

SPECIALIZED & PREFERENTIAL ASSESSMENT PROGRAMS

Two general types of specialized or preferential assessment programs are available for certain owners of certain types of property. One of these programs authorizes assessment at 30% rather than 40% of fair market value for certain agricultural properties being used for bona fide agricultural purposes.

The second type of preferential program is the Conservation Use program which provides that certain agricultural property, timberland property, environmentally sensitive property or residential transitional property be valued and assessed for ad valorem tax purposes at its current use value rather than its fair market value.

Each of these specialized or preferential programs requires the property owner to contract with the Board of Tax Assessors to maintain the property in its qualified use for at least 10 years in order to qualify for the preference. The Board of Tax Assessors can explain the ownership and use restrictions regarding property qualifying for either of these programs.

ASSESSMENT APPEALS

When the Board of Tax Assessors changes the value of property from the value in place for the preceding year from the value that was returned by the taxpayer for the current year, a notice of that change must be sent to the property owner. The property owner desiring to appeal the change in value must do so within 45 days. The appeal is filed with the Board of Tax Assessors which reviews the valuation again and informs the taxpayer of its decision. If the taxpayer remains dissatisfied, the appeal is forwarded to the County Board of Equalization. A hearing is scheduled and the Board of Equalization renders its decision. If the taxpayer is still dissatisfied with the decision, an appeal to Superior Court may be made.

In lieu of an administrative appeal with the Board of Equalization, an arbitration method of appeal is available to the taxpayer or you may choose binding arbitration at the time of your appeal. The Board of Tax Assessors can provide details regarding this procedure. The assessment appeal may be made on the basis of the taxability of the property, the value placed upon the property, or the uniformity of that value when compared to other similar

properties in the county. The appeal should not be based on any complaint about the amount of taxes levied on the property.

Call the Cherokee County Tax Assessor's Office at 678-493-6122 for additional information regarding preferential assessments and appeals.

How is property appraised?

To find the value of any piece of property the assessor must first know what properties similar to it are selling for, what it would cost today to replace it, how much it takes to operate and keep it in repair and what income it may earn.

Using these facts, the assessor can then go about finding the property's value in three different ways.

Sales Comparison Approach

The first method compares your property to others that have sold recently. These prices, however, must be carefully analyzed to get the true picture. One property may have sold for more than it was really worth because the buyer was in a hurry and would pay any price. Another may have sold for less than it was actually worth because the owner needed the cash right away. The property was sold to the first person who made an offer. When using the sales comparison approach, the assessor must always consider such overpricing or under pricing and analyze many sales to arrive at a fair valuation of your property. Size, quality, condition, location and time of sale are also important factors to consider.

Cost Approach

A second way to value your property is based on how much money it would take, at current material and labor costs, to replace your property with one similar. If your property is not new the assessor must also determine how much it has depreciated. In addition, the assessor must determine how much a lot like yours would be worth if vacant.

Income Approach

The third way is to evaluate how much income your property would produce if it were leased at market rate. The assessor must consider operating expenses, taxes, insurance, maintenance costs and the return most people would expect on your kind of property.

Sonya Little
TAX COMMISSIONER
2780 Marietta Hwy, Ste 200
Canton, GA 30114
In Cooperation with the Cherokee
County Tax Assessors Office
and the Georgia Association of
Assessing Officials.

2015

Important Tax Information

Cherokee County

A GUIDE TO HOW PROPERTY IS
ASSESSED, HOW TAXES ARE
DETERMINED AND CURRENT
EXEMPTIONS

SONYA LITTLE TAX COMMISSIONER

Office Hours 8 am – 5 pm Monday-Friday

Canton Office

2780 Marietta Hwy-Canton, GA 30114

678-493-6400

Woodstock Office

155 Towne Lake Pkwy-Woodstock, Georgia 30188

678-493-6400

Visit us at: www.cherokeega.com

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 1st 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 levied by the various entities (one mill is equal to \$1.00 for each \$1,000 of assessed value).

Several distinct entities are involved in the ad valorem tax process:

The County Tax Commissioner, an office established by the Constitution and elected in all counties except two, 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 in the county.

The County Board of Tax Assessors, appointed for fixed terms by the county commissioners in all counties except one, is responsible for the appraisal, assessment and equalization of all assessments within the county. The board notifies taxpayers when changes are made to the values of the property; receives and reviews all appeals filed; on real property, personal property and motor vehicle; and insures the appeal process proceeds properly. In addition, the board is responsible for receiving property tax returns; receiving and processing applications for homestead exemptions and approves all exemptions claimed by the taxpayer.

The County Board of Equalization appointed by the Grand Jury, is the body charged by law with the hearing and deciding administrative appeals to property values 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).

The Board of County Commissioners (or the sole commissioner in some counties), elected in all counties, establishes the budget for county government operations each year, and levys the mill rate necessary to fund the portion of the budget to be paid for by ad valorem tax.

The County Board of Education, elected in all counties, establishes the annual budget for school purposes and recommends a mill rate, which, with very few exceptions, must be levied for the school board by the county governing authority.

TAX RETURNS

Taxpayers are required to file at least an initial tax return for taxable property (both real and personal property) owned January 1st of the tax year. The time for filing returns is January 1st through April 1st. These returns are filed with the Tax Assessor's Office and forms are available in that office. The tax return is a listing of the property owned by the taxpayer and 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 and the taxpayer is required to file a new return only as additional personal property is acquired, improvements are made to the existing property if other changes occur. A new return filed during the return period may also be made by a taxpayer to request a decrease in value when 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 decreased value is changed again by the Board of Tax Assessors.

HOMESTEAD EXEMPTIONS

**Homestead exemptions have to be filed in the Tax Assessor's Office located at 2782 Marietta Hwy, St.200, Canton, Georgia 30114*

Several types of homestead exemptions have been enacted to reduce the burden of ad valorem taxation for Georgia homeowners. The exemptions apply to homestead property owned by the taxpayer and occupied as his or her legal residence as of January 1.

To receive the benefit of the homestead exemption, the taxpayer must file an initial application. The application is filed with the Tax Assessor's Office. The application may be filed anytime after you become eligible but must be filed by April 1st of the tax year the exemption is to be granted. And is normally filed at the same time the initial tax return for the homestead property is filed.

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 kind of exemption or move to different location.

Under authority of the State Constitution, several different types of homestead exemptions are provided. In

addition, local governments are authorized to provide for increased exemption amounts. There are a number of exemptions available to property owners in Cherokee county.

Regular Homestead Exemption

\$2,000 for State & School Purposes, \$5,000 for County M&O Purposes. Must own and occupy home as of January 1st of the tax year, the exemption is granted.

Elderly School Tax Exemption

Owner(s) must have homestead exemption and must be 62 as of January 1st of the tax year, the exemption is granted. Owner(s) is exempt from school tax for up to \$156,000.00 of assessed value.

Disability School Tax Exemption

Owner(s) must be totally disabled as of January 1st of the tax year, the exemption is granted. Owner(s) is exempt from school tax for up to \$156,000.00 of assessed value.

Disabled Veterans/Un-remarried Surviving Spouse Exemption

This exemption is restricted to certain types of very serious disabilities and certified by the Veteran's Administration as having 100% service connected disability on or before January 1st of tax year, the exemption is granted. Must have proof of honorable discharge. Owner is exempt from county and school for up to \$70,465.00 of assessed value.

Age 65

Owner(s) age 65 years or over may claim an exemption from all state ad valorem taxes on their home and up to 10 acres of land surrounding the home. Ad Valorem tax for state purposes will be due on the assessed value of the land that exceeds the 10 acre limitation. Owner will also receive the school tax exemption up to \$156,000.00 of assessed value.

Un-remarried Surviving Spouse (SG)

The un-remarried surviving spouse of a peace officer or firefighter killed in the line of duty will be granted a homestead exemption for the full value of the homestead for as long as the applicant occupies the residence as a homestead.

Georgia Forest Land Protection Act of 2008

Provides for an ad valorem tax exemption for property primarily used for the good faith subsistence or commercial production of trees, timber, or other wood and wood fiber products and excludes the entire value of any residence located on the property. In addition, the property may have secondary uses such as the promotion, preservation, or management of wildlife habitat; carbon sequestration in accordance with the Georgia Carbon Sequestration Registry; mitigation and conservation banking that result in restoration or conservation of wetlands and other natural resources; or the production and maintenance of ecosystem products and services such as, but not limited to, clean air and water. 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 when owned by an individual or individuals or by an entity registered to do business in Georgia.

How are Value & Tax Computed?

