

## **How is Property Assessed?**

The intent and purpose of the laws of this state are to have all property and subjects of taxation returned at the value which would be realized from the cash sale, but not the forced sale, of the property and subjects as such property and subjects are usually sold except as otherwise provided in this chapter. (O.C.G.A. 48-5-1)

### **Assessed Values**

In Georgia property is required to be assessed at 40% of the fair market value unless otherwise specified by law. (O.C.G.A. 48-5-7)

Property is assessed at the county level by the [Board of Tax Assessors](#). The State Revenue Commissioner is responsible for [examining the digests](#) of counties in Georgia in order to determine that property is assessed uniformly and equally between and within the counties. (O.C.G.A. 48-5-340)

The tax bills received by property owners from the counties will include both the fair market value and the assessed value of the property. Fair market value means "the amount a knowledgeable buyer would pay for the property and a willing seller would accept for the property at an arm's length, bona fide sale." (O.C.G.A. 48-5-2)

Property owners that do not agree with the assessed value on their proposed assessment can file an [appeal](#) with the county board of equalization. (O.C.G.A. 48-5-311)

### **Historic Property**

Historic property that qualifies for listing on the Georgia or [National Register of Historic Places](#) may qualify for preferential assessment.

The preferential assessment shall extend to the building or structure, the real property on which the building or structure is located, and not more than two acres surrounding the building or structure. The real property receiving preferential assessment may not be changed for a period of nine years. Property under this special program must be certified by the Department of Natural Resources as rehabilitated historic property or landmark historic property.

#### **1. Rehabilitated Historic Property**

Rehabilitated historic property may qualify for preferential assessment where the rehabilitation:

- has increased the fair market value by not less than 50 percent, or,
- if income producing property, the fair market value has increased by not less than 100 percent, or,
- real property that is primarily residential but partially income-producing, the fair market value has not increased by not less than 75 percent.

#### **2. Landmark Historic Property**

Landmark historic property may qualify for preferential assessment:

- where the property has been certified by a local government as landmark historic property, and
  - where local ordinances extend the preferential assessment to:
    1. tangible income-producing real property,
    2. tangible nonincome-producing real property, or
    3. a combination of tangible income-producing real property and nonincome-producing real property.

### **Special Assessment Programs**

There are other special assessment programs available to property owners. These special programs include:

#### **1. Preferential Agricultural Property**

Bona fide agricultural property can be assessed at 75 percent of the assessment of other property. This means that this type of property is assessed at 30 percent of fair market value rather than 40 percent. Property that qualifies for this special assessment must be maintained in its current use for a period of ten years.

#### **2. [Conservation Use Property](#)**

Bona fide agricultural property can be assessed at its current use value rather than the fair market value. Property that qualifies for this special assessment must be maintained in a current use for a period of ten years.

#### **3. [Environmentally Sensitive Property](#)**

Property can be assessed at its current use value rather than the fair market value when the property is maintained in its natural condition and meets the requirements set by the Department of Natural Resources. Property that qualifies for this special assessment must be maintained in a current use for a period of ten years.

#### **4. Brownfield Property**

Property which qualifies for participation in the State's Hazardous Site Reuse and Redevelopment Program and which has been designated as such by the Environmental Protection Division of the Department of Natural Resources may qualify for preferential assessment.

This special program provides for the preferential assessment of environmental and contaminated property by freezing the value for ten years as an incentive for developers to clean up the property and return it to the tax rolls. It also allows an eligible owner to recoup the eligible costs associated with the cleanup of this type property against their tax liability.

#### **5. Residential Transitional Property**

Property can be assessed at its current use value, rather than fair market value, when it is used for residential purposes but located in an area that is changing to, or being developed for, a use other than residential.

[Click here](#) to download applications for preferential assessment and conservation use assessment.

## **Timber**

[Standing timber](#) is not taxed until sold or harvested, at which time it is taxed based upon 100 percent of its fair market value. There are three types of sales and harvests that are taxable:

- lump sum sales where the timber is sold at a specific price regardless of volume,
- unit price sales where the timber is sold or harvested based on a specific price per volume,
- owner harvests where a land owner harvests his own timber and sells it by volume.

[Click here](#) to download form for reporting sold or harvested standing timber.

## **Equipment, Machinery, and Fixtures**

Equipment, machinery, and fixtures are assessed at 40 percent of fair market value.

The tax assessor may value the equipment, machinery, and fixtures of a going business to reflect the fair market value of the business as a whole. When no ready market exists for the sale of equipment, machinery, and fixtures, a fair market value may be determined by resorting to any reasonable, relevant, and useful information available.

This information may include, but is not limited to, the original cost of the property, depreciation or obsolescence, and any increase in value by reason of inflation. Other determining factors include:

- existing zoning of property;
- existing use of property;
- existing covenant or restrictions in deed dedicating the property to a particular use; or
- any other important factors.

Tax assessors have access to any public records in order to discover information.

([O.C.G.A. 48-5-2](#) , [O.C.G.A. 48-5-7](#), [O.C.G.A. 48-5-7.1](#), [O.C.G.A. 48-5-7.2](#), [O.C.G.A. 48-5-7.3](#),  
[O.C.G.A. 48-5-7.4](#), [O.C.G.A. § 48-5-7.6](#).)