

House Bill 463 (AS PASSED HOUSE AND SENATE)

By: Representatives Rice of the 95<sup>th</sup>, Powell of the 32<sup>nd</sup>, Greene of the 151<sup>st</sup>, and Yates of the 73<sup>rd</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 2 of Title 40 and Code Section 48-5-442.1 of the Official Code of Georgia  
2 Annotated, relating, respectively, to registration and licensing of motor vehicles and  
3 valuation of commercial vehicles for ad valorem tax purposes, so as to revise and change  
4 taxation regarding certain apportionable vehicles registered under the International  
5 Registration Plan; to change certain provisions relating to reciprocal agreements and  
6 registration of commercial vehicles on an apportionment basis; to change certain provisions  
7 relating to disposition of certain motor vehicle registration and license fees by the state  
8 revenue commissioner; to change certain provisions relating to motor vehicle license fees and  
9 classes; to provide for alternative ad valorem taxes; to provide for distribution of alternative  
10 ad valorem taxes; to provide for procedures, conditions, and limitations; to change certain  
11 provisions relating to determination of valuation of commercial vehicles for ad valorem tax  
12 purposes; to amend Code Section 48-5C-1 of the Official Code of Georgia Annotated,  
13 relating to the motor vehicle title fee, so as to provide an expedited method to appeal fair  
14 market value of a motor vehicle for certain purposes; to provide for related matters; to  
15 provide for an effective date; to repeal conflicting laws; and for other purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

17 style="text-align:center">**SECTION 1.**

18 Chapter 2 of Title 40 of the Official Code of Georgia Annotated, relating to registration and  
19 licensing of motor vehicles, is amended in Code Section 40-2-88, relating to reciprocal  
20 agreements and registration of commercial vehicles on an apportionment basis, by revising  
21 paragraph (1) of subsection (d) as follows:

22 "(1) Registration under the International Registration Plan shall not relieve a registrant  
23 from any other taxes due, except as otherwise provided in subsection (h) of Code Section  
24 40-2-152, and registration shall be denied any such vehicle if any Georgia ad valorem  
25 property taxes due upon such vehicle are unpaid;"

**SECTION 2.**

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Said chapter is further amended by revising Code Section 40-2-152, relating to fees for apportionable vehicles, as follows:

"40-2-152.

(a) Except as otherwise provided for in this Code section, the annual fee for all apportionable vehicles not operated as a common or contract carrier for hire in accordance with owner declared gross vehicle weight or combined vehicle gross weight shall be as follows:

(1) Less than 30,001 lbs. ....	\$ 45.00
(2) 30,001 to 36,000 lbs. ....	70.00
(3) 36,001 to 44,000 lbs. ....	115.00
(4) 44,001 to 54,999 lbs. ....	190.00
(5) 55,000 to 63,280 lbs. ....	300.00
(6) 63,281 lbs. to maximum permitted ....	400.00

(b) Except as otherwise provided for in this Code section, the annual fee for all apportionable vehicles operated as a common or contract carrier for hire in accordance with owner declared gross vehicle weight or combined vehicle gross weight shall be as follows:

(1) Less than 30,001 lbs. ....	\$ 85.00
(2) 30,001 to 36,000 lbs. ....	130.00
(3) 36,001 to 44,000 lbs. ....	215.00
(4) 44,001 to 54,999 lbs. ....	365.00
(5) 55,000 to 63,280 lbs. ....	575.00
(6) 63,281 lbs. to maximum permitted ....	725.00

(c) For each apportionable motor bus or van-type vehicle, the fee is ~~is~~ shall be \$3.75 for each 100 pounds or fractional part of 100 pounds factory weight. No motor bus license fee amount shall exceed \$875.00.

(d) Trucks transporting logs, pulpwood, or other forest products shall be issued restricted license plates, and the fees shall be as enumerated in Code Section 40-2-151.

(e) Each school bus operated exclusively in the transportation of pupils and teachers to and from schools or school activities or in the transportation of the owner and his or her immediate family shall be issued a restricted license plate for the sum of \$5.00. A bus owned by a church or owned in common with other churches and used and operated exclusively for the church in transporting members and patrons to and from church or church activities, when no part of the proceeds of the operation of the bus inures to the benefit of any private person, shall be issued a restricted license plate for the sum of \$5.00

61 in the same manner as school buses when the bus complies with the laws applicable to  
62 school buses.

63 (f) A truck or a truck-tractor hauling fertilizer, milk, or crops as defined in paragraph (7.1)  
64 of Code Section 1-3-3 shall be issued a restricted license plate with the fee computed in  
65 accordance with Code Section 40-2-151.

66 (g) A farm vehicle shall be issued a restricted license plate with the fee computed in  
67 accordance with Code Section 40-2-151.

68 (h) Only for apportionable vehicles registered under subsection (a), (b), or (c) of this Code  
69 section:

70 (1) Each such apportionable vehicle shall be subject to an annual alternative ad valorem  
71 tax on such apportionable vehicle as authorized under Article VII, Section I,  
72 Paragraph(b)(3) of the Constitution. Such alternative ad valorem tax shall be in the  
73 amount specified in subsection (k) of this Code section and shall be collected by the  
74 commissioner at the same time as the registration fee required under subsection (a), (b),  
75 or (c) of this Code section;

76 (2) Notwithstanding the provisions of Code Section 48-5-442.1, no ad valorem tax shall  
77 be assessed against such apportionable vehicle other than the alternative ad valorem tax  
78 under this Code section except that such apportionable vehicle shall not be relieved for  
79 any such ad valorem tax which accrued and was due and payable prior to registration  
80 under the International Registration Plan; and

81 (3) The full amount of such alternative ad valorem tax proceeds shall not constitute fees  
82 for purposes of Code Section 40-2-131. Such proceeds shall be retained by the  
83 commissioner in a separate, segregated account for the purpose of allocation and  
84 distribution under subsection (m) of this Code section.

85 (i) For all trailers and semitrailers owned by fleets whose tractors are registered under the  
86 International Registration Plan, the apportioned value for ad valorem taxes shall be  
87 determined as provided in Code Section 48-5-442.1.

88 (j) For all trailers and semitrailers owned by fleets whose tractors are registered under the  
89 International Registration Plan, payment of ad valorem taxes shall be accepted by the  
90 department upon request of the taxpayer regardless of the county in which such trailer is  
91 domiciled.

92 (k) Each apportionable vehicle identified under subsection (a), (b), or (c) of this Code  
93 section shall be subject to an alternative ad valorem tax which shall be determined by the  
94 value and rate assigned to each weight class. Each weight class shall be a separate subclass  
95 of motor vehicle, and the value of each vehicle shall remain the value for each tax year as  
96 follows:

97 (1) Less than 30,001 lbs. shall be valued at \$15,000.00 and taxed at \$50.00 per year;

98 (2) 30,001 to 36,000 lbs. shall be valued at \$25,000.00 and taxed at \$75.00 per year;

99 (3) 36,001 to 44,000 lbs. shall be valued at \$40,000.00 and taxed at \$125.00 per year;

100 (4) 44,001 to 54,999 lbs. shall be valued at \$55,000.00 and taxed at \$175.00 per year;

101 (5) 55,000 to 63,280 lbs. shall be valued at \$75,000.00 and taxed at \$225.00 per year;

102 and

103 (6) 63,281 lbs. to maximum permitted shall be valued at \$95,000.00 and taxed at \$275.00

104 per year.

105 (l) The commissioner shall add the alternative ad valorem tax in subsection (k) of this

106 Code section to the vehicle registration fees in subsection (a), (b), or (c) of this Code

107 section, prior to apportionment of those fees. The alternative ad valorem tax shall be

108 apportioned on the same basis and in the same manner as the apportionable registration

109 fees and collected at the same time.

110 (m)(1) The alternative ad valorem tax imposed by this Code section shall be collected

111 by the commissioner and shall be distributed annually from the separate, segregated fund

112 not later than April 1 of the calendar year immediately following the calendar year in

113 which such taxes were paid to the commissioner, in the manner provided for in this

114 subsection.

115 (2) Each year, the distributions of alternative ad valorem tax proceeds under this

116 subsection shall be based upon the immediately preceding year's tax digest of each

117 participating tax authority submitted to and approved by the commissioner. If such digest

118 has not been submitted and approved, the commissioner shall, for purposes of this

119 subsection, utilize in its place the most recently submitted and approved tax digest of

120 such participating tax jurisdiction.

121 (3)(A) One percent of the alternative ad valorem tax collected by the commissioner

122 shall be paid into the general fund of the state treasury in order to defray costs of

123 administration.

124 (B) Except for the amount provided in subparagraph (A) of this paragraph, the

125 remaining proceeds of the alternative ad valorem tax shall be divided among each tax

126 jurisdiction of this state. Such tax jurisdictions shall be limited to only a county,

127 municipality, county school district, and independent school district which levies or

128 causes to be levied for their benefit a property tax on real and tangible personal

129 property.

130 (C) The distribution shall be made according to the proportion that the amount of ad

131 valorem taxes to be collected by a tax jurisdiction under the tax digest specified under

132 paragraph (2) of this subsection bears to the total amount of ad valorem taxes to be

133 collected for all purposes applicable to real and tangible personal property in this state

134 for the immediately preceding calendar year."

135 **SECTION 3.**

136 Code Section 48-5-442.1 of the Official Code of Georgia Annotated, relating to valuation of  
 137 commercial vehicles for ad valorem tax purposes, is amended by revising subsection (b) as  
 138 follows:

139 "(b) The valuation of a commercial vehicle, trailer, or semitrailer for ad valorem tax  
 140 purposes shall be determined as follows:

141 (1) The gross capital cost of a commercial vehicle, trailer, or semitrailer shall be  
 142 multiplied by a percentage factor representing the remainder of such vehicle's value after  
 143 depreciation according to a depreciation schedule which the commissioner shall annually  
 144 prepare and distribute to each of the tax collectors and tax commissioners. Except as  
 145 provided in paragraph (2) of this subsection, the resulting value of such commercial  
 146 vehicle, trailer, or semitrailer shall be assessed at the rate of 40 percent of such value for  
 147 ad valorem tax purposes in this state; or

148 (2) For a trailer, a semitrailer, or a commercial vehicle which is not registered in Georgia  
 149 under the International Registration Plan pursuant to Code Section 40-2-88, the  
 150 assessment calculated under paragraph (1) of this subsection shall be multiplied by the  
 151 Georgia fleet mileage ratio. The resulting apportioned value shall be the Georgia  
 152 assessed value of the commercial vehicle, trailer, or semitrailer for ad valorem tax  
 153 purposes in this state."

154 **SECTION 4.**

155 Code Section 48-5C-1 of the Official Code of Georgia Annotated, relating to the motor  
 156 vehicle title fee, is amended by revising paragraph (1) of subsection (a) as follows:

157 "(1) 'Fair market value of the motor vehicle' means:

158 (A) For a used motor vehicle, the average of the current fair market value and the  
 159 current wholesale value of a motor vehicle for a vehicle listed in the current motor  
 160 vehicle ad valorem assessment manual utilized by the state revenue commissioner and  
 161 based upon a nationally recognized motor vehicle industry pricing guide for fair market  
 162 and wholesale ~~mark~~ market values in determining the taxable value of a motor vehicle  
 163 under Code Section 48-5-442, and, in the case of a used car dealer, less any reduction  
 164 for the trade-in value of another motor vehicle;

165 (B) For a used motor vehicle which is not so listed in such current motor vehicle ad  
 166 valorem assessment manual, the value from the bill of sale or the value from a reputable  
 167 used car market guide designated by the commissioner, whichever is greater, and, in the  
 168 case of a used car dealer, less any reduction for the trade-in value of another motor  
 169 vehicle; ~~or~~

170 (C) Upon written application and supporting documentation submitted by an applicant  
 171 under this Code section, a county tag agent may deviate from the fair market value as  
 172 defined in subparagraph (A) or (B) of this paragraph based upon mileage and condition  
 173 of the used vehicle. Supporting documentation may include, but not be limited to, bill  
 174 of sale, odometer statement, and values from reputable pricing guides. The fair market  
 175 value as determined by the county tag agent pursuant to this subparagraph shall be  
 176 appealable as provided in subsection (e) of this Code section; or  
 177 ~~(C)~~(D) For a new motor vehicle, the greater of the retail selling price or, in the case of  
 178 a lease of a new motor vehicle, the agreed upon value of the vehicle pursuant to the  
 179 lease agreement or the average of the current fair market value and the current  
 180 wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad  
 181 valorem assessment manual utilized by the state revenue commissioner in determining  
 182 the taxable value of a motor vehicle under Code Section 48-5-442, less any reduction  
 183 for the trade-in value of another motor vehicle and any rebate or any cash discounts  
 184 provided by the selling dealer and taken at the time of sale. The retail selling price or  
 185 agreed upon value shall include any charges for labor, freight, delivery, dealer fees, and  
 186 similar charges and dealer add-ons and mark-ups, but shall not include any extended  
 187 warranty or maintenance agreement itemized on the dealer's invoice to the customer or  
 188 any finance, insurance, and interest charges for deferred payments billed separately."

189 **SECTION 5.**

- 190 (a) This Act shall become effective upon its approval by the Governor or upon its becoming  
 191 law without such approval, and Section 4 of this Act shall be immediately applied to relevant  
 192 fair market value determinations.
- 193 (b) Sections 1, 2, and 3 of this Act shall be applicable to all registration, annual, or license  
 194 fees of apportionable vehicles and ad valorem and alternative ad valorem taxes of  
 195 apportionable vehicles on or after January 1, 2014.

196 **SECTION 6.**

197 All laws and parts of laws in conflict with this Act are repealed.