



Motor Vehicle Tax Reform

Vehicle Valuation and Appeals

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Hall County Board of Tax Assessors

PURPOSE

- Overview of the Motor Vehicle Valuation Manual issued by the state
- Review the Motor Vehicle Appeal Process



DEFINITION: Fair Market Value for Vehicles

- A. The average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner in determining taxable value of a motor vehicle under Code Section 48-5-442;



100% value of the value listed in the "Motor Vehicle Assessment Manual"



B.OR if the used motor vehicle is not listed in the motor vehicle manual:



***Higher of the bill of sale or
value from a reputable used
car market guide.***



C. OR in cases of a *new* vehicle where a value is not listed and vehicle is not a demonstrator and has never been the subject of a sale at retail to the general public.



***Bill of sale less any
rebate and before
reduction for the trade-in
value of another motor
vehicle.***



DEFINITIONS

Trade in Value

Value of the motor vehicle as stated in the bill of sale for a vehicle which has been traded in to the dealer when purchasing another vehicle from the dealer.



Issues not accounted for in MV Assessment Manual

- High mileage
- Rust, dents, dings, water damage
- Mechanical issues
- Rebuilt/Restored

While high mileage adjustments are found in most valuation guides....diminished value for other reasons may require professional repair estimates



Example: Casual Sale

2003 Toyota Camry (196,000 miles)
purchased on 5/1/2013 for \$4,000.

MV Assessment Manual = \$ 6,125

*Taxpayer appeals value because MVAM
value exceeds purchase price ...vehicle has
high mileage...*



A reputable market guide indicates that a 2003 Camry with 196,000 miles may be worth...

- Trade-in Value = \$3,000 (good condition)
- Private Party = \$4,540 (good condition)
- Used Car Dealer = \$6,540 (excellent condition)

– Purchase Price = \$4,000



Who is most likely to appeal value?

- Casual Sales
- Any sale where purchase price is lower than MV Assessment Manual value.
- Newcomers to Georgia



APPEAL OPTIONS

Appeal to Board of Assessors via O.C.G.A. 48-5-311 (most common)

- Board of Equalization and Superior Court

OR

- Binding Arbitration



APPEAL OPTIONS

Appeal through O.C.G.A. § 48-5-450

- Must file affidavit of illegality.
- Requires filing a bond.
- Trial held in superior court.



APPEALS

Taxpayers who wish to appeal the vehicle value **must** submit an appeal to the county board of assessors.



APPEALS

IF taxpayer wishes to register vehicle they can pay 85% of the TAVT but appeal documentation ***must*** be given to the county tax commissioner.

Title transaction cannot be completed without full payment of TAVT unless appeal is filed.



APPEAL TIMELINE

The time allowed for the filing of a written appeal shall be forty-five (45) days from the deadline date for the payment of the tax.

- 30 days from date of purchase to pay (casual sales)
- 10 days from the date of purchase to pay (dealer)
- 30 days from date of residency



APPEAL SCENARIO I





**CUSTOMER PAYS 100% OF TAVT
TO REGISTER VEHICLE**



**Customer Appeals
Vehicle Valuation**



CUSTOMER WINS



APPEAL RESOLVED!



**CUSTOMER GETS
REFUND + INTEREST**



APPEAL SCENARIO II





Customer Appeals
Vehicle Valuation



**MUST SHOW APPEAL
DOCUMENT TO OTC**

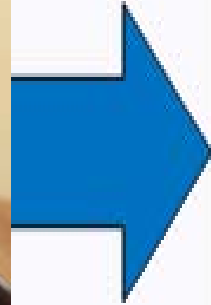


**CUSTOMER PAYS 85% OF
TAVT TO REGISTER VEHICLE**





APPEAL RESOLVED!



**Vehicle
Value is
Recalculated**



**CUSTOMER GETS
REFUND + INTEREST**

OR



**CUSTOMER PAYS REMAINING
BALANCE OF TAVT + INTEREST**



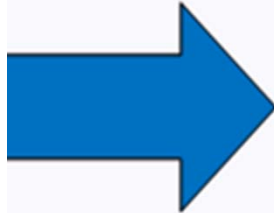
APPEAL SCENARIO III



POST BOND



**CUSTOMER PAYS \$0 OF TAVT
TO REGISTER VEHICLE**



**Customer Appeals
Vehicle Valuation**



APPEAL RESOLVED!



**CUSTOMER PAYS
100% OF TAVT**



SPECIAL FORMS

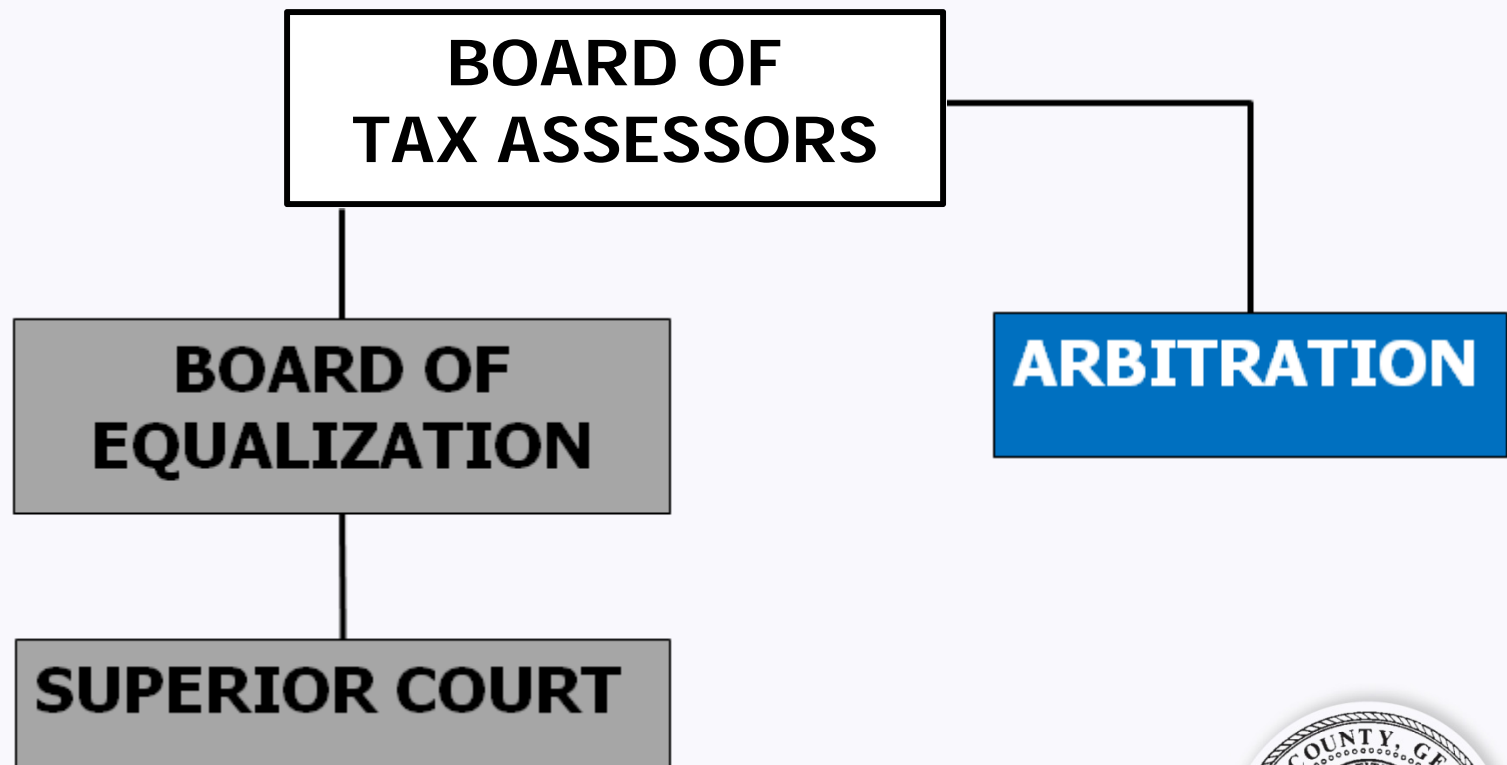


- Statewide Appeal Form
- Statewide 30-day Assessment Notice
- County In-House Appeal Form



MOTOR VEHICLE APPEAL PROCESS

pursuant to HB 386



What to expect March 1, 2013

- Increase in motor vehicle appeals
- Increased transaction time at county tag agent & tax assessors office windows
- Taxpayer Issues
 - Uninformed
 - Casual Sales
 - New residents to Georgia



What are we doing to prepare?

- Vehicle Valuation Project Manager
- Updated Vehicle Market Guides
- Designated Staff For Vehicle Appeals
 - *Entire appraisal staff will be prepared*
- Appeal Form
- Streamlined Appeal Process
- Appeal Resolution Within 1–3 Business Days
- Appeal Tracking

