conservation Use Assessment provides for an ad valorem tax exemption for property primarily used for the production of trees, timber, or wood fiber products. The property may have secondary uses such as promotion, preservation, or management of wildlife habitat; carbon sequestration; mitigation and conservation banking; or the production and maintenance of ecosystem products. This 15-year covenant agreement between the taxpayer and local Board of Assessors is limited to forest land tracts consisting of more than 200 acres. Penalties may apply if the covenant is breached.

Rehabilitated and Landmark Historic Assessment includes property that qualifies for listing on the *Georgia or National Register of Historic Places*. This professional assessment extends to the building and no more than two acres. Property under this special program must be certified by the Department of Natural Resources as rehabilitated historic property or landmark historic property. The exemption equals the difference between current fair market value and the higher of the acquisition cost or assessment of fair market value at the time of the original 10-year covenant was entered.

Brownfield Property Assessment includes property which qualifies for participation in the State's Hazardous Reuse and Redevelopment Program and which has been designated as such by the Environmental Protection Division of the Department of Natural Resources. This program effectively freezes the taxable assessment for ten years as an incentive for developers to clean up contaminated property and return it to the tax rolls. It allows eligible owners to recoup the certain costs associated with the cleanup.

EXEMPT PROPERTY

Computer Software may be exempt when it is installed on computer hardware as an operating system.

Farm Products may be exempt when still in the hands of the producer and Farm Equipment used in the direct cultivation of the soil may be exempt from ad valorem taxation when owned by certain persons. This includes farm equipment held under a lease purchase agreement.

Household Goods are exempt when not held for sale and when used within the home.

Personal Property valued less than \$7,500 is exempt when the total taxable value of all personal property in the county owned by the taxpayer, as determined by the Board of Assessors, does not exceed \$7,500. (Calculation does not include the value of mobile homes, motor vehicles or trailers)

Level 1 Freeport Inventory includes certain raw materials, goods in process, and finished goods held by the manufacturer or distributor. Each county governing authority may set, by resolution, the percentage of exemption after approval of the qualified categories of inventory by voters. Property owners seeking this exemption must apply annually.

Level 2 Freeport Inventory includes finished goods constituting the inventory of a business which would not otherwise qualify for a Level 1 Freeport. Each county governing authority may set, by resolution, the percentage of exemption after approval by voters. Property owners seeking this exemption must apply annually.

The following property types may be exempt from ad valorem taxation when specific qualifications are met:

- Public Property
- Places of Religious Worship
- Single Family Residences owned by Religious Groups
- Purely Public Charity
- Non-Profit Hospital
- Colleges, Academy, Seminary of Learning
- Books, Paintings, Statuary Kept in Public Hall
- Air & Water Pollution Control Equipment
- Non-Profit Home for the Aged
- Non-Profit Home for the Mentally Handicapped
- Headquarters or Post Home for Veteran Organization
- Certain Historical Fraternal Benefit Association

ASSESSMENT APPEALS

The Board of Tax Assessors is required to issue a notice of assessment for taxable tangible real and personal property. Upon receipt of this notice, the property owner desiring to appeal the assessment may do so within 45 days.

The appeal may be based on taxability, value, uniformity, and/or the denial of an exemption. The written appeal is filed initially with the Board of Tax Assessors. The State of Georgia provides a uniform appeal form for use by property owners. In that initial written dispute, the property owner must declare their chosen method of appeal.

The three methods of appeal include:

Appeal to the Board of Equalization: The appeal is filed by the property owner and reviewed by the Board of Tax Assessors. The Board of Tax Assessors may change the assessment and send a new notice. The property owner may appeal the assessment in the amended notice within 30 days. The appeal of the amended notice or any initial appeal which is not amended by the Board of Tax Assessors, is automatically forwarded to the Board of Equalization. A hearing is scheduled and conducted and the Board of Equalization renders its decision. If the taxpayer is still dissatisfied, an appeal to Superior Court may be made.

Appeal to a Hearing Officer: The taxpayer may appeal to a Hearing Officer, who is a State certified general real property or State certified residential real property appraiser and is approved as a Hearing Officer by the Georgia Real Estate Commission and the Georgia Real Estate Appraiser Board, when the issue of the appeal is the value or uniformity of value of non-homestead real property, but only when the value is equal to or greater than \$500,000. If the taxpayer is still dissatisfied with the decision of the Hearing Officer, an appeal to Superior Court may be made.

Appeal to an Arbitrator: An appeal is filed to Arbitration with the Board of Tax Assessors within 45 of the date of the notice. The Board of Tax Assessors must notify the taxpayer of the receipt of the arbitration appeal within 10 days. The taxpayer must submit a certified appraisal of the subject property, within 45 days of the date of transmittal of the knowledge of receipt of the appeal which the Board of Tax Assessors may accept or reject. If the taxpayer's appraisal is rejected, the Board of Tax Assessors must certify the appeal to the Sumter County Clerk of Superior Court for arbitration. The arbitration is authorized by the presiding or Chief Judge of Superior Court and a hearing is scheduled within 30 days.



2021 **IMPORTANT TAX INFORMATION**

SUMTER COUNTY
Tax Commissioner's Office
500 West Lamar Street
P. O. Box 1044
Americus GA 31709
Phone (229) 928-4530
Fax (229) 928-4533

SUMTER COUNTY
Tax Assessor's Office
500 West Lamar Street
P. O. Box 1152
Americus GA 31709
Phone (229) 928-4514
Fax (229) 928-4512

The duties and responsibilities of this office are many and varied, but our main function is to serve you, the citizens of our community. This brochure has been furnished to help answer some of your questions regarding county taxes.

Please feel free to contact either of these offices if you have any questions on the information addressed in this brochure.

Tax Commissioner: Wilkie Smith
wsmith@sumtercountyga.us

Chief Appraiser: Monica Horne
mhorne@sumtercountyga.us