

# **SPECIAL REPORT: HOW TO LOWER YOUR PROPERTY TAX IN GEORGIA**



by John Adams

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As we enter another New Year, it is appropriate for all of us to remember the roman deity Janus, god of passages and time. He is most often depicted as having two faces: one looking to the future and one looking to the past. The Romans named the month of January in his honor.

And if we own any real estate, this is also a good time for us to look back and forward.

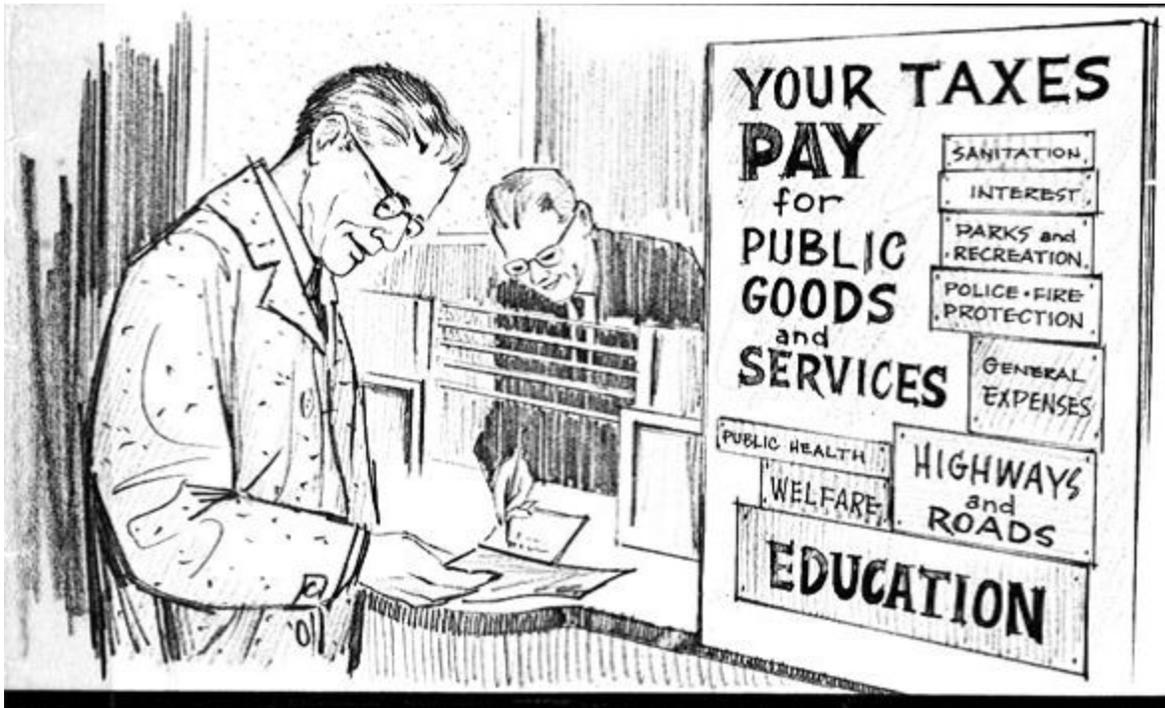
Look back to see if we have been paying more than our fair share of property tax, and look forward to learn what can be done to make sure we don't pay one cent more than the law demands during the new year.

Here then are my recommendations for your January 2017 property tax review.



1. **FORGET THE PAST.** Know that unless your property is currently under an appeal from last year, it is not possible to revisit your property tax assessment for 2016. It's over and done with. Generally, even the tax commissioner lacks the authority to revisit previous year's values, even if there is an obvious mistake. That's because the county needs to know how much revenue it can count on, and the mechanism for appeal is written into the state statute. It is, however, your responsibility to take control of the process for 2017.

2. **ASKING FOR A LOWER TAX ASSESSMENT WILL NOT HURT YOUR ACTUAL VALUE.** One of the most common misconceptions is that protesting an assessment may in some way lower the actual value of your home. Here's the truth: there is absolutely no relationship whatsoever between the assessed value for property tax purposes and the real market value of the property. While all of us want our homes to be worth as much as possible, you needn't worry that a low assessment will hurt your selling price should you decide later to sell. Don't worry about pursuing a lower value for tax purposes.



3. **YOUR PROPERTY TAX RETURN.** Beginning January 1, 2017, owners in Georgia may file a **TAXPAYERS RETURN** of **PROPERTY** with the Tax Assessor of the county where the property is located. This form simply notifies the assessor of your opinion of the value of the property in question on January 1, 2017.

The form is known as “Georgia Property Tax Return” though many large population counties prefer to use their own form. This is not the same as protesting your **NOTICE OF VALUATION** - that process comes later, probably in April or May. But the property tax return can be used to begin your dialog with the tax assessor.

4. The Property Tax Return form requires only your name, parcel ID, property address, and your estimate of value for the land and improvements as they existed on New Years Day 2017. It should take less than ten minutes to fill out, even less if you have last year’s tax bill or can log on the county tax website to gather your account info.

If you are filing a return on a single family residence and your lot is less than 5 acres, you can ignore the part of the form that asks for your estimate of value for LAND versus IMPROVEMENT. Simply enter the street address on the first line that says IMPROVEMENT to the left of your estimate of value, then enter the total value to the right.

Sign it, keep a copy for your records, then mail it as early in the new year as possible. The sooner you get the process started, the more likely you can work out an acceptable solution with the assessor. If you have any trouble with the form, call the tax assessor's office and ask for help - they are usually very nice folks!

Appraisal Report

**Uniform Partial Appraisal Report**

4 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$		839,000	
6 comparable sales in the subject neighborhood in the past twelve months ranging in sale price from \$		745,000	
SUBJECT		COMPARABLE SALE # 1	COMPARABLE SALE # 2
Address	2411 Alcedony Street	1517 Homblend Street	1017
APN/CITY:	418-00/San Diego	423-191-05-00/Pacific Beach	418-00
Subject		1.19 miles SW	1.6
Ass Liv. Area	\$ N/A sq ft	\$ 745,000	\$ 690,000
sq ft		392 sq ft	
ESTIMATES	DESCRIPTION	Cmt 00742 / 56 DOM	MLS#110017070 / 79 DOM
Time		No. C 193065	Realist /Doc#365578
Condition	Good	+(\$ Adjustment	DESCRIPTION
Improvement	Fee Simple	FHA \$672,508	Str Cnscs
Area & Bay	3,100 SF Level	07/19/2011	
Contemporary	3,600 SF Level		
Similar View			
Contemporary			
Good			
42			

Make sure your estimate of value for 2017 is lower than the assessed value assigned for last year. Because this is simply your estimate of value, you don't have to be able to back it up with data, at least at this stage of the game. Filing the form simply tells the County you want them to re-examine their estimate of value before they propose a valuation for 2017 later in the year. It's sort of like "putting the ball in play."

5. Remember that an APPRAISAL is simply one man's estimate of the value of your real estate at a single moment in time. For property tax purposes, we need that moment to be January 1st of the current calendar year. Your estimate of value should be based on sales of comparable homes which occurred during the twelve month period between January 1, 2016 and December 31, 2016. If possible, find at least three sales which are a) similar in age, style, and size to yours; b) have the same bedroom and bathroom count; and c) are located within a mile of your home.

The farther you get away from the parameters described above, the "less confidence" an appraiser will have in your comparable sales. Remember that sales don't always cooperate with your need to have comparable sales. Your goal is to select those comps which best validate your conclusion.



6. Local real estate agents can help you locate these sales and also provide data such as square footage, so that you can calculate a "dollars per square foot" average for your estimate. Most agents have easy access to this information on their MLS computer program, but it is polite to offer to pay them a nominal fee anyway. Agents are prohibited by law from rendering an "appraisal," but they can prepare a "competitive market analysis" which contains much of the same data.

Alternatively, you can choose to hire a real estate appraiser to establish a value, but that usually costs several hundred dollars. While I am not

disputing the value of a professional appraisal, you may not save enough on your property tax to justify the expenditure, so run a cost-benefit analysis before you dive in. If you DO choose to use an appraiser, make sure you tell the appraiser you need the appraisal for PROPERTY TAX reasons, and you need the value to be as of January 1, not any other day.

7. If you purchased the property in 2016, you are **required** to file a Georgia property tax return. Include a copy of the HUD settlement statement to establish value for 2017. Georgia law now requires counties to accept the purchase price from the previous year as the value for the following tax year.

8. Your completed Georgia Property Tax Return Form should be mailed or hand delivered to the local Board of Tax Assessors by April 1, 2017. Some counties allow you to file your FORM online. However, the safest method of filing is to hand it the assessor and get a receipt. Filing that paperwork tells the County you want them to review 2016 sales data before they calculate a proposed valuation for 2017.

9. After you receive your 2017 NOTICE OF ASSESSMENT in April or May, you can then APPEAL to the BOARD of EQUALIZATION (BOE) using the proper APPEAL form for your county. Each County BOE is looking for specific criteria to make their decision on your appeal, and I can teach you how to approach the BOE and what specific information they want to see in order to adjust your assessment to a lower level. This can save you a lot of money, both in 2017, and also in the 2018 and 2019 tax years.

It is the policy of Georgia county tax assessors to accept the decision of the BOE for not only the current tax year (2017), but also to NOT review that assessment for the next TWO tax years. That means that any savings you achieve this year are likely multiplied by three.

We'll examine each of these steps in more detail during our workshop, but

the bottom line is this: you can save significant sums of money by making sure the county is not overcharging you for your property taxes.

On my website at [www.Money99.com](http://www.Money99.com) , you can register for my new seminar entitled “**Property Tax Reduction In Georgia 2017.**” In the three hour workshop, we look at the new Georgia laws surrounding property taxation and how they can benefit owners. It also contains current contact information for the Board of Tax Assessors in every county in Georgia.

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About the author:

*Atlanta native John Adams is a real estate broker, an active landlord, and a published author on the topic of real estate investing. From time to time, he offers public educational programs, most of which are approved by the Georgia Real Estate Commission for real estate continuing education.*

*John writes a column on real estate for the Sunday Business Section of the Atlanta Journal-Constitution, and appears frequently on CNN and Fox5 WAGA-TV in Atlanta. His website is money99.com, where you will find more information.*