Ways to Lower Your Property Taxes: 

HOMESTEAD EXEMPTIONS & TAX APPEALS

January 29, 2020
Stacy E. Reynolds
Staff Attorney, Atlanta Legal Aid
Cari Hipp
Director, Pro Bono Unit, Atlanta Legal Aid
Tax assessments are rising to reflect market increases. This is likely to lead to dramatic property tax increases for low income homeowners.
Fulton Property Tax
Exemption and Appeal Assistance

**GOAL:**
Protect existing low- and fixed-income homeowners from dramatic property tax increases.

**Tactics:**
- Ensure all eligible property tax exemptions are in place.
- Ensure property assessments are low.
Timeline for Property Tax Exemption and Appeal Activity

**Phase 1**

- **JANUARY 1**: Ownership interest in property
- **APRIL 1**: Deadline for submitting complete homestead or special exemption application

**Phase 2**

- **MAY-JUNE**: Notice of Assessment Mailed
- **45 DAYS FROM ASSESSMENT DATE**: Period for initiating an appeal of a Notice of Assessment
- **AUG/SEPT**: Tax Bills sent to property owners
- **SEPTEMBER-DECEMBER**: County's Response to Appeal
- **SEPTEMBER-MARCH**: BOE Hearing Scheduled
Exemptions: January 1 – April 1

- Why does it matter?
- Who is eligible?
- When to apply by?
- What proof do I need?
- Which exemptions to apply for and how?
- How to appeal?
# How are Property Taxes Calculated?

<table>
<thead>
<tr>
<th>Step in Calculation</th>
<th>Example</th>
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<tbody>
<tr>
<td>Tax Assessor’s Total Value</td>
<td>$100,000</td>
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<tr>
<td>“Assessed Value” (40% of Total)</td>
<td>$40,000</td>
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<tr>
<td>MINUS any exemptions</td>
<td>-$50,000</td>
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<td>(this would be considered zero)</td>
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<tr>
<td>MULTIPLIED BY millage rates for each category of tax.</td>
<td>$0 x .011145 = $0</td>
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<tr>
<td>The tax due on this line item would be zero. Not all line items get exemptions.</td>
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Why is Homestead Exemption Important **NOW?**

- **Fair Market Value**: $296,800
- **Assessed Value**: $118,720

**City Exemption**: Atlanta HO4 + New Aged

**County Exemption**: Fulton O/A + L1 + L2

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### 2019 Floating Exemption

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<tr>
<th>Levies</th>
<th>Assessment</th>
<th>Exemptions</th>
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**City of Atlanta Cycle**

<table>
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<tr>
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**Total Amount Billed**: $1,356.42

**Total Due**: $0.00

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### 2018

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<tr>
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**Total Amount Billed**: $2,513.15
# Floating Exemption vs. Value Cap

**SAME**

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<tr>
<td>Base Year Value Floating Exemption</td>
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<table>
<thead>
<tr>
<th>Assessment</th>
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<tr>
<td>General</td>
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<td>General - showing capped assessment</td>
<td>67,124</td>
<td>40,000</td>
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<td>0.00785000</td>
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</table>
Who is eligible to apply

Someone with a “bona fide claim to ownership” in the residence, such as:

– Someone with a deed in his or her name, alone or jointly with others.
– Someone with a Life Estate in the home.
– A person with a contract for purchase of the home.
– A person who resides in a home owned by a parent.
– A person who resides in the home he or she will inherit, but the home is being actively probated.
– A person who resides in a home that is in a trust and that person is a beneficiary under the trust.
– The spouse of a homeowner who lives in the home.
Who is eligible to apply

A person **must live in the home** to get the homestead exemption unless:

– the absence is due to **health reasons**; or
– the absence is due to duty in the **armed forces**; or
– the absence is due to the home being **uninhabitable** due to fire, flood, storm, or other unavoidable accident that occurred within a year; or
– the **owner's spouse or children** live in the home and it is maintained for their benefit.
Applications must be accepted up to and including the date for the closing of the books for the return of taxes for the calendar year. According to Ga. Dept. of Revenue, this date is:

April 1
Failure to file for the homestead exemption by the deadline waives the right to the exemption for that year unless you fall into one of the exceptions:

- the absence is due to **health reasons** and a friend or immediate family member notifies the tax receiver; or
- the absence is due to **duty in the armed forces** and a friend or immediate family member notifies the tax receiver; or
- failure to file by a **surviving spouse** where waiver arises because of an administrator’s or executor’s deed and the surviving spouse makes the application within 30 days of the notice of the intent to deny the homestead exemption.
OWNERSHIP DOCUMENTATION

Recorded Deed: O.C.G.A. 48-5-40(3)(M) states, “The deed reflecting the actual ownership of the property for which the applicant seeks to receive a homestead exemption must be recorded in the deed records of the county prior to the filing of the application for the homestead exemption.”

*But see, 48-5-40(3)(E)(title in a spouse); 48-5-40(3)(D)(regardless of whether the estate is distributed)*
Basic Homestead Exemption

Additional Exemptions for:
- People over 62
- People over 65
- People over 70*
- People who are Disabled*
- Disabled Veteran or their unremarried surviving spouse or minor children
- Unremarried Spouses of U.S. Servicemembers Killed in Action
- Unremarried Spouses of Peace Officers or Firefighters Killed in the Line of Duty
- Floating Inflation-Proof Exemptions/Value Caps
WHAT IS INCOME?

Depends on Exemption...

Federal Adjusted Gross Income

vs.

The applicant’s and spouse’s combined Income from lines 16b, 20b and 21, form 1040 of the Federal Income Tax Return for the preceding taxable year cannot exceed the maximum amount a husband and wife receive under Social Security. (Subject to adjustment by the Social Security Administration annually - $68,644 for 2019).
There are **TWO deferral options** for people 62 or older:

- OCGA 48-5-72 deferral for taxes on up to $50,000 assessed value for households with gross household income* of $15,000 or less.

- OCGA 48-5-72.1 deferral for taxes which exceed 4% of the gross household income* regardless of value or amount of income so long as the home is in a county having a population of 550,000 or more.

- LIMITATION: Deferral is only available if all liens and/or mortgages encumbering the property total to an amount under 85% of the property value.

*Note that this really means gross income from all sources.
Apply Online

www.iassmartfile.fultoncountyga.gov
Find your local tax office:

Fulton County Customer Service Center
at Maxwell Road
11575 Maxwell Road
Alpharetta, GA 30009

North Service Center
7741 Roswell Road N.E. Suite 210
Atlanta, GA 30350

Peachtree Center
235 Peachtree Street, N.E. Suite 1400
Atlanta, GA 30303

Fulton County Government Center
141 Pryor St., S.W. Suite 1018
Atlanta, GA 30303

South Service Center
5600 Stonewall Tell Road
Suite 224
College Park, GA 30349
Cities may assess and collect taxes on their own and may have their own Homestead and Specialty Exemptions.

Cities in Fulton County:
Atlanta
Alpharetta
Johns Creek
Milton
Mountain park
Roswell
Sandy Springs
Union City
Chattahoochee Hill Country
College Park
East Point
Fairburn
Hapeville
Palmetto
City of South Fulton
Special Considerations

• Transfer records delay: bring *recorded* document demonstrating ownership interest.

• Get *proof of application* in order to preserve the appeal. If they do not give you anything, ask to get something *date-stamped* and signed. Be sure to sign in at the office!

• If you are turned away, **call us ASAP** so that we can assist before the deadline passes.
§ 48-5-49. Determination of eligibility of applicant; appeal

(a) The official receiving an application for homestead exemption shall determine the eligibility of the applicant to claim the exemption and, whether the application is approved or disapproved, he shall then transfer the application to the county board of tax assessors for final determination by the board as to eligibility and value as provided by law.

(b) The applicant shall have the right of appeal from the decision of the board of assessors to the county board of equalization as provided in Code Section 48-5-311.
Timeline for Property Tax Exemption and Appeal Activity

**Phase 1**

- **JANUARY 1**
  Ownership interest in property

- **APRIL 1**
  Deadline for submitting complete homestead or special exemption application

**Phase 2**

- **MAY-JUNE**
  Notice of Assessment Mailed

- **45 DAYS FROM ASSESSMENT DATE**
  Period for initiating an appeal of a Notice of Assessment

- **AUG/SEPT**
  Tax Bills sent to property owners

- **SEPTEMBER-DECEMBER**
  County's Response to Appeal

- **SEPTEMBER-MARCH**
  BOE Hearing Scheduled
Property Assessment Appeals: Beginning in May(ish) in Fulton

• 45-day period for appeal begins when the assessments are *made available.*
• REVIEW your **Notice of Assessment.**
• Consider whether an argument could be made for an appeal.
• Contact Atlanta Legal Aid **404-524-5811** or Seniors 60+ **404-657-9915** or **888-257-9519**
ANNUAL NOTICE OF ASSESSMENT

FULTON COUNTY ASSESSORS OFFICE
235 Peachtree St. NE, Suite 1400
Atlanta, GA 30303
(+4) 612-6640

1434 BELMONT AVE SW
ATLANTA GA 30310

The amount of your ad valorem tax bill for the year shown above will be based on the Appraised (100%) and Assessed (40%) values specified in BOX 'B' of this notice. You have the right to submit an appeal regarding this assessment to the County Board of Tax Assessors. If you wish to file an appeal, you must do so in writing no later than 45 days after the date of this notice. If you do not file an appeal by this date, your right to file an appeal will be lost. Appeal forms which may be used are available at http://dor.georgia.gov/documentsproperty-tax-assessment-assessment-forms.

At the time of filing your appeal you must select one of the following appeal methods:

A
(1) County Board of Equalization (value, uniformity, denial of exemption, or taxability)
(2) Arbitration (value)
(3) County Hearing Office (value or uniformity, on non-homestead real property or wireless personal property valued, in excess of $750,000)

All documents and records used to determine the current value are available upon request. For further information regarding this assessment and filing an appeal, you may contact the county Board of Tax Assessors which is located at 235 Peachtree St. NE, Ste 1400, Atlanta and which may be contacted by telephone at: 404-612-6640. Your staff contacts are Cherry, Ferrini and Tara Parker.

Additional information on the appeal process may be obtained at http://dor.georgia.gov/documentsproperty-tax-assessment-assessment-forms.

The estimate of your ad valorem tax bill for the current year is based on the previous or most applicable year's net millage rate and the fair market value contained in this notice. The actual tax bill you receive may be more or less than this estimate. This estimate may not include all eligible exemptions.

<table>
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<tr>
<th>Taxing Authority</th>
<th>Other Exempt</th>
<th>Homestead Exempt</th>
<th>Net Taxable Value</th>
<th>Previous Millage</th>
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Value adjusted to reflect current market or uniformity

Reasons for Assessment Notice

The current year market value:

Current Year Market Value: $2,000

Reading the Notice of Assessment:

- Notice of Assessment Date and Appeal Deadline
- Exemption Status
- Current Year Market Value
- Estimated Taxes Due
Grounds for Appeal:

1) **Value:**
   - Incorrect or incomplete property information was used
   - The value is too high (Recent sales represent upgraded homes compared to subject property or sales for lower values are more comparable.) **PRIOR YEAR SALES ONLY**

2) **Uniformity/Equity:** Fairness. Compare similar homes (in age, square footage, and condition). If you find homes in the neighborhood are being assessed at a lesser value, this is good grounds for a uniformity argument. **CURRENT YEAR VALUES ONLY**

3) **Exemption Denied:** Homestead exemption applied for, but not listed on assessment notice or incorrect exemption appears.
Timeline for Property Tax Exemption and Appeal Activity

**JANUARY 1**
Ownership interest in property

**APRIL 1**
Deadline for submitting complete homestead or special exemption application

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BOE Hearing Scheduled
WHAT IF I DON’T PAY MY TAXES?
Tax Foreclosure Process

- Taxes Due
- Fi.Fa. Issued
- Levy
- Tax Foreclosure (aka Tax Deed Sale)
- Right of Redemption (1 year, minimum)
- Redeem (Pay amount of tax sale plus interest.)
- Foreclose or Bar Right to Redeem
IF YOU HAVE QUESTIONS

Stacy Reynolds
Staff Attorney, Senior Citizens Law Project
Atlanta Legal Aid Society
54 Ellis Street NE
Atlanta, GA 30303
Phone: (404) 614-3931 | Fax: (404) 525-5710
Email: sereynolds@atlantalegalaid.org