



Rules and Regulations of the State of Georgia

Department 560 RULES OF DEPARTMENT OF REVENUE

Current through Rules and Regulations filed through May 10, 2024

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Rule 560-9-1-.03. Distributor Quarterly and Annual Tax Reports.

Rule 560-9-1-.04. Calculation of Compressed Petroleum Gas Usage.

Rule 560-9-1-.05. Distributor's Loss of Motor Fuel Prior to Accrual of Tax.

Rule 560-9-1-.06. Non-Highway Use Exemption and Inadequate Documentation.

Rule 560-9-1-.07. Calculation of Motor Fuel Tax for Compressed Natural Gas.

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Rule 560-9-2-.02. International Fuel Tax Agreement Licensing Requirements.

Rule 560-9-2-.03. International Fuel Tax Agreement Reporting and Payment Requirements.

Rule 560-9-2-.04. Trip Permit Instead of License Under International Fuel Tax Agreement.

Rule 560-9-2-.05. Canceling an International Fuel Tax Agreement Account.

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Rule 560-9-2-.09. Repealed.

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Rule 560-9-3-.03. Repealed.

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Rule 560-9-3-.05. Repealed.

Rule 560-9-3-.06. Repealed.

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[Rule 560-10-1-.03. Repealed.](#)

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[Rule 560-10-1-.05. Repealed.](#)

[Rule 560-10-1-.06. Repealed.](#)

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[Rule 560-10-1-.08. Repealed.](#)

[Rule 560-10-1-.09. Repealed.](#)

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Subject 560-10-2. REPEALED.

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Rule 560-10-2-.09. Repealed.

Rule 560-10-2-.10. Repealed.

Rule 560-10-2-.11. Repealed.

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Rule 560-10-2-.15. Repealed.

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Rule 560-10-2-.17. Repealed.

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Rule 560-10-3-.02. Repealed.

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Rule 560-10-3-.04. Payment to Agent: Remittance by Agent to State Revenue Commissioner.

Subject 560-10-4. COUNTY TAG AGENT'S REPORTS.

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Rule 560-10-4-.02. Optional Daily Agent's Reports.

Rule 560-10-4-.03. To Whom Agents Report and Remit.

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Rule 560-10-5-.02. Repealed.

Rule 560-10-5-.03. Repealed.

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Subject 560-10-6. REPEALED.

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Subject 560-10-7. REPEALED.

Rule 560-10-7-.01. Repealed.

Rule 560-10-7-.02. Repealed.

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Rule 560-10-7-.04. Repealed.

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Rule 560-10-7-.09. Repealed.

Subject 560-10-8. REPEALED.

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Rule 560-10-8-.02. Repealed.

Rule 560-10-8-.03. Repealed.

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Rule 560-10-9-.02. Repealed.

Rule 560-10-9-.03. Repealed.

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Rule 560-10-11-.03. Repealed.

Rule 560-10-11-.04. Repealed.

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Subject 560-10-12. REPEALED.

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Rule 560-10-12-.03. Electronic Security Interests and Liens on Titles.

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Rule 560-10-12-.05. Repealed.

Rule 560-10-12-.06. Repealed.

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Rule 560-10-12-.08. Repealed.

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Rule 560-10-13-.04. Certificate of Title of a Vehicle where the Commissioner is not
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Rule 560-10-13-.06. Repealed.

Rule 560-10-13-.07. Repealed.

Rule 560-10-13-.08. Repealed.

Rule 560-10-13-.09. Repealed.

Rule 560-10-13-.10. Repealed.

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Rule 560-10-13-.12. Repealed.

Subject 560-10-14. UNLAWFUL USE OF TAGS.

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Rule 560-10-15-.05. Messaging and Personalization.

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Rule 560-10-17-.02. Repealed.

Rule 560-10-17-.03. Repealed.

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Subject 560-10-18. MOTOR VEHICLE IDENTIFICATION NUMBERS ISSUED BY THE STATE REVENUE COMMISSIONER.

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Rule 560-10-19-.03. Application for License Plate and/or Renewal Decal for Trailers.

Rule 560-10-19-.04. Repealed.

Rule 560-10-19-.05. Application for Duplicate Registration Certificate.

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Rule 560-10-19-.09. Repealed.

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Subject 560-10-20. TAG AND TITLE FORMS.

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Rule 560-10-20-.05. Repealed.

Rule 560-10-20-.06. Repealed.

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Rule 560-10-21-.14. Peace Officers' Abandoned Vehicle Report.

Rule 560-10-21-.15. Application for Replacement Certificate of Title Forms.

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[Rule 560-12-2-.60. Lost, Damaged, Or Unclaimed Property.](#)
[Rule 560-12-2-.61. Repealed.](#)
[Rule 560-12-2-.62. Manufacturing Machinery and Equipment, Industrial Materials, and Packaging Supplies.](#)
[Rule 560-12-2-.63. Repealed.](#)
[Rule 560-12-2-.64. Energy Necessary and Integral to Manufacturing.](#)
[Rule 560-12-2-.65. Meals.](#)
[Rule 560-12-2-.66. Monuments and Memorial Stones.](#)
[Rule 560-12-2-.67. Repealed.](#)
[Rule 560-12-2-.68. Painters and Paperhangers.](#)
[Rule 560-12-2-.69. Pawnbrokers.](#)
[Rule 560-12-2-.70. Peddlers, Street Vendors, and Others, and Their Vendors.](#)
[Rule 560-12-2-.71. Petroleum Dealers.](#)
[Rule 560-12-2-.72. Photographs, Photostats, Blue Prints, etc.](#)
[Rule 560-12-2-.73. Repealed.](#)
[Rule 560-12-2-.74. Premiums and Gifts.](#)
[Rule 560-12-2-.75. Printing.](#)
[Rule 560-12-2-.76. Repealed.](#)
[Rule 560-12-2-.77. Publishers.](#)
[Rule 560-12-2-.78. Repairs and Alterations.](#)
[Rule 560-12-2-.79. Schools.](#)
[Rule 560-12-2-.80. Repealed.](#)
[Rule 560-12-2-.81. Shoe, Leather and Like Repairmen.](#)
[Rule 560-12-2-.82. Advertising Display Devices, Sign Manufacturers, and Painters.](#)

[Rule 560-12-2-.83. Social and Fraternal Organizations.](#)

[Rule 560-12-2-.84. Taxicabs.](#)

[Rule 560-12-2-.85. Trading Stamp Companies.](#)

[Rule 560-12-2-.86. Trustees, Receivers, Executors, and Administrators.](#)

[Rule 560-12-2-.87. Machinery for Reducing Air or Water Pollution.](#)

[Rule 560-12-2-.88. Labor.](#)

[Rule 560-12-2-.89. Repealed.](#)

[Rule 560-12-2-.90. Bona Fide Private Elementary and Secondary Schools.](#)

[Rule 560-12-2-.91. Repealed.](#)

[Rule 560-12-2-.92. Nursing Homes, General or Mental Hospitals.](#)

[Rule 560-12-2-.93. Repealed.](#)

[Rule 560-12-2-.94. Cabinet Makers.](#)

[Rule 560-12-2-.95. Repealed.](#)

[Rule 560-12-2-.96. Repealed.](#)

[Rule 560-12-2-.97. Training Schools.](#)

[Rule 560-12-2-.98. Alarm, Warning, Sound and Music Devices.](#)

[Rule 560-12-2-.99. Sheet Metal Contractors.](#)

[Rule 560-12-2-.100. Child - caring Institution, Child - placing Agency, or Maternity](#)

[Home.](#)

[Rule 560-12-2-.101. Repealed.](#)

[Rule 560-12-2-.102. Video Tape or Motion Picture Film.](#)

[Rule 560-12-2-.103. Material Handling Equipment and Racking Systems.](#)

[Rule 560-12-2-.104. Food Exemption.](#)

[Rule 560-12-2-.105. Machinery-Remanufacturing of Aircraft Engines or Aircraft Engine Parts or Components.](#)

[Rule 560-12-2-.106. United States Government Defense Contractors.](#)

[Rule 560-12-2-.107. Computer Equipment.](#)

[Rule 560-12-2-.108. Bullion, Coins, or Currency.](#)

[Rule 560-12-2-.109. Film Producer or Film Production Company.](#)

[Rule 560-12-2-.110. Sales Tax Holidays.](#)

[Rule 560-12-2-.111. Computer Software and Computer - Related Services.](#)

[Rule 560-12-2-.112. Repealed.](#)

[Rule 560-12-2-.113. Hunting Preserves and Hunting Clubs.](#)

[Rule 560-12-2-.114. Repealed.](#)

[Rule 560-12-2-.115. Restaurants.](#)

[Rule 560-12-2-.116. Refunds under the Tourism Development Act.](#)

[Rule 560-12-2-.117. High-Technology Data Center Equipment.](#)

[Subject 560-12-3. FORMS \(FORMS APPLICABLE TO SALES AND USE TAX\).](#)

[Rule 560-12-3-.01. Availability.](#)

[Rule 560-12-3-.02. Application for Certificate of Registration.](#)

[Rule 560-12-3-.03. Certificate of Registration.](#)

[Rule 560-12-3-.04. Dealers and Contractors Sales and Use Tax Report.](#)

[Rule 560-12-3-.05. Repealed.](#)

[Rule 560-12-3-.06. Sales and Use Tax Report.](#)

[Rule 560-12-3-.07. Repealed.](#)

[Rule 560-12-3-.08. Repealed.](#)

[Rule 560-12-3-.09. Dealers Sales and Use Tax Report, Consolidated.](#)

[Rule 560-12-3-.10. Certificate of Exemption, Out-of-State Dealer.](#)

[Rule 560-12-3-.11. Certificate of Exemption, Georgia Purchaser or Dealer.](#)

[Rule 560-12-3-.12. Certificate of Exemption, Out-of-State Delivery.](#)

[Rule 560-12-3-.13. Certificate of Exemption, Fuel and Supplies for Use Aboard Vessels Plying High Seas.](#)

[Rule 560-12-3-.14. Nonresident Certificate of Exemption Purchase of Motor Vehicle.](#)

[Rule 560-12-3-.15. Certificate of Exemption Commercial Fisherman.](#)

[Rule 560-12-3-.16. Repealed.](#)

[Rule 560-12-3-.17. Sales and Use Tax Claim for Refund.](#)

[Rule 560-12-3-.18. Assignment of Vendor's Rights for Refund.](#)

[Rule 560-12-3-.19. Credit Memorandum.](#)

[Rule 560-12-3-.20. Notice of Assessment; Post Audit.](#)

[Rule 560-12-3-.21. Final Notice of Assessment; Post Audit.](#)

[Rule 560-12-3-.22. Application for Certificate of Exemption for a Child - caring Institution, Child - placing Agency, or Maternity Home.](#)

[Rule 560-12-3-.23. Repealed.](#)

[Rule 560-12-3-.24. Repealed.](#)

[Rule 560-12-3-.25. Repealed.](#)

[Rule 560-12-3-.26. First Delinquent Notice.](#)

[Rule 560-12-3-.27. Repealed.](#)

[Rule 560-12-3-.28. Repealed.](#)

[Rule 560-12-3-.29. Extension of Time.](#)

[Rule 560-12-3-.30. Repealed.](#)

[Rule 560-12-3-.31. Repealed.](#)

[Rule 560-12-3-.32. Application for Certificate of Exemption to Purchase Machinery for New or Expanded Industry.](#)

[Rule 560-12-3-.33. Certificate of Exemption to Purchase Machinery for New or Expanded Industry.](#)

[Rule 560-12-3-.34. Repealed.](#)

[Rule 560-12-3-.35. Repealed.](#)

[Rule 560-12-3-.36. Contractor Forms.](#)

[Rule 560-12-3-.37. Repealed.](#)

[Rule 560-12-3-.38. Repealed.](#)

[Rule 560-12-3-.39. Repealed.](#)

[Rule 560-12-3-.40. Repealed.](#)

[Rule 560-12-3-.41. Repealed.](#)

[Rule 560-12-3-.42. Repealed.](#)

[Rule 560-12-3-.43. Repealed.](#)

[Rule 560-12-3-.44. Repealed.](#)

[Rule 560-12-3-.45. Repealed.](#)

[Rule 560-12-3-.46. Repealed.](#)

[Rule 560-12-3-.47. Repealed.](#)

[Rule 560-12-3-.48. Repealed.](#)

[Rule 560-12-3-.49. Repealed.](#)

[Rule 560-12-3-.50. Application for Certificate of Exemption to Purchase Machinery and Equipment for Reducing Air and Wa.](#)

[Rule 560-12-3-.51. Certificate of Exemption to Purchase Machinery and Equipment for Reducing Air and Water Pollution.](#)

[Rule 560-12-3-.52. Repealed.](#)

[Rule 560-12-3-.53. Application for Certificate of Exemption for a Nonprofit Licensed Nursing Home, Nonprofit General or.](#)

[Rule 560-12-3-.54. Certificate of Exemption to Purchase Tangible Personal Property for Use by a Nonprofit Nursing Home..](#)

[Rule 560-12-3-.55. Letter of Authorization.](#)

[Rule 560-12-3-.56. Waiver Form.](#)

[Subject 560-12-4. RAPID TRANSIT TAX.](#)

[Rule 560-12-4-.01. Definitions.](#)

[Rule 560-12-4-.02. Repealed.](#)

[Rule 560-12-4-.03. Applicability of State Sales and Use Tax Act and Regulations.](#)

[Rule 560-12-4-.04. Taxable Transactions.](#)

[Rule 560-12-4-.05. Use Tax; Collection by Dealers.](#)

[Rule 560-12-4-.06. Sales Prior to Effective Date.](#)

[Rule 560-12-4-.07. Credit for Taxes Paid.](#)

[Rule 560-12-4-.08. Penalties and Interest.](#)

[Rule 560-12-4-.09. Obligation to Collect and Remit Tax.](#)

[Rule 560-12-4-.10. Repealed.](#)

[Subject 560-12-5. LOCAL OPTION TAX.](#)

[Rule 560-12-5-.01. Definitions.](#)

[Rule 560-12-5-.02. Repealed.](#)

[Rule 560-12-5-.03. Applicability of State Sales and Use Tax Act and Regulations.](#)

[Rule 560-12-5-.04. Taxable Transactions.](#)

[Rule 560-12-5-.05. Use Tax; Collection by Dealers.](#)

[Rule 560-12-5-.06. Sales Prior to Effective Date.](#)

[Rule 560-12-5-.07. Credit for Taxes Paid.](#)

[Rule 560-12-5-.08. Penalties and Interest.](#)

[Rule 560-12-5-.09. Obligation to Collect and Remit Tax.](#)

[Rule 560-12-5-.10. Determination of Entitlement and Qualification.](#)

[Subject 560-12-6. SPECIAL COUNTY TAX.](#)

[Rule 560-12-6-.01. Definitions.](#)

[Rule 560-12-6-.02. Repealed.](#)

[Rule 560-12-6-.03. Applicability of State Sales and Use Tax Act and Regulations.](#)

[Rule 560-12-6-.04. Taxable Transactions.](#)

[Rule 560-12-6-.05. Use Tax; Collection by Dealers.](#)

[Rule 560-12-6-.06. Sales Prior to Effective Date.](#)

[Rule 560-12-6-.07. Credit for Taxes Paid.](#)

[Rule 560-12-6-.08. Penalties and Interest.](#)

[Rule 560-12-6-.09. Obligation to Collect and Remit Tax.](#)

[Subject 560-12-7. EDUCATIONAL LOCAL OPTION TAX.](#)

[Rule 560-12-7-.01. Definitions.](#)

[Rule 560-12-7-.02. Repealed.](#)

[Rule 560-12-7-.03. Applicability of State Sales and Use Tax Act and Regulations.](#)

[Rule 560-12-7-.04. Taxable Transactions.](#)

[Rule 560-12-7-.05. Use Tax; Collection by Dealers.](#)

[Rule 560-12-7-.06. Sales Prior to Effective Date.](#)

[Rule 560-12-7-.07. Credit for Taxes Paid.](#)

[Rule 560-12-7-.08. Penalties and Interest.](#)

[Rule 560-12-7-.09. Obligation to Collect and Remit Tax.](#)

[Rule 560-12-7-.10. Determination of Entitlement and Certification of Distribution.](#)

[Chapter 560-13. FEES AND EXCISE TAXES.](#)

[Subject 560-13-1. FIREWORKS EXCISE TAX.](#)

[Rule 560-13-1-.01. Fireworks Excise Tax.](#)

[Subject 560-13-2. STATE HOTEL-MOTEL FEE.](#)

[Rule 560-13-2-.01. State Hotel-Motel Fee.](#)

[Subject 560-13-3. TRANSPORTATION SERVICES TAX.](#)

[Rule 560-13-3-.01. Transportation Services Tax.](#)

ADMINISTRATIVE HISTORY

The **Administrative History** following each Rule gives the date on which the Rule was originally filed and its effective date, as well as the date on which any amendment or repeal was filed and its effective date. Principal abbreviations used in the Administrative History are as follows:

f. - filed

eff. - effective

R. - Rule (Abbreviated only at the beginning of the control number)

Ch. - Chapter (Abbreviated only at the beginning of the control number)

ER. - Emergency Rule

Rev. - Revised

Note: Emergency Rules are listed in each Rule's Administrative History by Emergency Rule number, date filed and effective date. The Emergency Rule will be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency.

Chapter 560-1-1, entitled "Organization," containing Rules [560-1-1-.01](#) through [560-1-1-.14](#), was filed and effective on June 30, 1965.

Chapter 560-2-1, entitled "Organization," containing Rules [560-2-1-.01](#) through [560-2-1-.25](#), was filed and effective on June 30, 1965.

Chapter 560-2-2, entitled "Licensed Producers, Foreign," containing Rules [560-2-2-.01](#) through [560-2-2-.14](#), was filed and effective on June 30, 1965.

Chapter 560-2-3, entitled "Registered Producers, Foreign," containing Rules [560-2-3-.01](#) through [560-2-3-.18](#), was filed and effective on June 30, 1965.

Chapter 560-2-4, entitled "Wholesalers," containing Rules [560-2-4-.01](#) through [560-2-4-.08](#), was filed and effective on June 30, 1965.

Chapter 560-2-5, entitled "Retailers," containing Rules [560-2-5-.01](#) through [560-2-5-.14](#), was filed and effective on June 30, 1965.

Chapter 560-2-6, entitled "Wholesalers and Retailers," containing Rules [560-2-6-.01](#) through [560-2-6-.12](#), was filed and effective on June 30, 1965.

Chapter 560-2-7, entitled "Prices," containing Rules [560-2-7-.01](#) through [560-2-7-.04](#), was filed and effective on June 30, 1965.

Chapter 560-2-8, entitled "Advertising," containing Rules [560-2-8-.01](#) through [560-2-8-.25](#), was filed and effective on June 30, 1965.

Chapter 560-2-9, entitled "Military Sales and Use," containing Rules [560-2-9-.01](#) through [560-2-9-.11](#), was filed and effective on June 30, 1965.

Chapter 560-2-10, entitled "General Provisions," containing Rules [560-2-10-.01](#) through [560-2-10-.21](#), was filed and effective on June 30, 1965.

Chapter 560-2-11, entitled "Retail Sales for Consumption," containing Rules [560-2-11-.01](#) through [560-2-11-.07](#), was filed and effective on June 30, 1965.

Chapter 560-2-12, entitled "Forms in General Use," containing Rules [560-2-12-.01](#) through [560-2-12-.10](#), was filed and effective on June 30, 1965.

Chapter 560-3-1, entitled "Administration," containing Rules 560-31-.01 through [560-3-1-.04](#), was filed and effective on June 30, 1965.

Chapter 560-3-2, entitled "Substantive Regulations," containing Rules [560-3-2-.01](#) through [560-3-2-.05](#), was filed and effective on June 30, 1965.

Chapter 560-3-3, entitled "Forms," containing Rules [560-3-3-.01](#), was filed and effective on June 30, 1965.

(No Rules filed for 560-4 CENTRAL AUDIT UNIT)

Chapter 560-5-1, entitled "Administration," containing Rules 560-51-.01 through [560-5-1-.05](#), was filed and effective on June 30, 1965.

Chapter 560-5-2, entitled "Substantive Rules," containing Rules [560-5-2-.01](#) through [560-5-2-.06](#), was filed and effective on June 30, 1965.

Chapter 560-6-1, entitled "Administration," containing Rules 560-61-.01 through 560-6-1-.03, was filed and effective on June 30, 1965.

Chapter 560-6-2, entitled "Substantive Regulations: Petroleum Products," containing Rules [560-6-2-.01](#) through 560-6-2-.35, was filed and effective on June 30, 1965.

Chapter 560-6-3, entitled "Substantive Regulations: Liquid Measurement," containing Rules [560-6-3-.01](#) through 560-6-3-.33, was filed and effective on June 30, 1965.

Chapter 560-6-4, entitled "Substantive Regulations: Vehicle Tanks," containing Rules 560-6-4-.01 through 560-6-4-.14, was filed and effective on June 30, 1965.

Chapter 560-6-5, entitled "Substantive Regulations: Vehicle Tank Meters," containing Rules 560-6-5-.01 through 560-6-5-.06, was filed and effective on June 30, 1965.

Chapter 560-7-1, entitled "History of Georgia Income Tax," containing Rule [560-7-1-.01](#), was filed and effective on June 30, 1965.

Chapter 560-7-2, entitled "Administration," containing Rules [560-7-2-.01](#) through [560-7-2-.09](#), was filed and effective on June 30, 1965.

Chapter 560-7-3, entitled "Substantive Regulations," containing Rules [560-7-3-.01](#) through 560-7-3-.11, was filed and effective on June 30, 1965.

Chapter 560-7-4, entitled "Gross Income," containing Rules [560-7-4-.01](#) through [560-7-4-.10](#), was filed and effective on June 30, 1965.

Chapter 560-7-5, entitled "Net Income," containing Rules [560-7-5-.01](#) and [560-7-5-.02](#), was filed and effective on June 30, 1965.

Chapter 560-7-6, entitled "Deductions," containing Rules [560-7-6-.01](#) through [560-7-6-.12](#), was filed and effective on June 30, 1965.

Chapter 560-7-7, entitled "Taxes," containing Rules [560-7-7-.01](#) through [560-7-7-.26](#), was filed and effective on June 30, 1965.

Chapter 560-7-8, entitled "Returns and Collections," containing Rules [560-7-8-.01](#) through [560-7-8-.32](#), was filed and effective on June 30, 1965.

Chapter 560-8-1, entitled "Administration," containing Rules [560-8-1-.01](#) and [560-8-1-.02](#), was filed and effective on June 30, 1965.

Chapter 560-8-2, entitled "Malt Beverage Regulations," containing Rules [560-8-2-.01](#) through [560-8-2-.15](#), was filed and effective on June 30, 1965.

Chapter 560-8-3, entitled "Manufacturers of Tax Paid Crowns," containing Rules [560-8-3-.01](#) through [560-8-3-.05](#), was filed and effective on June 30, 1965.

Chapter 560-8-4, entitled "Wholesalers and Retailers," containing Rules [560-8-4-.01](#) through [560-8-4-.21](#), was filed and effective on June 30, 1965.

Chapter 560-8-5, entitled "Sales to Military Institutions; Malt Beverages," containing Rules [560-8-5-.01](#) through [560-8-5-.04](#), was filed and effective on June 30, 1965.

Chapter 560-8-6, entitled "Tobacco Regulations," containing Rules [560-8-6-.01](#) through [560-8-6-.12](#), was filed and effective on June 30, 1965.

Chapter 560-8-7, entitled "Wine Regulations," containing Rules [560-8-7-.01](#) through [560-8-7-.10](#), was filed and effective on June 30, 1965.

Chapter 560-8-8, entitled "Military Wine," containing Rules [560-8-8-.01](#) through [560-8-8-.11](#), was filed and effective on June 30, 1965.

Chapter 560-8-9, entitled "Disabled Veterans License; Authority," containing Rules [560-8-9-.01](#) through [560-8-9-.03](#), was filed and effective on June 30, 1965.

Chapter 560-8-10, entitled "Forms," containing Rules [560-8-10-.01](#) through [560-8-10-.22](#), was filed and effective on June 30, 1965.

Chapter 560-9-1, entitled "Organization," containing Rules [560-9-1-.01](#) through [560-9-1-.07](#), was filed and effective on June 30, 1965.

Chapter 560-9-2, entitled "Rules and Regulations Under the Motor-Fuel Tax Law and the Motor Carrier Tax Act," containing Rules [560-9-2-.01](#) through [560-9-2-.10](#), was filed and effective on June 30, 1965.

Chapter 560-9-3, entitled "Forms," containing Rules [560-9-3-.01](#) through [560-9-3-.74](#), was filed and effective on, June 30, 1965.

Chapter 560-10-1, entitled "Organization," containing Rules [560-10-1-.01](#) through [560-10-1-.20](#), was filed and effective on June 30, 1965.

Chapter 560-10-2, entitled "County Tag Agents," containing Rules [560-10-2-.01](#) through [560-10-2-.15](#), was filed and effective on June 30, 1965.

Chapter 560-10-3, entitled "County Tag Agent's Fees and Commissions," containing Rule; [560-10-3-.01](#) through [560-10-3-.04](#), was filed and effective on June 30, 1965.

Chapter 560-10-4, entitled "County Tag Agent's Reports," containing Rules [560-10-4-.01](#) through [560-10-4-.04](#), was filed and effective on June 30, 1965.

Chapter 560-10-5, entitled "Member Armed Force; Tag Purchasers," containing Rules [560-10-5-.01](#) through [560-10-5-.06](#), was filed and effective on June 30, 1965.

Chapter 560-10-6, entitled "Ad Valorem Tax Affidavits," containing Rules [560-10-6-.01](#) through [560-10-6-.04](#), was filed and effective on June 30, 1965.

Chapter 560-10-7, entitled "Delinquent Tag Applications," containing Rules [560-10-7-.01](#) through [560-10-7-.09](#), was filed and effective on June 30, 1965.

Chapter 560-10-8, entitled "Dealer Tags (Permits for Demonstration Purposes)," containing Rules [560-10-8-.01](#) through [560-10-8-.05](#), was filed and effective on June 30, 1965.

Chapter 560-10-9, entitled "Duplicate Tags," containing Rules [560-10-9-.01](#) through [560-10-9-.04](#), was filed and effective on June 30, 1965.

Chapter 560-10-10, entitled "Display of Tags," containing Rules [560-10-10-.01](#) through [560-10-10-.04](#), was filed and effective on June 30, 1965.

Chapter 560-10-11, entitled "Motor Vehicle Certificate of Title Board," containing Rules [560-10-11-.01](#) through [560-10-11-.08](#), was filed and effective on June 30, 1965.

Chapter 560-10-12, entitled "Certificate of Title Applications," containing Rules [560-10-12-.01](#) through [560-10-12-.07](#), was filed and effective on June 30, 1965.

Chapter 560-10-13, entitled "Scrapped Vehicles (Under the Motor Vehicle Certificate of Title Act)," containing Rules [560-10-13-.01](#) through [560-10-13-.12](#), was filed and effective on June 30, 1965.

Chapter 560-10-14, entitled "Unlawful Use of Tags (Regulations Specifying the Rate to be Used and the Penalties to be Assessed and the Credit to be Allowed Where Motor Vehicle Operators are Delinquent in the Purchase of Tags or are Hauling More Weight than Allowed by the Class of Tag Displayed or are Improperly Classified)," containing Rules [560-10-14-.01](#) through [560-10-14-.05](#), was filed and effective on June 30, 1965.

Chapter 560-10-15, entitled "Voluntary Transfers (The Regulations to be Applied Where a Motor Vehicle Operator Transfers a Tag to a New Owner of the Vehicle. Where a Tag is Transferred From a Retired Vehicle to a Replacement Vehicle. Where a Tag is Upgraded for Weight or for a Change of Classification)," containing Rules [560-10-15-.01](#) through [560-10-15-.03](#), was filed and effective on June 30, 1965.

Chapter 560-10-16, entitled "Bond of Non-Resident Dealers," containing Rules [560-10-16-.01](#) and [560-10-16-.02](#), was filed and effective on June 30, 1965.

Chapter 560-10-17, entitled "Foreign Consuls," containing Rule [560-10-17-.01](#), was filed and effective on June 30, 1965.

Chapter 560-10-18, entitled "Motor Vehicle Identification Numbers Issued by the State Revenue Commissioner," containing Rule [560-10-18-.01](#), was filed and effective on June 30, 1965.

Chapter 560-10-19, entitled "Motor Vehicle Certificate of Title Forms," containing Rules [560-10-19-.01](#) through [560-10-19-.10](#), was filed and effective on June 30, 1965.

Chapter 560-10-20, entitled "Forms: Tag Forms," containing Rules [560-10-20-.01](#) through [560-10-20-.08](#), was filed and effective on June 30, 1965.

Chapter 560-10-21, entitled "Forms: Miscellaneous," containing Rules [560-10-21-.01](#) through [560-10-21-.05](#), was filed and effective on June 30, 1965.

Chapter 560-11-1, entitled "Organization," containing Rules [560-11-1-.01](#) through [560-11-1-.10](#), was filed and effective on June 30, 1965.

Chapter 560-11-2, entitled "Substantive Regulations," containing Rules [560-11-2-.01](#) through [560-11-2-.15](#), was filed and effective on June 30, 1965.

Chapter 560-11-3, entitled "Forms," containing Rules [560-11-3-.01](#) through [560-11-3-.03](#), was filed and effective on June 30, 1965.

Chapter 560-12-1, entitled "Administrative Rules and Regulations," containing Rules [560-12-1-.01](#) through [560-12-1-.33](#), was filed and effective on June 30, 1965.

Chapter 560-12-2, entitled "Substantive Rules and Regulations," containing Rules [560-12-2-.01](#) through [560-12-2-.86](#), was filed and effective on June 30, 1965.

Chapter 560-12-3, entitled "Forms," containing Rules [560-12-3-.01](#) through [560-12-3-.48](#), was filed and effective on June 30, 1965.

Rule [560-8-2-.05](#) has been amended. Filed and effective on August 13, 1965, as specified by the Agency.

Rule [560-8-2-.05](#) has been amended. Filed September 7, 1965; effective August 18, 1965, as specified by the Agency.

Rule [560-2-5-.10](#) has been amended by the repeal of subparagraph (a) and by the adoption of a new subparagraph (a). Filed August 18, 1965; effective September 6, 1965.

Rule [560-12-2-.71](#) has been repealed and a new Rule [560-12-2-.71](#) adopted. Filed September 22, 1965; effective October 11, 1965.

Emergency Rule 560-10-13-0.1-.13 was filed and effective on October 21, 1965 to remain in effect for a period of 120 days or until revoked or superseded by valid authority, as specified by the Agency; said Emergency Rule relates to wrecked or salvaged vehicles, and to all dealers who acquire a vehicle as wreckage or salvage or who dispose of a vehicle as wreckage or salvage.

Rule [560-12-2-.41](#) has been repealed and a new Rule [560-12-2-.41](#) adopted. Filed November 23, 1965; effective December 12, 1965. Paragraph (3) of Rule [560-2-5-.02](#) has been amended. Filed February 10, 1966; effective March 1, 1966.

Rule [560-2-9-.08](#) has been amended by the repeal of the unnumbered paragraph and by the adoption of new paragraphs (1) and (2). Filed April 5, 1966; effective May 1, 1966, as specified in paragraph (2).

Rule [560-8-8-.08](#) has been repealed and a new Rule [560-8-8-.08](#) adopted. Filed April 6, 1966; effective May 1, 1966, as specified by the Agency.

Rules [560-12-2-.50](#), [560-12-2-.62](#), and [560-12-2-.63](#) have been repealed and new Rules of the same numbers adopted. Filed April 27, 1966; effective May 16, 1966.

Paragraph (2) of Rule [560-7-6-.01](#) has been repealed and a new paragraph (2) adopted. Filed May 25, 1966; effective June 13, 1966.

The repeal of Paragraph (2) of Rule [560-7-6-.01](#) filed on May 25, 1966, effective June 13, 1966, has been revoked and withdrawn. Filed August 4, 1966; effective August 24, 1966.

Rule [560-7-6-.01](#) has been amended by the repeal of paragraph (2) and by the adoption of a new paragraph (2). Filed August 4, 1966; effective August 24, 1966.

Rule [560-8-2-.03](#) has been amended. Filed September 19, 1966; effective October 8, 1966.

Rule [560-2-5-.07](#) has been amended by the adoption of subparagraph (c). Filed November 29, 1966; effective December 18, 1966.

Rule [560-12-1-.29](#) was declared invalid by the Attorney General in an Opinion directed to the State Revenue Commissioner on December 1, 1966. A Certification attesting to same was filed by the State Revenue Commissioner on December 27, 1966.

Rules [560-10-2-.01](#) through [560-10-2-.15](#) have been repealed and new Rules of the same numbers adopted. Filed December 9, 1966; effective January 1, 1967, as specified by the Agency.

Rules [560-10-2-.16](#) and [560-10-2-.17](#) have been adopted. Filed December 9, 1966; effective January 1, 1967, as specified by the Agency.

Rule [560-10-15-.01](#) has been repealed and a new Rule [560-10-15-.01](#) adopted. Filed December 9, 1966; effective January 1, 1967, as specified by the Agency.

Rules [560-10-19-.01](#) through [560-10-19-.07](#) have been repealed and new Rules of the same numbers adopted. Filed December 9, 1966; effective January 1, 1967, as specified by the Agency.

Rules [560-10-20-.01](#) through [560-10-20-.08](#) have been repealed and new Rules [560-10-20-.01](#) through [560-10-20-.05](#) adopted. Filed December 9, 1966; effective January 1, 1967, as specified by the Agency.

Rules [560-10-21-.01](#) through [560-10-21-.05](#) have been repealed and new Rules of the same numbers adopted. Filed December 9, 1966; effective January 1, 1967, as specified by the Agency.

Rule [560-2-3-.06](#) has been repealed and a new Rule [560-2-3-.06](#) adopted. Filed February 2, 1967; effective February 21, 1967.

Rule [560-2-3-.10](#) has been repealed and a new Rule [560-2-3-.10](#) adopted. Filed March 13, 1967; effective April 1, 1967.

Rule [560-2-6-.11](#) has been amended by the adoption of paragraphs (3) and (4). Filed March 13, 1967; effective April 1, 1967.

Rule [560-10-12-.08](#) has been adopted. Filed March 24, 1967; effective April 12, 1967.

Rule [560-10-14-.01](#) has been repealed and a new Rule [560-10-14-.01](#) adopted. Filed March 24, 1967; effective April 12, 1967.

Rule [560-12-2-.71](#) has been repealed and a new Rule [560-12-2-.71](#) adopted. Filed May 15, 1967; effective June 3, 1967.

Rule [560-12-2-.87](#) has been adopted. Filed June 23, 1967; effective July 12, 1967.

Rules [560-8-6-.02](#), [560-8-6-.05](#), [560-8-6-.09](#), and [560-8-6-.10](#) have been repealed and new Rules of the same numbers adopted. Filed July 27, 1967; effective August 15, 1967.

Rules [560-8-6-.13](#) through [560-8-6-.18](#) have been adopted. Filed July 27, 1967; effective August 15, 1967.

Paragraphs (7) and (8) of Rule [560-6-2-.13](#) have been amended. Filed July 27, 1967; effective August 15, 1967.

Rule [560-6-5-.07](#) has been adopted. Filed July 27, 1967; effective August 15, 1967.

Rule [560-8-4-.13](#) has been repealed and a new Rule [560-8-4-.13](#) adopted. Filed July 25, 1967; effective September 1, 1967, as specified by the Agency.

Rule [560-9-2-.03](#) has been repealed and a new Rule [560-9-2-.03](#) adopted. Filed August 2, 1967; effective September 1, 1967, as specified by the Agency.

Paragraph (3) of Rule [560-7-8-.09](#) has been repealed. Filed September 1, 1967; effective September 20, 1967.

Rule [560-2-7-.05](#) has been adopted. Filed September 18, 1967; effective October 7, 1967.

Rule [560-8-4-.02](#) has been repealed and a new Rule [560-8-4-.02](#) adopted. Filed December 18, 1967; effective January 6, 1968.

Rule [560-8-2-.03](#) has been amended. Filed and effective on September 5, 1968, as specified by the Agency.

Rule [560-8-4-.10](#) has been amended. Filed and effective on September 5, 1968, as specified by the Agency.

Rule [560-8-6-.19](#) has been adopted. Filed September 5, 1968; effective September 24, 1968.

Chapter 560-10-1 has been repealed and a new Chapter 560-10-1 of the same title, containing Rules [560-10-1-.01](#) through [560-10-1-.21](#), adopted. Filed October 29, 1968; effective November 17, 1968.

Rules [560-10-2-.03](#), [560-10-2-.04](#), and [560-10-2-.06](#) have been amended. Filed October 29, 1968; effective November 17, 1968.

Rule [560-10-3-.03](#) has been amended. Filed October 29, 1968; effective November 17, 1968.

Rules [560-10-12-.02](#) and [560-10-12-.03](#) have been amended. Filed October 29, 1968; effective November 17, 1968.

Rule [560-10-15-.01](#) has been amended. Filed October 29, 1968; effective November 17, 1968.

Rule [560-10-15-.04](#) has been adopted. Filed October 29, 1968; effective November 17, 1968.

Chapter 560-10-19 has been repealed and a new Chapter 560-10-19 of the same title, containing Rules [560-10-19-.01](#) through [560-10-19-.09](#), adopted. Filed October 29, 1968; effective November 17, 1968.

Chapter 560-10-20 has been repealed and a new Chapter 560-10-20 of the same title, containing Rules [560-10-20-.01](#) through [560-10-20-.06](#), adopted. Filed October 29, 1968; effective November 17, 1968.

Chapter 560-10-22, entitled "Issuance of Special Prestige License Plates," containing Rule [560-10-22-.01](#), has been adopted. Filed October 29, 1968; effective November 17, 1968.

Rule [560-9-2-.01](#) has been amended by numbering the unnumbered paragraph as (1) and by the adoption of paragraphs (2) through (6). Filed November 26, 1968; effective December 15, 1968.

Rules [560-9-2-.11](#) through [560-9-2-.16](#) have been adopted. Filed November 26, 1968; effective December 15, 1968.

Rules [560-9-3-.75](#) through [560-9-3-.88](#) have been adopted. Filed November 26, 1968; effective December 15, 1968.

Rules [560-12-2-.88](#) through [560-12-2-.90](#) have been adopted. Filed November 26, 1968; effective December 15, 1968.

Rule [560-12-2-.82](#) has been repealed and a new Rule [560-12-2-.82](#) adopted. Filed December 12, 1968; effective December 31, 1968.

Rule [560-2-5-.01](#) has been amended. Filed May 28, 1969; effective June 16, 1969.
Subparagraphs (h) 1., 2., 3., 4., and 5. of Rule [560-7-6-.03](#) have been repealed and new subparagraphs (h) 1., 2., 3., and 4. adopted. Filed June 10, 1969; effective June 29, 1969.

Rule [560-1-1-.15](#) has been adopted. Filed August 7, 1969; effective August 26, 1969.

Rule [560-10-3-.04](#) has been amended. Filed August 27, 1969; effective September 15, 1969.

Rule [560-10-4-.03](#) has been amended. Filed August 27, 1969; effective September 15, 1969.

Rule [560-10-7-.04](#) has been amended. Filed August 27, 1969; effective September 15, 1969.

Rule [560-10-15-.01](#) has been amended. Filed August 27, 1969; effective September 15, 1969.

Rules [560-10-19-.04](#) through [560-10-19-.08](#) have been amended. Filed August 27, 1969; effective September 15, 1969.

Rules [560-10-20-.01](#) through [560-10-20-.06](#) have been amended. Filed August 27, 1969; effective September 15, 1969.

Rules [560-10-21-.01](#) through [560-10-21-.11](#) have been amended. Filed August 27, 1969; effective September 15, 1969.

Rules [560-10-21-.12](#) and [560-10-21-.13](#) have been adopted. Filed August 27, 1969; effective September 15, 1969.

Rule [560-10-21-.01](#) has been amended. Filed August 27, 1969; effective September 15, 1969.

Rules [560-2-1-.01](#), [560-2-1-.02](#), [560-2-1-.08](#), [560-2-1-.09](#), [560-2-1-.14](#) through [560-2-1-.16](#), [560-2-1-.20](#), [560-2-1-.21](#), [560-2-1-.24](#), and [560-2-1-.25](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-2-.02](#), [560-2-2-.03](#), [560-2-2-.05](#), [560-2-2-.06](#), and [560-2-2-.14](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rule [560-2-2-.15](#) has been adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-3-.02](#), [560-2-3-.03](#), [560-2-3-.05](#), [560-2-3-.06](#), [560-2-3-.08](#), [560-2-3-.10](#), [560-2-3-.11](#), [560-2-3-.13](#), and [560-2-3-.14](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rule [560-2-3-.19](#) has been adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-4-.01](#) through [560-2-4-.06](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-5-.01](#) through [560-2-5-.03](#), [560-2-5-.07](#), [560-2-5-.11](#), [560-2-5-.13](#), and [560-2-5-.14](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-6-.01](#) through [560-2-6-.04](#), and [560-2-6-.06](#) through [560-2-6-.11](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rule [560-2-6-.13](#) has been adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-7-.01](#) through [560-2-7-.04](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-8-.01](#), [560-2-8-.13](#), [560-2-8-.14](#), [560-2-8-.18](#), [560-2-8-.24](#), and [560-2-8-.25](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-10-.06](#), [560-2-10-.07](#), [560-2-10-.12](#), [560-2-10-.13](#), [560-2-10-.15](#), [560-2-10-.16](#), and [560-2-10-.21](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-10-.22](#) and [560-2-10-.23](#) have been adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rules [560-2-11-.01](#), [560-2-11-.02](#), [560-2-11-.05](#), and [560-2-11-.06](#) have been repealed and new Rules of the same numbers adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rule [560-2-12-.02](#) has been repealed and a new Rule [560-2-12-.02](#) adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Rule 560-6-3-.03 has been amended by the adoption of paragraph (3). Filed November 24, 1969; effective December 13, 1969.

Rule 560-6-3-.18 has been repealed and a new Rule 560-6-3-.18 adopted. Filed November 24, 1969; effective December 13, 1969.

Rule 560-6-3-.22 has been amended. Filed November 24, 1969; effective December 13, 1969.

Rules 560-6-3-.34 through 560-6-3-.38 have been adopted. Filed November 24, 1969; effective December 13, 1969.

Rule [560-6-2-.02](#) has been repealed and a new Rule [560-6-2-.02](#) adopted. Filed December 12, 1969; effective December 31, 1969.

Rules [560-7-3-.02](#), [560-7-3-.06](#), and [560-7-3-.09](#) have been repealed and new Rules of the same numbers adopted. Filed December 12, 1969; effective December 31, 1969.

Rule [560-7-4-.11](#) has been adopted. Filed December 12, 1969; effective December 31, 1969.

Rules [560-7-5-.01](#) and [560-7-5-.02](#) have been repealed and new Rules of the same numbers adopted. Filed December 12, 1969; effective December 31, 1969.

Rules [560-7-6-.04](#), and [560-7-6-.06](#) through [560-7-6-.12](#) have been repealed and new Rules of the same numbers adopted. Filed December 12, 1969; effective December 31, 1969.

Rules [560-7-7-.03](#), [560-7-7-.16](#), and [560-7-7-.18](#) through [560-7-7-.26](#) have been repealed and new Rules [560-7-7-.03](#), [560-7-7-.16](#), and [560-7-7-.18](#) through [560-7-7-.22](#) adopted. Filed December 12, 1969; effective December 31, 1969.

Rules [560-7-8-.04](#) has been repealed and a new Rule [560-7-8-.04](#) adopted. Filed December 12, 1969; effective December 31, 1969.

Rules [560-3-2-.06](#) through [560-3-2-.25](#) have been adopted. Filed May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule [560-7-3-.06](#) has been amended by the repeal of subparagraph (3)(c) and by the adoption of a new subparagraph (3)(c). Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-2-.02](#), [560-10-2-.15](#), and [560-10-2-.16](#) have been amended. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-2-.04](#) through [560-10-2-.06](#), [560-10-2-.14](#), and [560-10-2-.17](#) have been repealed and new Rules of the same numbers adopted. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-3-.01](#) has been repealed and a new Rule [560-10-3-.01](#) adopted. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-3-.04](#) has been amended. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-4-.01](#) has been amended. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-5-.03](#) has been repealed and a new Rule [560-10-5-.03](#) adopted. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-5-.02](#), [560-10-5-.04](#), and [560-10-5-.05](#) have been amended. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-7-.01](#) through [560-10-7-.03](#) have been amended. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-8-.01](#) has been amended. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-9-.02](#) has been amended. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-9-.01](#), [560-10-9-.03](#), and [560-10-9-.04](#) have been repealed and new Rules of the same numbers adopted. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-10-.05](#) has been adopted. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-12-.06](#) has been amended. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-14-.01](#) through [560-10-14-.05](#) have been amended. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-15-.01](#) and [560-10-15-.04](#) have been amended. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-16-.01](#) and [560-10-16-.02](#) have been repealed and new Rules of the same numbers adopted. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-16-.03](#) and [560-10-16-.04](#) have been adopted. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-18-.02](#) has been adopted. Filed July 24, 1970; effective August 13, 1970.

Rules [560-10-19-.06](#) and [560-10-19-.08](#) have been amended. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-21-.12](#) has been amended. Filed July 24, 1970; effective August 13, 1970.

Rule [560-10-22-.01](#) has been amended. Filed July 24, 1970; effective August 13, 1970.

Rule [560-1-1-.02](#) has been repealed and a new Rule [560-1-1-.02](#) adopted. Filed August 5, 1970; effective August 25, 1970.

Rules [560-2-1-.01](#) and [560-2-1-.02](#) have been repealed and new Rules of the same numbers adopted. Filed August 5, 1970; effective August 25, 1970.

Rule [560-8-1-.01](#) has been repealed and a new Rule [560-8-1-.01](#) adopted. Filed August 5, 1970; effective August 25, 1970.

Rule [560-8-1-.02](#) has been repealed. Filed August 5, 1970; effective August 25, 1970.

Rule [560-10-12-.09](#) has been adopted. Filed August 7, 1970; effective August 27, 1970.

Rule [560-10-21-.14](#) has been adopted. Filed August 7, 1970; effective August 27, 1970.

Rule [560-12-2-.90](#) has been repealed and a new Rule [560-12-2-.90](#) adopted. Filed August 24, 1970; effective September 13, 1970.

Rule [560-7-6-.07](#) has been amended by the repeal of paragraph (3) and by the adoption of a new paragraph (3). Filed October 2, 1970; effective October 22, 1970.

Rule [560-12-1-.05](#) has been amended by the repeal of subparagraphs (1)(c) and (1)(d) and by the adoption of new subparagraphs (1)(c) and (1)(d). Filed December 2, 1970; effective December 22, 1970.

Paragraph (2) of Rule [560-7-6-.01](#) has been amended. Filed January 11, 1971; effective January 31, 1971.

Rule [560-12-1-.24](#) has been repealed and a new, Rule [560-12-1-.24](#) adopted. Filed March 22, 1971; effective April 11, 1971.

Rule [560-12-2-.80](#) has been repealed and a new Rule [560-12-2-.80](#) adopted. Filed March 22, 1971; effective April 11, 1971.

Rule [560-12-2-.91](#) has been adopted. Filed March 22, 1971; effective April 11, 1971.

Rule [560-8-4-.16](#) has been repealed and a new Rule [560-8-4-.16](#) adopted. Filed May 3, 1971; effective May 23, 1971.

Chapter 560-11-1 has been repealed and a new. Chapter 560-11-1 of the same title, containing Rules [560-11-1-.01](#) through [560-11-1-.11](#), adopted. Filed May 25, 1971; effective June 14, 1971.

Rules [560-11-2-.16](#) through [560-11-2-.18](#) have been adopted. Filed May 25, 1971; effective June 14, 1971.

Rules [560-11-3-.04](#) through [560-11-3-.16](#) have been adopted. Filed May 25, 1971; effective June 14, 1971.

Rules [560-10-13-.02](#), [560-10-13-.04](#), [560-10-13-.06](#), and [560-10-13-.09](#) have been repealed and new Rules of the same numbers adopted. Filed July 12, 1971; effective August 1, 1971.

Rules [560-12-2-.04](#), [560-12-2-.42](#), and [560-12-2-.71](#) have been repealed and new Rules of the same numbers adopted. Filed July 12, 1971; effective August 1, 1971.

Rule [560-12-2-.92](#) has been adopted. Filed July 12, 1971; effective August 1, 1971.

Rule [560-8-4-.22](#) has been adopted. Filed August 31, 1971; effective September 20, 1971.

Rules [560-8-7-.11](#) through [560-8-7-.28](#) have been adopted. Filed August 31, 1971; effective September 20, 1971.

Rules [560-8-8-.04](#) through [560-8-8-.06](#) have been repealed and new Rules of the same numbers adopted. Filed August 31, 1971; effective September 20, 1971.

Rules [560-8-8-.07](#) through [560-8-8-.11](#) have been repealed. Filed August 31, 1971; effective September 20, 1971.

Rule [560-10-12-.06](#) has been repealed and a new Rule [560-10-12-.06](#) adopted. Filed November 17, 1971; effective December 7, 1971.

Rules [560-10-13-.02](#), [560-10-13-.04](#), [560-10-13-.06](#), and [560-10-13-.09](#) have been repealed and new Rules of the same numbers adopted. Filed November 17, 1971; effective December 7, 1971.

Rules [560-10-19-.01](#) through [560-10-19-.03](#) have been repealed and new Rules of the same numbers adopted. Filed November 17, 1971; effective December 7, 1971.

Rule [560-10-19-.10](#) has been adopted. Filed November 17, 1971; effective December 7, 1971.

Rules [560-10-20-.01](#) through [560-10-20-.03](#), and [560-10-20-.05](#) have been repealed and new Rules of the same numbers adopted. Filed November 17, 1971; effective December 7, 1971.

Rule [560-10-20-.07](#) has been adopted. Filed November 17, 1971; effective December 7, 1971.

Rules [560-10-21-.09](#) through [560-10-21-.12](#) have been repealed and new Rules of the same numbers adopted. Filed November 17, 1971; effective December 7, 1971.

Rules [560-10-21-.13](#) and [560-10-21-.14](#) have been repealed. Filed November 17, 1971; effective December 7, 1971.

Rules [560-7-3-.05](#) and 520-7-3-.10 have been repealed and new Rules of the same numbers adopted. Filed February 16, 1972; effective March 7, 1972.

Rule [560-7-3-.11](#) has been repealed. Filed February 16, 1972; effective March 7, 1972.

Rule [560-7-4-.01](#) has been repealed and a new Rule [560-7-4-.01](#) adopted. Filed February 16, 1972; effective March 7, 1972.

Rules [560-7-4-.02](#) through [560-7-4-.10](#) have been repealed. Filed February 16, 1972; effective March 7, 1972.

Rule [560-7-5-.01](#) has been repealed and a new Rule [560-7-5-.01](#) adopted. Filed February 16, 1972; effective March 7, 1972.

Chapter 560-7-6 has been repealed and a new Chapter 560-7-6, entitled "Elections and Definitions," containing Rules [560-7-6.01](#) and [560-7-6.02](#), adopted. Filed February 16, 1972; effective March 7, 1972.

Rules [560-7-7.05](#), [560-7-7.06](#), [560-7-7.07](#), and [560-7-7.10](#) through [560-7-7.22](#) have been repealed. Filed February 16, 1972; effective March 7, 1972.

Rules [560-7-8.01](#), [560-7-8.02](#), [560-7-8.09](#), [560-7-8.10](#), 560-7-8.15, [560-7-8.31](#), and [560-7-8.32](#) have been repealed and new Rules of the same numbers adopted. Filed February 17, 1972; effective March 7, 1972.

Rule [560-7-8.19](#) has been repealed. Filed February 16, 1972; effective March 7, 1972.

Rules [560-8-9.01](#) through [560-8-9.03](#) have been repealed. Filed February 16, 1972; effective March 7, 1972.

Rule [560-1-1.15](#) has been repealed and a new Rule [560-1-1.15](#) adopted. Filed March 17, 1972; effective April 6, 1972.

Rule [560-9-2.17](#) has been adopted. Filed March 17, 1972; effective April 6, 1972.

Chapter 560-12-4, entitled "Rapid Transit," containing Rules [560-12-4.01](#) through 560-12-4.11, was filed on March 22, 1972; effective April 11, 1972. (This Chapter was not published because Emergency Rule 560-12-4-0.2 was filed and effective on March 30, 1972 abrogating and superseding said Chapter 560-12-4.)

Emergency Rule 560-12-4-0.2, entitled "Rapid Transit," containing Rule 560-12-4-0.2-.01 through 560-12-4-0.2-.10, was filed and effective on March 30, 1972, to remain in effect until the effective date of permanent Rules covering the same subject matter, but in no event to remain in effect for a period longer than 120 days, as specified by the Agency.

Rules [560-2-5.11](#) and [560-2-5.12](#) have been repealed and new Rules of the same numbers adopted. Filed June 29, 1972; effective July 1, 1972 in accordance with Ga. L. 1972, p. 193, as specified by the Agency.

Rule [560-2-6.14](#) has been adopted. Filed June 29, 1972; effective July 1, 1972, as specified by the Agency.

Rule [560-8-4.13](#) has been adopted. Filed June 29, 1972; effective July 1, 1972, in accordance with Ga. L. 1972, p. 193, as specified by the Agency.

Rule [560-2-1.02](#) has been repealed and a new Rule [560-2-1.02](#) adopted. Filed June 29, 1972; effective July 19, 1972.

Rule [560-2-5.10](#) has been repealed and a new Rule [560-2-5.10](#) adopted. Filed June 29, 1972; effective July 19, 1972.

Rule [560-7-8-.32](#) has been repealed and a new Rule [560-7-8-.32](#) adopted. Filed June 29, 1972; effective July 19, 1972.

Rule [560-7-8-.33](#) has been adopted. Filed June 29, 1972; effective July 19, 1972.

Rule [560-8-4-.12](#) has been repealed and a new Rule [560-8-4-.12](#) adopted. Filed June 29, 1972; effective July 19, 1972.

Rules [560-8-7-.29](#) and [560-8-7-.30](#) have been adopted. Filed June 29, 1972; effective July 19, 1972.

Chapter 560-12-4, "Rapid Transit Tax," containing Rules [560-12-4-.01](#) through [560-12-4-.09](#), has been adopted replacing Emergency Rule 560-12-4-0.2. Filed June 29, 1972; effective July 19, 1972.

Rules [560-8-10-.17](#) and [560-8-10-.22](#) have been repealed. Filed June 30, 1972; effective July 20, 1972.

Rule [560-9-2-.06](#) has been repealed and a new Rule [560-9-2-.06](#) adopted. Filed July 21, 1972; effective August 10, 1972.

By virtue of the Executive Reorganization Act of 1972, 560-6 "Fuel Oil Inspection Unit" has been transferred to the Department of Agriculture and henceforth will function under that Department. Effective August 28, 1972.

Rule [560-2-3-.10](#) has been repealed and a new Rule [560-2-3-.10](#) adopted. Filed August 17, 1972; effective September 6, 1972.

Rule [560-8-2-.04](#) has been repealed and a new Rule [560-8-2-.04](#) adopted. Filed August 17, 1972; effective September 6, 1972.

Rules [560-8-2-.16](#) and [560-8-2-.17](#) have been adopted. Filed August 17, 1972; effective September 6, 1972.

Rule [560-8-4-.14](#) has been repealed and a new Rule [560-8-4-.14](#) adopted. Filed August 17, 1972; effective September 6, 1972.

Rule [560-8-7-.15](#) has been repealed and a new Rule [560-8-7-.15](#) adopted. Filed August 17, 1972; effective September 6, 1972.

Rule [560-8-10-.01](#) has been repealed and a new Rule [560-8-10-.01](#) adopted. Filed August 17, 1972; effective September 6, 1972.

Rules [560-11-2-.20](#) and [560-11-2-.21](#) have been adopted. (Rule [560-11-2-.19](#) is reserved.) Filed November 8, 1972; effective November 28, 1972.

Rule [560-2-2-.01](#) has been repealed and a new Rule [560-2-2-.01](#) adopted. Filed November 22, 1972; effective December 12, 1972.

Rules [560-2-4-.04](#) and [560-2-4-.05](#) have been repealed and new Rules of the same numbers adopted. Filed November 22, 1972; effective December 12, 1972.

Rules [560-2-12-.01](#) through [560-2-12-.10](#) have been repealed and new Rules of the same numbers adopted. Filed November 22, 1972; effective December 12, 1972.

Rule [560-2-5-.02](#) has been repealed and a new Rule [560-2-5-.02](#) adopted. Filed November 30, 1972; effective December 20, 1972.

Rule [560-12-2-.93](#) has been adopted. Filed November 30, 1972; effective December 20, 1972.

Rules [560-8-6-.05](#) and [560-8-6-.10](#) have been repealed and new Rules of the same numbers adopted. Filed February 12, 1973; effective March 4, 1973.

Rule [560-11-2-.22](#) has been adopted. Filed February 12, 1973; effective March 4, 1973.

Rules [560-2-5-.07](#), [560-2-5-.08](#), and [560-2-5-.10](#) have been repealed and new Rules of the same numbers adopted. Filed April 4, 1973; effective April 24, 1973.

Rule [560-2-6-.01](#) has been repealed and a new Rule [560-2-6-.01](#) adopted. Filed April 4, 1973; effective April 24, 1973.

Rule [560-2-6-.15](#), [560-2-6-.16](#), and [560-2-6-.17](#) have been adopted. Filed April 4, 1973; effective April 24, 1973.

Rule [560-2-10-.12](#) has been repealed and a new Rule [560-2-10-.12](#) adopted. Filed April 4, 1973; effective April 24, 1973.

Rule [560-2-12-.02](#) has been repealed and a new Rule [560-2-12-.02](#) adopted. Filed April 4, 1973; effective April 24, 1973.

Rule [560-2-12-.11](#) has been adopted. Filed April 4, 1973; effective April 24, 1973.

Rule [560-8-4-.15](#) has been repealed and a new Rule [560-8-4-.15](#) adopted. Filed April 4, 1973; effective April 24, 1973.

Rules [560-8-4-.23](#) through [560-8-4-.26](#) have been adopted. Filed April 4, 1973; effective April 24, 1973.

Rules [560-8-7-.31](#) through [560-8-7-.35](#) have been adopted. Filed April 4, 1973; effective April 24, 1973.

Rule [560-10-12-.10](#) has been adopted. Filed April 4, 1973; effective April 24, 1973.

Rules [560-10-21-.13](#) and [560-10-21-.14](#) have been adopted. Filed April 4, 1973; effective April 24, 1973.

Rule [560-2-5-.10](#) has been repealed and a new Rule [560-2-5-.10](#) adopted. Filed April 23, 1973; effective May 13, 1973.

Rules [560-8-4-.14](#) and [560-8-4-.18](#) have been repealed and new Rules of the same numbers adopted. Filed April 23, 1973; effective May 13, 1973.

Rule [560-11-2-.19](#) has been adopted. Filed May 1, 1973; effective May 21, 1973.

Rules [560-11-2-.37](#) through [560-11-2-.39](#) have been adopted. Filed May 17, 1973; effective June 6, 1973. (Rules [560-11-2-.23](#) through [560-11-2-.36](#) are reserved.)

Rule [560-11-3-.17](#) has been adopted. Filed May 17, 1973; effective June 6, 1973.

Rules [560-11-2-.23](#) through [560-11-2-.31](#) have been adopted. (Rules [560-11-2-.32](#) through [560-11-2-.36](#) are reserved). Filed May 25, 1973; effective June 14, 1973.

Rule [560-2-10-.22](#) has been repealed and a new Rule [560-2-10-.22](#) adopted. Filed May 25, 1973; effective June 14, 1973.

Chapter 560-8-11, entitled "County and Municipal Excise Taxes," containing Rules [560-8-11-.01](#) and [560-8-11-.02](#), has been adopted. Filed May 29, 1973; effective June 18, 1973.

Rule [560-8-7-.21](#) has been repealed and a new Rule [560-8-7-.21](#) adopted. Filed June 11, 1973; effective July 1, 1973.

Rules [560-11-2-.32](#) through [560-11-2-.36](#) have been adopted. Filed July 18, 1973; effective August 7, 1973.

Rule [560-7-8-.33](#) has been repealed and a new Rule [560-7-8-.33](#) adopted. Filed August 13, 1973; effective September 2, 1973.

Rule [560-2-6-.15](#) has been repealed and a new Rule [560-2-6-.15](#) adopted. Filed November 29, 1973; effective December 19, 1973.

Rules [560-2-11-.01](#) through [560-2-11-.07](#) have been repealed and new Rules of the same numbers adopted. Filed November 29, 1973; effective December 19, 1973.

Rules [560-2-11-.08](#) through [560-2-11-.14](#) have been adopted. Filed November 29, 1973; effective December 19, 1973.

Rules [560-10-1-.02](#) through [560-10-1-.04](#) have been repealed and new Rules of the same numbers adopted. Filed December 19, 1973; effective January 8, 1974.

Rules [560-10-1-.05](#) through [560-10-1-.21](#) have been repealed. Filed December 19, 1973; effective January 8, 1974.

Rules [560-10-7-.04](#) and [560-10-7-.05](#) have been repealed and new Rules of the same numbers adopted. Filed December 19, 1973; effective January 8, 1974.

Rules [560-10-7-.06](#) through [560-10-7-.09](#) have been repealed. Filed December 19, 1973; effective January 8, 1974.

Rule [560-10-14-.01](#) has been repealed and a new Rule [560-10-14-.01](#) adopted. Filed December 19, 1973; effective January 8, 1974.

Rules [560-10-20-.04](#) and [560-10-20-.05](#) have been repealed and new Rules of the same numbers adopted. Filed December 19, 1973; effective January 8, 1974.

Chapter 560-10-23, entitled "Citations," containing Rule [560-10-23-.01](#), has been adopted. Filed December 19, 1973; effective January 8, 1974.

Chapter 560-10-24, entitled "Free National Guard Plates," containing Rule [560-10-24-.01](#), has been adopted. Filed December 19, 1973; effective January 8, 1974.

Chapter 560-10-25, entitled "License Plate Fee Refunds," containing Rule [560-10-25-.01](#), has been adopted. Filed December 19, 1973; effective January 8, 1974.

Rule [560-2-11-.09](#) has been repealed and a new Rule [560-2-11-.09](#) adopted. Filed April 2, 1974; effective April 22, 1974.

Rules [560-2-6-.18](#) through [560-2-6-.21](#) have been adopted. Filed May 13, 1974; effective June 2, 1974.

Rules [560-2-11-.03](#), [560-2-11-.04](#), and [560-2-11-.06](#) have been repealed and new Rules of the same numbers adopted. Filed May 13, 1974; effective June 2, 1974.

Rule [560-2-12-.12](#) has been adopted. Filed May 13, 1974; effective June 2, 1974.

Rules [560-8-11-.01](#) and [560-8-11-.02](#) have been repealed and new Rules of the same numbers adopted. Filed May 13, 1974; effective June 2, 1974.

Rules [560-8-11-.03](#) through [560-8-11-.09](#) have been adopted. Filed May 13, 1974; effective June 2, 1974.

Rules [560-9-2-.18](#) and [560-9-2-.19](#) have been adopted. Filed May 13, 1974; effective June 2, 1974.

Rules [560-9-3-.89](#) and [560-9-3-.90](#) have been adopted. Filed May 13, 1974; effective June 2, 1974.

Rules [560-12-1-.01](#), [560-12-1-.06](#), [560-12-1-.08](#) through [560-12-1-.10](#), [560-12-1-.12](#), [560-12-1-.13](#), [560-12-1-.15](#) through [560-12-1-.17](#), [560-12-1-.19](#) through [560-12-1-.25](#), [560-12-1-.31](#), and [560-12-1-.32](#) have been repealed and new Rules of the same numbers adopted. Filed August 26, 1974; effective September 15, 1974.

Rule [560-12-1-.34](#) has been adopted. Filed August 26, 1974; effective September 15, 1974.

Subparagraph (2)(f)1. of Rule [560-7-3-.06](#) has been amended. Filed September 27, 1974; effective October 17, 1974.

By virtue of the Reorganization Act of 1972, the functions of 560-6 Fuel Oil Inspection Unit, containing Chapters 560-6-1 through 560-6-5, have been transferred to the Department of Agriculture and henceforth will function under that Department. Effective November 11, 1974, by Certification of the Department of Revenue, dated November 11, 1974, to the Department of Agriculture.

Rule [560-2-8-.19](#) has been repealed and a new Rule [560-2-8-.19](#) adopted. Filed November 20, 1974; effective December 10, 1974.

Rules [560-10-1-.01](#), [560-10-1-.03](#), and [560-10-1-.04](#) have been repealed and new Rules of the same numbers adopted. Filed November 20, 1974; effective December 10, 1974.

Rules [560-10-1-.05](#) through [560-10-1-.07](#) have been adopted, Filed November 20, 1974; effective December 10, 1974.

Rule [560-10-2-.05](#) has been repealed and a new Rule [560-10-2-.05](#) adopted. Filed November 20, 1974; effective December 10, 1974.

Rules [560-10-6-.01](#) through [560-10-6-.04](#) have been repealed. Filed November 20, 1974; effective December 10, 1974.

Rules [560-10-9-.01](#) through [560-10-9-.04](#) have been repealed and new Rules of the same numbers adopted. Filed November 20, 1974; effective December 10, 1974.

Rule [560-10-15-.05](#) has been adopted. Filed November 20, 1974; effective December 10, 1974.

Rule [560-10-18-.01](#) has been repealed and a new Rule [560-10-18-.01](#) adopted. Filed November 20, 1974; effective December 10, 1974.

Rule [560-10-19-.11](#) has been adopted. Filed November 20, 1974; effective December 10, 1974.

Rule [560-10-20-.04](#) has been repealed and a new Rule [560-10-20-.04](#) adopted. Filed November 20, 1974; effective December 10, 1974.

Rules [560-10-20-.05](#) through [560-10-20-.07](#) have been repealed. Filed November 20, 1974; effective December 10, 1974.

Rule [560-10-21-.15](#) has been adopted. Filed November 20, 1978; effective December 10, 1978.

Rules [560-12-3-.01](#), [560-12-3-.06](#), [560-12-3-.14](#), [560-12-3-.16](#), [560-12-3-.25](#), [560-12-3-.26](#), [560-12-3-.28](#), [560-12-3-.30](#), and [560-12-3-.31](#) have been repealed and new Rules of the same numbers adopted. Filed November 20, 1974; effective December 10, 1974.

Rule [560-12-3-.27](#) has been repealed. Filed November 20, 1974; effective December 10, 1974.

Rules [560-12-3-.49](#) through [560-12-3-.56](#) have been adopted. Filed November 20, 1974; effective December 10, 1974.

Rule [560-2-3-.04](#) has been amended by the adoption of subparagraph (c). Filed December 24, 1974; effective January 13, 1975.

Chapter 560-9-1 has been repealed and a new Chapter 560-9-1 of the same title, containing Rules [560-9-1-.01](#) through [560-9-1-.06](#), adopted. Filed December 24, 1974; effective January 13, 1975.

Rule [560-9-2-.15](#) has been repealed and a new Rule [560-9-2-.15](#) adopted. Filed December 24, 1974; effective January 13, 1975.

Rule [560-9-3-.77](#) has been amended. Filed December 24, 1974; effective January 13, 1975.

Rules [560-9-3-.50](#) through [560-9-3-.53](#), [560-9-3-.55](#), [560-9-3-.59](#), [560-9-3-.60](#), [560-9-3-.62](#) through [560-9-3-.64](#), [560-9-3-.69](#), [560-9-3-.70](#), [560-9-3-.80](#) through [560-9-3-.82](#), and [560-9-3-.84](#) have been repealed. Filed December 24, 1974; effective January 13, 1975.

Rules [560-12-2-.94](#), and [560-12-2-.96](#) through [560-12-2-.99](#) have been adopted. Rule [560-12-2-.95](#) is reserved. Filed December 24, 1974; effective January 13, 1975.

Rule [560-12-4-.04](#) has been amended by the repeal of subparagraph (1)(a)1. and by the adoption of a new subparagraph (1)(a)1.; said Rule has been further amended by the repeal of subparagraph (1)(d)4. and by the adoption of a new subparagraph (1)(d)4. Filed December 24, 1974; effective January 13, 1975.

Rule [560-2-4-.09](#) has been adopted. Filed December 26, 1974; effective January 15, 1975.

Rule [560-2-5-.07](#) has been amended by the adoption of subparagraph (1)(e) and paragraph (3). Filed December 26, 1974; effective January 15, 1975.

Rule [560-8-4-.27](#) has been adopted. Filed December 26, 1974; effective January 15, 1975.

Rule [560-8-7-.36](#) has been adopted. Filed December 26, 1974; effective January 15, 1975.

Rules [560-12-2-.03](#), [560-12-2-.10](#), [560-12-2-.11](#), [560-12-2-.24](#), [560-12-2-.30](#), [560-12-2-.32](#), [560-12-2-.34](#), [560-12-2-.35](#), [560-12-2-.37](#), [560-12-2-.38](#), [560-12-2-.50](#), [560-12-2-.76](#), [560-12-2-.82](#),

and [560-12-2-.87](#) have been repealed and new Rules of the same numbers adopted. Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.19](#) has been amended by the repeal of paragraph (2) and by the adoption of a new paragraph (2); said Rule has been further amended by the repeal of the last sentence of paragraph (3). Filed January 13, 1975; effective February 2, 1975.

Paragraph (2) of Rule [560-12-2-.23](#) has been amended. Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.26](#) has been amended by the repeal of paragraph (1) and by the adoption of a new paragraph (1). Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.27](#) has been amended by adding a reference to the title. Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.41](#) has been amended by the repeal of paragraph (1) and by the adoption of a new paragraph (1). Filed January 13, 1975; effective February 2, 1975.

Paragraph (5) of Rule [560-12-2-.43](#) has been amended. Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.51](#) has been amended by changing the title and by the adoption of paragraph (4). Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.62](#) has been amended by the repeal of paragraph (2) and by the adoption of a new paragraph (2). Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.64](#) has been amended by the repeal of paragraph (2) and by the adoption of a new paragraph (2). Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.65](#) has been amended by the repeal of paragraphs (3), (4), and (5), and by the adoption of new paragraphs (3) and (4). Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.79](#) has been amended by the repeal of paragraphs (1) and (9) and by the adoption of new paragraphs (1) and (9). Filed January 13, 1975; effective February 2, 1975.

Paragraph (3) of Rule [560-12-2-.85](#) has been amended. Filed January 13, 1975; effective February 2, 1975.

Paragraph (1) of Rule [560-12-2-.89](#) has been amended by adding a reference; Rule [560-12-2-.89](#) has been further amended by the adoption of paragraph (4). Filed January 13, 1975; effective February 2, 1975.

Rule [560-12-2-.90](#) has been amended by the repeal of paragraphs (3) and (4) and by the adoption of new paragraphs (3) and (4). Filed January 13, 1975; effective February 2, 1975.

Rules [560-1-1-.02](#), [560-1-1-.03](#), and [560-1-1-.04](#) have been repealed and new Rules of the same numbers adopted. Filed January 15, 1975; effective February 4, 1975.

The title of 560-3 Comptroller Unit has been changed to 560-3 Fiscal Operations Division. Filed January 15, 1975; effective February 4, 1975.

Rules [560-3-1-.01](#), [560-3-1-.03](#), and [560-3-1-.04](#) have been repealed and new Rules of the same numbers adopted. Filed January 15, 1975; effective February 4, 1975.

Rules [560-3-2-.04](#), [560-3-2-.05](#), [560-3-2-.18](#), and [560-3-2-.19](#) have been repealed and new Rules of the same titles adopted. Filed January 15, 1975; effective February 4, 1975.

Rule [560-3-3-.01](#) has been repealed and a new Rule [560-3-3-.01](#) adopted. Filed January 15, 1975; effective February 4, 1975.

Unit 560-4, entitled "Data Processing Unit," has been repealed and a new Unit 560-4, entitled "Central Audit Unit" adopted. Filed January 15, 1975; effective February 4, 1975. (No Rules have been filed for this Unit.)

Unit 560-5, entitled "Fraud and Intelligence Unit," has been repealed and a new Unit 560-5, entitled "Internal Investigation Division," adopted. Filed January 15, 1975; effective February 4, 1975.

Chapter 560-5-1 has been repealed and a new Chapter 560-5-1 of the same title, containing Rules [560-5-1-.01](#) through [560-5-1-.05](#), adopted. Filed January 15, 1975; effective February 4, 1975.

Chapter 560-5-2 has been repealed and a new Chapter 560-5-2 of the same title, containing Rules [560-5-2-.01](#) through [560-5-2-.06](#), adopted. Filed January 15, 1975; effective February 4, 1975.

Unit 560-6, entitled "Field Services Unit", has been adopted. Filed January 15, 1975; effective February 4, 1975. (No Rules have been filed for this Unit.)

Rules [560-11-2-.48](#) through [560-11-2-.54](#) have been adopted. Filed January 15, 1975; effective February 4, 1975. (Rules [560-11-2-.40](#) through [560-11-2-.47](#) are reserved.) Filed January 15, 1975; effective February 4, 1975.

Chapter 560-2-13, entitled "Passenger Carriers," containing Rules [560-2-13-.01](#) through [560-2-13-.03](#), has been adopted. Filed January 30, 1975; effective February 19, 1975.

Rule [560-12-1-.26](#) has been repealed and a new Rule [560-12-1-.26](#) adopted. Filed January 22, 1975; effective April 1, 1975, as specified by the Agency.

Rule [560-2-3-.06](#) has been amended by the repeal of subparagraph (1)(b) and by the adoption of a new subparagraph (1)(b). Filed April 23, 1975; effective May 13, 1975.

Rules [560-2-2-.07](#) and [560-2-2-.11](#) have been repealed and new Rules of the same numbers adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-2-.16](#) has been adopted. Filed May 13, 1975; effective June 2, 1975.

Rules [560-2-3-.04](#), [560-2-3-.11](#) through [560-2-3-.13](#), and [560-2-3-.15](#) have been repealed and new Rules of the same numbers adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-3-.18](#) has been repealed. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-3-.20](#) has been adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-4-.04](#) has been repealed and a new Rule [560-2-4-.04](#) adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-5-.07](#) has been repealed and a new Rule [560-2-5-.07](#) adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-6-.01](#) has been amended by the adoption of paragraph (7). Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-6-.04](#) has been repealed and a new Rule [560-2-6-.04](#) adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-6-.05](#) has been repealed. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-6-.22](#) has been adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-7-.04](#) has been repealed and a new Rule [560-2-7-.04](#) adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-2-9-.06](#) has been repealed and a new Rule [560-2-9-.06](#) adopted. Filed May 13, 1975; effective June 2, 1975.

Rules [560-2-12-.07](#) and [560-2-12-.10](#) have been repealed. Filed May 13, 1975; effective June 2, 1975.

Rule [560-9-2-.20](#) has been adopted. Filed May 13, 1975; effective June 2, 1975.

Rule [560-9-3-.91](#) has been adopted. Filed May 13, 1975; effective June 2, 1975.

Rules [560-11-2-.37](#) through [560-11-2-.39](#) have been repealed and new Rules of the same numbers adopted. Filed June 11, 1975; effective July 1, 1975.

Rule [560-2-5-.15](#) has been adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-10-10-.05](#) has been repealed and a new Rule [560-10-10-.05](#) adopted. Filed July 2, 1975; effective July 22, 1975.

Rules [560-10-13-.07](#) through [560-10-13-.11](#) have been repealed and new Rules of the same numbers adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-10-15-.04](#) has been repealed and a new Rule [560-10-15-.04](#) adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-10-16-.02](#) has been repealed and a new Rule [560-10-16-.02](#) adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-10-19-.08](#) has been repealed and a new Rule [560-10-19-.08](#) adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-10-21-.16](#) has been adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-10-22-.01](#) has been repealed and a new Rule [560-10-22-.01](#) adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-10-24-.01](#) has been repealed and a new Rule [560-10-24-.01](#) adopted. Filed July 2, 1975; effective July 22, 1975.

Chapter 560-10-26, entitled "Disabled Persons License Plates," containing Rule [560-10-26-.01](#), has been adopted. Filed July 2, 1975; effective July 22, 1975.

Chapter 560-10-27, entitled "Free Handicapped Veterans License Plates," containing Rule [560-10-27-.01](#), has been adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-12-1-.26](#) has been repealed and a new Rule [560-12-1-.26](#) adopted. Filed July 2, 1975; effective July 22, 1975.

Rule [560-2-4-.10](#) has been adopted. Filed August 27, 1975; effective September 16, 1975.

Rule [560-2-5-.07](#) has been amended by the adoption of paragraphs (4) and (5). Filed August 27, 1975; effective September 16, 1975.

Rules [560-2-6-.04](#) and [560-2-6-.14](#) have been repealed. Filed August 27, 1975; effective September 16, 1975.

Rule [560-2-6-.12](#) has been repealed and a new Rule [560-2-6-.12](#) adopted. Filed August 27, 1975; effective September 16, 1975.

Rule [560-2-6-.22](#) has been amended by the adoption of paragraph (3). Filed August 27, 1975; effective September 16, 1975.

Rule [560-2-8-.11](#) has been repealed and a new Rule [560-2-8-.11](#) adopted. Filed August 27, 1975; effective September 16, 1975.

Rule [560-2-10-.24](#) has been adopted. Filed August 27, 1975; effective September 16, 1975.

Rule [560-2-11-.15](#) has been adopted. Filed August 27, 1975; effective September 16, 1975.

Rules [560-2-1-.01](#) and [560-2-1-.02](#) have been repealed. Filed October 1, 1975; effective October 21, 1975.

Rule [560-2-3-.10](#) has been repealed and a new Rule [560-2-3-.10](#) adopted. Filed December 8, 1975; effective December 28, 1975.

Rule [560-8-7-.15](#) has been repealed and a new Rule [560-8-7-.15](#) adopted. Filed December 8, 1975; effective December 28, 1975.

Chapter 560-8-2 has been repealed and a new Chapter 560-8-2, entitled "Malt Beverages: Brewers," containing Rules [560-8-2-.01](#) through [560-8-2-.12](#), adopted. Filed December 30, 1975; effective January 19, 1976.

Chapter 560-8-3 has been repealed and a new Chapter 560-8-3, entitled "Malt Beverages: Wholesalers," containing Rules [560-8-3-.01](#) through [560-8-3-.23](#) adopted. Filed December 30, 1975; effective January 19, 1976.

Chapter 560-8-4 has been repealed and a new Chapter 560-8-4, entitled "Malt Beverages: Retailers," containing Rules [560-8-4-.01](#) through [560-8-4-.23](#), adopted. Filed December 30, 1975; effective January 19, 1976.

Chapter 560-8-5 has been repealed and a new Chapter 560-8-5, entitled "Malt Beverages: Military," containing Rules [560-8-5-.01](#) through [560-8-5-.09](#), adopted. Filed December 30, 1975; effective January 19, 1976.

Subparagraph (1)(a) of Rule [560-2-8-.01](#) has been repealed and a new subparagraph (1)(a) adopted. Filed January 7, 1976; effective January 27, 1976.

Chapter 560-12-5, entitled "Local Option Tax," containing Rules [560-12-5-.01](#) through [560-12-5-.09](#), has been adopted. Filed January 12, 1976; effective February 1, 1976.

Rule [560-2-6-.02](#) has been repealed and a new Rule [560-2-6-.02](#) adopted. Filed April 5, 1976; effective April 25, 1976.

Rules [560-9-2-.18](#) and [560-9-2-.19](#) have been repealed and new Rules of the same numbers adopted. Filed April 5, 1976; effective April 25, 1976.

Rule [560-10-15-.04](#) has been repealed and a new Rule [560-10-15-.04](#) adopted. Filed April 6, 1976; effective April 26, 1976.

Rules [560-10-19-.06](#) through [560-10-19-.08](#) have been repealed and new Rules of the same numbers adopted. Filed April 6, 1976; effective April 26, 1976.

Rule [560-10-22-.01](#) has been repealed and a new Rule [560-10-22-.01](#) adopted. Filed April 6, 1976; effective April 26, 1976.

Rule [560-10-24-.01](#) has been repealed and a new Rule [560-10-24-.01](#) adopted. Filed April 6, 1976; effective April 26, 1976.

Rule [560-10-26-.01](#) has been repealed and a new Rule [560-10-26-.01](#) adopted. Filed April 6, 1976; effective April 26, 1976.

Rule [560-10-27-.01](#) has been repealed and a new Rule [560-10-27-.01](#) adopted. Filed April 6, 1976; effective April 26, 1976.

Rule [560-12-5-.10](#) has been adopted. Filed April 30, 1976; effective May 20, 1976.

Rules [560-7-8-.08](#) through [560-7-8-.10](#) have been repealed and new Rules of the same numbers adopted. Filed May 4, 1976; effective May 24, 1976.

Rules [560-7-8-.14](#), [560-7-8-.20](#), and [560-7-8-.21](#) have been repealed. Filed May 4, 1976; effective May 24, 1976.

Paragraph (1) of Rule [560-7-8-.15](#) has been amended. Filed May 4, 1976; effective May 24, 1976.

Rule [560-12-1-.08](#) has been amended by the adoption of subparagraph (1)(g). Filed May 12, 1976; effective June 1, 1976.

Subparagraph (6)(b) of Rule [560-12-1-.09](#) has been amended. Filed May 12, 1976; effective June 1, 1976.

Rule [560-12-1-.13](#) has been repealed and a new Rule [560-12-1-.13](#) adopted. Filed May 12, 1976; effective June 1, 1976.

Paragraph (5) of Rule [560-12-2-.26](#) has been amended. Filed May 12, 1976; effective June 1, 1976.

Rules [560-12-3-.04](#), [560-12-3-.05](#), and [560-12-3-.09](#) have been repealed and new Rules of the same numbers adopted. Filed May 12, 1976; effective June 1, 1976.

Rules [560-12-3-.07](#), [560-12-3-.08](#), [560-12-3-.14](#), and [560-12-3-.25](#) have been repealed. Filed May 12, 1976; effective June 1, 1976.

Chapter 560-6-3, entitled "Forms (Forms Applicable to All Taxes Administered by State Revenue Commissioner)." containing Rule [560-6-3-.01](#), has been adopted. Filed May 20, 1976; effective June 9, 1976.

Paragraph (3) of Rule [560-2-5-.02](#) has been amended. Filed July 6, 1976; effective July 26, 1976.

Rule [560-2-6-.07](#) has been repealed and a new Rule [560-2-6-.07](#) adopted. Filed July 6, 1976; effective July 26, 1976.

Rule [560-2-7-.04](#) has been repealed and a new Rule [560-2-7-.04](#) adopted. Filed July 6, 1976; effective July 26, 1976.

Rule [560-2-3-.03](#) has been repealed and a new Rule [560-2-3-.03](#) adopted. Filed July 19, 1976; effective August 8, 1976.

Rule [560-2-8-.01](#) has been amended by the adoption of subparagraph (1)(c). Filed July 19, 1976; effective August 8, 1976.

Rules [560-2-8-.02](#), [560-2-8-.03](#), [560-2-8-.16](#), [560-2-8-.17](#), 560-28-.22, [560-2-8-.23](#), and [560-2-8-.24](#) have been repealed. Filed July 19, 1976; effective August 8, 1976.

Rules [560-2-8-.12](#), [560-2-8-.13](#), [560-2-8-.15](#), [560-2-8-.20](#), and [560-2-8-.21](#) have been repealed and new Rules of the same numbers adopted. Filed July 19, 1976; effective August 8, 1976.

Rule [560-2-10-.01](#) has been repealed and a new Rule [560-2-10-.01](#) adopted. Filed July 19, 1976; effective August 8, 1976.

Chapter 560-2-14, entitled "Sunday Sales," containing Rules [560-2-14-.01](#) through [560-2-14-.08](#), has been adopted. Filed July 19, 1976; effective August 8, 1976.

Rule [560-8-3-.14](#) has been repealed and a new Rule [560-8-3-.14](#) adopted. Filed July 19, 1976; effective August 8, 1976.

Rules [560-8-4-.05](#), [560-8-4-.10](#), [560-8-4-.20](#), and [560-8-4-.21](#) have been repealed and new Rules of the same numbers adopted. Filed July 19, 1976; effective August 8, 1976.

Rule [560-8-6-.05](#) has been amended by the repeal of subparagraph (2)(d) and by renumbering subparagraph (2)(e) as (2)(d). Filed July 19, 1976; effective August 8, 1976.

Rule [560-8-11-.10](#) has been adopted. Filed July 19, 1976; effective August 8, 1976.

Chapter 560-8-12, entitled "Sunday Sales," containing Rules [560-8-12-.01](#) through [560-8-12-.08](#), has been adopted. Filed July 19, 1976; effective August 8, 1976.

Rules [560-8-7-.13](#) and [560-8-7-.14](#) have been repealed and new Rules of the same numbers adopted. Filed September 29, 1976; effective October 19, 1976.

Rules [560-10-1-.01](#) through [560-10-1-.03](#) have been repealed and new Rules of the same numbers adopted. Filed November 16, 1976; effective December 6, 1976.

Rules [560-10-1-.04](#) through [560-10-1-.07](#) have been repealed. Filed November 16, 1976; effective December 6, 1976.

Rule [560-10-2-.17](#) has been repealed and a new Rule [560-10-2-.17](#) adopted. Filed November 16, 1976; effective December 6, 1976.

Rule [560-10-3-.04](#) has been repealed and a new Rule [560-10-3-.04](#) adopted. Filed November 16, 1976; effective December 6, 1976.

Rule [560-10-4-.03](#) has been repealed and a new Rule [560-10-4-.03](#) adopted. Filed November 16, 1976; effective December 6, 1976.

Rules [560-10-9-.01](#) through [560-10-9-.04](#) have been repealed and new Rules of the same numbers adopted. Filed November 16, 1976; effective December 6, 1976.

Rule [560-10-16-.03](#) has been repealed and a new Rule [560-10-16-.03](#) adopted. Filed November 16, 1976; effective December 6, 1976.

Rule [560-10-17-.01](#) has been repealed and a new Rule [560-10-17-.01](#) adopted. Filed November 16, 1976; effective December 6, 1976.

Rules [560-10-19-.04](#) through [560-10-19-.08](#), [560-10-19-.10](#), and [560-10-19-.11](#) have been repealed and new Rules of the same numbers adopted. Filed November 16, 1976; effective December 6, 1976.

Rules [560-10-20-.01](#) through [560-10-20-.04](#) have been repealed and new Rules of the same numbers adopted. Filed November 16, 1976; effective December 6, 1976.

Rules [560-10-21-.01](#) through [560-10-21-.11](#), and [560-10-21-.13](#) through [560-10-21-.16](#) have been repealed and new Rules of the same numbers adopted. Filed November 16, 1976; effective December 6, 1976.

Rule [560-10-22-.01](#) has been repealed and a new Rule [560-10-22-.01](#) adopted. Filed November 16, 1976; effective December 6, 1976.

Rule [560-10-25-.01](#) has been repealed and a new Rule [560-10-25-.01](#) adopted. Filed November 16, 1976; effective December 6, 1976.

Rules [560-1-1-.02](#) and [560-1-1-.03](#) have been repealed and new Rules of the same numbers adopted. Filed December 16, 1976; effective January 5, 1977.

Rules [560-2-1-.18](#) and [560-2-1-.22](#) have been repealed and new Rules of the same numbers adopted. Filed March 23, 1977; effective April 12, 1977.

Rules [560-2-5-.03](#), [560-2-5-.05](#), [560-2-5-.09](#), and [560-2-5-.14](#) have been repealed and new Rules of the same numbers adopted. Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-5-.08](#) has been repealed. Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-6-.01](#) has been amended by the adoption of paragraph (8). Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-6-.02](#) has been repealed and a new Rule [560-2-6-.02](#) adopted. Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-6-.11](#) has been amended by the adoption of subparagraph (1)(f), and by the adoption of paragraph (6). Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-6-.15](#) has been amended by the adoption of subparagraph (2)(g). Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-6-.19](#) has been amended by the repeal of subparagraph (1)(e) and by the adoption of a new subparagraph (1)(e); and has been further amended by the adoption of paragraphs (3) and (4). Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-6-.23](#) has been adopted. Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-8-.01](#) has been amended by the repeal of paragraph (2) and by the adoption of a new paragraph (2). Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-8-.14](#) has been repealed and a new Rule [560-2-8-.14](#) adopted. Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-11-.08](#) has been repealed and a new Rule [560-2-11-.08](#) adopted. Filed March 23, 1977; effective April 12, 1977.

Rule [560-2-11-.14](#) has been repealed. Filed March 23, 1977; effective April 12, 1977.

Rule [560-7-3-.09](#) has been repealed and a new Rule [560-7-3-.09](#) adopted. Filed March 23, 1977; effective April 12, 1977.

Rule [560-7-3-.12](#) has been adopted. Filed March 23, 1977; effective April 12, 1977.

Rules [560-2-5-.07](#), [560-2-5-.09](#), and [560-2-5-.10](#) have been repealed and new Rules of the same numbers adopted. Filed May 25, 1977; effective June 14, 1977.

Rule [560-2-6-.15](#) has been repealed and a new Rule [560-2-6-.15](#) adopted. Filed May 25, 1977; effective June 14, 1977.

Rule [560-8-4-.07](#) has been repealed and a new Rule [560-8-4-.07](#) adopted. Filed May 25, 1977; effective June 14, 1977.

Rule [560-2-7-.04](#) has been repealed and a new Rule [560-2-7-.04](#) adopted. Filed July 21, 1977; effective August 16, 1977.

Rule [560-8-3-.24](#) has been adopted. Filed August 30, 1977; effective September 19, 1977.

Rule [560-8-4-.12](#) has been amended by the adoption of paragraph (4). Filed August 30, 1977; effective September 19, 1977.

Rule [560-8-4-.24](#) has been adopted. Filed August 30, 1977; effective September 19, 1977.

Rule [560-8-5-.08](#) has been amended by the repeal of paragraph (1) and by the adoption of a new paragraph (1). Filed August 30, 1977; effective September 19, 1977.

Rule [560-8-11-.01](#) has been repealed and a new Rule [560-8-11-.01](#) adopted. Filed August 30, 1977; effective September 19, 1977.

Rules [560-2-8-.07](#) and [560-2-8-.14](#) has been repealed and new Rules of the same numbers adopted. Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-2-.12](#) has been repealed and a new Rule [560-8-2-.12](#) adopted. Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-3-.13](#) has been repealed and a new Rule [560-8-3-.13](#) adopted. Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-3-.15](#) has been amended by numbering the unnumbered paragraph as (1) and by the adoption of paragraph (2). Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-3-.19](#) has been amended by the repeal of paragraph (1) and by the adoption of a new paragraph (1). Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-3-.23](#) has been amended by the adoption of paragraph (4). Filed September 1, 1977; effective September 21, 1977.

Rules [560-8-4-.08](#) and [560-8-4-.13](#) have been repealed and new Rules of the same numbers adopted. Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-5-.08](#) has been amended by the repeal of paragraph (3) and by the adoption of a new paragraph (3). Filed September 1, 1977; effective September 21, 1977.

Chapter 560-8-7 has been repealed and a new Chapter 560-8-7, of the same title, containing Rules [560-8-7-.01](#) through [560-8-7-.24](#), adopted. Filed September 1, 1977; effective September 21, 1977.

Chapter 560-8-8 has been repealed and a new Chapter 560-8-8, of the same title, containing Rules [560-8-8-.01](#) through [560-8-8-.06](#), adopted. Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-11-.02](#) has been repealed. Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-11-.03](#) has been repealed and a new Rule [560-8-11-.03](#) adopted. Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-11-.10](#) has been amended by the repeal of paragraph (6) and by the adoption of a new paragraph (6). Filed September 1, 1977; effective September 21, 1977.

Rule [560-8-3-.15](#) has been amended by the repeal of paragraph (2) and by the adoption of a new paragraph (2). Filed September 7, 1977; effective September 27, 1977.

Rule [560-2-11-.07](#) has been repealed and a new Rule [560-2-11-.07](#) adopted. Filed October 5, 1977; effective October 25, 1977.

Chapter 560-10-28, entitled "Tag Service Companies," containing Rules [560-10-28-.01](#) through [560-10-28-.04](#), has been adopted. Filed October 28, 1977; effective November 17, 1977.

Rule [560-2-2-.16](#) has been repealed. Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-4-.03](#) has been repealed and a new Rule [560-2-4-.03](#) adopted. Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-5-.02](#) has been amended by the repeal of paragraph (2) and by the adoption of a new paragraph (2). Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-5-.06](#) has been repealed. Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-5-.09](#) has been amended by the adoption of paragraph (5). Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-5-.15](#) has been amended by the repeal of paragraph (3) and by the adoption of a new paragraph (3). Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-6-.01](#) has been repealed and a new Rule [560-2-6-.01](#) adopted. Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-8-.11](#) has been repealed and a new Rule [560-2-8-.11](#) adopted. Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-10-.12](#) has been amended by the adoption of paragraph (4). Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-10-.16](#) has been repealed and a new Rule [560-2-10-.16](#) adopted. Filed November 2, 1977; effective November 22, 1977.

Rule [560-2-6-.02](#) has been amended by the repeal of paragraph (2) and by the adoption of a new paragraph (2). Filed November 28, 1977; effective December 18, 1977.

560-5 "Internal Investigation Division" has been changed to "Special Investigations." Filed January 24, 1978; effective February 13, 1978.

Chapter 560-5-1 has been repealed and a new Chapter 560-5-1 of the same title, containing Rules [560-5-1-.01](#) through [560-5-1-.05](#), adopted. Filed January 24, 1978; effective February 13, 1978.

Chapter 560-5-2 has been repealed and a new Chapter 560-5-2 of the same title, containing Rules [560-5-2-.01](#) through [560-5-2-.06](#), adopted. Filed January 24, 1978; effective February 13, 1978.

Rule [560-9-2-.03](#) has been repealed and a new Rule [560-9-2-.03](#) adopted. Filed February 6, 1978; effective February 26, 1978.

Rule [560-10-2-.05](#) has been amended by the repeal of paragraph (3) and by the adoption of a new paragraph (3). Filed February 27, 1978; effective March 19, 1978.

Rule [560-2-3-.10](#) has been repealed and a new Rule [560-2-3-.10](#) adopted. Filed April 17, 1978; effective May 7, 1978.

Rule [560-10-20-.05](#) has been adopted. Filed May 1, 1978; effective May 21, 1978.

Rule [560-9-2-.21](#) has been adopted. Filed May 16, 1978; effective June 5, 1978.

Rules [560-11-2-.40](#) through [560-11-2-.47](#) have been adopted. Filed May 30, 1978; effective June 19, 1978.

Rule [560-2-6-.01](#) has been amended by the repeal of paragraph (4) and by the adoption of a new paragraph (4). Filed June 23, 1978; effective July 13, 1978.

Rule [560-2-5-.02](#) has been amended by the repeal of paragraph (3) and by the adoption of a new paragraph (3). Filed August 1, 1978; effective August 21, 1978.

Rule [560-2-6-.23](#) has been repealed and a new Rule [560-2-6-.23](#) adopted. Filed August 1, 1978; effective August 21, 1978.

Rule [560-2-10-.25](#) has been adopted. Filed August 1, 1978; effective August 21, 1978.

Rule [560-2-11-.11](#) has been repealed and a new Rule [560-2-11-.11](#) adopted. Filed August 1, 1978; effective August 21, 1978.

Rule [560-2-10-.26](#) has been adopted. Filed August 23, 1978; effective September 12, 1978.

Rule [560-2-2-.13](#) has been repealed and a new Rule [560-2-2-.13](#) adopted. Filed September 25, 1978; effective October 15, 1978.

Rule [560-2-6-.11](#) has been amended by the repeal of paragraph (3) and by the adoption of a new paragraph (3). Filed September 25, 1978; effective October 15, 1978.

Rule [560-2-8-.05](#) has been repealed and a new Rule [560-2-8-.05](#) adopted. Filed September 25, 1978; effective October 15, 1978.

Chapter 560-2-14, entitled "Sunday Sales" has been repealed. Filed September 25, 1978; effective October 15, 1978.

Chapter 560-9-2 has been amended by changing the title from "Rules and Regulations Under the `Motor Fuel Tax Law' and the `Motor Carrier Tax Act'" to "Rules and Regulations Under the `Motor Fuel Tax Law' and the `Motor Carrier Fuel Tax Law.'" Filed October 5, 1978; effective October 25, 1978.

Rule [560-9-2-.01](#) has been amended by the repeal of paragraphs (1) and (3) and by the adoption of new Paragraphs (1) and (3); said Rule has been further amended by changing the Authority for same. Filed October 5, 1978; effective October 25, 1978.

Rules [560-9-2-.02](#), [560-9-2-.09](#), and [560-9-2-.10](#) have been repealed. Filed October 5, 1978; effective October 25, 1978.

Rules [560-9-2-.03](#) through [560-9-2-.07](#) have been amended by changing the Authority for said Rules. Filed October 5, 1978; effective October 25, 1978.

Rule [560-9-2-.08](#) has been repealed and a new Rule [560-9-2-.08](#) adopted. Filed October 5, 1978; effective October 25, 1978.

Rule [560-9-2-.17](#) has been repealed and a new Rule [560-9-2-.17](#) adopted. Filed October 5, 1978; effective October 25, 1978.

Chapter 560-9-3 has been amended by changing the title from "Forms Used in the Administration of the `Motor Fuel Tax Law' and the `Motor Carrier Tax Law'" to "Forms Used in the Administration of the `Motor Fuel Tax Law' and the `Motor Carrier Fuel Tax Law.'" Filed October 5, 1978; effective October 25, 1978.

Rules [560-9-3-.01](#), [560-9-3-.07](#), [560-9-3-.12](#), [560-9-3-.13](#), [560-9-3-.18](#), [560-9-3-.20](#), [560-9-3-.44](#), [560-9-3-.46](#), [560-9-3-.47](#), [560-9-3-.56](#), [560-9-3-.77](#), [560-9-3-.78](#), [560-9-3-.79](#), [560-9-3-.83](#), and [560-9-3-.85](#) through [560-9-3-.88](#) have been repealed and new Rules of the same numbers adopted. Said Rules have been further amended by changing the Authority for same. Filed October 5, 1978; effective October 25, 1978.

Rules [560-9-3-.04](#), [560-9-3-.11](#), [560-9-3-.25](#), [560-9-3-.26](#), [560-9-3-.30](#), [560-9-3-.58](#), [560-9-3-.75](#), and [560-9-3-.76](#) have been repealed and new Rules of the same numbers adopted. Filed October 5, 1978; effective October 25, 1978.

Rules [560-9-3-.02](#), [560-9-3-.06](#), [560-9-3-.08](#) through [560-9-3-.10](#), 560-93-.14 through [560-9-3-.17](#), [560-9-3-.19](#), [560-9-3-.21](#) through [560-9-3-.24](#), [560-9-3-.29](#), [560-9-3-.31](#) through [560-9-3-.43](#), [560-9-3-.45](#), [560-9-3-.48](#), [560-9-3-.49](#), [560-9-3-.54](#), [560-9-3-.57](#), 560-94-.61, [560-9-3-.65](#) through [560-9-3-.68](#), and [560-9-3-.71](#) through [560-9-3-.74](#) have been repealed. Filed October 5, 1978; effective October 25, 1978.

Rule [560-9-2-.15](#) has been amended by the repeal of subparagraph (a) and by the adoption of a new subparagraph (a); said Rule has been further amended by changing the Authority for same. Filed October 5, 1978; effective November 1, 1978, as specified by the Agency.

Rule [560-9-2-.16](#) has been amended by the repeal of subparagraph (b) and by the adoption of a new subparagraph (b); said Rule has been further amended by changing the Authority for same. Filed October 5, 1978; effective November 1, 1978, as specified by the Agency.

Rule [560-12-1-.24](#) has been repealed and a new Rule [560-12-1-.24](#) adopted. Filed October 31, 1978; effective November 20, 1978.

Rule [560-8-3-.05](#) has been repealed and a new Rule [560-8-3-.05](#) adopted. Filed November 17, 1978; effective December 7, 1978.

Rule [560-12-2-.100](#) has been adopted. Filed December 1, 1978; effective December 21, 1978.

Emergency Rule 560-2-15-0.3 entitled "Nonprofit Bingo Games," containing Rules 560-2-15-0.3-.01 through 560-2-15-0.3-.26 was filed December 27, 1978; effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of permanent Rules covering the same subject matter superseding this Emergency Rule, as specified by the Agency. (This Emergency Rule will not be published; copies may be obtained from the Department of Revenue.)

Rules [560-9-2-.18](#), [560-9-2-.19](#), and [560-9-2-.20](#) have been repealed. Filed October 5, 1978; effective December 31, 1978, as specified by the Agency.

Rules [560-9-3-.05](#), [560-9-3-.89](#) through [560-9-3-.91](#) have been repealed. Filed October 5, 1978; effective December 31, 1978, as specified by the Agency.

Chapter 560-9-1 has been repealed and a new Chapter 560-9-1 of the same title, containing Rules [560-9-1-.01](#) through [560-9-1-.07](#), adopted. Filed October 5, 1978; effective January 1, 1979, as specified by the Agency.

Rule [560-9-2-.21](#) has been repealed and a new Rule [560-9-2-.21](#) adopted. Filed October 5, 1978; effective January 1, 1979, as specified by the Agency.

Rules [560-9-3-.27](#) and [560-9-3-.28](#) have been repealed and new Rules of the same numbers adopted. Filed October 5, 1978; effective January 1, 1979, as specified by the Agency.

Chapter 560-10-29, entitled "Free United States Military Reserve Tags," containing Rule [560-10-29-.01](#), has been adopted. Filed January 22, 1979; effective February 11, 1979.

Chapter 560-2-15, entitled "Nonprofit Bingo Games," containing Rules [560-2-15-.01](#) through [560-2-15-.26](#), has been adopted superseding Emergency Rule 560-2-15-0.3. Filed February 23, 1979; effective March 15, 1979.

Rule [560-10-14-.01](#) has been amended by the repeal of paragraph (3) and by the adoption of a new paragraph (3). Filed June 8, 1979; effective June 28, 1979.

Rule [560-10-20-.05](#) has been repealed and a new Rule [560-10-20-.05](#) adopted. Filed June 8, 1979; effective June 28, 1979.

Rule [560-10-24-.01](#) has been repealed and a new Rule [560-10-24-.01](#) adopted. Filed June 8, 1979; effective June 28, 1979.

Rule [560-10-29-.01](#) has been repealed and a new Rule [560-10-29-.01](#) adopted. Filed June 8, 1979; effective June 28, 1979.

Rule [560-2-10-.27](#) has been adopted. Filed June 25, 1979; effective July 15, 1979.

Rule [560-1-1-.02](#) has been repealed, and a new Rule [560-1-1-.02](#) adopted. Filed November 14, 1979; effective December 4, 1979.

Rules [560-2-7-.01](#) and [560-2-7-.02](#) have been repealed and new Rules of the same numbers adopted. Filed November 27, 1979; effective December 17, 1979.

Rule [560-2-15-.17](#) has been repealed and a new Rule [560-2-15-.17](#) adopted. Filed November 27, 1979; effective December 17, 1979.

Rule [560-8-6-.08](#) has been repealed. Filed November 27, 1979; effective December 17, 1979.

Chapter 560-9-1 has been repealed and a new Chapter 560-9-1 of the same title, containing Rules [560-9-1-.01](#) through [560-9-1-.07](#), adopted. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Chapter 560-9-2 has been repealed and a new Chapter 560-9-2 of the same title, containing Rules [560-9-2-.01](#) through [560-9-2-.11](#), adopted. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Chapter 560-9-3 has been repealed and a new Chapter 560-9-3 of the same title, containing Rules [560-9-3-.01](#) through [560-9-3-.29](#), adopted. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule [560-1-1-.16](#) has been adopted. Filed January 7, 1980; effective January 27, 1980.

Rule [560-12-2-.61](#) has been amended by the repeal of paragraphs (6), (7), (8) and (9) and by the renumbering of paragraph (10) as paragraph (6). Filed January 7, 1980; effective January 27, 1980.

Rule [560-12-5-.06](#) has been repealed and a new Rule [560-12-5-.06](#) adopted. Filed January 7, 1980; effective January 27, 1980.

Rule [560-10-12-.07](#) has been repealed. Filed April 7, 1980; effective April 27, 1980.

Rule [560-9-2-.11](#) has been repealed and a new Rule [560-9-2-.11](#) adopted. Filed April 18, 1980; effective May 8, 1980.

Rule [560-9-2-.12](#) has been adopted. Filed April 18, 1980; effective May 8, 1980.

Rule [560-1-1-.17](#) has been adopted. Filed June 10, 1980; effective June 30, 1980.

Rule [560-12-1-.19](#) has been repealed and a new Rule [560-12-1-.19](#) adopted. Filed June 10, 1980; effective June 30, 1980.

Paragraph (4) of Rule [560-12-1-.26](#) has been amended. Filed June 10, 1980; effective June 30, 1980.

Rule [560-12-1-.35](#) has been adopted. Filed June 10, 1980; effective June 30, 1980.

Paragraph (2) of Rule [560-12-2-.17](#) has been amended. Filed June 10, 1980; effective June 30, 1980.

Rule [560-12-2-.71](#) has been repealed and a new Rule [560-12-2-.71](#) adopted. Filed June 10, 1980; effective June 30, 1980.

Rule [560-12-3-.04](#) has been amended. Filed June 10, 1980; effective June 30, 1980.

Rule [560-12-3-.05](#) has been repealed. Filed June 10, 1980; effective June 30, 1980.

Rule [560-2-4-.10](#) has been repealed and a new Rule [560-2-4-.10](#) adopted. Filed June 20, 1980; effective July 10, 1980.

Rule [560-11-2-.25](#) has been amended by the adoption of paragraph (3). Filed June 20, 1980; effective July 10, 1980.

Rule [560-11-2-.26](#) has been amended by the adoption of paragraph (3). Filed June 20, 1980; effective July 10, 1980.

Rule [560-11-2-.29](#) has been repealed and a new Rule [560-11-2-.29](#) adopted. Filed June 20, 1980; effective July 10, 1980.

Rule [560-11-2-.30](#) has been repealed and a new Rule [560-11-2-.30](#) adopted. Filed June 20, 1980; effective July 10, 1980.

Rule [560-11-2-.31](#) has been amended by the repeal of paragraph (2) and subparagraph (5)(a) and by the adoption of a new paragraph (2) and a new subparagraph (5)(a). Filed June 20, 1980; effective July 10, 1980.

Rule [560-11-2-.55](#) has been adopted. Filed June 20, 1980; effective July 10, 1980.

Rule [560-12-1-.08](#) has been amended by the renumbering of subparagraphs (2)(e), (f), (g), (h), and (i), to (2)(f), (g), (h), (i), and (j); said Rule has been further amended by the adoption of a new subparagraph (2)(e). Filed June 20, 1980; effective July 10, 1980.

Rule [560-12-2-.09](#) has been amended by the repeal of paragraphs (1) and (2) and by the adoption of new paragraphs (1) and (2). Filed June 20, 1980; effective July 10, 1980.

Paragraph (3) of Rule [560-12-2-.89](#) has been amended. Filed June 20, 1980; effective July 10, 1980.

Rule [560-12-2-.93](#) has been repealed and a new Rule [560-12-2-.93](#) adopted. Filed June 20, 1980; effective July 10, 1980.

Rule [560-12-2-.95](#) has been adopted. Filed June 20, 1980; effective July 10, 1980.

Rule [560-12-3-.14](#) has been adopted. Filed June 20, 1980; effective July 10, 1980.

Rule [560-10-12-.07](#) has been adopted. Filed August 7, 1980; effective August 27, 1980.

Chapter 560-2-15 has been repealed. Filed August 22, 1980; effective September 11, 1980.

Rule [560-11-2-.55](#) has been amended by the repeal of subparagraph (a) and by the adoption of a new subparagraph (a). Filed August 22, 1980; effective September 11, 1980.

Rule [560-10-24-.01](#) has been repealed and a new Rule [560-10-24-.01](#) adopted. Filed September 29, 1980; October 19, 1980.

Rule [560-10-29-.01](#) has been repealed and a new Rule [560-10-29-.01](#) adopted. Filed September 29, 1980; effective October 19, 1980.

Rule [560-12-4-.02](#) has been repealed and a new Rule [560-12-4-.02](#) adopted. Filed August 13, 1981; effective December 1, 1981, as specified by the Agency.

Rule [560-12-5-.02](#) has been repealed and a new Rule [560-12-5-.02](#) adopted. Filed August 13, 1981; effective December 1, 1981, as specified by the Agency.

Rule [560-9-2-.09](#) has been amended by the repeal of subparagraph (a) and by the adoption of a new subparagraph (a). Filed August 24, 1981; effective September 13, 1981.

Chapter 560-10-27 has been amended by changing the title from "Free Handicapped Veterans License Plates" to "Free Veterans License Plates." Filed January 7, 1982; effective January 27, 1982.

Rule [560-10-27-.02](#) has been adopted. Filed January 7, 1982; effective January 27, 1982.

Rule [560-11-2-.16](#) has been repealed and a new Rule [560-11-2-.16](#) adopted. Filed January 21, 1982; effective February 10, 1982.

Rule [560-11-2-.17](#) has been repealed and a new Rule [560-11-2-.17](#) adopted. Filed January 21, 1982; effective February 10, 1982.

Chapter 560-2-1 has been repealed and a new Chapter 560-2-1, of the same title, containing Rules [560-2-1-.01](#) and [560-2-1-.02](#), adopted. Filed May 5, 1982; effective May 25, 1982.

Chapter 560-2-2 has been repealed and a new Chapter 560-2-2, entitled "General Provisions," containing Rules [560-2-2-.01](#) through 560-22-.39, adopted. Filed May 5, 1982; effective May 25, 1982.

Chapter 560-2-3 has been repealed and a new Chapter 560-2-3, entitled "Distilled Spirits," containing Rules [560-2-3-.01](#) through [560-2-3-.61](#), adopted. Filed May 5, 1982; effective May 25, 1982.

Chapter 560-2-4 has been repealed and a new Chapter 560-2-4, entitled "Malt Beverages," containing Rules [560-2-4-.01](#) through [560-2-4-.24](#), adopted. Filed May 5, 1982; effective May 25, 1982.

Chapter 560-2-5 has been repealed and a new Chapter 560-2-5, entitled "Wine Beverages," containing Rules [560-2-5-.01](#) through [560-2-5-.07](#), adopted. Filed May 5, 1982; effective May 25, 1982.

Chapter 560-2-6 has been repealed and a new Chapter 560-2-6, entitled "Military," containing Rules [560-2-6-.01](#) through [560-2-6-.07](#), adopted. Filed May 5, 1982; effective May 25, 1982.

Chapter 560-2-7 has been repealed and a new Chapter 560-2-7, entitled "Forms in Common Use," containing Rules [560-2-7-.01](#) through [560-2-7-.53](#), adopted. Filed May 5, 1982; effective May 25, 1982.

Chapters 560-2-8 through 560-2-13 have been repealed. Filed May 5, 1982; effective May 25, 1982.

Chapters 560-8-1 through 560-8-5, 560-8-7, 560-8-8, and 560-8-10 through 560-8-12 have been repealed. Filed May 5, 1982; effective May 25, 1982.

Rule [560-11-3-.18](#) has been adopted. Filed October 5, 1982; effective October 25, 1982.

Rule [560-12-2-.70](#) has been repealed and a new Rule [560-12-2-.70](#) adopted. Filed November 22, 1982; effective December 12, 1982.

Rules [560-11-2-.16](#) and [560-11-2-.17](#) have been repealed and new Rules of the same numbers adopted. Filed February 28, 1983; effective March 20, 1983.

Rule [560-12-2-.84](#) has been amended by the adoption of paragraph (7). Filed February 28, 1983; effective March 20, 1983.

Rule [560-12-4-.02](#) has been amended by the adoption of paragraph (5). Filed February 28, 1983; effective March 20, 1983.

Rule [560-12-5-.02](#) has been amended by the adoption of paragraph (5). Filed February 28, 1983; effective March 20, 1983.

Rule [560-11-3-.18](#) has been repealed and a new Rule [560-11-3-.18](#) adopted. Filed June 6, 1983; effective June 26, 1983.

Rules [560-2-5-.08](#) through [560-2-5-.14](#) have been adopted. Filed September 19, 1983; effective October 9, 1983.

Rule [560-11-3-.19](#) has been adopted. Filed October 28, 1983; effective November 17, 1983.

Rule [560-2-4-.04](#) has been repealed and a new Rule [560-2-4-.04](#) adopted. Filed June 11, 1984; effective July 1, 1984.

Rule [560-2-4-.05](#) has been repealed. Filed June 11, 1984; effective July 1, 1984.

Rule [560-2-6-.05](#) has been amended by the repeal of subparagraphs (1)(d) and (2)(b) and by renumbering subparagraph (2)(c) as subparagraph (2)(b). Filed June 11, 1984; effective July 1, 1984.

Rule [560-8-6-.05](#) has been repealed and a new Rule [560-8-6-.05](#) adopted. Filed June 11, 1984; effective July 1, 1984.

Rule [560-9-2-.13](#) has been adopted. Filed June 11, 1984; effective July 1, 1984.

Rule [560-12-2-.67](#) has been repealed and a new Rule [560-12-2-.67](#) adopted. Filed July 6, 1984; effective July 26, 1984.

Rule [560-10-12-.11](#) has been adopted. Filed July 11, 1984; effective July 31, 1984.

Rule [560-10-19-.08](#) has been repealed and a new Rule of the same title adopted. Filed July 11, 1984; effective July 31, 1984.

Rule [560-9-2-.13](#) has been repealed and a new Rule [560-9-2-.13](#) adopted. Filed October 4, 1984; effective October 24, 1984.

Rule [560-2-2-.40](#) has been adopted. Filed December 19, 1984; effective January 8, 1985.

Rule [560-1-1-.02](#) has been repealed and a new Rule [560-1-1-.02](#) adopted. Filed June 4, 1985; effective June 24, 1985.

Rule [560-12-2-.30](#) has been amended by the repeal of paragraph (1) and by the adoption of a new paragraph (1); Rule has further been amended by the adoption of a new paragraph (5). Filed June 4, 1985; effective June 24, 1985.

Rule [560-12-2-.97](#) has been repealed and a new Rule [560-12-2-.97](#) adopted. Filed August 28, 1985; effective September 17, 1985.

Rule [560-2-2-.03](#) has been amended. Filed September 27, 1985; effective October 17, 1985.

Rule [560-2-2-.41](#) has been adopted. Filed September 27, 1985; effective October 17, 1985.

Rule [560-7-4-.03](#) has been adopted. Filed January 17, 1986; effective February 6, 1986.

Rule [560-9-2-.10](#) has been repealed and a new Rule [560-9-2-.10](#) adopted. Filed January 17, 1986; effective February 6, 1986.

Rule [560-7-4-.02](#) has been adopted. Filed February 24, 1986; effective March 16, 1986.

Rule [560-1-1-.18](#) has been adopted. Filed May 28, 1986; effective June 17, 1986.

Rule [560-2-2-.42](#) has been adopted. Filed July 28, 1986; effective August 17, 1986.

Chapter 560-2-8, entitled "Hotel In-Room Service," containing Rule [560-2-8-.01](#), has been adopted. Filed July 28, 1986; effective August 17, 1986.

Rule [560-2-2-.16](#) has been repealed and a new Rule [560-2-2-.16](#) adopted. Filed February 3, 1987; effective February 23, 1987.

Rule [560-2-2-.38](#) has been amended by the repeal of paragraph (5) and by the adoption of a new paragraph (5). Filed February 3, 1987; effective February 23, 1987.

Rule [560-2-2-.43](#) has been adopted. Filed February 3, 1987; effective February 23, 1987.

Rule [560-2-3-.24](#) has been amended. Filed February 3, 1987; effective February 23, 1987.

Rule [560-2-4-.02](#) has been amended. Filed February 3, 1987; effective February 23, 1987.

Rules [560-2-4-.25](#) and [560-2-4-.26](#) have been adopted. Filed February 3, 1987; effective February 23, 1987.

Rule [560-2-5-.02](#) has been amended. Filed February 3, 1987; effective February 23, 1987.

Rule [560-7-4-.02](#) has been repealed and a new Rule adopted. Filed March 25, 1987; effective April 14, 1987.

Rule [560-12-1-.24](#) has been amended. Filed March 25, 1987; effective April 14, 1987.

Rule [560-12-1-.25](#) has been amended. Filed March 25, 1987; effective April 14, 1987.

Rule [560-12-2-.42](#) has been amended. Filed March 25, 1987; effective April 14, 1987.

Rule [560-12-2-.79](#) has been amended. Filed March 25, 1987; effective April 14, 1987.

Chapter 560-2-9 entitled "Alcoholic Beverage License Hearings," has been adopted. Filed June 4, 1987; effective June 24, 1987.

Chapter 560-10-17 has been repealed. Filed July 22, 1987; effective August 11, 1987.

Chapter 560-12-6, entitled "Special County Tax" has been adopted. Filed July 22, 1987; effective August 11, 1987.

Emergency Rule 560-12-1-0.4-.05 was filed on March 28, 1989 and effective April 1, 1989, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule is to provide the needed method, manner, and procedure for the collection of sales and use taxes and to ensure the collection of such taxes in an organized and efficient manner. (Said Emergency Rule will not be published; copies may be obtained from the Agency).

Emergency Rule 560-12-4-0.5-.02 was filed on March 28, 1989 and effective April 1, 1989, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule is to provide the needed method, manner, and procedure for the collection of sales and use taxes and to ensure the collection of such taxes in an organized and efficient manner. (Said Emergency Rule will not be published; copies may be obtained from the Agency).

Emergency Rule 560-12-5-0.6-.02 was filed on March 28, 1989 and effective April 1, 1989, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule is to provide the needed method, manner, and procedure for the collection of sales and use taxes and to ensure the collection of such taxes in an organized and efficient manner. (Said Emergency Rule will not be published; copies may be obtained from the Agency).

Emergency Rule 560-12-6-0.7-.02 was filed on March 28, 1989 and effective April 1, 1989, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule is to provide the needed method, manner, and procedure for the collection of sales and use taxes and to ensure the collection of such taxes in an organized and efficient manner. (Said Emergency Rule will not be published; copies may be obtained from the Agency).

Rules [560-11-2-.16](#) and [560-11-2-.17](#) have been repealed and new Rules adopted. Filed June 9, 1989; effective June 29, 1989.

Rule [560-11-2-.18](#) has been repealed and a new Rule adopted. Filed June 9, 1989; effective June 29, 1989.

Rule [560-11-2-.20](#) has been repealed and a new Rule adopted. Filed June 9, 1989; effective June 29, 1989.

Rule [560-11-2-.21](#) has been repealed and a new Rule adopted. Filed June 9, 1989; effective June 29, 1989.

Rule [560-11-2-.56](#) has been adopted. Filed June 9, 1989; effective June 29, 1989.

Rule [560-11-3-.15](#) has been repealed and a new Rule of the same title adopted. Filed June 9, 1989; effective June 29, 1989.

Rule [560-12-1-.05](#) has been adopted superseding Emergency Rule 560-12-1-0.4. Filed June 22, 1989; effective July 12, 1989.

Rule [560-12-1-.35](#) has been amended. Filed June 22, 1989; effective July 12, 1989.

Rule [560-12-2-.71](#) has been amended. Filed June 22, 1989; effective July 12, 1989.

Rule [560-12-4-.02](#) has been adopted superseding Emergency Rule 560-12-4-0.5. Filed June 22, 1989; effective July 12, 1989.

Rule [560-12-5-.02](#) has been adopted superseding Emergency Rule 560-12-5-0.6. Filed June 22, 1989; effective July 12, 1989.

Rule [560-12-6-.02](#) has been adopted superseding Emergency Rule 560-12-6-0.7. Filed June 22, 1989; effective July 12, 1989.

Rule [560-12-1-.24](#) has been amended. Filed November 27, 1989; effective December 17, 1989.

Rule [560-12-2-.30](#) has been amended. Filed November 27, 1989; effective December 17, 1989.

Rule [560-2-6-.05](#) has been amended. Filed December 20, 1989; effective January 9, 1990.

Rules [560-12-1-.01](#) have been amended. Filed February 12, 1990; effective March 4, 1990.

Rule [560-12-2-.19](#) has been amended. Filed February 12, 1990; effective March 4, 1990.

Rule [560-12-2-.54](#) has been repealed and a new Rule of the same title adopted. Filed June 12, 1990; effective July 2, 1990.

Rule [560-12-2-.101](#) entitled "Food Exemption" has been adopted. Filed June 29, 1990; effective July 19, 1990.

Rules [560-12-4-.02](#) have been adopted. Filed July 10, 1990; effective July 30, 1990.

Rules [560-12-5-.02](#) have been adopted. Filed July 10, 1990; effective July 30, 1990.

Rules [560-12-6-.02](#) have been adopted. Filed July 10, 1990; effective July 30, 1990.

Rule [560-2-4-.06](#) has been repealed and a new Rule of the same title adopted. Filed September 20, 1990; effective October 10, 1990.

Rules [560-12-1-.01](#), [.09](#), [.25](#), [.26](#), [.28](#), [.35](#) have been amended. Filed February 5, 1991; effective February 25, 1991.

Rules [560-12-2-.09](#), [.45](#), [.84](#), [.87](#), [.95](#) have been amended. Filed February 5, 1991; effective February 25, 1991.

Rules [560-12-2-.27](#), [.67](#), [.71](#) have been repealed and new Rules adopted. Filed February 5, 1991; effective February 25, 1991.

Rules [560-12-3-.02](#), [.15](#) have been repealed and new Rules adopted. Filed February 5, 1991; effective February 25, 1991.

Rules [560-12-3-.16](#), [.22](#), [.23](#), [.24](#), [.28](#), [.30](#), [.31](#) have been repealed. Filed February 5, 1991; effective February 25, 1991.

Rule [560-12-2-.101](#) has been repealed. Filed July 23, 1991; effective August 12, 1991.

Rules [560-9-2-.01](#), [.05\(a\)](#), [.06\(c\)](#), [.09\(a\)](#), [.11](#), [.12](#) were amended and .13 was repealed and a new Rule and title adopted. Filed November 5, 1991; effective November 25, 1991.

Chapter 560-11-4, entitled "Conservation Use Property" containing Rules [560-11-4-.01](#) to [.08](#), has been adopted. Filed January 21, 1992; effective February 10, 1992.

Chapter 560-11-5, entitled "Taxation of Standing Timber," containing Rules [560-11-5-.01](#) to [.06](#), has been adopted. Filed January 21, 1992; effective February 10, 1992.

Chapter 560-10-22, has been repealed and a new Chapter, same title, adopted. Filed February 7, 1992; effective February 27, 1992.

Rule [560-2-4-.25](#) has been repealed and a new Rule, same title, adopted. Filed February 13, 1992; effective March 4, 1992.

Chapter 560-10-30 entitled "Impact Fees" containing Rules [560-10-30-.01](#) to [560-10-30-.04](#) has been adopted as Emergency Rule 560-10-30-0.8. Filed and effective May 1, 1992, the date of adoption, to remain in effect for a period of 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule, as specified by the Agency. This Emergency Rule was adopted to "levy an impact fee on each self propelled motor vehicle that is, or has been, titled in another state at the time the application for certificate of title is made in this state". (Said Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-10-12-.11](#) has been repealed and Emergency Rule 560-10-12-0.9-.11 was filed May 29, 1992, and effective on June 1, 1992, the date of adoption, to remain in effect for a period of 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule, as specified by the Agency. This Emergency Rule was adopted because of the "special handling of applications for certificates of title and related documents". (Said Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-12-1-.07](#) has been repealed and a new Rule, same title, adopted. Filed June 11, 1992; effective July 1, 1992.

Rule [560-2-2-.16](#) has been amended; [560-2-3-.48](#) has been repealed and new Rule, same title, adopted. Filed July 23, 1992; effective August 12, 1992.

Rules [560-11-2-.20](#), [.21](#) and [.56](#) have been amended. Filed August 4, 1992; effective August 24, 1992.

Emergency Rule 560-10-30-0.8 has been repealed and a permanent Chapter 560-10-30 entitled "Out of State Title Transfer Fees" containing Rules [560-10-30-.01](#) to [560-10-30-.04](#) adopted. Filed August 5, 1992; effective August 25, 1992.

Emergency Rule 560-10-12-0.9 repealed and Rule [560-10-12-.11](#), same title, adopted. Filed September 8, 1992; effective September 28, 1992.

Rule [560-12-2-.17](#) has been repealed and a new Rule of same title adopted; Rule [560-12-2-.102](#) entitled "Video Tape or Motion Picture Film" has been adopted. Filed November 17, 1992; effective December 7, 1992.

Rule [560-3-2-.26](#) entitled "Electronic Funds Transfer Payments; Procedures" has been adopted. Filed November 23, 1992; effective December 13, 1992.

Chapter 560-6-2, entitled "Substantive Rules and Regulations," containing Rules [560-6-2-.01](#) to [560-6-2-.03](#) has been adopted. Filed February 15, 1993; effective March 7, 1993.

Rules [560-2-2-.44](#), [560-2-3-.62](#) to [.65](#), [560-2-4-.27](#), [.28](#), [560-2-5-.15](#) to [.17](#) have been adopted. Rules [560-2-3-.09](#), [.30](#) have been repealed and new Rules adopted. Rule [560-2-3-.10](#) has been repealed. Chapter 560-2-10 entitled "Beverage Alcohol Catering" containing Rules [560-2-10-.01](#) to [.06](#) has been adopted. Filed April 14, 1993; effective May 4, 1993.

Rules [560-10-12-.12](#) to [.14](#) have been adopted. Filed April 16, 1993; effective May 6, 1993.

Chapter 560-11-4 has been repealed and a new Chapter entitled "Conservation Use Property - 92" adopted; Chapter 560-11-6 entitled "Conservation Use Property", containing Rules [560-11-6-.01](#) to [.09](#) has been adopted. Filed May 28, 1993; effective June 17, 1993.

Rules [560-2-3-.36](#), [.50\(1\)\(d\)](#) have been adopted. Filed June 15, 1993; effective July 5, 1993.

Rule [560-2-3-.33](#) has been amended; Rules [560-2-3-.38](#) and [560-2-5-.06](#) have been repealed and new Rules adopted. Filed August 3, 1993; effective August 23, 1993.

Rules [560-2-3-.36](#) has been amended; [560-10-12-.12](#), [.13](#), [.14](#) were repealed and [560-12-1-.07](#) has been repealed and readopted. Filed September 21, 1993; effective October 11, 1993.

Rules [560-11-2-.16](#) and [.18](#); [560-11-3-.15](#) have been repealed and new Rules, same title, adopted. Filed November 9, 1993; effective November 29, 1993.

Paragraph (10) of Rule [560-7-8-.34](#) has been adopted; Rule [560-12-2-.19](#) has been amended. Filed December 15, 1993; effective January 4, 1994.

Rule [560-11-4-.09](#) has been repealed and new Rule, same title, adopted. Filed January 24, 1994; effective February 13, 1994.

Rule [560-7-8-.35](#) has been adopted. Filed January 31, 1994; effective February 20, 1994.

Rules [560-2-3-.38](#) and [.59](#) have been repealed and new Rules, same titles adopted. Filed March 1, 1994; effective March 21, 1994.

Rule [560-11-6-.09](#) has been repealed and a new Rule adopted. Filed May 13, 1994; effective June 2, 1994.

Rules [560-12-1-.01](#), [.24](#), [.25](#), [.26](#); [560-12-2-.04](#), [.26](#), [.43](#), [.61](#); [560-12-3-.02](#), [.44](#); [560-12-4-.01](#), [.05](#) have been amended. Filed June 16, 1994; effective July 7, 1994.

Chapter 560-2-7 has been amended. Filed July 7, 1994; effective July 27, 1994.

Rule [560-2-6-.05](#) has been amended; Rule [560-12-2-.101](#) has been adopted. Filed July 21, 1994; effective August 10, 1994.

Rule [560-12-2-.62](#) has been repealed and a new Rule adopted, .103 has been adopted.

Filed August 19, 1994; effective September 8, 1994.

Rules [560-7-8-.36](#), [.37](#) and [.38](#) have been adopted. Filed September 9, 1994; effective September 29, 1994.

Rule [560-7-8-.39](#) has been adopted. Filed October 7, 1994; effective October 27, 1994.

Rule [560-12-2-.24](#) has been repealed and a new Rule adopted. Filed December 7, 1994; effective December 27, 1994.

Rule [560-12-2-.32](#) has been repealed and a new Rule adopted. Filed December 9, 1994; effective December 29, 1994.

Rules [560-11-4-.01](#), [.04](#), [.09](#); [560-11-6-.01](#), [.04](#), [.09](#) have been repealed and new Rules adopted; Chapter 560-11-7 entitled "Motor Vehicle Value Apportionment" has been adopted. Filed March 1, 1995; effective March 21, 1995.

Rules [560-2-4-.29](#), [.30](#) have been adopted; [560-12-2-.62](#), .103 have been repealed and new Rules adopted; .101 has been amended; [560-12-3-.34](#) has been repealed and .52 has been amended. Filed September 5, 1995; effective September 25, 1995.

Rules [560-11-4-.09](#), [560-11-5-.02](#), and [560-11-6-.09](#) have been repealed and new rules adopted. Filed January 29, 1996; effective February 18, 1996.

Rules [560-7-8-.36](#), [.37](#) have been repealed and new Rules adopted; .40 has been adopted. Filed February 23, 1996; effective March 14, 1996.

Rule [560-6-2-.02](#) has been amended. Filed May 3, 1996; effective May 23, 1996.

Chapter 560-11-8 entitled "Intangible Recording Tax" has been adopted. Filed June 17, 1996; effective July 7, 1996.

Rule [560-7-7-.03](#) has been repealed and a new Rule adopted. Filed August 13, 1996; effective September 2, 1996.

Emergency Rule 560-12-2-0.10-.104 was filed on September 19, 1996, effective October 1, 1996, as specified by the Agency, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule was adopted to "impose a change in the manner of taxation for transactions covered under O.C.G.A. 48-8-3(57) during an interim period prior to adoption of the final Rule". (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Chapter 560-2-17 entitled "Coin Operated Amusement Machine Regulations" has been adopted. Filed October 21, 1996; effective November 10, 1996.

Rule [560-12-2-.104](#) has been adopted. Filed November 12, 1996; effective December 2, 1996.

Rules [560-12-2-.32](#), [.103](#) have been amended and [560-12-2-.105](#), [.106](#) have been adopted. Filed February 10, 1997; effective March 2, 1997.

Rules [560-11-4-.04](#), [.09](#); [560-11-6-.04](#), [.09](#) have been repealed and new Rules adopted. Filed February 24, 1997; effective March 16, 1997.

Rules [560-2-2-.45](#), [.46](#) have been adopted; [560-2-3-.50](#) to [.60](#), [560-2-4-.15](#), [560-2-5-.04](#), [560-2-10-.05](#) have been repealed. Filed March 10, 1997; effective March 30, 1997.

Emergency Rule 560-12-7-0.11 was filed on June 23, 1997, effective July 1, 1997, as specified by the Agency, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule was adopted to "provide the needed method and procedure for collecting sales tax for educational purposes." (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-2-3-.40](#) has been amended. Filed August 19, 1997; effective September 8, 1997.

Chapter 560-12-7 entitled "Educational Local Option Tax" has been adopted. Filed November 3, 1997; effective November 23, 1997.

Chapter 560-11-9 entitled "Uniform Procedures for Mobile Homes" has been adopted. Filed December 5, 1997; effective December 25, 1997.

Rule [560-7-8-.41](#) has been adopted. Filed December 5, 1997; effective December 25, 1997.

Rule 560-7-8-.73 has been repealed and a new rule adopted. Filed December 9, 1997; effective December 29, 1997.

Rules [560-11-4-.09](#), [560-11-6-.09](#), and [560-11-5-.01](#), [.03](#) have been repealed and new rules adopted. Filed December 9, 1997; effective December 29, 1997.

Rules [560-10-22-.01](#) through [.09](#), [.11](#) have been repealed and new Rules adopted; Rule [560-10-22-.13](#) has been adopted; Rule [560-10-25-.01](#) has been amended. Filed February 17, 1998; effective March 9, 1998.

Rule [560-7-7-.03](#) has been amended. Filed March 13, 1998; effective April 2, 1998.

Emergency Rule 560-12-1-0.12 was filed and effective on May 20, 1998, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said

Emergency Rule was adopted to "authorize the commissioner to promulgate rules and regulations necessary to establish the procedures for the identification of proceeds to be distributed upon a pro rata basis and set forth the schedule of distribution. . . ." (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-12-1-.36](#) has been adopted. Filed September 21, 1998; effective October 11, 1998.

Rules [560-7-8-.32](#), [.33](#) have been repealed and new Rules adopted. Filed December 9, 1998; effective December 29, 1998.

Rules [560-11-4-.04](#), [.09](#); [560-11-6-.04](#), [.06](#), [.09](#) have been repealed and new Rules adopted. Filed March 10, 1999; effective March 30, 1999.

Emergency Rule 560-11-2-0.13-.57 was filed on May 27, 1999, having become effective on May 25, 1999, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule was adopted to comply with House Bill 553, Act 161 establishing homeowner tax relief grants to counties and local school districts. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-1-1-.19](#) has been adopted. Rule [560-12-1-.22](#) has been repealed and a new Rule adopted. Rules [560-12-1-.24](#) and [.26](#) have been repealed. Filed July 15, 1999; effective August 4, 1999.

Rule [560-10-28-.03](#) has been amended. Filed August 17, 1999; effective September 6, 1999.

Rule [560-11-2-.57](#) has been adopted. Filed August 24, 1999; effective September 13, 1999.

Chapter 560-11-10 entitled "Appraisal Procedures Manual" has been adopted. Filed September 20, 1999; effective October 10, 1999.

Rule [560-11-3-.18](#) has been repealed. Rules [560-11-4-.04](#), [.09](#); [560-11-6-.04](#), [.09](#) have been amended. Filed February 2, 2000; effective February 22, 2000.

Rule [560-12-2-.20](#) has been repealed. Rule [560-12-2-.46](#) has been repealed and a new Rule adopted. Filed February 17, 2000; effective March 8, 2000.

Rules [560-11-9-.02](#) to [.05](#), [.07](#), [.10](#) and [.11](#) have been amended. Filed May 3, 2000; effective May 23, 2000.

Rule [560-7-8-.38](#) has been repealed and a new Rule adopted. Filed May 16, 2000; effective June 5, 2000.

Emergency Rule 560-11-2-0.14-.58 adopted. Filed June 7, 2000, effective June 5, 2000, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by

the Agency. Said Emergency Rule was adopted to help the counties comply with Senate Bill 177, Act 431 entitled "Taxpayer Bill of Rights". (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-2-2-.43](#) has been amended. Filed August 4, 2000; effective August 24, 2000.

Rule [560-11-2-.58](#) has been adopted. Filed October 25, 2000; effective November 14, 2000.

Rule [560-2-3-.38](#) has been amended. Filed December 5, 2000; effective December 25, 2000.

Rules [560-7-8-.14](#) and [560-12-2-.107](#) have been adopted. Rules [560-7-8-.36](#) and [560-12-2-.62](#) have been repealed and new Rules adopted. Filed December 21, 2000; effective January 10, 2001.

Chapter 560-10-17 entitled "Dealer Temporary License Plates" has been adopted. Filed January 30, 2001; effective February 19, 2001.

Rules [560-7-7-.03](#) and [560-7-8-.34](#) have been amended. Rule [560-7-3-.08](#) has been repealed and a new Rule adopted. Filed February 6, 2001; effective February 26, 2001.

Rules [560-11-4-.09](#) and [560-11-6-.09](#) have been repealed and new Rules adopted. Rule [560-12-2-.108](#) has been adopted. Filed April 20, 2001; effective May 10, 2001.

Rule [560-7-8-.42](#) has been adopted. Filed April 24, 2001; effective May 14, 2001.

Rule [560-7-7-.05](#) has been adopted. Filed May 14, 2001; effective June 3, 2001.

Emergency Rule 560-12-2-0.15-.17 adopted. Filed July 6, 2001; effective July 2, 2001, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide the procedures for implementing a sales and use tax exemption for digital broadcast equipment. This Emergency Rule enables eligible dealers to apply for or be issued a Certificate of Exemption as required by O.C.G.A. Sections 50-13-4 and 50-13-6. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-2-4-.31](#) has been adopted. Rule [560-12-1-.36](#) has been repealed and a new Rule adopted. Filed August 6, 2001; effective August 26, 2001.

Rule [560-12-2-.17](#) has been repealed and a new Rule adopted superseding Emergency

Rule 560-12-2-0.15-.17. Filed October 11, 2001; effective October 31, 2001.

Rule [560-12-2-.26](#) has been repealed and a new Rule adopted. Filed November 16, 2001; effective December 6, 2001.

Rule [560-11-2-.56](#) has been repealed and a new Rule adopted. Rules [560-10-1-.01](#), [.02](#), [.03](#) have been repealed. Filed November 28, 2001; effective December 18, 2001.

Rules [560-7-3-.05](#), [.10](#) have been repealed. Rules [560-7-4-.02](#) and [560-7-8-.35](#) have been repealed and new Rules adopted. Rules [560-7-8-.20](#), [.43](#), [.44](#) have been adopted. Filed December 26, 2001; effective January 15, 2002.

Rule [560-12-2-.109](#) has been adopted. Filed February 7, 2002; effective February 27, 2002.

Rules [560-10-2-.01](#) to [.17](#) have been repealed. Filed March 6, 2002; effective March 26, 2002.

Emergency Rule 560-12-2-0.16-.110 adopted. Filed March 7, 2002; effective March 6, 2002, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter is adopted, as specified by the Agency. This Emergency Rule is adopted to comply with 2002 House Bill 1312, Act 402, implementing a sales and use tax exemption for covered items under O.C.G.A. Section 48-8-3. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Chapter 560-11-4 has been repealed. Filed March 11, 2002; effective March 31, 2002.

Rule [560-11-6-.09](#) has been repealed and a new Rule adopted. Filed April 17, 2002; effective May 7, 2002.

Rule [560-12-2-.110](#) has been adopted superseding Emergency Rule 560-12-2-0.16-.110. Filed July 12, 2002; effective August 1, 2002.

Rules [560-10-11-.01](#) to [.08](#), and [560-10-19-.09](#) have been repealed. Filed September 11, 2002; effective October 1, 2002.

Rule [560-12-2-.107](#) has been repealed and a new Rule adopted. Filed September 23, 2002; effective October 13, 2002.

Rule [560-7-3-.13](#) has been adopted. Filed November 27, 2002; effective December 17, 2002.

Rules [560-2-2-.16](#), [.25](#), and [.44](#) have been amended. Filed December 13, 2002; effective January 2, 2003.

Rule [560-7-4-.04](#) has been adopted. Rule [560-7-8-.20](#) has been repealed and a new Rule adopted. Filed January 16, 2003; effective February 5, 2003.

Chapters 560-10-12 and 560-10-13 have been repealed. Filed April 16, 2003; effective May 6, 2003.

Rule [560-11-6-.09](#) has been repealed and a new Rule adopted. Filed May 19, 2003; effective June 8, 2002.

Emergency Rule 560-12-2-0.17-.110 adopted. Filed and effective July 8, 2003, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to implement a sales and use tax exemption for covered items for the 2003 sales tax holiday. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule 560-9-2-0.18-.14 adopted. Filed November 25, 2003; effective November 24, 2003, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. This Emergency Rule was adopted to implement the Prepaid State Tax under 2003 Session of the General Assembly, House Bill 43, Act 343. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-2-2-.16](#) and [560-2-3-.36](#) have been repealed and new Rules adopted. Filed December 31, 2003; effective January 20, 2004.

Rules [560-3-2-.26](#) and [560-7-8-.33](#) have been repealed and new Rules adopted. Filed January 16, 2004; effective February 5, 2004.

Rule [560-10-22-.02](#) has been repealed. Filed January 27, 2004; effective February 16, 2004.

Rules [560-11-6-.01](#), [.03](#), [.04](#), [.07](#), and [.09](#) have been repealed and new Rules adopted. Filed March 4, 2004; effective March 24, 2004.

Rule [560-11-10-.09](#) has been amended. Filed April 14, 2004; effective May 4, 2004.

Rules [560-10-19-.04](#) and [560-10-21-.12](#) have been repealed. Filed April 21, 2004; effective May 11, 2004.

Rule [560-9-2-.14](#) has been adopted superseding Emergency Rule 560-9-2-0.18-14. Filed June 9, 2004; effective June 29, 2004.

Rule [560-12-2-.110](#) has been repealed and a new Rule adopted. Filed July 1, 2004; effective July 21, 2004.

Emergency Rule 560-12-1-0.19-.05 adopted. Filed September 1, 2004; effective October 1, 2004, as specified by the Agency, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to implement a sales and use tax pursuant to the State and Local Taxation, Financing, and Service Delivery Revision Act of 2004, O.C.G.A. Section 48-8-200 et seq. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-12-1-.05](#) has been repealed and a new Rule adopted. Rules [560-12-4-.02](#), [560-12-5-.02](#), [560-12-6-.02](#), and [560-12-7-.02](#) have been repealed. Filed October 8, 2004; effective October 28, 2004.

Rules [560-10-3-.01](#) to [.03](#), [560-10-4-.04](#), [560-10-5-.02](#), [.03](#), [560-10-9-.01](#) to [.03](#), [560-10-20-.05](#) have been repealed. Chapters 560-10-7, 560-10-15, 560-10-23, and 560-10-30 have been repealed. Filed January 24, 2005; effective February 13, 2005.

Chapters 560-9-1 to 560-9-3 have been repealed and new Chapters adopted. Filed January 26, 2005; effective February 15, 2005.

Rules [560-7-8-.14](#), [.36](#), [560-8-6-.01](#), and [.10](#) have been amended. Rules [560-8-6-.02](#) to [.07](#), [.09](#), [.11](#) to [.18](#) have been repealed and new Rules adopted. Rules [560-8-6-.20](#) to [.24](#) have been adopted. Filed February 8, 2005; effective February 28, 2005.

Rules [560-7-8-.14](#), [.36](#), [560-8-6-.01](#), [.10](#), and [560-11-6-.09](#) have been amended. Rules [560-8-6-.02](#) to [.07](#), [.09](#), [.11](#) to [.18](#), [.20](#) to [.24](#) have been repealed and new Rules adopted. Filed March 29, 2005; effective April 18, 2005.

Emergency Rule 560-12-2-0.20-.110 adopted. Filed July 21, 2005; effective July 28, 2005, as specified by the Agency, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to implement a sales and use tax exemption for covered items for the 2005 sales tax holiday. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-12-2-.110](#) has been repealed and a new Rule adopted. Filed July 15, 2005; effective August 4, 2005.

Rule [560-12-2-.106](#) has been amended. Filed August 19, 2005; effective September 8, 2005.

Rule [560-12-2-.112](#) has been adopted. Filed September 9, 2005; effective September 29, 2005.

Rule [560-12-2-.113](#) has been adopted. Filed November 7, 2005; effective November 27, 2005.

Rule [560-2-17-.05](#) has been amended. Filed November 15, 2005; effective December 4, 2005.

Rules [560-7-3-.01](#), [.04](#), [560-7-4-.11](#), [560-7-5-.01](#), [560-7-7-.02](#), [.09](#), [560-7-8-.02](#), [.03](#), [.13](#), .22 to .25, and .28 have been repealed. Rules [560-7-6-.02](#), [560-7-8-.12](#), .15, .17, .18, and .26 have been repealed and new Rules adopted. Filed November 15, 2005; effective December 5, 2005.

Rules [560-7-3-.06](#), [.13](#), [560-7-4-.01](#), and [560-7-7-.03](#) have been repealed and new Rules adopted. Filed December 2, 2005; effective December 22, 2005.

Rule [560-12-1-.36](#) has been amended. Filed December 16, 2005; effective January 5, 2006.

Rule [560-7-8-.34](#) has been repealed and a new Rule adopted. Filed December 19, 2005; effective January 8, 2006.

Emergency Rules 560-10-13-0.21-.01, and [.03](#) adopted. Filed January 12, 2006; effective January 12, 2006, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to comply with 2005 House Bill 501. These Rules are necessary for the effective administration of the Department's duties relating to the registration and licensing of motor vehicles. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-7-3-.09](#) and [.12](#) have been repealed and new Rules adopted. Filed February 22, 2006; effective March 14, 2006.

Rule [560-11-6-.09](#) has been repealed and a new Rule adopted. Filed March 1, 2006; effective March 21, 2006.

Rule [560-7-8-.45](#) has been adopted. Filed March 6, 2006; effective March 26, 2006.

Rules [560-10-13-.01](#) and [.03](#) have been adopted superseding Emergency Rules 560-10-13-0.21-.01 and [.03](#). Filed April 19, 2006; effective May 9, 2006.

Rules [560-2-4-.06](#) and [560-2-5-.07](#) have been amended. Rule [560-2-7-.01](#) has been repealed. Filed April 25, 2006; effective May 15, 2006.

Rule [560-12-2-.09](#) has been repealed and a new Rule adopted. Filed April 28, 2006; effective May 18, 2006.

Rule [560-2-2-.47](#) has been adopted. Filed June 2, 2006; effective June 22, 2006.

Rule [560-12-2-.111](#) has been adopted. Filed June 12, 2006; effective July 2, 2006.

Rules [560-1-1-.07](#) and [560-12-2-.63](#) have been repealed. Rules [560-12-2-.34](#) and [.100](#) have been repealed and new Rules adopted. Rule [560-12-2-.106](#) has been amended. Rule [560-12-3-.22](#) has been adopted. Filed July 6, 2006; effective July 26, 2006.

Rules [560-12-2-.110](#) and [.112](#) have been repealed and new Rules adopted. Filed July 7, 2006; effective July 27, 2006.

Rules [560-2-2-.02](#), [.10](#), [.18](#), [.22](#), [560-2-3-.04](#), [.06](#) to [.08](#), [.14](#), [.15](#), [.21](#), [.29](#) to [.31](#), [.41](#), [.47](#), [560-2-4-.04](#), [.10](#), [.16](#), [.17](#), [.19](#), [560-2-7-.21](#), [.25](#), [.34](#), [.50](#), and [.51](#) have been repealed. Filed September 6, 2006; effective September 26, 2006.

Rules [560-2-1-.02](#), [560-2-2-.05](#), [.29](#), [.30](#), [.36](#), [560-2-3-.01](#), [.35](#), [.63](#), [560-2-4-.18](#), [560-2-5-.03](#), [560-2-6-.04](#), [.07](#), [560-2-7-.11](#), and [.22](#) have been amended. Rules [560-2-2-.24](#), [560-2-3-.02](#), and

[.03](#) have been repealed. Rules [560-2-7-.03](#), [.05](#), and [.10](#) have been repealed and new Rules adopted. Filed November 8, 2006; effective November 28, 2006.

Rules [560-7-3-.06](#), [.13](#), and [560-7-4-.01](#) have been amended. Filed December 7, 2006; effective December 27, 2006.

Rule [560-3-2-.26](#) has been repealed and a new Rule adopted. Filed December 12, 2006; effective January 1, 2007.

Rules [560-2-2-.01](#), [.09](#), [.38](#), [560-2-3-.12](#), [.32](#), and [.42](#) have been repealed and new Rules adopted. Rules [560-2-2-.26](#) and [560-2-4-.26](#) have been repealed. Rules [560-2-2-.48](#) and [.49](#) have been adopted. Filed December 15, 2006; effective January 4, 2007.

Rules [560-11-1-.01](#), [560-11-2-.21](#), [.57](#), [.58](#), [560-11-6-.04](#), and [.05](#) have been amended.

Rules [560-11-1-.02](#) to [.11](#) have been repealed. Filed December 20, 2006; effective January 9, 2007.

Rule [560-11-6-.09](#) has been amended. Filed February 21, 2007; effective March 13, 2007.

Rules [560-2-2-.16](#), [.32](#), [.43](#), [560-2-3-.22](#), [.36](#), [.38](#) have been repealed and new Rules adopted. Rules [560-2-2-.50](#), [.52](#), [.55](#), [560-2-3-.50](#), and [.51](#) have been adopted. Rule [560-2-3-.23](#) has been amended. Rules [560-2-3-.25](#) to [.28](#), [560-2-3-.40](#), [.44](#), and [560-2-4-.14](#) have been repealed. Filed February 26, 2007; effective March 18, 2007.

Emergency Rules [560-8-1-0.22-.01](#), and [.07](#) adopted. Filed May 10, 2007; effective May 10, 2007, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance and procedures necessary to conduct audits of manufacturers, distributors and retailers who sell certain types of tobacco products. These Rules are necessary for the effective administration of the Department's duties relating to the regulation of tobacco products. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule [560-2-3-0.23-.66](#) adopted. Filed June 7, 2007; effective June 7, 2007, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance and procedures necessary to eliminate market place confusion. These Rules are necessary for the effective administration of the Department's duties relating to the regulation of distilled spirits. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule [560-10-21-0.24-.12](#) adopted. Filed June 29, 2007; effective June 29, 2007, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance and procedures necessary to

eliminate market place confusion. These Rules are necessary for the effective administration of the Department's duties relating to the regulation of distilled spirits. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-2-1-.03](#), [560-2-2-.51](#), .53, .60, .62 have been adopted. Rules [560-2-2-.55](#), [560-2-4-.07](#), and [.30](#) have been amended. Rules [560-2-4-.08](#) and [560-2-5-.06](#) have been repealed. Rule [560-2-5-.05](#) has been repealed and a new Rule adopted. Filed June 29, 2007; effective July 19, 2007.

Emergency Rules 560-8-1-0.25-.01, and [.07](#) adopted. Filed September 7, 2007; effective September 7, 2007, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance and procedures necessary to conduct audits of manufacturers, distributors and retailers who sell certain types of tobacco products. These Rules are necessary for the effective administration of the Department's duties relating to the regulation of tobacco products. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-2-2-.10](#), [.56](#) to [.58](#), and [.63](#) have been adopted. Rules [560-2-2-.43](#), [.53](#), [.55](#), [.60](#), and [560-2-3-.36](#) have been amended. Rules [560-2-3-.49](#), [.51](#), and [560-2-4-.25](#) have been repealed. Filed September 20, 2007; effective October 10, 2007.

Chapters 560-8-1 entitled "General Provisions", 560-8-2 entitled "Dealer Provisions", 560-8-3 entitled "Distributor Provisions", 560-8-4 entitled "Manufacturer/Importer Provisions", 560-8-5 entitled "Vending Machines", and 560-8-7 entitled "Administrative Forms" have been adopted. Chapter 560-8-6 has been repealed and a new Chapter adopted. Filed September 26, 2007; effective October 16, 2007.

Emergency Rules 560-10-4-0.26-.01, and [.02](#) adopted. Filed October 2, 2007; effective October 1, 2007, as specified by the Agency, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance and procedures necessary for the transition to a new system for registration of dealers, manufacturers, distributors, and transporters. These Rules are necessary for the effective administration of the Department's duties relating to the regulation of Motor Vehicle registration. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-12-2-.30](#) has been repealed and a new Rule adopted. Filed December 21, 2007; effective January 10, 2008.

Rule [560-7-3-.10](#) has been adopted. Filed March 3, 2008; effective March 23, 2008.

Rules [560-2-2-.01](#), [.09](#), [.55](#) to [.57](#), [560-2-3-.45](#), [560-2-4-.11](#), [560-2-9-.03](#), [560-8-1-.02](#), [560-8-3-.08](#), [560-8-6-.01](#), and [.05](#) have been amended. Rules [560-2-2-.59](#), [.61](#), and [.64](#) have been adopted. Rule [560-2-9-.01](#) has been amended and retitled. Filed March 10, 2008; effective March 30, 2008.

Rules [560-2-2-.59](#), [.61](#), and [.64](#) have been amended. Filed April 4, 2008; effective April 24, 2008.

Rule [560-11-6-.09](#) has been amended. Filed April 21, 2008; effective May 11, 2008.

Emergency Rule Chapter 560-10-30-0.27 (.01 to .06) adopted. Filed June 11, 2008; effective June 10, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance and procedures to allow governmental and non-governmental entities seeking to obtain vehicle registration information as set forth by the Code and to protect driver's private information. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rules 560-10-30-0.28-.07 to [.11](#) adopted. Filed and effective June 16, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. These Emergency Rules were adopted to provide necessary definitions and procedures for persons seeking to title and/or register an assembled motor vehicle or assembled motorcycle. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule 560-8-7-0.29-.02 adopted. Filed and effective June 27, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance and procedures to retailers, distributors, wholesalers, manufacturers, importers, and brokers concerning reporting transactions to the Department involving cigarettes, cigars, little cigars, or loose or smokeless tobacco. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule 560-11-7-0.30-.06 adopted. Filed and effective June 27, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance concerning ad valorem taxes, to owners who purchase a motor vehicle within thirty days of the owner's registration period. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rules 560-10-30-0.31-.12 and [.13](#) adopted. Filed and effective June 27, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent

Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. These Emergency Rules were adopted to provide necessary guidance concerning requirements for the issuance of an Alternative Fuel license plate and necessary guidance concerning ad valorem taxes on motor vehicles owned by an active armed services member who is temporarily residing in Georgia solely because of military orders, but is not a permanent legal resident of this State. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rules 560-2-5-0.32-.18 and [.19](#) adopted. Filed and effective June 27, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. These Emergency Rules were adopted to provide necessary guidance and procedures concerning "Honey Wine" or "Mead". (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rules 560-2-2-0.33-.65 and [.66](#) adopted. Filed and effective July 2, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. These Emergency Rules were adopted to provide necessary guidance concerning the procedure by which a retail consumption dealer shall allow a patron to remove a partially consumed bottle of wine from the licensed premises, as well as the procedures to allow Wine Special Order Shipper licensees to ship into this State. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule 560-7-8-0.34-.48 adopted. Filed and effective June 27, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance and procedures to taxpayers concerning the process for preapproval and claiming the clean energy property and wood residuals tax credits. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-8-7-.02](#) and [560-11-2-.56](#) have been amended. Chapter 560-10-30 entitled "Title and Registration Record Provisions" has been adopted containing permanent rules numbered [560-10-30-.07](#) to .13 only. (There are no permanent rules numbered [560-10-30-.01](#) to .06 at this time.) Filed August 1, 2008; effective August 21, 2008.

Rule [560-7-8-.48](#) has been adopted. Filed August 19, 2008; effective September 8, 2008.

Rule [560-12-1-.14](#) has been repealed and a new Rule adopted. Rule [560-12-2-.96](#) has been repealed. Filed September 3, 2008; effective September 23, 2008.

Rule [560-12-2-.106](#) has been repealed and a new Rule adopted. Rule [560-12-2-.114](#) has been adopted. Filed September 16, 2008; effective October 6, 2008.

Emergency Rule 560-9-1-0.35-.12 adopted. Filed and effective October 1, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance concerning the requirements for issuing a temporary license to motor fuel importers. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule 560-10-21-0.36-.17 adopted. Filed and effective October 7, 2008, as specified by the Agency, to be in effect for 120 days or until the effective date of a permanent Rule

covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rules was adopted to provide necessary guidance concerning the requirements for canceling a certificate of title for scrap/derelict vehicles. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-10-30-.01](#) to [.06](#) have been adopted. Filed October 14, 2008; effective November 3, 2008.

Rule [560-7-8-.45](#) has been amended. Filed November 19, 2008; effective December 9, 2008.

Rule [560-7-8-.46](#) has been adopted. Filed November 24, 2008; effective December 14, 2008.

Rules [560-12-1-.09](#) and [.10](#) have been repealed and new Rules adopted. Filed November 26, 2008; effective December 16, 2008.

Emergency Rule 560-8-3-0.37-.07 adopted. Filed and effective December 1, 2008, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance concerning the discount available to tobacco distributors purchasing cigarette tax stamps. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-12-1-.14](#) has been repealed and a new Rule adopted. Filed December 1, 2008; effective December 21, 2008.

Rule [560-2-2-.65](#), [.66](#), [560-2-5-.18](#), and [.19](#) have been adopted. Rules [560-10-30-.06](#), [560-11-6-.04](#) to [.06](#) have been repealed and new Rules adopted. Filed December 9, 2008; effective December 29, 2008.

Rule [560-7-4-.04](#) has been amended. Rule [560-7-8-.34](#) has been repealed and a new Rule adopted. Rule [560-7-8-.50](#) has been adopted. Filed December 29, 2008; effective January 18, 2009.

Rule [560-8-3-.07](#) has been repealed and a new Rule adopted. Rule [560-10-21-.17](#) has been adopted. Filed January 26, 2009; effective February 15, 2009.

Emergency Rule 560-10-26-0.38-.02 adopted. Filed February 10, 2009; effective February 9, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance concerning the procedure for the issuance of temporary disability placards. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule 560-8-3-0.39-.07 adopted. Filed and effective March 30, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency.

This Emergency Rule was adopted to provide necessary guidance concerning the discount available to tobacco distributors purchasing cigarette tax stamps (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-10-26-.02](#) has been adopted superseding Emergency Rule 560-10-26-0.38-.02.

Rule [560-11-6-.09](#) has been repealed and a new Rule adopted. Chapter 560-11-11 entitled "Forest Land Protection" has been adopted. Filed April 15, 2009; effective May 5, 2009.

Rule [560-8-3-.07](#) has been adopted superseding Emergency Rule 560-8-3-0.39-.07. Filed May 12, 2009; effective June 2, 2009.

Emergency Rule Chapter 560-11-11-0.40 adopted. Filed and effective May 22, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to comply with O.C.G.A. Sections 48-2-12, 48-5-7, 48-5-7.7, 48-5-271, 48-5-306, and 48-5-311. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule 560-3-2-0.41-.27 adopted. Filed and effective May 22, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance and procedures to taxpayers concerning the signature requirements under Title 48. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-7-3-.05](#) has been adopted. Filed June 8, 2009; effective June 28, 2009.

Chapter 560-11-11 has been adopted superseding Emergency Rule Chapter 560-11-11-0.40. Filed June 26, 2009; effective July 16, 2009.

Rule [560-12-2-.62](#) has been repealed and a new Rule adopted. Filed July 9, 2009; effective July 29, 2009.

Rule [560-3-2-.27](#) has been adopted superseding Emergency Rule 560-3-2-0.41-.27. Rule [560-7-8-.41](#) has been repealed. Filed July 29, 2009; effective August 18, 2009.

Emergency Rules 560-11-2-0.42-.59 to 560-11-2-0.42-.61 adopted. Filed and effective July 30, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to comply with O.C.G.A. Sections 48-2-12 and 48-5B-1. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-3-2-.26](#) has been repealed and a new Rule adopted. Rule [560-7-3-.09](#) has been amended. Rule [560-10-30-.14](#) has been adopted. Filed August 19, 2009; effective September 8, 2009.

Emergency Rules 560-10-30-0.43-.15 to 560-10-30-0.43-.24 adopted. Filed and effective August 20, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance concerning the changes to the salvage and assembled vehicle inspection processes. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-7-8-.49](#) has been adopted. Rule [560-8-3-.07](#) has been repealed and a new Rule adopted. Filed August 20, 2009; effective September 9, 2009.

Emergency Rule 560-8-1-0.44-.15 adopted. Filed and effective September 3, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide necessary guidance concerning tobacco product invoices. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-7-8-.47](#) has been adopted. Filed September 4, 2009; effective September 24, 2009.

Rules [560-11-2-.59](#) to [.61](#) have been adopted superseding Emergency Rules 560-11-2-0.42-.59 to [.61](#). Filed September 15, 2009; effective October 5, 2009.

Rules [560-10-30-.15](#) to [.24](#) have been adopted superseding Emergency Rules 560-10-30-0.43-.15 to [.24](#). Filed September 29, 2009; effective October 19, 2009.

Emergency Rule Chapter 560-10-31-0.45 adopted. Filed and effective October 1, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance concerning changes to the licensing and registration of certain motor carriers. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-7-3-.04](#) has been adopted. Rule [560-7-8-.42](#) has been repealed and a new Rule adopted. Filed October 15, 2009; effective November 4, 2009.

Rule [560-7-4-.01](#) has been repealed and a new Rule adopted. Filed November 5, 2009; effective November 25, 2009.

Emergency Rule 560-8-1-0.46-.15 adopted. Filed November 19, 2009; effective November 20, 2009, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance concerning tobacco

product invoices. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-12-2-.62](#) has been amended. Filed November 19, 2009; effective December 9, 2009.

Rules [560-7-8-.05](#) and [.06](#) have been repealed. Rule 560-7-3-.33 has been repealed and a new Rule adopted. Filed November 24, 2009; effective December 14, 2009.

Rules [560-7-8-.36](#) and [.45](#) have been amended. Filed December 18, 2009; effective January 7, 2010.

Emergency Rule Chapter 560-10-31-0.47 adopted. Filed January 11, 2010; effective January 12, 2010, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance concerning changes to the licensing and registration of certain motor carriers. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-8-1-.15](#) has been adopted. Filed January 11, 2010; effective January 31, 2010.

Chapter 560-10-31 entitled "Commercial Vehicles" has been adopted. Filed March 2, 2010; effective March 22, 2010.

Rules [560-11-6-.09](#) and [560-11-11-.12](#) have been repealed and new Rules adopted. Filed March 15, 2010; effective April 4, 2010.

Rules [560-7-8-.38](#) and [.47](#) have been amended. Rule [560-7-8-.51](#) has been adopted. Filed April 27, 2010; effective May 17, 2010.

Rules [560-10-5-.01](#), [.04](#), [.05](#), and [.06](#) have been repealed. Rule [560-10-30-.13](#) has been repealed and a new Rule adopted. Filed June 17, 2010; effective July 7, 2010.

Rule [560-7-8-.42](#) has been amended. Filed June 23, 2010; effective July 13, 2010.

Chapters 560-2-1 and 560-2-2 have been repealed and New Chapters entitled the same adopted. Chapters 560-2-3, 560-2-4, 560-2-5, 560-2-6, 560-2-7, 560-2-8, 560-2-9, 560-2-10, 560-2-11, 560-2-12, 560-2-13, 560-2-14, 560-2-15, and 560-2-17 have been repealed and new Chapters 560-2-3 entitled "Retailer/Retail Consumption Dealers," 560-2-4 entitled "Wholesalers," 560-2-5 entitled "Manufacturers, Shippers, Importers & Brokers," 560-2-6 entitled "Distilled Spirits," 560-2-7 entitled "Malt Beverages," 560-2-8 entitled "Brew Pubs", 560-2-9 entitled "Wine," 560-2-10 entitled "Farm Wineries," 560-2-11 entitled "Hotels, Charitable Events & REAP," 560-2-12 entitled "Limousine," 560-2-13 entitled "Alcoholic Beverage Catering," 560-2-14 entitled "Non-Beverage Alcohol," 560-2-15 entitled "Military & Consuls," and 560-2-17 entitled "Forms in Common Use" adopted. Rules [560-8-1-.16](#) and [.17](#) have been adopted. Rule [560-8-3-.07](#) has been repealed and a new Rule adopted. Chapter 560-2-16 entitled "Administrative Hearings," has been adopted. Filed October 1, 2010; effective October 21, 2010.

Rule [560-7-8-.48](#) has been amended. Filed October 14, 2010; effective November 3, 2010.

Rule [560-7-8-.37](#) has been amended. Filed October 21, 2010; effective November 10, 2010.

Emergency Rule 560-12-1-0.20-.37 was filed and effective on October 28, 2010, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule was adopted to "provide guidance with respect to certain requirements in the Streamlined Sales Use Tax Agreement under the O.C.G.A. 48-8-2, 48-8-3, 48-8-6, 48-8-30, 48-8-50, 48-8-58, 48-8-59, 48-8-61, and 48-8-68 through 48-8-77 during an interim period prior to adoption of the final Rule." (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-3-2-.26](#) and [560-3-2-.27](#) have been amended. Rule [560-10-30-.25](#) has been adopted. Filed November 3, 2010; effective November 23, 2010.

Rule [560-11-2-.27](#) has been repealed and a new Rule adopted. Filed November 15, 2010; effective December 5, 2010.

Rule [560-11-2-.55](#) has been repealed and a new Rule adopted. Filed November 30, 2010; effective December 20, 2010.

Rule [560-7-8-.52](#) has been adopted. Filed December 3, 2010; effective December 23, 2010.

Rules [560-7-2-.09](#), [560-7-3-.02](#), [.07](#), [560-7-7-.01](#), [.08](#), [560-7-8-.09](#), [.10](#), [.11](#), [.29](#), and [.31](#) have been amended. Chapter 560-7-1 has been repealed. Rules [560-7-2-.01](#), [.02](#), [.03](#), [.04](#), [.05](#), [.06](#), [.07](#), [.08](#), [560-7-3-.03](#), [560-7-8-.16](#), [.30](#), and [.32](#) have been repealed. Filed December 6, 2010; effective December 26, 2010.

Emergency Rule Chapter 560-2-18-0.48 adopted. Filed December 15, 2010; effective December 17, 2010, as specified by the Agency, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance concerning change to the ownership and operation of COAM. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Emergency Rule Chapter 560-2-19-0.49 adopted. Filed December 15, 2010; effective December 17, 2010, as specified by the Agency, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. This Emergency Rule was adopted to provide guidance concerning COAM Administrative Hearings. (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Chapters 560-2-18 and 560-2-19 have been adopted. Filed December 15, 2010; effective January 4, 2011.

Chapter 560-10-11 entitled "Distinctive License Plates" adopted. Filed December 28, 2010; effective January 17, 2011.

Emergency Rules 560-11-10-0.2-.02, [.08](#), and [.09](#) adopted. Filed January 19, 2011; effective, January 20, 2011, as specified by the Agency, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule adopted, as specified by the Agency. These Emergency Rules were adopted by the Department necessary in order to be compliant with changes created by Senate Bill 346. (These Emergency Rules will not be published; copies may be obtained from the Agency.)

Rules [560-11-2-.27](#), [.31](#), [560-11-6-.09](#), and [560-11-11-.12](#) have been repealed and new rules adopted. Rules [560-11-2-.32](#), [.33](#), and [.61](#) have been repealed. Filed March 3, 2011; effective March 23, 2011.

Rules [560-11-2-.34](#), [.35](#), [.36](#), and [.55](#) have been repealed and new rules adopted. Chapters 560-11-12 entitled "County Board of Equalization Hearings" and 560-11-13 entitled "County Hearing Officers" adopted. Filed March 16, 2011; effective April 5, 2011.

Rule [560-7-4-.02](#) has been amended. Filed April 5, 2011; effective April 25, 2011.

Emergency Rule 560-12-1-0.20-.37 was filed and effective on October 28, 2010, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is repealed effective May 3, 2011, date of repeal, as specified by the Agency. Said Emergency Rule "provided guidance with respect to certain requirements in the Streamlined Sales Use Tax Agreement under the O.C.G.A. 48-8-2, 48-8-3, 48-8-6, 48-8-30, 48-8-50, 48-8-58, 48-8-59, 48-8-61, and 48-8-68 through 48-8-77 during an interim period prior to adoption of the final Rule repealed." (This Emergency was not published; copies may be obtained from the Agency.)

Emergency Rule 560-12-1-0.21-.38 was filed and effective on May 3, 2011, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule was adopted to "provide necessary guidance with respect to certain requirements in the Streamlined Sales of Use Tax Agreement under the Authority O.C.G.A. Secs. 48-8-2, 48-8-3, 48-8-6, 48-8-30, 48-8-50, 48-8-58, 48-8-59, 48-8-61, and 48-8-68 through 48-8-77 during an interim period prior to the adoption of the final Rule." (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rules [560-11-2-.20](#), [.21](#), [.48](#), [.58](#), [560-11-9-.08](#) and [.09](#) have been amended. Rule [560-11-13-.12](#) has been adopted. Filed May 9, 2011; effective May 29, 2011

Rule [560-7-8-.45](#) has been amended. Filed May 23, 2011; effective June 12, 2011.

Rule [560-3-2-.26](#) has been amended. Filed June 24, 2011; effective July 14, 2011.

Rules [560-11-11-.10](#) has been amended. Rule [560-11-11-.13](#) has been adopted. Filed June 30, 2011; effective July 20, 2011.

Emergency Rule 560-12-1-0.21-.38 adopted. Filed August 16, 2011; effective August 30, 2011, as specified by the Agency, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency. Said Emergency Rule was adopted to "provide necessary guidance with respect to certain requirements in the Streamlined Sales of Use Tax Agreement under the Authority O.C.G.A. Secs. 48-8-2, 48-8-3, 48-8-6, 48-8-30, 48-8-50, 48-8-58, 48-8-59, 48-8-61, and 48-8-68 through 48-8-77 during an interim period prior to the adoption of the final Rule." (This Emergency Rule will not be published; copies may be obtained from the Agency.)

Rule [560-7-4-.05](#) has been adopted. Filed September 1, 2011; effective September 21, 2011.

Rules [560-2-2-.05](#) and [560-2-11-.02](#) have been amended. F. Sep. 9, 2011; eff. Sep. 29, 2011.

Rule [560-7-8-.48](#) amended. F. Sep. 16, 2011; eff. Oct. 6, 2011.

Rule [560-11-11-.06](#) repealed and new rule adopted. F. Oct. 11, 2011; eff. Oct. 31, 2011.

Rules [560-11-10-.02](#), [560-11-10-.08](#), [560-11-10-.09](#) amended. F. Nov. 9, 2011; eff. Nov. 29, 2011.

Emergency Rule 560-12-1-0.21-.38 repealed. F. Dec. 12, 2011; eff. Dec. 15, 2011.

Emergency Rule 560-12-1-0.22-.39 adopted. F. Dec. 14, 2011; eff. Dec. 15, 2011, as specified by the Agency, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency.

Rule [560-2-3-.02](#) amended. F. Feb. 28, 2012; eff. Mar. 19, 2012.

Chapter 560-10-32 entitled "Temporary Registration of Motor Vehicles" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

E.R. 560-12-1-.22-.39 readopted. F. Mar. 29, 2012; eff. Apr. 13, 2012, as specified by the Agency, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency.

Rules [560-7-8-.20](#) and [560-10-30-.33](#) adopted. F. Jun. 11, 2012; eff. Jul. 1, 2012.

Emergency Rules 560-2-2-0.23-.67 and 560-2-6-0.24-.24 adopted. F. Jul. 6, 2012; eff. Jul. 1, 2012.

Rule [560-12-2-.110](#) amended. F. Aug. 7, 2012; eff. Aug. 27, 2012.

Rules [560-2-2-.35](#) and [560-2-6-.03](#) adopted. F. Aug. 8, 2012; eff. Aug. 28, 2012.

Rule [560-7-8-.42](#) amended. F. Aug. 8, 2012; eff. Aug. 28, 2012.

Rule [560-7-8-.51](#) amended. F. Aug. 21, 2012; eff. Sep. 10, 2012.

Rule [560-7-8-.36](#) amended. F. Aug. 23, 2012; eff. Sep. 12, 2012.

E.R. 560-2-17-0.26-.05 adopted. F. Sep. 4, 2012; eff. Sep. 4, 2012. To remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency.

Rules [560-12-2-.112](#) and [560-12-2-.114](#) amended. F. Sep. 5, 2012; eff. Sep. 25, 2012.

Rule [560-7-8-.46](#) amended. F. Sep. 19, 2012; eff. Oct. 9, 2012.

Rule [560-7-8-.50](#) amended. F. Oct. 12, 2012; eff. Nov. 1, 2012.

Rules [560-2-17-.01](#) through [.04](#) repealed and [560-2-17-.05](#) adopted. F. Oct. 24, 2012; eff. Nov. 13, 2012.

Rule [560-12-2-.30](#) amended. F. Oct. 30, 2012; eff. Nov. 19, 2012.

Rule [560-10-12-.03](#) adopted. F. Nov. 29, 2012; eff. Dec. 19, 2012.

Rule [560-7-8-.45](#) amended. F. Dec. 5, 2012; eff. Dec. 25, 2012.

Rules [560-11-8-.08](#) and [560-11-8-.16](#) amended. F. Jan. 3, 2013; eff. Jan. 23, 2013.

Chapter 560-11-14 entitled "State and Local Title Ad Valorem Tax Fee" and rules [560-11-14-.01](#) through [560-11-14-.16](#) adopted. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Rule [560-7-8-.45](#) amended. F. Feb. 11, 2013; eff. Mar. 3, 2013.

Rule [560-7-8-.45](#) amended. F. Apr. 2, 2013; eff. Apr. 22, 2013.

Rule [560-12-2-.28](#) repealed. F. Apr. 9, 2013; eff. Apr. 29, 2013.

ER 560-10-22-0.27-.02 adopted. F. Jun. 4, 2013; eff. Jun. 4, 2013. To remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency.

Rule [560-8-1-.18](#) adopted. Rules [560-8-1-.04](#), [560-8-2-.01](#), [560-8-3-.01](#), [560-8-4-.01](#), 569-8-7-.02 amended. Rule [560-8-7-.01](#) repealed. F. May 20, 2013; eff. Jun. 9, 2013.

Rules [560-11-6-.01](#) through [560-11-6-.09](#) amended. F. Jun. 10, 2013; eff. Jun. 30, 2013.

Rules [560-11-11-.12](#), [560-12-3-.36](#) amended. Rules [560-12-3-.37](#) through [560-12-3-.49](#) repealed. F. Jun. 25, 2013; eff. Jul. 15, 2013.

Rule [560-11-14-.07](#) amended. F. Jul. 10, 2013; eff. Jul. 30, 2013.

Rule [560-7-8-.52](#) amended. F. Aug. 20, 2013; eff. Sep. 9, 2013.

Rule [560-3-2-.27](#) amended. F. Sep. 13, 2013; eff. Oct. 3, 2013.

Rule [560-7-8-.47](#) amended. F. Sep. 23, 2013; eff. Oct. 13, 2013.

Rule [560-7-8-.37](#) amended. F. Sep. 26, 2013; eff. Oct. 16, 2013.

Rule [560-10-22-.02](#) adopted. F. Oct. 10, 2013; eff. Oct. 30, 2013.

Rule [560-12-2-.03](#) amended. Rules [560-12-2-.52](#), [560-12-2-.61](#), [560-12-2-.80](#), [560-12-2-.89](#), [560-12-2-.91](#), [560-12-2-.93](#), [560-12-2-.95](#), [560-12-2-.101](#), [560-12-3-.35](#), [560-12-3-.52](#) repealed. F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rules [560-2-2-.01](#) and [560-2-3-.17](#) amended. F. Nov. 1, 2013; eff. Nov. 21, 2013.

Rule [560-7-8-.47](#) amended. F. Nov. 8, 2013; eff. Nov. 28, 2013.

Rules [560-10-13-.04](#) and [560-11-14-.17](#) adopted. F. Nov. 14, 2013; eff. Dec. 4, 2013.

Chapters 560-10-8 and 560-10-17 repealed. F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rules [560-12-2-.25](#), [560-12-2-.32](#), [560-12-2-.62](#), [560-12-2-.64](#) amended. Rules [560-12-2-.21](#), [560-12-2-.35](#), [560-12-2-.48](#), [560-12-2-.56](#), [560-12-2-.76](#) repealed. F. Feb. 10, 2014; eff. Mar. 2, 2014.

Rules [560-10-13-.01](#), [560-10-30-.15](#) through [560-10-30-.24](#) amended. F. Apr. 9, 2014; eff. Apr. 29, 2014.

Rule [560-10-30-.34](#) adopted. Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. Apr. 22, 2014; eff. May 12, 2014.

Rule [560-11-2-.59](#) repealed and rule number reserved. F. May 30, 2014; eff. Jun. 19, 2014.

Rule [560-12-2-.110](#) amended, Rules 561-12-2-.112 and .114 repealed. F. Jun. 20, 2014; eff. Jul. 10, 2014.

Rule [560-12-2-.45](#) amended. F. Jul. 14, 2014; eff. Aug. 3, 2014.

Rule [560-2-3-.04](#) amended. F. Jul. 24, 2014; eff. Aug. 13, 2014.

Rules [560-12-2-.67](#), [560-12-2-.73](#) repealed. F. Aug. 15, 2014; eff. Sep. 4, 2014.

Rule [560-12-2-.115](#) adopted. F. Sep. 4, 2014; eff. Sep. 24, 2014.

Rule [560-7-8-.45](#) amended. F. Sep. 10, 2014; eff. Sep. 30, 2014.

Rule [560-7-8-.03](#) adopted, Rule [560-12-2-.62](#) amended. F. Nov. 17, 2014; eff. Dec. 7, 2014.

Rules [560-10-32-.01](#), [560-10-32-.05](#) amended. F. Nov. 18, 2014; eff. Dec. 8, 2014.

Rule [560-7-8-.53](#) adopted. F. May 12, 2015; eff. June 1, 2015.

Rules [560-11-6-.02](#), [.09](#), [560-11-11-.01](#), [.02](#), [.03](#), [.05](#), [.06](#), [.12](#) amended. F. May 18, 2015; eff. June 7, 2015.

Rule [560-12-2-.03](#) amended. F. May 29, 2015; eff. June 18, 2015.

ER 560-13-2-0.30, 560-13-2-0.30-.01 adopted. F. June 26, 2015; eff. July 1, 2015 through October 29, 2015 or until its repealed, whichever is earlier, as specified by the Agency.

Rule [560-7-8-.53](#) amended. F. June 24, 2015; eff. July 14, 2015.

Chapter 560-13-1 entitled "Fireworks Excise Tax" adopted. F. June 26, 2015; eff. July 16, 2015.

Rules [560-2-2-.01](#), [560-2-6-.03](#), [560-2-7-.01](#) amended. Rule [560-9-1-.08](#) repealed. Rules [560-9-1-.12](#), [560-11-7-.06](#) adopted. F. June 26, 2015; eff. July 16, 2015.

Rules [560-10-27-.01](#) and [560-11-14-.12](#) amended. F. July 27, 2015; eff. Aug. 16, 2015.

Chapter 560-1-2 entitled "Collections" adopted. F. Aug. 26, 2015; eff. Sep. 15, 2015.

Rule [560-12-2-.116](#) adopted. F. Sep. 10, 2015; eff. Sep. 30, 2015.

Rule [560-12-2-.20](#) adopted. F. Sep. 18, 2015; eff. Sep. Oct. 8, 2015.

Rule [560-7-8-.54](#) adopted. F. Sep. 30, 2015; eff. Oct. 20, 2015.

Rule [560-7-4-.01](#) amended. Rule [560-7-8-.55](#) adopted. F. Oct. 9, 2015; eff. Oct. 29, 2015.

Chapter 560-13-2 entitled "State Hotel-Motel Fee" adopted. F. Oct. 20, 2015; eff. Nov. 9, 2015.

Rule [560-7-8-.46](#) amended. F. Oct. 27, 2015; eff. Nov. 16, 2015.

Rules [560-3-2-.27](#), [560-7-8-.45](#), [560-7-8-.50](#) amended. F. Nov. 17, 2015; eff. Dec. 7, 2015.

Rule [560-7-8-.56](#) adopted. F. Dec. 8, 2015; eff. Dec. 28, 2015.

Rule [560-12-2-.64](#) amended. F. Dec. 18, 2015; eff. Jan. 7, 2016.

Rules [560-11-1-.01](#), [560-11-2-.16](#), .23, .24, .25, .28, .36, .56, [560-11-9-.03](#), [.04](#), [.09](#), [.11](#), [560-11-10-.02](#), [.09](#), [560-11-12-.02](#), [.04](#), [.05](#), [.08](#), [560-11-13-.01](#), [.02](#), [.05](#), [.08](#) amended. Rules [560-11-2-.62](#), [560-11-3-.20](#) adopted. F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rules [560-12-1-.01](#), [.03](#), [.04](#), [.15](#), [.27](#), [.30](#), [.31](#), [.33](#) and Chapter 560-6-2 repealed. F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rules [560-1-1-.02](#), [.05](#), .09, .10, .12 amended. Rules [560-1-1-.01](#), [.03](#), [.04](#), [.06](#), [.08](#), [.11](#), [.13](#), [.14](#) repealed. Rule [560-1-2-.02](#) adopted. F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. Feb. 23, 2016; eff. Mar. 14, 2016.

Rule [560-12-1-.16](#) amended. F. Apr. 4, 2016; eff. Apr. 24, 2016.

Rule [560-2-6-.03](#), non-substantive error correction. Effective May 26, 2016.

Rules [560-2-2-.01](#), [.13](#), [.35](#), [560-2-6-.03](#), [560-2-7-.01](#), [560-2-11-.02](#), [560-12-1-.16](#) amended. F. May 6, 2016; eff. May 26, 2016.

ER 560-3-2-0.33-.26 adopted. F. June 13, 2016; eff. June 13, 2016. To remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency.

Rule [560-7-8-.52](#) amended. F. June 16, 2016; eff. July 6, 2016.

Rule [560-12-2-.03](#) amended. F. July 1, 2016; eff. July 21, 2016.

Rules [560-13-1-.01](#), [560-13-2-.01](#) amended. F. July 15, 2016; eff. Aug. 4, 2016.

Rule [560-12-1-.37](#) adopted. F. July 26, 2016; eff. Aug. 15, 2016.

Rule [560-3-2-.26](#) amended. F. July 28, 2016; eff. Aug. 17, 2016.

Rule [560-2-2-.67](#) adopted. F. Aug. 8, 2016; eff. Aug. 28, 2016.

Rule [560-7-8-.56](#) amended. F. Sep. 19, 2016; eff. Oct. 9, 2016.

Rule [560-7-8-.57](#) adopted. F. Sep. 21, 2016; eff. Oct. 11, 2016.

Rule [560-7-4-.04](#) amended. F. Sep. 27, 2016; eff. Oct. 17, 2016.

Rule [560-7-8-.51](#) amended. Rule [560-12-2-.21](#) adopted. F. Oct. 11, 2016; eff. Oct. 31, 2016.

Rule [560-7-8-.50](#) amended. F. Nov. 1, 2016; eff. Nov. 21, 2016.

Rule [560-7-8-.33](#) amended. F. Nov. 3, 2016; eff. Nov. 23, 2016.

Rule [560-2-3-.13](#) amended. F. Nov. 10, 2016; eff. Nov. 30, 2016.

Chapter 560-11-15 entitled "Illegal Digest Entry Review" adopted. F. Nov. 18, 2016; eff. Nov. Dec. 8, 2016.

Rule [560-7-8-.36](#) amended. F. Dec. 5, 2016; eff. Dec. 25, 2016.

Rule [560-7-8-.58](#) adopted. F. Dec. 14, 2016; eff. Jan. 3, 2017.

Chapter 560-10-33 entitled "Transporter Plates" adopted. F. Jan. 10, 2017; eff. Jan. 30, 2017.

Rule [560-12-2-.64](#) amended. F. Mar. 16, 2017; eff. Apr. 5, 2017.

Rules [560-11-2-.20](#), [560-11-6-.09](#), [560-11-10-.08](#), [560-11-11-.12](#) amended. F. Mar. 24, 2017; eff. Apr. 13, 2017.

Rule [560-12-2-.39](#) amended. F. May 17, 2017; eff. June 6, 2017.

Rule [560-12-1-.30](#) adopted. F. June 28, 2017; eff. July 18, 2017.

Rule [560-12-2-.62](#) amended. F. July 7, 2017; eff. July 27, 2017.

Rule [560-7-8-.57](#) amended. F. July 13, 2017; eff. Aug. 2, 2017.

Rules [560-2-2-.01](#), [560-2-2-.67](#) repealed and readopted. Rules [560-2-6-.03](#), [560-2-7-.01](#) repealed. F. Aug. 1, 2017; eff. Aug. 21, 2017.

Chapter 560-6 has been amended by changing the title from "Field Services Division" to "Compliance Division." F. Aug. 16, 2017; eff. Sep. 5, 2017.

Rule [560-7-8-.57](#) amended. F. Sep. 5, 2017; eff. Sep. 25, 2017.

Rule [560-12-2-.62](#) amended. F. Sep. 6, 2017; eff. Sep. 26, 2017.

Rules [560-7-8-.45](#), [560-7-8-.51](#) amended. F. Oct. 5, 2017; eff. Oct. 25, 2017.

Rule [560-7-4-.01](#) amended. F. Oct. 20, 2017; eff. Nov. 9, 2017.

Rule [560-3-2-.26](#) amended. F. Oct. 30, 2017; eff. Nov. 19, 2017.

Chapter 560-2-20 entitled "State Operation Assessment" adopted. F. Oct. 31, 2017; eff. Nov. 20, 2017.

Rule [560-7-8-.60](#) adopted. F. Nov. 6, 2017; eff. Nov. 26, 2017.

Rule [560-7-8-.59](#) adopted. F. Nov. 14, 2017; eff. Dec. 4, 2017.

Rule [560-7-8-.61](#) adopted. F. Nov. 17, 2017; eff. Dec. 7, 2017.

Rule [560-2-3-.03](#) amended. Rules [560-11-14-.01](#), .05, .06, .08, .09, .12, .16 repealed and readopted. Rules [560-11-14-.02](#), [.04](#), repealed. F. Nov. 30, 2017; eff. Dec. 20, 2017.

Rule [560-7-8-.59](#) amended. F. Jan. 2, 2018; eff. Jan. 22, 2018.

Rules [560-10-30-.15](#), [.16](#), [.17](#), [.21](#), [.23](#), [.24](#) repealed and readopted. F. Jan. 16, 2018; eff. Feb. 5, 2018.

Rules [560-7-8-.36](#), [.42](#) amended. F. Feb. 2, 2018; eff. Feb. 22, 2018.

Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. Mar. 6, 2018; eff. Mar. 26, 2018.

Rule [560-2-3-.03](#) amended. F. Mar. 12, 2018; eff. Apr. 1, 2018.

Rule [560-7-8-.62](#) adopted. F. May 18, 2018; eff. June 7, 2018.

Rule [560-7-8-.63](#) adopted. F. May 25, 2018; eff. June 14, 2018.

Rule [560-7-8-.57](#) amended. F. Aug. 6, 2018; eff. Aug. 26, 2018.

Rule [560-7-8-.60](#) amended. F. Sep. 6, 2018; eff. Sep. 26, 2018.

Rule [560-12-2-.03](#) amended. F. Sep. 27, 2018; eff. Oct. 17, 2018.

Rule [560-7-8-.47](#) amended. F. Nov. 6, 2018; eff. Nov. 26, 2018.

Rules [560-7-3-.06](#) and [.13](#), [560-7-4-.01](#), [560-7-8-.34](#) and [.39](#) amended. F. Nov. 29, 2018; eff. Dec. 19, 2018.

Rule [560-11-14-.01](#) amended. F. Dec. 14, 2018; eff. Jan. 3, 2019.

Rule [560-7-3-.11](#) adopted. F. Jan. 10, 2019; eff. Jan. 30, 2019.

Rules [560-7-8-.37](#), [.46](#) amended. F. Jan. 25, 2019; eff. Feb. 14, 2019.

Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. Feb. 1, 2019; eff. Feb. 21, 2019.

Rule [560-7-8-.65](#) adopted. F. Feb. 15, 2019; eff. Mar. 7, 2019.

Rule [560-12-2-.117](#) adopted. F. Apr. 16, 2019; eff. May 6, 2019.

Rule [560-7-8-.64](#) adopted. F. May 3, 2019; eff. May 23, 2019.

Subject 560-6-1 entitled "Administrative Rules and Regulations" adopted. F. May 30, 2019; eff. June 19, 2019.

Rules [560-2-3-.03](#), [.09](#) amended. F. July 22, 2019; eff. Aug. 11, 2019.

Rule [560-12-2-.87](#) amended. F. Aug. 29, 2019; eff. Sep. 18, 2019.

Rule [560-7-8-.57](#) amended. F. Sep. 20, 2019; eff. Oct. 10, 2019.

Rule [560-7-8-.65](#) amended. F. Oct. 3, 2019; eff. Oct. 23, 2019.

Rule [560-12-2-.28](#) adopted. F. Oct. 21, 2019; eff. Nov. 10, 2019.

Rule [560-7-8-.64](#) amended. F. Nov. 12, 2019; eff. Dec. 2, 2019.

Rules [560-3-2-.26](#), [560-7-4-.04](#), [560-7-8-.33](#), [560-7-8-.47](#), [560-7-8-.60](#) amended. F. Nov. 21, 2019; eff. Dec. 11, 2019.

Note: Rule [560-7-8-.47](#), correction of non-substantive typographical errors in subparagraph (10)(c)1., "*Inc*" and "*Inc's*" corrected to "*Inc.*" and "*Inc.'s*" respectively. Rule [560-7-8-.60](#), correction of non-substantive typographical error in subparagraph (11)(b), "*fidicuicary*" corrected to "*fiduciary*." Effective December 11, 2019.

Rules [560-7-8-.51](#), [560-7-8-.56](#) amended. F. Dec. 13, 2019; eff. Jan. 2, 2020.

Rule [560-7-8-.37](#) amended. F. Dec. 30, 2019; eff. Jan. 19, 2020.

Rules [560-11-14-.01](#), [.10](#), [.12](#) amended. F. Jan. 29, 2020; eff. Feb. 18, 2020.

Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. Mar. 6, 2020; eff. Mar. 26, 2020.

Note: Rule [560-11-11-.12](#), correction of non-substantive typographical error in paragraph (d), "*316 WI 882*" corrected to "*WI 882*", as requested by the Agency. Effective March 26, 2020.

Subject 560-11-17, entitled "Deadlines for Conservation Use Valuation Assessment (CUVA) and Forest Land Protection Act (FLPA) Applications," containing Emergency Rules 560-11-17-0.34-.01 through .03 adopted. F. Apr. 7, 2020, eff. Apr. 7, 2020, to remain in effect for a period of 120 days or until the adoption of permanent rules covering the same subject matter superseding these Emergency Rules, as specified by the Agency.

Emergency Rules 560-2-16-0.35-.02, 560-8-6-0.36-.05 adopted. F. May 19, 2020, eff. May 19, 2020, to remain in effect for a period of 120 days or until the adoption of permanent rules covering the same subject matter superseding these Emergency Rules, as specified by the Agency.

Rule [560-2-3-.04](#) amended. F. Nov. 18, 2020; eff. Dec. 8, 2020.

Rule [560-1-1-.14](#) adopted; Rule [560-3-2-.27](#) amended. F. Jan. 21, 2021; eff. Feb. 10, 2021.

Subject 560-11-16, entitled "Table of Forest Land Protection Act Land Use Values" and Appendix 560-11-16-A entitled "Qualified Timberland Property Appraisal Manual 2021" adopted. F. Feb. 5, 2021; eff. Feb. 25, 2021.

Rule [560-7-8-.65](#) amended. F. Feb. 11, 2021; eff. Mar. 3, 2021.

Rule [560-7-8-.45](#) amended. F. Feb. 23, 2021; eff. Mar. 15, 2021.

Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. Mar. 4, 2021; eff. Mar. 24, 2021.

Rule [560-7-8-.56](#) amended. F. Apr. 13, 2021; eff. May 3, 2021.

Note: Rule [560-12-2-.64](#), correction of administrative typographical error on the Rules and Regulations website, Rule corrected to reflect the numbering and text of paragraphs "**(7) Certificates of Exemption.**" and "**(8) Transaction date.,**" as originally filed March 16, 2017, effective April 5, 2017. The error was discovered by the Agency and correction request submitted April 28, 2021. Effective April 28, 2021.

Rules [560-8-6-.01](#), [.02](#), [.05](#) amended; Rules [560-8-6-.08](#), .09, .10 adopted. F. Aug. 2, 2021; eff. Aug. 22, 2021.

Rule [560-12-2-.62](#) amended. F. Aug. 31, 2021; eff. Sep. 20, 2021.

Rule [560-7-8-.56](#) amended; Rule [560-7-8-.67](#) adopted. F. Nov. 18, 2021; eff. Dec. 8, 2021.

Rules [560-7-3-.06](#) and [.08](#), [560-7-5-.02](#), [560-7-8-.47](#), .57, .60 amended; Rule [560-7-3-.03](#) adopted. F. Dec. 7, 2021; eff. Dec. 27, 2021.

Rule [560-7-8-.56](#) amended. F. Jan. 13, 2022; eff. Feb. 2, 2022.

Rule [560-8-1-.11](#) amended. F. Feb. 10, 2022; eff. Mar. 2, 2022.

Subject 560-13-3 entitled "Transportation Services Tax" adopted. F. Mar. 25, 2022; eff. Apr. 14, 2022.

Rules [560-11-14-.01](#), [560-11-16-.02](#), [.03](#), [.05](#) amended, Appendix 560-11-16-A entitled "Qualified Timberland Property Appraisal Manual 2022" adopted. F. Mar. 31, 2022; eff. Apr. 20, 2022.

Subjects 560-12-18, 560-2-19, repealed in their entirety. F. Apr. 26, 2022; eff. May 16, 2022.

Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. May 4, 2022; eff. May 24, 2022.

Subject 560-10-15 entitled "Digital License Plates" adopted. F. June 1, 2022; eff. June 21, 2022.

Rules [560-7-8-.20](#), [.64](#) amended. F. June 27, 2022; eff. July 17, 2022.

Rule [560-7-8-.50](#) amended. F. July 29, 2022; eff. Aug. 18, 2022.

Rule [560-7-8-.57](#) amended. F. Sep. 14, 2022; eff. Oct. 4, 2022.

Rule [560-11-16-.05](#) and Appendix 560-11-16-A amended. Subject 560-11-16 title changed from "Table of Forest Land Protection Act Land Use Values" to "Qualified Timberland Property." F. Oct. 4, 2022; eff. Oct. 24, 2022.

Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. Mar. 3, 2023; eff. Apr. 2, 2023.

Rules amended: [560-2-1-.01](#), .03 through .05; [560-2-2-.01](#), .03 through .07, .09, .10, .11, [560-2-2-.13](#) through .23, .25, .27 through .35, .67; [560-2-3-.01](#) through .17; [560-2-4-.01](#) through .11; [560-2-5-.01](#), .02, .04, .05, .06, .08 through .11; [560-2-6-.01](#); [560-2-7-.02](#), .03; [560-2-8-.01](#) through .03; [560-2-9-.01](#) through .04; [560-2-10-.01](#) through .06; [560-2-12-.01](#) through .06; [560-2-13-.01](#) through .04; [560-2-14-.01](#); [560-2-15-.01](#) through .06; [560-2-16-.05](#). Rules repealed: [560-2-1-.02](#), [560-2-5-.07](#), [560-2-17-.05](#). F. May 31, 2023; eff. June 20, 2023.

Chapter 560-2 title changed from "Alcohol and Tobacco Tax Unit" to "Alcohol and Tobacco Division;" Subject 560-2-5 title changed from "Alcohol and Tobacco Division" to "Manufacturers, Shippers, Importers, & Brokers," Subject 560-2-9 title changed from "Alcoholic Beverage License Hearings" to "Wine." F. June 7, 2023; eff. June 20, 2023, as specified by the Agency. **Note:** All amendments to the aforementioned chapter and subject titles to become effective June 20, 2023, to correspond with the effective date of Chapter 560-2 amendments, rule title changes, and repeals filed on May 31, 2023.

Rules [560-7-8-.47](#), [.56](#) amended. F. May 31, 2023; eff. June 20, 2023.

Rule [560-7-8-.68](#) adopted. F. June 1, 2023; eff. June 21, 2023.

Rule [560-7-8-.69](#) adopted. F. July 10, 2023; eff. July 30, 2023.

Note: Rule [560-2-2-.25](#), correction of non-substantive typographical error in Authority, "*Authority: O.C.G.A. §§ [3-2-2](#), [3-2-23](#), [48-2-12](#).*" corrected to "*Authority: O.C.G.A. §§ [3-2-2](#), [3-3-23](#), [48-2-12](#).*" (i.e., "3-2-23" corrected to "3-3-23"), as requested by the Agency. Effective September 5, 2023.

Note: Rule [560-2-3-.12](#), correction of non-substantive typographical errors in paragraph (9), "... pursuant to O.G.C.A. [3-15-2\(9\)](#)," and "... purposes of O.G.C.A. § [3-15-2\(3\)](#)," corrected to "... pursuant to O.G.C.A. [3-15-2\(9\)](#)," and "... purposes of O.G.C.A. § [3-15-2\(3\)](#)," respectively (i.e., "O.G.C.A." corrected to "O.C.G.A."), as requested by the Agency. Effective September 5, 2023.

Rule [560-12-2-.117](#) amended. F. Oct. 16, 2023; eff. Nov. 5, 2023.

Rule [560-12-2-.117](#) amended. F. Jan. 17, 2024; eff. Feb. 6, 2024.

Rules [560-2-2-.01](#), [.02](#), [560-2-3-.02](#) amended. F. Jan. 19, 2024; eff. Feb. 8, 2024.

Rules [560-11-6-.09](#), [560-11-11-.12](#) amended. F. Jan. 22, 2024; eff. Feb. 11, 2024.

Subject 560-10-23 entitled "Multipurpose Off-Highway Vehicles" adopted. F. Feb. 6, 2024; eff. Feb. 26, 2024.

Rule [560-7-8-.60](#) amended. F. Apr. 8, 2024; eff. Apr. 28, 2024.

Chapter 560-1. ADMINISTRATIVE UNIT.

Subject 560-1-1. ORGANIZATION.

Rule 560-1-1-.01. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.01

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Creation of Department of Revenue Administrators" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.02. Division Organization.

- (1) The Department of Revenue is responsible for administering and enforcing the revenue laws of the state, under the direction of the State Revenue Commissioner. The Commissioner is also responsible for the administration of Georgia laws relating to alcoholic beverages, tobacco, and motor vehicle registrations, licenses, and titles.
- (2) The Commissioner has established several divisions of the Department to facilitate the administration of its duties, pursuant to O.C.G.A. § [48-2-6](#). Each division is led by a director and is further subdivided into sections, pursuant to O.C.G.A. § [50-4-2](#).
- (3) The Department's divisions and their respective responsibilities are as follows:
 - (a) **Alcohol & Tobacco.** This division administers and enforces alcohol, tobacco, and motor fuel tax laws. The division reviews and issues licenses, promotes voluntary compliance, provides law enforcement services, and collects and audits excise taxes.

- (b) **Audits.** This division audits both individual and business taxpayers. It audits and appropriately assesses corporate income tax, sales and use tax, individual income tax, withholding tax, non-resident withholding tax, tax of pass-through entities, international fuel tax, International Registration Program compliance, film withholding, motor fuel tax, and other tax types. It also administers Voluntary Disclosure Agreements.
- (c) **Commissioner's Office.** This division assists the Commissioner, as chief executive of the Department, in the administration of the Department. The Deputy Commissioner oversees the Department's discharge of duties as designated by the Commissioner, pursuant to O.C.G.A. § [48-2-5](#). The division also handles Open Records Act requests and media inquiries.
- (d) **Collections.** This division oversees, promotes, and ensures taxpayers' voluntary compliance with Georgia tax requirements. The division issues assessments and other notices of liabilities, assists and educates taxpayers, resolves taxpayers' problems, and collects delinquent taxes.
- (e) **Finance.** This division provides administrative services to the Department by overseeing and accounting for the Department's resources. The division also provides comprehensive personnel services to the Department.
- (f) **Information Technology.** This division develops, enhances, maintains, and secures the Department's computer applications, associated infrastructure, and information. The division also facilitates the exchange of information with the public. The division is also responsible for overseeing the retention of Department records.
- (g) **Legal Affairs & Tax Policy.** This division provides legal and tax policy guidance to the Department divisions, taxpayers, and state officials. It also provides counsel on day-to-day affairs of the Department and issues written guidance to assist taxpayers in complying with the laws that the Department administers. The division also serves as the Department's liaison for all judicial proceedings.
- (h) **Local Government Services.** This division oversees local tax administration by training local officials, reviewing tax digests, overseeing local tax administration, and distributing funds to the local governments. The division also administers unclaimed property.
- (i) **Motor Vehicles.** This division administers the registration, licensing, and titling of motor vehicles in Georgia and partners with Georgia counties to facilitate applications and payments for title and vehicle registrations and license plates.
- (j) **Office of Special Investigations.** This division investigates and collects evidence of violations of the tax and motor vehicle title and registration laws, and enforces criminal and civil sanctions for violations of such laws.

- (k) **Processing.** This division processes tax returns and supporting documentation received either by mail or electronically.
 - (l) **Taxpayer Services.** This division provides support to taxpayers by answering questions, resolving problems, registering new taxpayers, and resolving protests.
- (4) All legal notices should be directed to the Commissioner at the Department of Revenue headquarters: 1800 Century Boulevard, Atlanta, GA 30345.
- (5) Records available for public inspection are available at the Department of Revenue headquarters: 1800 Century Boulevard, Atlanta, GA 30345.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.02

Authority: O.C.G.A. §§ [3-2-1](#), [40-2-11](#), [40-3-3](#), [48-2-6](#), [48-2-7](#), [48-2-12](#), [50-3-13](#).

History. Original Rule entitled "Unit Organization" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Aug. 5, 1970; eff. Aug. 25, 1970.

Repealed: New Rule of same title adopted. F. Jan. 15, 1975; eff. Feb. 4, 1975.

Repealed: New Rule entitled "Division Organization" adopted. F. Dec. 16, 1976; eff. Jan. 5, 1977.

Repealed: New Rule of same title adopted. F. Nov. 14, 1979; eff. Dec. 4, 1979.

Repealed: New Rule of same title adopted. F. June 4, 1985; eff. June 24, 1985.

Amended: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.03. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.03

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Administrative Unit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Jan. 15, 1975; eff. Feb. 4, 1975.

Repealed: New Rule entitled "Administrative Division" adopted. F. Dec. 16, 1976; eff. Jan. 5, 1977.

Repealed: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.04. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.04

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Request for Information" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Jan. 15, 1975; eff. Feb. 4, 1975.

Repealed: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.05. Inspection of Records.

Most records that the Department of Revenue maintains are confidential pursuant to O.C.G.A. § [48-2-15](#) and § [48-7-60](#), and are not public records available for inspection by the public. Rules, statements of policy, interpretations, final orders, and decisions which are public, may be

inspected during business hours at the Department of Revenue's headquarters in Atlanta, Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.05

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-15](#), [48-7-60](#), [50-13-3](#).

History. Original Rule entitled "Inspection of Records" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.06. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.06

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Motor Vehicle Interstate Reciprocity" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.07

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Jewelry Public Auction License" adopted. F. and eff. June 30, 1965.

Repealed: F. July 6, 2006; eff. July 26, 2006.

Rule 560-1-1-.08. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.08

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Motor Field Inspection" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.09. Procedure to Petition for the Adoption of Rules.

- (1) **Purpose.** To prescribe the procedure for an interested person desiring to petition the Department of Revenue requesting the promulgation, amendment, or repeal of a rule pursuant to Section 9 of the Georgia Administrative Procedure Act.
- (2) **Submission.**
 - a. The petitioner shall submit a petition in writing to the State Revenue Commissioner.
 - b. The petition shall state fully:
 - i. The rule involved, and

- ii. The reason for the desired change.
- (3) **Consideration.** The Commissioner shall consider all information in the petition when rendering a determination.
- (4) **Disposition.** Within 30 days after submission of a petition, the Department will notify the petition in writing of its disposition of the request.
 - a. **Denial.** If the Department denies the request, it will send such denial to the taxpayer, stating its reasons for the denial.
 - b. **Grant.** If the Department does not deny the request, it will initiate the rule-making proceedings in accordance with the Georgia Administrative Procedure Act.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.09

Authority: O.C.G.A. §§ [48-2-12](#), [50-13-1](#), [50-13-9](#).

History. Original Rule entitled "Procedure to Petition for the Adoption of Rules" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.10. Letter Rulings.

- (1) **Purpose.** The purpose of this regulation is to prescribe the guidelines and procedures of the Department for the submission of letter ruling requests and the issuance, redaction, and public disclosure of letter rulings on specific issues interpreting and applying Georgia tax laws and regulations. Letter rulings issued pursuant to this rule constitute declaratory rulings pursuant to O.C.G.A. §§ [48-2-15.2](#) and [50-13-11](#).
- (2) **Definitions.**
 - (a) "Declaratory ruling" means the disposition of a petition filed pursuant O.C.G.A. § [50-13-11](#).
 - (b) "Informal advice" includes, but is not limited to, any oral or written comments, assistance, or advice provided by the Department in response to questions submitted on an informal basis.
 - (c) "Letter ruling" or "ruling" means a written determination that is issued to a taxpayer by the Commissioner in response to such taxpayer's written inquiry about the taxpayer's status for tax purposes or tax effects of acts or transactions, and is based on applying the tax statutes, regulations, or other legal authority to such taxpayer's specific set of facts.

(3) **Subject Matter of Letter Rulings.** The Department issues letter rulings on the tax effects of specific acts or transactions. A letter ruling request must be based on a specific fact situation and specific parties.

(a) **Ineligible Requests.** The Department will not issue letter rulings in regard to:

1. Alternative tax treatments or hypothetical situations or questions;
2. Notices of proposed or official assessments or decisions thereon;
3. Decisions on refund claims, offers in compromise, installment payment agreement requests, voluntary disclosure or closing agreements, or applications to waive penalty or interest;
4. Matters scheduled for or currently under audit, currently under protest or appeal, or related to pending or ongoing litigation;
5. Questions involving nexus or residency of a taxpayer;
6. Questions clearly answered by the tax statutes, regulations, or other legal authority; or
7. Federal tax matters, unless the request concerns differences in treatment for federal and state purposes.

(b) **Department's Discretion.** The Department may decline to issue a letter ruling whenever warranted by the facts and circumstances of the particular request.

(c) **Notice.** The Department will notify the requesting taxpayer that the request is not eligible for a letter ruling.

(4) **Procedure to Request a Letter Ruling.**

(a) **Written Requests.** Letter ruling requests must be made in writing and must be from a specific taxpayer or that taxpayer's representative. The Department will not issue letter rulings in response to oral requests.

(b) **Address.** Letter ruling requests may be submitted via mail to the Georgia Department of Revenue, Legal Affairs & Tax Policy, 1800 Century Blvd NE, Suite 15000, Atlanta, Georgia 30345 or via email to tax.policy@dor.ga.gov.

(c) **Contents.** A letter ruling request must contain all relevant facts and information, including the following information:

1. **Taxpayer Identification:**

(i) Name,

- (ii) Mailing address,
 - (iii) Telephone number,
 - (iv) E-mail address,
 - (v) Taxpayer identification number of the taxpayer making the request,
and
2. **Preferred Communication.** Taxpayer's preferred method of receiving notifications regarding the letter ruling (letter or email).
 3. **Power of Attorney.** If the taxpayer is represented by a third party, the third party must submit a signed Power of Attorney.
 4. **Facts.** The request must contain a complete statement of all relevant facts, including details of the entire transaction at issue, even if the request pertains to only a portion of that transaction. The statement of facts must outline facts contained in supporting documentation, and must not be merely incorporated by reference.
 5. **Evidentiary Documentation.** The request must include true copies of all relevant documents and an analysis of their bearing on the issue(s), specifying pertinent provisions. All documents submitted will become part of the Department's file and will not be returned to the taxpayer.
 6. **Taxpayer's Position on Issue Posed.** The request should indicate the taxpayer's position on the issue(s), including references to all relevant statutes, regulations, court decisions, or other written guidance, whether in support of or contrary to that position. Even if the taxpayer is not urging a particular outcome, the taxpayer should state the taxpayer's views on the issue and reference relevant authorities.
 7. **Other Jurisdiction's Rulings.** If applicable, the request must include a statement that a ruling or determination has been, is being, or will be sought or has already been issued by another taxing authority or court on the same issue or transaction underlying the request. If another taxing authority or court has issued a ruling or determination, the request should include a copy of that ruling or determination.
 8. **Expedition.** If requesting expedited treatment, the request must include a statement requesting an expedited ruling and the reasoning for such request. See paragraph (11) for reasons justifying an expedited request.

9. **Redaction.** If requesting redactions of the public letter ruling in addition to those outlined in subparagraph (9)(a), the request should include a second copy of the request with the proposed redactions indicated by use of brackets.
 10. **Mandatory Representations.** Specific representations by the taxpayer making the request, certifying that:
 - (i) The taxpayer is not currently under audit by the Department;
 - (ii) The taxpayer has not been notified by the Department of a pending audit;
 - (iii) The taxpayer has not submitted a claim for refund involving transactions or issues contained in the request; and
 - (iv) The issues contained in the request are not currently the subject of litigation.
- (d) **Acknowledgement of Request.** The Department will notify the requesting taxpayer of its receipt of the letter ruling request. If expedited treatment was requested, the notification will address whether this request is granted.
1. **Requests for Additional Information.** If the Department receives a request that is missing required information or documents or the Department requires additional information or documents to address the request, the Department will notify the taxpayer in writing of the missing or additional information or documents. The taxpayer must provide the requested information or documents in accordance with the instructions in the notification within 30 days or the Department will close the request. The taxpayer may resubmit the request along with the missing or additional information or documents at any time.
- (e) If, prior to the issuance of a letter ruling, a taxpayer is notified of a pending audit by the Department, the taxpayer shall inform the auditor of the outstanding letter ruling request.
- (5) **Withdrawal of Requests.** A taxpayer may withdraw a letter ruling request in whole or in part at any time prior to the Department's issuance of the ruling. The withdrawal must be submitted in writing to the address in subparagraph (4)(b). The Department will retain all documents and information submitted and may consider any such documents or information in subsequent audits or examinations of the taxpayer's returns.
 - (6) **Disposition of Letter Rulings.** Letter ruling requests will be completed in the order received, unless a request is granted expedited treatment. The Department will respond to

all requests promptly, but timing will vary based on the volume of pending requests and the scope and complexity of the request. Rulings will be sent to the taxpayer.

- (a) **Letter Ruling Contents.** Letter rulings will contain a statement of facts, an explanation of the law, and the application of the law to the facts.

(7) **Effect of Rulings.**

- (a) **No Precedent.** A letter ruling has no precedential value except to the taxpayer to whom the ruling was issued and only for the specific fact situation or transaction addressed in the ruling. A taxpayer may not rely on a ruling issued to another taxpayer.
- (b) **Taxpayer's Reliance.** A taxpayer may rely on a ruling issued to that taxpayer unless and until the ruling is invalidated.

(8) **Publication and Public Inspection of Rulings.** Letter rulings will be posted, in a redacted format, on the Department's website and made available in hard copy format for public inspection at the Department's headquarters. Any person wanting to inspect letter rulings should contact the Department to arrange a mutually convenient time during regular business hours to inspect the letter rulings. Any copies of letter rulings provided will be subject to a per page copying charge not to exceed ten cents per letter-sized page.

- (a) **Exception.** If the Department determines redaction of a letter ruling cannot sufficiently protect the identity of the requesting taxpayer or related parties, the letter ruling will not be published or made available for inspection.

(9) **Redaction of Letter Rulings.**

- (a) **Redacted Information.** Prior to making a letter ruling public, the Department will redact:
 - 1. Names, mailing addresses, telephone numbers, email addresses, taxpayer identification numbers, and other identifying details of the taxpayer making the request and all other identified parties;
 - 2. Tax return information;
 - 3. Information required by federal or state statute or regulation to be kept confidential; and
 - 4. Other information as the Department deems appropriate.
- (b) **Taxpayer's Proposed Redactions.** If a taxpayer wishes to have additional information not listed in section (a) of this paragraph redacted, the taxpayer should include a copy of the proposed redactions along with the original request.

- (c) **Taxpayer's Review.** Prior to making a letter ruling public, the Department will provide the taxpayer to whom the ruling is issued the proposed redacted version of the ruling. The taxpayer must respond to the proposed redacted ruling with any additional redactions and an explanation for such redactions within 30 days of receipt of the proposed redacted version. The Department will take into consideration the taxpayer's proposed redactions but will make the final determination as to the contents of the public version of the ruling. If the Department receives no response from the taxpayer within the 30-day period, the Department's proposed redacted version of the ruling will be made public.

(10) **Invalidation of Letter Rulings.**

- (a) **Causes.** A letter ruling may become invalid because of a change in law or policy.
- (b) **Automatic Invalidation.** A letter ruling may become invalid by operation of law through either a change in statute or regulation or an order of a court or tribunal with jurisdiction over the Department.
- (c) **Invalidation through Administrative Discretion.** A letter ruling may become invalid due to an opinion of the Attorney General or an administrative change to the Department's policies.
- (d) **Good Faith Reliance.** A taxpayer who acts in reliance on a ruling that is later invalidated will be deemed to have acted in good faith.
- (e) **Material Deviation from Facts Presented.** A letter ruling request that reflects facts that vary materially from those detailed in the request or a transaction is not carried out substantially as proposed in the request is invalid. If the Department learns of such deviation, it will issue a revocation or modification of the original letter ruling. This revoked or modified letter ruling will serve as notice that the taxpayer may not rely on the original letter ruling.

(11) **Expedited Letter Ruling.** Expedited letter rulings are rare and will only be granted in unusual cases.

- (a) **Treatment.** If a letter ruling is expedited, it means that a request is processed ahead of requests received before it. If expedited treatment is granted, the Department cannot guarantee that the letter ruling will be processed by the date requested.
- (b) **Qualification.** Expedited treatment is granted only if the requesting taxpayer needs to obtain a letter ruling before a certain date to avoid serious consequences, the taxpayer submitted the request as promptly as possible, and the taxpayer could not have anticipated the need for such letter ruling earlier.

- (c) **Procedure.** A statement requesting expedited handling should be submitted with the letter ruling request and include an explanation of the need for the expedited treatment, a representation that the taxpayer filed the request as promptly as possible, and the requested date for the letter ruling's issuance.
 - (d) **Denial.** If the Department does not grant a request for expedited letter ruling, it will notify the taxpayer.
- (12) **Inapplicability.**
- (a) **Informal Advice to Taxpayers.** Informal advice is not binding on the Department.
 - (b) **Other Rulings and Guidance.** This rule shall not apply to declaratory judgments sought pursuant to O.C.G.A. § [50-13-10](#).

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.10

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-15.2](#), [50-13-11](#).

History. Original Rule entitled "Procedure for Declaratory Rulings" adopted. F. and eff. June 30, 1965.

Amended: New title "Letter Rulings." F. Jan. 14, 2016; eff. Feb. 3, 2016.

[Rule 560-1-1-.11. \[Repealed\]](#)

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.11

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Taxpayers Demand for Hearing" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 14, 2016; eff. Feb. 3, 2016.

[Rule 560-1-1-.12. Informal Conference.](#)

- (1) Upon receipt of a written request for a conference as statutorily authorized pursuant to O.C.G.A. §§ [48-2-35](#) or [48-2-46](#), the Department will schedule an informal conference at a time and in a manner convenient for both the taxpayer and the Department.
- (2) Informal conferences are conducted in person or by telephone, audio or video teleconference, or other electronic media. Conferences held in person will be held at the Department of Revenue headquarters at 1800 Century Boulevard NE, Atlanta, Georgia, 30345.
- (3) Informal conferences will be held by a Department employee authorized in writing by the Commissioner to conduct such conferences.
- (4) An informal conference is not a hearing as defined in the Georgia Administrative Procedure Act, and will not prejudice the rights of any taxpayer or the Department.

Conferences do not follow the rules of evidence and no formal record of the conference will be made.

- (5) The taxpayer should submit all documentation, relevant facts, and positions prior to the conference, either with the written request for the conference or to the Department employee who schedules the conference.
- (6) The taxpayer may be represented by an attorney, accountant, or other third party at the conference, but the third party must submit a signed Power of Attorney to act on the taxpayer's behalf or receive information relating to the taxpayer without the taxpayer present.
- (7) The Department does not make a determination at the conference but will issue a written ruling after reviewing, researching, and discussing all relevant facts, documents, and law. The Department may contact the taxpayer with additional questions, or if necessary, to schedule another conference.
- (8) If the Department believes that a conference will result in delay so as to jeopardize the Department's ability to assess or collect tax, the Department will issue a written determination of such finding and its final ruling on the underlying matter.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.12

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-35](#), [48-2-46](#), [48-2-47](#).

History. Original Rule entitled "Informal Conference" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.13. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.13

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Rule 560-1-1-.14. Electronic Signature and Remote Notary.

(1) Definitions

- (a) "Electronic Signature" means a typed name; a scanned or digitized image of a handwritten signature; a code, password, or PIN; a handwritten signature input on an electronic signature pad; a handwritten signature, mark, or command input on a display screen by means of a stylus or device; or other such electronic indication of intent to sign that also meets the following requirements:

1. The electronic signature is executed or adopted in a manner that shows the signer's intent to sign;
 2. The electronic signature is attached to or associated with the electronic document that is being signed;
 3. The electronic signature identifies and authenticates an individual as the signer and source of the electronic document;
 4. The electronic signature is linked to the document and cannot be excised, copied, or otherwise transferred to falsify an electronic document; and
 5. The electronic signature is tamper-proof to ensure that the signature applied to or associated with one document is not applied to or associated with another document.
- (b) "Remote Notarization" means a notarization that has been performed remotely and also meets the following requirements:
1. The notary public uses real-time audio-video communication technology or any similar real-time means of electronic video conferencing that allows the parties to communicate with each other simultaneously by sight and sound in order to notarize signatures.
 2. The notary public is an attorney licensed to practice law in the State of Georgia or is operating under the supervision of an attorney licensed to practice law in the State of Georgia. "Supervision" means that the notary public is an employee, independent contractor, agent, or other representative of an attorney or an attorney observes the execution of documents either in-person or via the real-time audio-video communication technology.
 3. The signer requiring the notary presents satisfactory evidence of identity as required in O.C.G.A. § [45-17-8](#) while connected to the real-time audio-video communication technology.
 4. The notary public is physically located in the State of Georgia.
 5. The signer transmits a copy of the signed document to the notary public on the same date it was executed for execution by the notary.

(2) Acceptance of Electronic Signatures

- (a) In addition to the documents authorized for electronic signature in Ga. Comp. R. & Reg. § [560-3-2-.27](#), taxpayers and authorized third party representatives may submit electronic signatures on certain forms and documents authorized by the

Commissioner through Department regulations, publications, policy bulletins, or other documents accepted as Department guidance.

(3) Acceptance of Remote Notarizations

- (a) The Department will accept remote notarizations on documents that require a notary and are authorized by the Commissioner through Department regulations, publications, policy bulletins, or other documents accepted as Department guidance.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.14

Authority: O.C.G.A. §§ [48-2-12](#), [10-12-1](#) *et seq.*

History. Original Rule was filed on June 30, 1965.

Repealed: F. Jan. 14, 2016; eff. Feb. 3, 2016.

Adopted: New Rule entitled "Electronic Signature and Remote Notary." F. Jan. 21, 2021; eff. Feb. 10, 2021.

Rule 560-1-1-.15. Notice of Dissolution of Corporation.

- (1) Section 22-1305 of the Code of Georgia of 1933 as amended by Section 7 of Act 1265 of the 1970 Session of the General Assembly of Georgia, approved March 21, 1970, requires that the statement of intent to dissolve, whether by written consent of the shareholders or by act of the corporation, shall be delivered to the Secretary of State for filing as provided in Section 22-105, and that copy of said statement shall be filed with the State Revenue Commissioner.
- (2) Section 22-1416(d) of the Code of Georgia of 1933, as amended by Section 6 of Act 1265 of the 1970 Session of the General Assembly of Georgia, approved March 21, 1970, requires on the dissolution of a foreign corporation a notice from the State Revenue Commissioner to the effect that the corporation has met the requirements with respect to reports and taxes established by the revenue laws of the State.
- (3) The notice required by Section 22-1416(d) will be issued only upon written request of the taxpayer corporation directed to the State Revenue Commissioner. The request for notice must specify to whom notice, if issued, should be delivered; provided, however, that such notice, if issued, will be delivered only to the taxpayer corporation, or to its agent or attorney designated in writing to receive such notice.
- (4) If, upon examination of all records of the Department, the taxpayer corporation has met all the requirements of the revenue laws of this State, the following notice will be issued by the State Revenue Commissioner:

"NOTICE

On the Dissolution of:

Whereas: Section 22-1416(d) of the Code of Georgia of 1933 as amended, particularly as amended by Section 6 of Act 1265 of the 1970 Session of the General Assembly of Georgia, approved March 12, 1970, requires a notice from the State Revenue Commissioner upon dissolution of a foreign corporation; and

Whereas: The above named corporation has in writing applied to the State Revenue Commissioner for such notice;

Now, Therefore, The undersigned, in his official capacity as State Revenue Commissioner hereby gives notice that the above named corporation has of this date met the requirements with respect to reports and taxes established by the revenue laws of this State that are administered by the State Revenue Commissioner. To the extent provided by law the tax reports and returns of the above named corporation which are due under the tax laws administered by the State Revenue Commissioner remain subject to audit and assessment and this notice does not in any respect waive those provisions of law. Given in my official capacity, this ____ day of _____, 19__.

State Revenue Commissioner."

- (5) If the notice required by Section 22-1416(d) cannot be issued because the taxpayer corporation has not met the requirements of the revenue laws of this State, then the taxpayer corporation will be notified of that fact.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.15

Authority: Sections 22-1313, 22-1305 and 22-1416(d) Code of Georgia of 1933 as amended by Sections 1, 6 and 7 of Act 1265 of the 1970 Session of the General Assembly of Georgia, approved March 21, 1970, effective April 1, 1970.

History. Original Rule was filed on August 7, 1969; effective August 26, 1969.

Amended: Filed March 17, 1972; effective April 6, 1972.

Rule 560-1-1-.16. Regulations: Reference to Title 91A, Public Revenue.

Any reference in the rules and regulations of the Department of Revenue (Chapter 560) to any provision of Georgia Code Title 92 or to any other provision of law which is codified on December 31, 1979, as a part of Georgia Code Annotated Title 92 shall be deemed, on and after January 1, 1980, to be a reference to the same provision as it appears in Georgia Code Title 91A or to that provision of Georgia Code Title 91A which has been substituted for the provision to which the original reference is made. The provisions of this paragraph shall not apply to any reference to any Act relating to the regulation and licensing of the operation of non-profit bingo games and other matters relative thereto, approved March 30, 1977 (Ga. L. 1977, p. 1164) as amended.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.16

Authority: Ga. L. 1937-38, Extra Sess., p. 77, 85 (Ga. Code Ann. Secs. 92-8405, 92-8409); Ga. L. 1978, p. 318, as amended by Ga. L. 1979, p. 9 (Ga. Code Ann., Sec. 91A-207); Ga. L. 1978, p. 323 (Ga. Code Ann. Sec. 91A-215).

History. Original Rule entitled "Regulations: Reference to Title 91A, Public Revenue (Effective January 1, 1980)" was filed on January 7, 1980; effective January 27, 1980.

Rule 560-1-1-.17. Regulations: Clarification of Regulations in Force.

- (1) This regulation is promulgated to clarify the meaning and intent of Regulation [560-1-1-.16](#), to further effectuate the legislative intent behind the Georgia Public Revenue Code's recodification of the tax laws, and to further aid in the smooth transition from the prior tax laws to the recodification and modification of those laws by the Georgia Public Revenue Code.
- (2) All regulations of the State Revenue Commissioner and Department of Revenue in force on December 31, 1979 are hereby repromulgated effective January 1, 1980. It is the purpose and intent that the regulations in effect prior to the effective date of the Public Revenue Code continue in effect, to the full extent authorized under the Public Revenue Code, from January 1, 1980 until subsequently, specifically amended. It is the intent of the Revenue Department to review prior regulations in light of the Public Revenue Code and to insure appropriate transition hereby during the time required to accomplish the review.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.17

Authority: Ga. Code Ann. Sec. 91A-215.

History. Original Rule entitled "Regulations: Clarification of Regulations in Force" was filed on June 10, 1980; effective June 30, 1980.

Rule 560-1-1-.18. Mandatory Disclosure of Social Security Numbers.

The Commissioner may require the disclosure of social security numbers in connection with the administration of any tax, beverage alcohol, or motor vehicle registration law within his jurisdiction for the purpose of establishing the identification of individuals affected by such law, and for all other lawful purposes.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.18

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [3-2-2](#); [5 U.S.C. Sec. 552\(a\)](#), Note, Section 7(a)(2); [42 U.S.C. Sec. 405\(c\)\(2\)\(C\)\(i\)](#).

History. Original Rule entitled "Mandatory Disclosure of Social Security Numbers" was filed on May 28, 1986; effective June 17, 1986.

Rule 560-1-1-.19. Electronic Record Keeping and Retention.

- (1) **Purpose.** The purpose of this regulation is to define the requirements imposed on taxpayers for the maintenance and retention of books, records, and other sources of information under O.C.G.A. §§ [3-3-6](#), [48-7-2](#), [48-7-111](#), [48-8-52](#), [48-9-8](#), [48-9-9](#), [48-9-40](#), [48-11-5](#) and [48-11-11](#). It is also the purpose of the regulation to address these requirements where all or a part of the taxpayer's records are received, created, maintained or generated through various computer, electronic and imaging processes and systems.
- (2) **Definitions.** For the purposes of this regulation, these terms shall be defined as follows:
- (a) "Database Management System" means a software system that controls, relates, retrieves and provides accessibility to data stored in a database.
 - (b) "Electronic data interchange" or "EDI technology" means the computer-to-computer exchange of business transactions in a standardized structured electronic format.
 - (c) "Hard copy" means any documents, records, reports or other data printed on paper.
 - (d) "Machine-sensible record" means a collection of related information in an electronic format. Machine-sensible records do not include hard-copy records that are created or recorded on paper or stored in or by an imaging system such as microfilm, microfiche or storage-only imaging systems.
 - (e) "Storage-only imaging system" means a system of computer hardware and software that provides for the storage, retention and retrieval of documents originally created on paper. It does not include any systems, or part of a system, that manipulates or processes any information or data contained on the document in any manner other than to re-produce the document in hard copy or as an optical image.
 - (f) "Taxpayer" as used in this regulation means every person as defined under O.C.G.A. §§ [48-1-2\(18\)](#) and [48-1-2\(25\)](#).
- (3) **Record Keeping Requirements: General.**
- (a) A taxpayer shall maintain all records that are necessary to a determination of the correct tax liability under O.C.G.A. Chapters 3- 3, 48-7, 48-8, and 48-9. All required records must be made available on request by the Department of Revenue or its authorized representatives as provided for in O.C.G.A. §§ [48-7-2](#), [48-8-52](#), [48-9-8](#), [48-9-9](#), and [48-9-40](#). Such records shall include but not necessarily be limited to: suitable records of the sales and purchases taxable under O.C.G.A. Chapter 48-8 and other books of account which are necessary to determine the amount of tax due, merchandise purchased (including all bills of lading, invoices and purchase orders), a record of all deductions and exemptions claimed in filing sales or use tax returns including exemption and resale certificates, and a record of all tangible personal property used or consumed in the conduct of the business;

suitable records under O.C.G.A. Chapter 48-7 for the purpose of computation of the income tax including accurate records of all income records including but not limited to invoices, bills of sale, bills of lading, exemptions, and other papers related to all motor fuel received, sold, delivered, or used within this state and all motor fuel exported from this state.

- (b) If a taxpayer retains records required to be retained under this regulation in both machine-sensible and hard-copy formats, the taxpayer shall make the records available to the Department of Revenue in machine-sensible format upon the request of the Department of Revenue.
- (c) Nothing in this regulation shall be construed to prohibit a taxpayer from demonstrating tax compliance with traditional hard-copy documents or reproductions thereof, in whole or in part, whether or not such a taxpayer also has retained or has the capability to retain records on electronic or other storage media in accordance with this regulation. However, this subsection shall not relieve the taxpayer of the obligation to comply with paragraph (3)(b) of this regulation.

(4) Record Keeping Requirements Machine-Sensible Records.

(a) General Requirements.

1. Machine-sensible records used to establish tax compliance shall contain sufficient detail information so that the details underlying the machine-sensible records can be identified and made available to the Department of Revenue upon request. A taxpayer has discretion to discard duplicated records and redundant information provided its responsibilities under this regulation are met.
2. At the time of an examination, the retained records must be capable of being retrieved and converted to a standard record format.
3. Taxpayers are not required to construct machine-sensible records other than those created in the ordinary course of business. A taxpayer who does not create the electronic equivalent of a traditional paper document in the ordinary course of business is not required to construct such a record for tax purposes.

(b) Electronic Data Interchange Requirements.

1. Where a taxpayer uses electronic data interchange processes and technology, the level of record detail, in combination with other records related to the transactions, must be equivalent to that contained in an acceptable paper record. For example, the retained records should contain such information as vendor name, invoice date, product description, quantity purchased, price, amount of tax, indication of tax status, shipping

detail, etc. Codes may be used to identify some or all of the data elements, provided that the taxpayer provides a method which allows the Department of Revenue to interpret the coded information.

2. The taxpayer may capture the information necessary to satisfy paragraph (4)(b)1. of this regulation at any level within the accounting system and need not retain the original EDI transaction records provided the audit trail, authenticity and integrity of the retained records can be established. For example, a taxpayer using electronic data interchange technology receives electronic invoices from its supplier. The taxpayer decides to retain the invoice data form completed and verified EDI transactions in its accounts payable system rather than to retain the EDI transactions themselves. Since neither the EDI transaction nor the accounts payable system captures information from the invoice pertaining to product description and vendor name (i.e., they contain only codes for that information), the taxpayer also retains other records, such as its vendor master file and product code description lists and makes them available to the Department of Revenue. In this example, the taxpayer need not retain its EDI transaction for tax purposes.

(c) **Electronic Data Processing Systems Requirements.** The requirements for an electronic data processing accounting system should be similar to that of a manual accounting system, in that an adequately designed accounting system should incorporate methods and records that will satisfy the requirements of this regulation.

(d) **Business Process Information.**

1. Upon the request of the Department of Revenue, the taxpayer shall provide a description of the business process that created the retained records. Such description shall include the relationship between the records and the tax documents prepared by the taxpayer and the measures employed to ensure the integrity of the records.
2. The taxpayer shall be capable of demonstrating:
 - (i) the functions being performed as they relate to the flow of data through the system;
 - (ii) the internal controls used to ensure accurate and reliable processing;
and
 - (iii) the internal controls used to prevent unauthorized addition, alteration, or deletion of retained records.

3. The following specific documentation is required for machine sensible records retained pursuant to this regulation:
 - (i) record formats or layouts;
 - (ii) field definitions (including the meaning of all codes used to represent information);
 - (iii) file descriptions (e.g., data set name); and
 - (iv) detailed charts of accounts and account descriptions.

(5) Records Maintenance Requirements.

- (a) The Department of Revenue recommends but does not require that taxpayers refer to the National Archives and Record Administration's (NARA) standards for guidance on the maintenance and storage of electronic records, such as labeling or records, the location and security of the storage environment, the creation of back up copies, and the use of periodic testing to confirm the continued integrity of the records [the NARA standards may be found at 36 Code of Federal Regulations, Part 1234, July 1, 1995, edition.]
- (b) The taxpayer's computer hardware or software shall accommodate the extraction and conversion of retained machine-sensible records.

(6) Access to Machine-Sensible Records.

- (a) The manner in which the Department of Revenue is provided access to machine-sensible records as required in paragraph (3)(b) of this regulation may be satisfied through a variety of means that shall take into account a taxpayer's facts and circumstances through consultation with the taxpayer.
- (b) Such access will be provided in one or more of the following manners:
 1. The taxpayer may arrange to provide the Department of Revenue with the hardware, software and personnel resources to access the machine-sensible records.
 2. The taxpayer may arrange for a third party to provide the hardware, software and personnel necessary to access the machine sensible records.
 3. The taxpayer may convert the machine-sensible records to a standard record format specified by the Department of Revenue, including copies of files, on a magnetic medium that is agreed to by the Department of Revenue.

4. The taxpayer and the Department of Revenue may agree on other means of providing access to the machine-sensible records.

(7) Taxpayer Responsibility and Discretionary Authority.

- (a) In conjunction with meeting the requirements of paragraph (4) of this regulation, a taxpayer may create files solely for the use of the Department of Revenue. For example, if a data base management system is used, it is consistent with this regulation for the taxpayer to create and retain a file that contains the transaction level detail from the data base management system and that meets the requirements of paragraph (4) of this regulation. The taxpayer should document the process that created the separate file to show the relationship between the file and the original records.
- (b) A taxpayer may contract with a third party to provide custodial or management services of the records. Such a contract shall not relieve the taxpayer of its responsibilities under this regulation.

(8) Alternative Storage Media.

- (a) For purposes of storage and retention, taxpayers may convert hard-copy documents received or produced in the normal course of business and required to be retained under this regulation to microfilm, microfiche or other storage-only imaging systems and may discard the original hard-copy documents, provided the conditions of this section are met. Documents which may be stored on these media include, but are not limited to general books of account, journals, voucher registers, general and subsidiary ledgers, and supporting records of details, such as sales invoices, purchase invoices, exemption certificates, and credit memoranda.
- (b) Microfilm, microfiche and other storage-only imaging systems shall meet the following requirements:
 1. Documentation establishing the procedures for converting the hard-copy documents to microfilm, microfiche or other storage-only imaging systems must be maintained and made available on request. Such documentation shall, at a minimum, contain a sufficient description to allow an original document to be followed through the conversion system as well as internal procedures established for inspection and quality assurance.
 2. Procedures must be established for the effective identification, processing, storage, and preservation of the stored documents and for making them available for the period they are required to be retained under paragraph (10) of this regulation.

3. Upon request by the Department of Revenue, a taxpayer must provide facilities and equipment for reading, locating, and reproducing any documents maintained on microfilm, microfiche or other storage-only imaging systems.
4. When displayed on such equipment or reproduced on paper, the documents must exhibit a high degree of legibility and readability. For this purpose, legibility is defined as the quality of a letter or numeral that enables the observer to identify it positively and quickly to the exclusion of all other letters or numerals. Readability is defined as the quality of a group of letters or numerals being recognizable as words or complete numbers.
5. All data stored on microfilm, microfiche or other storage-only imaging systems must be maintained and arranged in a manner that permits the location of any particular record.
6. There is no substantial evidence that the microfilm, microfiche or other storage-only imaging system lacks authenticity or integrity.

(9) Effect on Hard-copy Record Keeping Requirements.

- (a) Except as otherwise provided in this section, the provisions of this regulation do not relieve taxpayers of the responsibilities to retain hard-copy records that are created or received in the ordinary course of business as required by existing law and regulations. Hard-copy records may be retained on a record keeping medium as provided in paragraph (8) of this regulation.
- (b) If hard-copy records are not produced or received in the ordinary course of transacting business (e.g., when the taxpayer used electronic data interchange technology), such hard-copy records need not be created.
- (c) Hard-copy records generated at the time of a transaction using a credit or debit card must be retained unless all details necessary to determine correct tax liability relating to the transaction are subsequently received and retained by the taxpayer in accordance with this regulation. Such details include those listed in paragraph (4)(b)1. of this regulation.
- (d) Computer printouts that are created for validation, control, or other temporary purposes need not be retained.
- (e) Nothing in this section shall prevent the Department of Revenue from requesting hard-copy printouts in lieu of retained machine- sensible records at the time of examination. In the event that extraordinary circumstances exist which prevent the Department of Revenue from utilizing machine sensible records at the time of

examination, nothing in this section shall prevent the Department of Revenue from requiring hard copy printouts in lieu of machine sensible records.

- (10) **Records Retention: Time Period.** All records required to be retained under this regulation shall be preserved pursuant to O.C.G.A. §§ [3-3-6](#), [48-7-2](#), [48-7-111](#), [48-8-52](#), [48-9-8](#), [48-9-9](#), [48-9-40](#), [48-11-5](#) and [48-11-11](#) unless the Department of Revenue has provided in writing that the records are no longer required.

Cite as Ga. Comp. R. & Regs. R. 560-1-1-.19

Authority: O.C.G.A. Secs. [3-3-6](#), [48-2-12](#), [48-7-2](#), [48-7-111](#), [48-8-52](#), [48-9-8](#), [48-9-9](#), [48-9-19](#), [48-9-40](#), [48-11-5](#) and [48-11-11](#).

History. Original Rule entitled "Electronic Record Keeping and Retention" was filed on Jul. 15, 1999; eff. Aug. 4, 1999.

Subject 560-1-2. COLLECTIONS.

Rule 560-1-2-.01. Responsible Party Liability for Trust Fund Taxes.

- (1) **Purpose.** O.C.G.A. § [48-2-52](#) permits the collection of an entity's unpaid trust fund taxes from the party(ies) responsible for collecting, paying over, and accounting for such taxes on behalf of an entity. The Department of Revenue uses this as a collection mechanism when taxes are not fully collected or collectible from the entity itself. This regulation sets forth the Department's policies for determining, assessing, and collecting against a Responsible Party, as well as procedures for protesting a Responsible Party assessment with the Department.
- (2) **Definitions.**
- (a) "Entity" as used in this regulation means any limited liability entity incorporated or organized under Title 14 of the O.C.G.A.
 - (b) "Person" shall have the meaning set forth in O.C.G.A. § [48-1-2\(18\)](#).
- (3) **Trust Fund Taxes.** O.C.G.A. § [48-2-52](#) applies to taxes that are required to be collected and held in trust. In Georgia, trust fund taxes include sales, withholding, and prepaid 911 tax, and may include any amounts that are required to be collected and remitted to the Department.
- (4) **Incorporation of IRS Law.** O.C.G.A. § [48-2-52](#) mirrors the federal responsible party statute, I.R.C. § 6672. Responsible Party liability is a two-prong test: 1) the person must be "responsible," and 2) the nonpayment of the tax must be "willful."
- (5) **Prong 1: Identifying the Responsible Party.**

(a) **Definitions.** A "Responsible Party" is:

A person who has control over, or entitlement to, the funds or assets of the entity, such that the person has the ability to directly or indirectly control, manage, or direct the disposition of the entity's funds and/or assets. Providing capital to an entity, with no corresponding ability to control, is insufficient.

(b) **Registration.** Every entity that is legally required to collect trust fund taxes must register with the Department.

1. **Identification.** Each registered entity must identify the person(s) responsible for collecting, paying over, or accounting for state taxes. An entity may identify multiple persons, and designate each such person's responsibility for a respective tax type.
 - (i) Any entity that has previously registered with the Department but has not provided Responsible Party information must identify the Responsible Party.
 - (ii) Any change of Responsible Party information must be reported to the Department. It is the taxpayer's burden to update this information.
 - (iii) An entity may add, remove, or otherwise edit its Responsible Party information any time by accessing its online Georgia TaxCenter account.
2. **Presumption of Responsibility.** Failure to identify the Responsible Party creates a rebuttable presumption that those persons identified as the entity's officers in the registration with the Department are responsible.

(c) **Indicia of Responsibility.** Merely holding the title of officer in a corporation, partner in a limited liability partnership, or member in a limited liability company is insufficient to conclusively establish responsibility. The key determination is whether the person has the duty and authority to make payments. Thus, Responsible Party status is a functional determination-liability will be imposed upon those actually responsible for failure to collect and/or pay over the tax.

1. Factors suggesting responsibility include, but are not limited to:
 - (i) Holding the position of officer, director, partner, member, manager, or principal;
 - (ii) Duties described by corporate by-laws, corporate operating agreement, partnership agreement, or other entity records;

- (iii) Day-to-day involvement in or responsibility for management of the business;
 - (iv) Control over financial affairs and payment of debts;
 - (v) Signing tax returns;
 - (vi) Ability to hire and fire employees;
 - (vii) Authority to sign checks or otherwise make payments on behalf of the entity;
 - (viii) Knowledge of failure to pay the tax; and
 - (ix) Receipt of substantial income or benefits from the entity.
- (d) **Delegation of Responsibility.** Delegating authority to an employee or a third-party does not relieve a Responsible Party of liability.
 - 1. Determination of responsibility will be based on case-specific factors, including, but not limited to:
 - (i) The Responsible Party's knowledge of a pattern of noncompliance by the third-party payer;
 - (ii) The third-party's use of fraud to cover up the non-payment of taxes; and
 - (iii) Receipt of notices of nonpayment by the Responsible Party and actions taken subsequent to such receipt.
- (e) **Multiple Responsible Parties.** The Department may designate more than one person responsible. The existence of one Responsible Party does not negate another person's liability as a Responsible Party.
- (6) **Prong Two: Willfulness.** A Responsible Party's nonpayment of the tax will be willful if the failure to pay the tax is voluntary and knowing, or reckless. Willfulness does not require a bad motive or intent to defraud the state.
 - (a) **Knowledge.** Willfulness requires that the Responsible Party has knowledge of the tax liability and ability to pay such liability, but chooses not to pay the tax.
 - (b) **Reckless Disregard.** Reckless disregard for the duty to pay the tax can constitute willfulness. Examples of such reckless disregard include, but are not limited to, ignoring an obvious risk of nonpayment, failing to investigate a risk of

nonpayment, or failing to inquire into the status of taxes when the entity is in financial trouble.

(c) **Examples of indicia of willfulness** include, but are not limited to:

1. Deliberate choice to pay other creditors of the entity before paying the tax;
2. Knowledge of the tax liability but no action to arrange for payment;
3. Failure to investigate or correct mismanagement to address the unpaid tax; and
4. Action or inaction that results in failure to satisfy the entity's tax liability.

(7) **Assessments.** All Responsible Party assessments will conform to the procedures set forth in this paragraph.

(a) **Assessment amount.** Once a person is determined to be a Responsible Party, the Department may issue an assessment against that person for the delinquent trust fund taxes owed by the entity. Such assessment will reflect the taxes owed for the periods for which the person is responsible. Once the assessment against the Responsible Party is issued, interest and appropriate penalties on the assessed tax will begin to accrue consistent with O.C.G.A. § [48-2-40](#). See O.C.G.A. § [48-2-52\(b\)](#)(providing that assessment and collection under the responsible party statute is the same as for the underlying entity's tax liability).

(b) **Assessment Process.** Upon determination of responsibility, the Department will first issue a Proposed Assessment to the Responsible Party. The Proposed Assessment will state the basis of the liability (O.C.G.A. § [48-2-52](#)), the entity for which the person is being held responsible, the tax type, and the periods for which the person is liable. This Proposed Assessment will include information for how to protest the Proposed Assessment (procedures for which are discussed in Paragraph 8 in detail). If the person does not properly protest, the Department will issue an Official Assessment and Demand for Payment. The Official Assessment may be appealed in accordance with O.C.G.A. § [48-2-59](#).

(c) **Statute of Limitations**

1. An assessment against a Responsible Party follows the time limitations set forth in O.C.G.A. § [48-2-49](#). Thus, an assessment against a Responsible Party must be made within three years after the relevant entity's return or report is filed. O.C.G.A. § [48-2-49\(b\)](#). If the entity does not file a return or the filed return is fraudulent, the liability may be assessed at any time. O.C.G.A. § [48-2-49\(b\)](#).

2. An entity's consent or waiver of the statute of limitations in accordance with O.C.G.A. § [48-2-49\(d\)](#) is also effective against a Responsible Party.
 3. A Responsible Party's liability survives the dissolution of the underlying entity.
- (d) **Joint & Several Liability.** Because more than one person may be liable as a Responsible Party, the total liability can be collected from any one or a combination of such assessed Responsible Parties. The Department will only collect the entity's total liability once.
- (8) **Protests.** A person may protest a Responsible Party Proposed Assessment to the Department within 30 days of the Issue Date of the Assessment. O.C.G.A. § [48-2-46](#). The person must complete and submit the *Protest of Proposed Assessment or Refund Denial Form* (TSD-1), available on the Department's website. ***Only this form and no other correspondence will constitute a Protest.*** Once the Department receives this form, all collections activities against the person for the Responsible Party liability will be stayed, and the statute of limitations for issuing a final assessment will be tolled. O.C.G.A. § [48-2-46](#). If the person desires a conference with the Department for consideration of the protest, the person must check the appropriate box on the form.
- (a) **Conferences.** If the person requests a conference, the Department will generally contact the person within 30 days of receipt of the protest to schedule a conference.
1. **Informal Conference.** The conference is informal; it is not a hearing governed by the Administrative Procedure Act and will not prejudice the rights of any taxpayer or the Department. Ga. Comp. R. & Regs. [560-1-1-.12](#).
 2. **Conferees.** The conference will be conducted by a representative from the Department's Legal Affairs & Tax Policy Division. Upon review of the protest and assessment, the representative will determine whether other Department representatives should be in attendance. The person may bring representation to the conference, but such representatives should submit a Power of Attorney (RD-1061).
 3. **Content.** The conference is an opportunity for the person to present evidence challenging the bases for the assessment. Such evidence may include, but is not limited to, proof of the person's cessation of control of the entity, proof of the person's ignorance of the tax liability, contracts showing limitation of duties, or other proof of the person's inability to exercise authority over collection and/or payment of the tax.

4. **Settlement.** The conferees may come to a mutual settlement to resolve the tax liability. Such settlement agreement will be memorialized in writing and signed by the person and the Department's representative.
 5. **Decision.** Absent a settlement, the Department's representative will issue a written letter to the protesting person. The letter will state the outcome of the conference-a grant, denial, or partial grant of the protest. The letter will also detail how the Department intends to proceed.
- (b) **Protests without a Conference.** If a protest is filed, but no conference is requested, a representative from the Department's Legal Affairs & Tax Policy Division will consider any and all information submitted with the protest and the underlying facts to make a determination. The Department's representative will contact the person if a settlement is a possibility, or the Department's representative will issue a written letter stating the Department's decision on the protest-a grant, denial, or partial grant of the protest. The letter will also detail how the Department intends to proceed.
- (9) **Disclosures.** The person may request from the Department the information used to conclude that the person is a Responsible Party. Information about third parties is subject to confidentiality laws. O.C.G.A. § [48-2-15](#).
- (a) **Disclosure of third-party information.** The Department cannot disclose any information regarding collections activities against other persons. O.C.G.A. § [48-2-15](#).
- (b) **Entity Information.** Because the person was assessed as a Responsible Party for an entity's debt, such person may request the tax return information of that entity. This includes information on any payments made towards the entity's total liability owed.

Cite as Ga. Comp. R. & Regs. R. 560-1-2-.01

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-52](#).

History. Original Rule entitled "Responsible Party Liability for Trust Fund Taxes" adopted. F. Aug. 26, 2015; eff. Sept. 15, 2015.

Rule 560-1-2-.02. Collection Fees.

- (1) **Imposition.** The collection fees authorized under O.C.G.A. § [48-16-10\(a\)](#) are hereby imposed.
- (2) **Rate.** When the Department issues a Notice of State Tax Execution, a cost of collection fee will be added at the rate of 20% of the assessed liability. O.C.G.A. § [48-16-10\(a\)](#). The

collection fee shall be in addition to all other penalties, fees, expenses, or costs associated with the collection process.

- (3) **Waiver.** The Department may waive the cost of collection fee when it is reasonably determined that the deficiency is due to reasonable cause and is not the result of negligence, intentional disregard of administrative rules and regulations, or fraud. O.C.G.A. § [48-16-10\(a\)](#). A taxpayer may request a waiver of the collection fee along with, or in the alternative of, a penalty waiver.
- (4) **Collection Agencies.** The Department may employ the services of a contracted debt collection agency or attorney for the collection of any debt once the imposition of the collection fee has been added to the debt, pursuant to paragraph (1). O.C.G.A. § [48-16-11](#).

Cite as Ga. Comp. R. & Regs. R. 560-1-2-.02

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-16-10](#), [48-16-11](#).

History. Original Rule entitled "Collection Fees" adopted. F. Jan. 14, 2016; eff. Feb. 3, 2016.

Chapter 560-2. ALCOHOL AND TOBACCO DIVISION.

Subject 560-2-1. ORGANIZATION.

Rule 560-2-1-.01. Organization.

- (1) The Rules and Regulations and Forms contained in this Chapter are promulgated pursuant to authority contained in the Act.
- (2) All words and terms are used as defined by the Act unless otherwise defined or unless the context in which such words or terms are used clearly indicate that they shall be given their usual and ordinary meaning.
- (3) The Alcohol and Tobacco Division of the Department of Revenue is responsible to the Commissioner for proper administration of the Act.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.01

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Administration" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Aug. 5, 1970; eff. Aug. 25, 1970.

Repealed: F. Oct. 1, 1975; eff. Oct. 21, 1975.

Amended: New Rule entitled "Organization" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of the same title adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-1-.02. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Sections" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Divisions" adopted. F. Aug. 5, 1970; eff. Aug. 25, 1970.

Repealed: New Rule of same title adopted. F. June 29, 1972; eff. July 19, 1972.

Repealed: F. Oct. 1, 1975; eff. Oct. 21, 1975.

Amended: New Rule entitled "Personnel of Department Prohibited From Dealing in Beverage Alcohol; Exception" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: New Rule entitled "Commissioner's Authority to Rename and Reorganize Chapters" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Repealed: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-1-.03. Personnel of Department Prohibited From Dealing in Alcoholic Beverages; Exception.

- (1) Employees of the Alcohol and Tobacco Division, the Compliance Division, the Audits Division and the Taxpayer Services Division of the Department are prohibited from employment within the Alcoholic Beverage industry.
- (2) Employees in other Divisions of the Department may be employed within the Alcoholic Beverage industry when such employment would pose no conflict of interest or interference with the employee's performance of his or her duties as an employee of the Department.
- (3) Any employee of the Department desiring employment within the Alcoholic Beverage industry shall first obtain written approval for such employment from the Department.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-30](#), [48-2-12](#).

History. Original Rule entitled "Substantive Regulations (Definitions)" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Retention of Weapon and Badge Upon Retirement" adopted. F. June 29, 2007; eff. July 19, 2007.

Repealed: New Rule entitled "Personnel of Department Prohibited From Dating in Alcoholic Beverages; Exception" adopted. F. Oct 1, 2010; eff. October 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-1-.04. Restriction on Law Enforcement Agents.

No license, permit or registration shall be issued or recorded which will permit or entitle any person who is a law enforcement agent of the United States or of Georgia or of any county or municipality of the State to engage in or derive remuneration or profit from the operation of any businesses regulated under the Act.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.04

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "The Act" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Restriction on Law Enforcement Agents" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-1-.05. Retention of Weapon and Badge Upon Retirement.

- (1) Upon service retirement from the Department under honorable conditions, a special agent or enforcement officer who has accumulated a minimum of twenty-five (25) years of service as a law enforcement officer with the Department will be eligible to retain his or her Department-issued handgun, badge, and a "retired" Department Identification Card as part of their compensation.
- (2) When a special agent or a sworn enforcement officer separates from the Department as a result of disability arising in the line of duty in performance of official duties, the special agent or enforcement officer will be eligible to retain his or her weapon, badge and a "disability" Department Identification Card as part of their compensation. The term "disability" shall mean an impairment that prevents a person from working as a law enforcement officer.
- (3) A special agent or enforcement officer who is eligible to retain his or her weapon, badge, and "retired" or "disability" Department Identification Card shall file a request in writing with the Commissioner as soon as the date of separation is known. The request shall include the law enforcement officer's or special agent's full name, Employee Identification Number, Social Security Number, badge number(s), the make, model and serial number of the weapon, dates of creditable service, and residential address. If available at the time of application, a copy of the qualifying retirement or disability documentation shall also be attached to the request.
- (4) The Commissioner shall evaluate the conditions of departure prior to approving or denying the request. The request may be denied if:
 - (a) The special agent or enforcement officer does not have twenty-five (25) years of creditable service at time of retirement;
 - (b) The special agent or enforcement officer does not retire under honorable conditions;
 - (c) The special agent or enforcement officer separates from the Department for reasons other than retirement or disability arising out of performance of official duties;

- (d) The employee is approved for disability retirement for reasons of mental instability;
 - (e) The employee is separated from the Department pending a disciplinary action; or
 - (f) The issuance of the firearm would be deemed contrary to the public safety and welfare.
- (5) The Commissioner shall keep all approved requests and such other documentation as may be required concerning disposal of the weapon, badges, and Department Identification Card on file in perpetuity.
- (6) The Commissioner shall not be responsible for any liability associated with providing such weapon to the special agent or enforcement officer pursuant to Title 3 and Title 48.
- (a) The Commissioner shall not be responsible for the continued training or qualification of the special agent or enforcement officer with the weapon provided pursuant to Title 3 and Title 48.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.05

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-30](#), [48-2-12](#).

History. Original Rule entitled "Department" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Retention of Weapon and Badge Upon Retirement" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

[Rule 560-2-1-.06. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.06

Authority: Ga. Code Ann. Secs. [58-1022](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Distilled Spirits" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

[Rule 560-2-1-.07. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.07

Authority: Ga. Code Ann. Secs. [58-1022](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "State Warehouse" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

[Rule 560-2-1-.08. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.08

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Warehouse Charges" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Consumption on Premises Licensee" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-1-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.09

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Person" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-1-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.10

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Gallon" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-1-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.11

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L., 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Tax Stamps" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.12

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Producer" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.13

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 9406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Licensed Producer" was filed and effective on June 30, 1965.

Amended: Rule repealed Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.14

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Sec. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Registered Producer" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.15

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Joint Registrant" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.16

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Wholesaler" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.17

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Licensed Wholesaler" was filed and effective on June 30, 1965.

Amended: Rule repealed Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.18

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Retailer" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed March 23, 1977; effective April 12, 1977.

Amended: Rule repealed. Filed May 5, 1982, effective May 25, 1982.

Rule 560-2-1-19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-19

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Licensed Retailer" was filed and effective June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-20

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Place of Business" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969. as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-21

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Sec., 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Warehouse" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969. as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-22

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Sec., 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Case" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed March 23, 1977; effective April 12, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-23

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409,

8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Motor Vehicle" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.24

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Sec. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Within the State of Georgia, Outside Georgia, Within Georgia, Into this State, Through Georgia" was filed and effective June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-1-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-1-.25

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8405, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Military Reservation" was filed on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Subject 560-2-2. GENERAL PROVISIONS.

Rule 560-2-2-.01. Definitions.

(1) As used in these Regulations:

- (a) "Act" means the Georgia Alcoholic Beverage Code as amended.
- (b) "Alcohol" means ethyl alcohol, hydrated oxide of ethyl, or spirits of Wine, from whatever source or by whatever process produced.
- (c) "Alcoholic Beverage" means and includes all Alcohol, Distilled Spirits, Malt Beverage, Wine, or Fortified Wine intended for human consumption.
- (d) "Alcohol Type" means the various Alcohol products within the categories of Alcoholic Beverages such as bourbon, gin and vodka for Distilled Spirits, chardonnay and pinot noir for Wine and lager and ale for Malt Beverages.
- (e) "Brand" means any word, name, group of letters, symbols or combination thereof that is used to identify a specific Distilled Spirit, Malt Beverage, Wine, or other

Alcoholic Beverage product and which is used to distinguish that product from other Alcoholic Beverage products.

- (f) "Brand Label" means any distinctive labeling characteristics of an Alcoholic Beverage product associated with a Brand including, without limitation, trade name, trademark, trade dress, colors, packaging, Alcohol Type designation, or design. A Brand may have more than one Brand Label associated with such Brand. A difference in packaging container size alone is not considered a new or different Brand or Brand Label.
- (g) "Broker" means any person who purchases or obtains an Alcoholic Beverage from an Importer, distillery, brewery, or winery and sells the Alcoholic Beverage to another Broker, Importer, or Wholesaler without having custody of the Alcoholic Beverage or maintaining a stock of the Alcoholic Beverage.
- (h) "Carrier" means any person whose business is to transport goods or people while acting in the capacity as common, private, or contract transporter of a product using its facilities or those of other carriers.
- (i) "Commissioner" means the state revenue commissioner, or the Commissioner's designated agent or representative.
- (j) "Consular Officer" means a career consular officer who is a national of the sending country assigned to a consular post in Georgia for the exercise of consular functions, and whose sending country is a contracting party to the multilateral consular convention referred to in Rule [560-2-15-.06](#) or another treaty with the United States of similar import.
- (k) "Consular Post" means any consulate-general, consulate, vice-consulate or consular agency.
- (l) "County or Municipality" means a political subdivision of this state as defined by law and includes any form of political subdivision consolidating a county with one or more municipalities.
- (m) "Department" means the Georgia Department of Revenue.
- (n) "Denatured Alcohol" means a type of Alcohol to which denaturants have been added in order to render the Alcohol unfit for beverage purposes or internal human medicinal use.
- (o) "Denaturants" means materials authorized for use pursuant to Chapter 1 of Title 27 of the Code of Federal Regulations.
- (p) "Distilled Spirits" means any Alcoholic Beverage obtained by distillation or containing more than twenty-four percent (24%) Alcohol by volume.

1. Any beverage containing Distilled Spirits shall be classified as a Distilled Spirit, independent of any added flavorings or liquids, including other Alcoholic Beverages, even if the total Alcohol by volume is less than twenty-four percent (24%).
 2. A Wine or Fortified Wine is not a Distilled Spirit.
- (q) "Family or Immediate Family" means any person related to a Manufacturer, Shipper, Importer, or Broker within the first degree of consanguinity and affinity as computed according to the canon law.
- (r) "Flavored Malt Beverage" means any Malt Beverage containing flavors and other non-beverage ingredients containing Alcohol. Except as provided by paragraph (r)1. below, no more than 49% of the overall Alcohol content may be derived from the addition of flavors and other non-beverage ingredients containing Alcohol.
1. In the case of Malt Beverages with an Alcohol content of more than six percent (6%) and not exceeding fourteen percent (14%) by volume, no more than one and a half percent (1.5%) of the volume of the Malt Beverage may consist of Alcohol derived from added flavors and other non-beverage ingredients containing Alcohol.
 2. A Flavored Malt Beverage shall be deemed a Malt Beverage for purposes of these Regulations.
- (s) "Fortified Wine" means any Alcoholic Beverage containing not more than twenty-four percent (24%) Alcohol by volume made from fruits, berries, or grapes either by natural fermentation or by natural fermentation with brandy added. The term includes, but is not limited to, brandy. Other than brandy, only distilled spirits made from fruits, berries or grapes can be added to Wine without causing such Alcoholic Beverage to be reclassified as a Distilled Spirit.
- (t) "Fraternal Organization" means any society, order, or supreme lodge, whether incorporated or not, conducted solely for the benefit of its members and their beneficiaries and not for profit, operated on the lodge system with a ritualistic form of work, and having a representative form of government.
- (u) "Gallon" or "Wine Gallon" means a United States gallon of liquid measure equivalent to the volume of 231 cubic inches or the nearest equivalent metric measurement.
- (v) "Georgia Tax Center" is the Department's electronic filing and payment system, which includes registration, collection, and licensing for Alcohol. This term shall include any successor electronic filing and payment system implemented by the Department.

- (w) "Hard Cider" means an Alcoholic Beverage obtained by the fermentation of the juice of apples, containing not more than six percent (6%) of Alcohol by volume, including, but not limited to flavored or carbonated cider. For purposes of this regulation, hard cider shall be deemed a Malt Beverage for tax purposes. This term does not include "sweet cider."
- (x) "Head of a Consular Post" means the Consular Officer charged with the duty of acting in the capacity of head of the Consular Post to which he or she is assigned.
- (y) "Hotel" means any hotel, inn, or other establishment which offers overnight accommodations to the public for hire.
- (z) "Importer" means any person who imports an Alcoholic Beverage into this state from a foreign country and sells the Alcoholic Beverage to another Importer, Broker, or Wholesaler and who maintains a stock of the Alcoholic Beverage.
- (aa) "Individual" means a natural person.
- (bb) "Licensee" means any person who is granted a license or permit by the Department concerning the manufacturing, brokering, importing, wholesaling, or shipping of Alcoholic Beverages, or who is licensed as a Retailer or Retail Consumption Dealer.
- (cc) "Malt Beverage" means any Alcoholic Beverage obtained by the fermentation of any infusion or decoction of barley, malt, hops, or any other similar product, or any combination of such products in water containing not more than fourteen percent (14%) Alcohol by volume and including, but not limited to, the Alcohol Types of ale, porter, brown, stout, lager beer, small beer, and strong beer. This term does not include sake, also known as Japanese rice wine.
- (dd) "Manufacturer" means any maker, producer, or bottler of an Alcoholic Beverage and:
 - 1. In the case of Distilled Spirits, any person engaged in distilling, rectifying, or blending any Distilled Spirits;
 - 2. In the case of Malt Beverages, any brewer; and
 - 3. In the case of Wine, any vintner.
- (ee) "Mead Wine" or "Honey Mead" means a fermented Alcoholic Beverage made from honey that may not contain an Alcoholic content of more than fourteen percent (14%) by volume or total solids content that exceeds thirty-five (35) degrees Brix.

- (ff) "Military Beer" means Malt Beverages which have been purchased pursuant to these regulations which are exempt from Georgia excise taxes and which have been properly identified pursuant to Rules [560-2-15-.03](#) and [560-2-15-.04](#).
- (gg) "Military Liquors" means Distilled Spirits purchased pursuant to these regulations which are exempt from Georgia excise taxes and which have been properly identified pursuant to Rules [560-2-15-.03](#) and [560-2-15-.04](#).
- (hh) "Military Reservation" means a duly commissioned post, camp, base, or station of a branch of the armed forces of the United States located on territory within this state which has been ceded to the United States.
- (ii) "Military Wine" means Wine purchased pursuant to these regulations which is exempt from Georgia excise taxes and which have been properly identified pursuant to Rules [560-2-15-.03](#) and [560-2-15-.04](#).
- (jj) "Package" means a bottle, can, keg, barrel, or other original consumer container.
- (kk) "Person" means any individual, firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision, whether public, private, or quasi-public.
- (ll) "Place of Business" means the Premises of a licensed Manufacturer, Broker, Importer, Wholesaler, Retailer or Retail Consumption Dealer described in such license where Alcohol, or Alcoholic Beverages are manufactured, sold, or offered for sale.
- (mm) "Premises" means one physically identifiable Place of Business operated by the same ownership and overall management with only one address registered as a single Place of Business with the local licensing authority and the State of Georgia.
- (nn) "Regulations" means the regulations that are promulgated by the Commissioner pursuant to the Act.
- (oo) "Representative" means a person, employee, agent, independent contractor, or salesperson with or without compensation from a Licensee, who, acting on behalf of or at the direction of the Licensee, represents the Licensee to a third-party.
- (pp) "Retail Consumption Dealer" means any person who sells Distilled Spirits for consumption on the premises at retail only to consumers and not for resale.

- (qq) "Retailer" means, except as to Distilled Spirits, any person who sells Alcoholic Beverages, either in unbroken packages or for consumption on the premises, at retail only to consumers and not for resale. With respect to Distilled Spirits, the term means any person who sells Distilled Spirits in unbroken packages at retail only to consumers and not for resale.
- (rr) "Routine Hub Transfer" means a simultaneous transfer of Alcoholic Beverage products from one Wholesaler delivery truck (the hub truck) to another Wholesaler delivery truck(s) (the spoke truck(s)).
- (ss) "Shipper" means any person who ships an Alcoholic Beverage into Georgia from outside of Georgia.
- (tt) "Social Media" means websites and other web-based technology that enable users to create, share, or exchange information, ideas, messages, and other content.
- (uu) "Standard Case" means six (6) containers of 1.75 liters, twelve (12) containers of 750 milliliters, twelve (12) containers of one liter, twenty-four (24) containers of 500 milliliters, twenty-four (24) containers of 375 milliliters, forty-eight (48) containers of 200 milliliters, sixty (60) containers of 100 milliliters, or one hundred twenty (120) containers of 50 milliliters.
- (vv) "State" means the State of Georgia.
- (ww) "Taxpayer" means any person made liable by law to file a return or to pay tax.
- (xx) "Warehouse" means any premises of a Wholesaler, Manufacturer, Importer, or Shipper other than its registered Place of Business, used for the storage of Alcoholic Beverages in accordance with the express written approval of the Commissioner.
- (yy) "Wholesaler" means any person who sells or distributes Alcoholic Beverages to other licensed Wholesalers, Importers, Retailers, or to Retail Consumption Dealers.
- (zz) "Wine" means any Alcoholic Beverage containing not more than 24 percent (24%) Alcohol by volume made from fruits, berries, or grapes either by natural fermentation or by natural fermentation with brandy added. Other than brandy, only distilled spirits made from fruits, berries or grapes can be added to Wine without causing such Alcoholic Beverage to be reclassified as a Distilled Spirit.
 - 1. This term includes, but is not limited to, all sparkling wines, champagnes, combinations of such beverages, vermouths, special natural wines, rectified wines, other like products and Sake, which is an Alcoholic Beverage produced from rice.

2. This term does not include cooking wine mixed with salt or other ingredients so as to render it unfit for human consumption as a beverage.
3. A liquid shall first be deemed to be a "Wine" at that point in the manufacturing process when it conforms to the definition of "Wine".

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-7.1](#), [48-2-12](#).

History. Original Rule entitled "Notification of Intention to Engage as a Producer" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Nov. 22, 1972; eff. Dec. 12, 1972.

Repealed: New Rule entitled "Definitions" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. Dec. 15, 2006; eff. Jan. 4, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: New Rule of the same title adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Nov. 1, 2013; eff. Nov. 21, 2013.

Amended: F. June 26, 2015; eff. July 16, 2015.

Amended: F. May 6, 2016; eff. May 26, 2016.

Repealed: New Rule of the same title adopted. F. Aug. 1, 2017; eff. Aug. 21, 2017.

Amended: F. May 31, 2023; eff. June 20, 2023.

Amended: F. Jan. 19, 2024; eff. Feb. 8, 2024.

Rule 560-2-2-.02. Licensing Qualifications.

- (1) No Person shall manufacture, distribute, sell, handle, possess for sale, or otherwise deal in Alcoholic Beverages or non-beverage Alcohol without first obtaining all applicable licenses required by the Act and these regulations.
- (2) Every Person applying for a state license, permit, or registration to deal in Alcoholic Beverages shall make application on forms through the Georgia Tax Center, accessible through the Department's website, or in any other manner prescribed by the Commissioner, and under oath shall answer all questions, supply all information and statements (including information regarding applicant's employees and all Persons with a beneficial interest in the applicant), furnish all certificates, affidavits, bonds and other supporting data or documents as reasonably required by the Commissioner.
 - (a) All license applications under these regulations shall be a permanent record.
 - (b) Willful failure to furnish the Department with any of the information required by these regulations or by law shall constitute grounds for denial or revocation of a license.
- (3) Applications for a state license, permit, or registration shall state the identical name and address of the applicant as stated in the application for a license required by local governing authorities.

- (a) Every license shall specify the premises where the Licensee shall have its Place of Business and such location shall not be changed during the term of the license.
 - (b) Any Fraternal Organization shall be permitted to apply for a license in the name of any qualified officer or member of such organization.
 - (c) Any legal entity, including but not limited to, all partnerships, limited liability companies, domestic or foreign corporations, lawfully registered and doing business under the laws of Georgia or the laws of another state and authorized by the Secretary of State to do business in Georgia which seeks to obtain an Alcoholic Beverage or non-beverage Alcohol license may be permitted to apply for a license in the name of the legal entity as it is registered in the Office of the Secretary of State of Georgia. Notwithstanding the foregoing, however:
 - 1. In its application for an Alcoholic Beverage or non-beverage Alcohol license, the legal entity shall provide the Commissioner with the name and address of its agent authorized to receive service of process under the laws of Georgia, together with a listing of its current officers and their respective addresses.
 - 2. Any change in the status of the Licensee's registered agent, including but not limited to, change of address, or name, shall be reported to the Commissioner within five (5) days of such occurrence.
 - 3. In the event that a legal entity fails to appoint or maintain a registered agent in Georgia as required by law, or whenever its registered agent cannot with due diligence be found at the registered office of the corporation as designated in its application for license, the Commissioner shall be appointed agent to receive any citation for violation of these regulations.
 - 4. Process may be served upon the Commissioner by leaving with the Commissioner duplicate copies of such citations.
 - 5. In the event that the notice of citation is served upon the Commissioner or one of the Commissioner's designated agents, the Commissioner shall immediately forward one of the copies to the corporation at its registered office.
 - 6. Any service made upon the Commissioner shall be answerable within thirty (30) days.
 - 7. The Commissioner shall keep a record of all citations served upon the Commissioner under this Regulation, and shall record the time of service and the disposition of that service.
- (4) The state license issued shall be valid for the calendar year indicated; provided that:

- (a) The Licensee is actively engaged in business; and
 - (b) If applicable, has a valid county or municipal license.
- (5) In the event a Licensee ceases to be actively engaged in business, or if a Licensee's local license becomes invalid in any way, the state license shall be invalid and the Licensee of that business shall immediately notify and return the state license to the Department.
- (a) Any license issued to a Retailer after November 1, 2023 by a local licensing jurisdiction that does not conform with the requirements of O.C.G.A. § [3-2-7.1](#) shall be deemed an invalid license until the local licensing jurisdiction satisfies the requirements of O.C.G.A. § [3-2-7.1](#) and, until such requirements are met, no state license shall be issued to any such Retailer.
- (6) No alcohol license application will be granted where it would violate any Department regulations or other laws of the State of Georgia.
- (7) A Licensee that desires to continue in business during the next calendar year must make a new application for that year on or before November 1 of the preceding year.
- (8) Any untrue, misleading, or omitted statement or information contained in an application shall be cause for denial and, if any license has been granted, shall be cause for its revocation.
- (9) The failure of any applicant, or failure of any Person, firm, corporation, legal entity, or organization having any interest in any operation for which an application has been submitted, to meet any obligations imposed by the tax laws or other law or regulation of Georgia shall be grounds for denial of the license, permit or registration for which an application is made.
- (10) To protect the public interest or welfare, no license to sell Alcoholic Beverages of any kind shall be issued by the Commissioner to:
- (a) Any person as determined by the Commissioner, who, by reason of that person's business experience, financial standing, trade associations, personal associations, records of arrests, or reputation in any community in which the person has resided, is not likely to maintain the operation for which the person is seeking a license in conformity with federal, state or local laws;
 - (b) Any person convicted of a felony who served any part of a criminal sentence, including probation, within the ten (10) years immediately preceding the date of receipt of submission of the application; or
 - (c) Any person who has been convicted of a misdemeanor who served any part of a criminal sentence, including probation, within the five (5) years immediately preceding the date of receipt of submission of the application.

- (11) The Commissioner may decline to issue a state license to a person for the operation of a Place of Business when any person having any interest in the operation of that Place of Business or control over such Place of Business does not meet the same requirements as set forth in these regulations for the Licensee.
- (12) If the Commissioner has reason to believe that the applicant is not entitled to the license for which the applicant has applied, the Commissioner shall notify the applicant in writing.
- (a) The applicant shall have fifteen (15) days from the date of the notice to request, in writing, a hearing on the application.
 - (b) Upon receipt of applicant's written request, the Commissioner shall provide the applicant with due notice and opportunity for a hearing on the application pursuant to Subject 560-2-16.
 - (c) If the Commissioner, after providing notice and an opportunity for a hearing, finds the applicant is not entitled to a license, the applicant shall be advised in writing of the findings upon which that denial is based.
- (13) In order to ensure correspondence is timely received, any change to an applicant's or licensee's contact information including, but not limited to, a change of mailing address, email address, or telephone number, shall be updated via the Georgia Tax Center, or in any other manner prescribed by the Commissioner, within five (5) days of such change.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-7.1](#), [48-2-12](#).

History. Original Rule entitled "License Application" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Financial Transactions" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Licensing Qualifications" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Amended: F. Jan. 19, 2024; eff. Feb. 8, 2024.

Rule 560-2-2-.03. Bonds.

- (1) Alcoholic Beverage Licensees for Distilled Spirits and Wine are required to post with the Commissioner an approved annual bond under a surety company authorized to do business in Georgia, in the amount and under conditions specified by Code § [3-4-22](#) for Distilled Spirits, and Code § [3-6-21](#) for Wine.
- (2) Alcoholic Beverage Licensees for Malt Beverages are required to post with the Commissioner either:

- (a) An approved annual bond under a surety company authorized to do business in Georgia, in the amount and under conditions specified by Code § [3-5-25.1](#) for Malt Beverages and Code § [3-5-36](#) and Rule [560-2-8-.02](#) for brewpubs; or
- (b) An irrevocable bank letter of credit, issued by a bank located in Georgia, conditioned upon the prompt payment of all sums which may become due as required by all laws, rules and regulations governing the distribution and sale of Alcoholic Beverages in Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-4-22](#), [3-5-25.1](#), [3-5-36](#), [3-6-21](#), [48-8-12](#).

History. Original Rule entitled "License Application: Citizenship and Residency; Waiver" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "License Application: Citizenship and Residency" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Sales to Minors: Exceptions" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Sept. 27, 1985; eff. Oct. 17, 1985.

Repealed: New Rule entitled "Bonds" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.04. Display of License.

- (1) Every license issued under the Act shall be prominently displayed to the public by the holder at the Licensee's Place of Business.
- (2) Retail Consumption Dealers shall display the annual alcohol license at each licensed premises.
 - (a) On-premises retail consumption locations which cannot be determined as one identifiable Place of Business shall require additional licenses regardless of whether those establishments have the same trade name, ownership, or management;
 - (b) Nothing shall require additional licenses for service bars or portable bars used exclusively for the purpose of mixing or preparing Alcoholic Beverage drinks when such bars are accessible only to employees of the licensed establishment and from which Alcoholic Beverage drinks are prepared to be served on the licensed premises.
- (3) Any Alcoholic Beverages kept, stored, or found at the Licensee's Place of Business or Warehouse shall be presumed to be the Licensee's property.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.04

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-3](#).

History. Original Rule entitled "Annual Fee; Bond" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Retail Dealer and Retail Consumption Dealer Purchases from Licensed Wholesaler."

Penalty for Violation" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Display of License" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.05. Monthly Report; Remittance of Taxes.

- (1) Taxes imposed on all Alcohol manufactured, imported, sold, possessed, delivered, purchased, used, consumed, handled, or offered for sale within Georgia shall be collected from Wholesalers by use of a reporting system.
 - (a) Every Wholesaler shall file a monthly report with the Commissioner, through the Georgia Tax Center or in such format or manner as the Commissioner may reasonably prescribe setting forth Alcoholic Beverage purchases for each calendar month, beginning and ending inventories for each calendar month, and such other information as the Commissioner may require to describe the complete transactions;
 - (b) Each Wholesaler shall file the report for all Alcoholic Beverages, no later than the fifteenth (15th) day of each month for the preceding calendar month's transactions;
 - (c) The report shall indicate the total disposition of Alcoholic Beverages during the report period; and
 - (d) The proper tax remittance for all transactions shall be paid to the Department simultaneously with the filing of the report.
- (2) When one Wholesaler sells or transfers Alcoholic Beverages to another Wholesaler, the Wholesaler that sells or transfers Alcoholic Beverages is responsible for the payment of taxes and shall indicate on the sales invoice that the Alcoholic Beverages are tax-paid by the seller.
 - (a) The seller shall include the transaction on the seller's monthly report and shall remit the proper tax with that report.
- (3) Breweries, brewpubs, distilleries, wineries, and farm wineries that make retail sales to individuals or act as a Wholesaler shall be responsible for monthly reporting and the remittance of taxes.
- (4) No licensed Wholesaler shall accept or take from any municipality or county any fee, discount, rebate, or compensation of any nature for the collection or reporting of the city and/or county excise taxes as required.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.05

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Description of Premises" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Description of Premises, Storage of Distilled Spirits" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Consuls" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: New Rule entitled "Monthly Report; Remittance of Taxes" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Sept. 9, 2011; eff. Sept. 29, 2011.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.06. Initial Applications; Temporary Permits Authorized; Conditions of Issuance.

- (1) Persons making initial license applications pursuant to Georgia laws and regulations, after properly filing all required documents, may be authorized by the Commissioner to operate pursuant to a temporary permit.
- (2) Before any temporary permit shall be issued, the applicant must have filed with the Department the following documents and materials under the conditions indicated:
 - (a) A valid local license from the proper governing authority to engage in the business for which application is made;
 - (b) A valid state application with all questions answered and which indicates prima facie eligibility to hold the license sought;
 - (c) All other documents required pursuant to the laws and regulations for obtaining a license appropriate to the type of business for which application is made; and
 - (d) Any other relevant information the Commissioner may deem appropriate under the circumstances.
- (3) The issuance of any temporary permit pursuant to the above conditions is within the discretion of the Commissioner and may be withdrawn by the Commissioner at any time without notice or hearing.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.06

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-7](#).

History. Original Rule entitled "Record of Materials Received, Including Affidavit Regarding Georgia Products" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Record of Materials Received, Including Affidavit Regarding Georgia Products; Length of Time All Records Must Be Maintained" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Advertising Material; Assessments for Advertising" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Initial Applications; Temporary Permits Authorized; Conditions of Issuance" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.07. Certain Requirements for Licensees Upon Suspension of Alcohol License.

- (1) In every case in which an Alcoholic Beverage license is suspended, the Licensee shall be required to post a public notice in a prominent and conspicuous place on the front window or door of the licensed premises throughout the period of suspension.
 - (a) The dimensions of the notice shall be at least eight and one-half (8.5) inches by eleven (11) inches with a font size of at least eighteen (18) point in Times New Roman typeface.
- (2) The notice shall contain:
 - (a) The Licensee name;
 - (b) License number;
 - (c) Address of the licensed location; and
 - (d) A statement that the Licensee's license is suspended pursuant to an order of the Commissioner for violation of the Act and/or the regulations of the Department.
- (3) In addition to the public notice requirement set forth under paragraph (1) of this Rule, the Commissioner may make available to the public a complete or partial listing of all Alcohol license suspensions and cancellations on the Department's website or by such other means as designated by the Commissioner.
- (4) Licensees who fail to comply with this Regulation shall be subject to additional disciplinary action, including, but not limited to, further license suspension or cancellation.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.07

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Application for Purchases in Bulk from Out of State Producers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Purchases in Bulk From Out of State Producers" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "Acceptance of Legal Delivery" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Certain Requirements for Licensees Upon Suspension of Alcohol License" adopted. F. Oct 1, 2010; eff. October 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.08. Providing Testimony and Documents.

- (1) By the application for, the acceptance of, or the conduct of business under any license or permit issued pursuant to this Act, every holder of a license or permit issued and every

employee or officer of such Licensee agrees to appear and give sworn testimony and produce documents and records reasonably calculated to aid the Commissioner in any investigation or hearing held under this Act or under these regulations.

- (2) Each such person shall appear and produce the required documents at the office of the Commissioner or at such other place as he may reasonably designate, at a time as the Commissioner may designate in writing and with reasonable notice.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.08

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Separation of Georgia Products" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Notification of Disciplinary Action" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Providing Testimony and Documents" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-2-.09. Failure to Comply with Tax Laws.

- (1) No application for a license to sell Alcoholic Beverages will be considered as long as the applicant, Person, firm, or corporation holding any interest in the business for which application is made has failed to meet any obligations imposed by any tax law of Georgia.
- (2) The failure of any Licensee, permittee, registrant, Person, firm, or corporation holding an interest in the business for which the license, permit, or registration is issued to meet any obligations imposed by the Act, any tax law of Georgia, or any regulations of the Commissioner shall be grounds for suspension, revocation, or cancellation of a license, permit, or registration.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.09

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Monthly Reports of Production" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Licensing Qualifications" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. Dec. 15, 2006; eff. Jan. 4, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: New Rule entitled "Failure to Comply with Tax Laws" adopted. F. Oct. 1, 2010; Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.10. Ownership Interest; Change or Transfer of Ownership.

- (1) Neither a Manufacturer, Shipper, Importer, or Broker, nor any of its employees or members of such Manufacturer's, Shipper's, Importer's, or Broker's Immediate Family shall have, own, or enjoy any ownership interest in, or partnership arrangement or other business association with the business of any Wholesaler or Retailer.

- (2) Neither a Wholesaler, nor any of its employees, nor any members of such Wholesaler's Immediate Family shall have, own, or enjoy any ownership interest in, or partnership arrangement or other business association with the business of any Manufacturer, Shipper, Importer, Broker, or Retailer; provided nothing shall prohibit such persons from owning stock in such firms when such firms' stock is publicly traded on a national exchange or over the counter.
- (3) Neither a Retailer or Retail Consumption Dealer, nor any of its employees or members of such Retailer's or Retail Consumption Dealer's Immediate Family, shall have, own, or enjoy any ownership interest in, or partnership arrangement or other business association with, the business of any Wholesaler, Manufacturer, Shipper, Importer or Broker.
- (4) Provided however, nothing shall prohibit the Commissioner from waiving the above prohibitions in regard to children of the Manufacturer, Wholesaler, Shipper, Importer, or Retailer, provided the children are emancipated and hold no business interest, financial interest, or vested interest in the parent's operation.
- (5) It shall be the duty of the Licensee to notify the Commissioner in writing concurrently with:
 - (a) Any change to an answer or personnel statement made on an application for a license which is either pending or approved, and such written notification must be timely reported as an amendment to the application.
 - (b) Any change in any interest in Licensee's business, including but not limited to:
 - 1. Execution of Letter of Intent to sell or purchase.
 - 2. Receipt of a bona fide proposal to purchase.
 - 3. Division of the profits.
 - 4. Division of net or gross sales for any purpose whatsoever.
 - 5. Change in ownership of any legal entity that has any interest in such business or the change of management of such legal entity.
 - 6. A loss or damage to goods which results in a claim against an insurance policy.
 - (c) Any public corporation whose stock is traded on recognized national stock exchanges shall be exempt from subparagraphs (5)(b)2, (5)(b)3, (5)(b)4, and (5)(b)5.
 - (d) Any substantial change in or any agreement in principle, whether written or not, to change the conduct or ownership interest of any licensed business.

- (6) The Commissioner shall notify Licensee upon receipt of written notice of any objection to the ownership or interest.
- (a) The Licensee shall have fifteen (15) days from the date of the notice to request, in writing, a hearing on the objection.
 - (b) Upon receipt of Licensee's written request, the Commissioner shall provide the Licensee with due notice and opportunity for hearing on the application pursuant to Subject 560-2-16.
 - (c) If the Commissioner, after providing notice and opportunity for hearing, finds the Licensee is not entitled to a license pursuant to these regulations, the applicant shall then be advised in writing of the findings upon which the denial is based.
 - (d) If the Licensee does not request a hearing, the Commissioner will review the objections, render a final decision and notify the applicant.
- (7) No state license may be transferred from one Person to another.
- (a) The Commissioner may at the Commissioner's discretion grant a transfer of a license from one location to another location within the same local regulatory jurisdiction, provided authority for such a transfer has also been granted by the local governing authority.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.10

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Registration of Brands" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Solicitation of Drinks" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Outside Delivery of Drinks" adopted. F. Sept. 20, 2007; eff. Oct. 10, 2007.

Repealed: New Rule entitled "Ownership Interest; Change or Transfer of Ownership" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.11. Restrictions for Employees of Manufacturers, Shippers, Importers, Brokers, Joint Registrants or Wholesalers.

No employee of any Manufacturer, Shipper, Importer, Broker, joint registrant, or Wholesaler shall at any time, with or without compensation, act as a salesperson or sales-clerk in a Retailer's or Retailer Consumption Dealer's Place of Business.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.11

Authority: O.C.G.A. § [3-2-2](#).

History. Original Rule entitled "Shipment Outside Georgia" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Shipments Within and Without Georgia" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "Games of Chance; Cause for Suspension or Revocation of License" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Restrictions on Non-Department Employees" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Restrictions for Employees of Manufacturers, Shippers, Importers, Brokers, Joint Registrants or Wholesalers." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.12. Measurement of Distances.

- (1) Unless otherwise provided by law, all measurements to determine compliance with distance requirements under the Act for the issuance of an initial state Alcoholic Beverages license shall be measured by the most direct route of travel on the ground and shall be measured in the following manner:
 - (a) Prior to April 1, 2007:
 1. From the front door of the structure which Alcoholic Beverages are sold or offered for sale;
 2. In a straight line to the nearest public sidewalk, walkway, street, road or highway;
 3. Along such public sidewalk, walkway, street, road or highway by the nearest route;
 4. To the front door of the building or to the nearest portion of the grounds, whichever is applicable under the appropriate statute.
 - (b) After March 31, 2007:
 1. In a straight line from the front door of the structure from which Alcoholic Beverages are sold or offered for sale;
 2. To the front door of the building of a church, government-owned treatment center or a retail package store; or
 3. To the nearest property line of the real property being used for school or educational purposes.
- (2) When measuring distances pursuant to this Rule, the Department will ignore obstacles added by the licensee or any other party, such as fences or other improvements or obstructions, added with the purpose of increasing the measurement of distance, and where removal of all such obstacles would result in the premises not satisfying any applicable distance requirement. The Department will measure over or through any such obstacles, as the Department deems appropriate, to obtain the proper distance measurement.

- (3) All renewal applications shall use the measurements required in the initial application and license.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.12

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-21](#).

History. Original Rule entitled "Compliance With Transportation Rules and Regulations" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Validity of License" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Measurement of Distances" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-2-.13. Refunds; Discounts; Gifts; All Sales Final.

- (1) Unless otherwise specifically permitted by this Act and these regulations, no Manufacturer, Shipper, Importer, Broker, or Wholesaler, nor their employees, agents, Representatives, or anyone acting on their behalf, shall directly or indirectly:
- (a) Make any gift, refund, price concession, discount, joint offer, or any concession of any kind or character;
 - (b) Give or offer to give any sample, free goods, articles, or things of value in connection with the sale of Alcoholic Beverages, except to the extent expressly authorized in Subject 560-2-4 and Subject 560-2-5;
 - (c) Compensate any Retailer or Retail Consumption Dealer or their employees for interior or exterior beautification, improvement in premises, displaying any merchandise, or displaying the same merchandise in a particular position or manner;
 - (d) Make any inducement to any Retailer or Retail Consumption Dealer or their employees, agents, buyers, or purchasing agents by:
 - 1. Furnishing, giving, or lending any equipment, fixtures, signs, supplies, money, services, or other things of value. Social Media posts or messages used to inform the public where a Manufacturer or Wholesaler's products are available for purchase at retail shall not be considered a thing of value.
 - 2. Guaranteeing any loan or repayment of any financial obligation, paying total or partial payment of salary, or promoting any promotion or sales contest for such persons.
- (2) Nothing shall prohibit quantity discounts by Wholesalers to Retailers or Retail Consumption Dealers provided such quantity discounts are for sale and delivery to a single retail location and are available to all Retailers and Retail Consumption Dealers within that Wholesaler's designated sales territory upon equal terms.

- (3) It shall be a violation of this Rule for any Retailer or Retail Consumption Dealer, their employees, agents, buyers, purchasing agents, or anyone acting directly or indirectly on their behalf to accept, acquiesce, or otherwise participate in the prohibited acts contained in the Act or this Chapter or to coerce or attempt to coerce, entice, request, or solicit any prohibited acts.
- (4) Alcoholic Beverages shall be inspected at the time of delivery for breakage, damage, shortage, and for any other condition which would render delivery unacceptable to the Retailer or Retail Consumption Dealer.
 - (a) No adjustment or exchange subsequent to delivery shall be permitted where breakage, shortage, or other conditions are evident to the extent that such conditions would have been obvious upon casual inspection at the time of delivery.
- (5) A licensed Wholesaler may accept from any licensed Retailer or Retail Consumption Dealer any quantity of Alcoholic Beverages and give that Retailer or Retail Consumption Dealer credit for the same, but only if on the same day the Retailer or Retail Consumption Dealer buys from the Wholesaler, at prevailing prices, a like quantity, measured in case lots, of the same Alcohol Type and Brand, and copies of the invoices evidencing such transfer are promptly filed at the Wholesaler's Place of Business for inspection by the Commissioner or his agents.
- (6) Exchanges of identical Brands and quantities of Alcoholic Beverages shall be authorized for "leakers" or "short fills," provided at the time of such exchange the tops of the containers are affixed and such leakage is apparent.
 - (a) No adjustment, credit, or exchange subsequent to delivery shall be permitted for chipped bottle necks of Malt Beverages;
 - (b) Within thirty (30) days of Malt Beverage Brands becoming outdated in accordance with written brewery or Wholesaler's quality control standards and provided the Malt Beverages were sold to the Retailer or Retail Consumption Dealer at the Wholesaler's posted unit price at the time of sale, Wholesalers:
 - 1. May exchange identical Brands and quantities of Malt Beverages.
 - 2. May exchange the Malt Beverage for identical quantities of the same or other Brands within the mix and match assortment sold under authority of Rule [560-2-4-.07](#) and the Malt Beverages have the same single case price as products being exchanged.
 - 3. Shall retain copies of invoices evidencing such exchanges and promptly file same at the Wholesaler's Place of Business for inspection by the Commissioner or the Commissioner's agents.

4. Shall not issue a credit, rebate, or refund of excise taxes for such an exchange.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.13

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Intra-State Transportation Via Licensed Common Carriers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Sept. 25, 1978; eff. Oct. 15, 1978.

Repealed: New Rule entitled "Other Beverage Alcohol Prohibited" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Refunds; Discounts; Gifts; All Sales Final" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 6, 2016; eff. May 26, 2016.

Amended: F. May 31, 2023; eff. June 20, 2023.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-2-.14. Coupons and Rebates.

- (1) It shall be a violation of these regulations for any licensed Retailer or Retail Consumption Dealer to offer any coupon or rebate affecting the price or prices of Alcoholic Beverages, nor shall any licensed Retailer or Retail Consumption Dealer accept any coupon or rebate in payment for purchases of Alcoholic Beverages.
- (2) No Retailer or Retail Consumption Dealer shall redeem any Manufacturer coupon or rebate promoting the sale or use of Alcoholic Beverages.
 - (a) All Manufacturer coupons or rebates promoting the sale or use of Alcoholic Beverages, or for merchandise other than Alcoholic Beverages, shall only be redeemable by the Manufacturer or its designated agent. A designated agent cannot be a Retailer or Retail Consumption Dealer in Georgia.
- (3) Nothing shall prohibit a licensed Retailer or Retail Consumption Dealer, for its own advertising purposes, from offering in-store coupons or rebates and from redeeming such coupons or rebates for the purchase of merchandise other than Alcoholic Beverages, unless otherwise prohibited by local regulation.
- (4) No Manufacturer, or anyone acting on its behalf, shall make any arrangement of any kind or character, or enter into any agreement, with any licensed Retailer or Retail Consumption Dealer in connection with the use and redemption of coupons or rebates promoting the sale or use of Alcoholic Beverages.
- (5) No Manufacturer, or anyone acting on its behalf, shall make its coupons or rebates available to any licensed Retailer or Retail Consumption Dealer offering the Manufacturer's products for sale to the exclusion of other licensed Retailers or Retail Consumption Dealers offering the Manufacturer's products for sale.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.14

Authority: O.C.G.A. § [3-2-2](#).

History. Original Rule entitled "Tax Stamp Rates Affixed Prior to Intra-State Transportation" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Subterfuge" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Coupons and Rebates" adopted. F. Oct 1, 2010; eff. October 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.15. Inspection of Licensed Premises and Records.

- (1) The Commissioner and/or the Commissioner's agents may enter the licensed Place of Business of any person engaged in the manufacture, transportation, distribution, sale, storage, or possession of Alcoholic Beverages at any time for the purpose of inspecting the Place of Business and enforcing this Act and these regulations, and the agents shall have access during the inspection to:
 - (a) All areas of the Place of Business; and
 - (b) All books, records, and supplies relating to the manufacture, transportation, distribution, sale, storage, or possession of Alcoholic Beverages.
- (2) Failure to cooperate with all aspects of an inspection or any action or effort to hinder or interfere with an agent in the performance of the agent's duties shall be a violation of these regulations by any Licensee, its employee, or anyone acting on behalf of or with the approval of the Licensee, compensated or otherwise.
- (3) Interference or hindrance of an agent shall include, but not be limited to, the following:
 - (a) Disorderly conduct, including behaving in any manner tending to threaten or to appear to threaten the agent or members of the public during an inspection or performance of the agent's duties;
 - (b) Disturbing the peace including, but not limited to, utilizing loud, boisterous, threatening, abusive, insulting, or indecent language during an inspection or performance of the agent's duties.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.15

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-32](#).

History. Original Rule entitled "Limitation Upon Other Business Interest" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Display of License" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Inspection of Licensed Premises and Records" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.16. Emergency Movement of Alcoholic Beverages - General Provisions.

- (1) Whenever any Licensee's Place of Business is threatened with destruction or looting because of riot, civil disorder, or natural disaster, the Licensee is authorized to transport its supply of Alcoholic Beverages to a secure location by any means of any transportation available.
- (2) The Licensee shall notify the Commissioner as soon as practical.
- (3) In any such case the Licensee shall cease business and shall not reopen without the express written approval of the Commissioner.
- (4) Upon approval for reopening, the Licensee shall be permitted to transport the Alcoholic Beverages back to the licensed location at a time, date, and in a manner as agreed to by the Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.16

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Records to Be Maintained" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: F. Nov. 2, 1977; eff. Nov. 22, 1977.

Amended: New Rule entitled "Refunds; Discounts; Gifts; All Sales Final; Termination of Business and Refunds on Close-Out Inventory" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. Feb. 3, 1987; eff. Feb. 23, 1987.

Amended: F. July 23, 1992; eff. August 12, 1992.

Amended: F. Dec. 13, 2002; eff. Jan. 2, 2003.

Repealed: New Rule of same title adopted. F. Dec. 31, 2003; eff. Jan. 20, 2004.

Repealed: New Rule of same title adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Repealed: New Rule entitled "Emergency Movement of Alcoholic Beverages" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.17. Trade Practices - Inventory Sets and Resets; Notification.

- (1) A Retailer or Retail Consumption Dealer may submit a request for Wholesalers to conduct a single initial setting of Alcoholic Beverages at the Retailer's or Retail Consumption Dealer's location.
- (2) A Retailer or Retail Consumption Dealer at their option, may submit a request for Wholesalers to conduct the re-setting of assigned Brand Labels once per calendar year at the Retailer's or Retail Dealer's location.
- (3) Each Retailer or Retail Consumption Dealer shall notify the Department through the Georgia Tax Center and notify all applicable Wholesalers of such sets or resets no less than ten (10) business days prior to the scheduled date.

- (a) Participation in a scheduled set or reset by any Wholesaler is completely voluntary. Wholesalers who choose to participate in a set or reset shall be subject to equal terms;
 - (b) All Retailers or Retail Consumption Dealers and participating Wholesalers must maintain a copy of the notification at their licensed premises for three (3) years.
- (4) A set or reset may only be performed Monday through Friday from 7:00 a.m. to 7:00 p.m., excluding state holidays.
- (5) During a set or reset, a Wholesaler may move or touch only its assigned Brand Labels.
- (a) The Wholesaler may request that the Retailer or Retail Consumption Dealer remove a Brand Label that is located in Wholesaler's assigned space but are not Brand Labels assigned to that Wholesaler;
 - (b) If the Retailer or Retail Consumption Dealer declines to remove the Brand Labels, then the shelf space shall be deemed assigned to that Brand Label.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.17

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#).

History. Original Rule entitled "Consideration of Goods Bought or Sold to Be in Cash; Exceptions" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Trade Practices - Inventory Set and Resets; Notification" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title "Trade Practices - Inventory Sets and Resets; Notification." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.18. Trade Practices - Point-of-Sale Advertising.

- (1) A Wholesaler, Broker, Importer, or Manufacturer is only authorized to distribute to a Retailer or Retail Consumption Dealer, without cost, generic point-of-sale advertising materials for use inside the licensed Place of Business.
- (a) The materials may be provided without charge for use inside a retail location to attract consumer attention to specific Alcoholic Beverages, provided that all such materials shall be available on equivalent terms to all accounts of the Wholesaler;
 - (b) Where products are not generic point-of-sale advertising materials, or the products are intended for exterior use, such materials must be invoiced to the Retailer or Retail Consumption Dealer and paid for based upon fair market value.
- (2) Generic point-of-sale advertising materials do not include items for use that are of a permanent or semi-permanent nature, are constructed or created on the premises of a

Retailer or Retail Consumption Dealer, are affixed or attached in any way to the exterior premises, or that refer specifically to a Retailer or Retail Consumption Dealer.

- (3) It shall be a violation by the Retailer or Retail Consumption Dealer to use any point-of-sale material provided without charge on the exterior of their premises.
- (4) A Wholesaler, Broker, Importer, or Manufacturer who performs any service or provides general point-of-sale advertising items to Retailers or Retail Consumption Dealers shall make such service or items available on equal terms to all Retailers and Retail Consumption Dealers within its designated sales territories.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.18

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Airline and Railway Passenger Carriers, Authorization to Sell and Distribute" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Trade Practices - Point-of-Sale Advertising" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.19. Trade Practices - Promotional Items and Marketing Events.

- (1) A Wholesaler, Broker, Importer, or Manufacturer may conduct "marketing events" in Georgia as a promoting or sponsoring party.
 - (a) The marketing event shall be at no cost to the participants;
 - (b) The person promoting or sponsoring the marketing event ("promoter") shall notify all of its accounts within its sales territories of the marketing event;
 - (c) If the marketing event cannot accommodate all of the accounts of the promoter, then the promoter shall timely notify all accounts and advise them that due to a limitation there will be a drawing to select which accounts will attend the event;
 1. The promoter shall provide, without cost to its accounts, a reasonably acceptable means for interested parties to register for the drawing, or in the alternative, upon notification place all of its accounts into the drawing for selection.
 2. The promoter shall notify all accounts of the winner or winners as applicable.
 - (d) For purposes of this regulation the term "marketing event" means any marketing activity sponsored by Wholesalers, Brokers, Importers, or Manufacturers during which the total value of all non-alcoholic items given by Wholesalers, Brokers,

Importers, or Manufacturers may not exceed \$300 per Brand in a single retail establishment in a rolling twelve-month period;

1. A "rolling" twelve month period is defined as the twelve months prior to the most recent occurrence.
 2. Wholesalers, Brokers, Importers, or Manufacturers may not pool or combine dollar limitations in order to provide products or services to a Retailer or Retail Consumption Dealer valued in excess of \$300 per Alcohol Type.
 3. The following are not considered "marketing events" as defined in these regulations:
 - (i) Licensed Special Event as provided for in Rule [560-2-11-.02](#);
 - (ii) Trade Show as provided for in Rule [560-2-2-.22](#);
 - (iii) Promotional Events as provided for in Rule [560-2-2-.20](#).
- (e) For two years after the date of each marketing event, Wholesalers, Brokers, Importers, or Manufacturers shall keep and maintain records of all items furnished to Retailers or Retail Consumption Dealers under this Regulation;
1. Commercial records or invoices may be used to satisfy this record-keeping requirement if the following required information is shown:
 - (i) The name and address of the Retailer or Retail Consumption Dealer receiving the item;
 - (ii) The date furnished;
 - (iii) The item furnished;
 - (iv) The Wholesaler's, Broker's, Importer's, or Manufacturer's cost of the item furnished (determined by the Manufacturer's invoice price of the item); and
 - (v) Charges to the Retailer or Retail Consumption Dealer for any item.
 - (2) All promotional items and marketing events are to be available on equal terms to all similarly situated accounts of the sponsoring party.
 - (3) Banners for internal or external use at promotional events may be provided at no cost to the non-Licensee and may be displayed at the event.

- (a) The banners shall not refer to any specific Retailer or Retail Consumption Dealer or to the fact that an Alcoholic Beverage business is located at or in the promotional event location.
- (4) A Wholesaler, Broker, Importer, or Manufacturer may provide promotional items, excluding tobacco products, Alcoholic Beverage products, and lottery products, directly to consumers on the premises of a Retailer or Retail Consumption Dealer, provided that all patrons are given an equal chance for such items without charge and without any purchase being required.
 - (a) Permitted Wholesaler, Broker, Importer, or Manufacturer employees or agents must be present to provide the items to patrons;
 - (b) These items shall be delivered concurrently with the arrival of the permitted agents or employees and such employees or agents must remove any items not distributed upon their departure.
- (5) A Wholesaler, Broker, Importer, or Manufacturer may not make any payment, reimbursement, or compensation of any kind or character to any Retailer or Retail Consumption Dealer for any purpose, either directly or indirectly, or through a third-party arrangement.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.19

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#).

History. Original Rule entitled "Emergency Movement of Beverage Alcohol" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Trade Practices - Promotional Items and Marketing Events" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.20. Promotional Events.

- (1) Any Alcoholic Beverage Licensee may sponsor or cosponsor a promotional event with any other promoter, provided the promoter is not an Alcoholic Beverage Licensee, and the location of the event is licensed as a Retailer or Retail Consumption Dealer.
- (2) The Alcoholic Beverage Licensee shall not pay or otherwise provide any consideration to any other Licensee located at or within the publicly owned stadium, park, coliseum, or auditorium where the promotional event is held.
- (3) Advertising promoting a promotional event shall not focus solely on any specific Alcoholic Beverage Licensee or to the fact that an alcohol licensed business is located at or within the publicly owned stadium, park, coliseum, or auditorium.

- (a) Nothing in this Regulation shall be construed to prevent advertising which includes the name of the sponsor, the promotional event, or the name of the publicly owned stadium, park, coliseum, or auditorium at which the promotional event is held.
- (4) No agreement between any of the parties promoting a promotional event shall limit the sale of Alcoholic Beverage products during the promotional event to specific types or Brands of Alcoholic Beverages or prohibit the sale of certain types or Brands of Alcoholic Beverages during the promotional event.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.20

Authority: O.C.G.A. § [3-2-2](#).

History. Original Rule entitled "Shipper's Failure to File Report" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Promotional Events" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.21. Prohibited Advertising.

- (1) No advertising of Alcoholic Beverages shall be published or disseminated in Georgia which:
 - (a) Contains any statement, design, or pictorial representation which falsely implies that the product has been endorsed by, made by, used by; or produced for or under the supervision of; or produced in accordance with the specification of any religious organization, the United States government, the government of Georgia, or any other domestic governmental entity;
 - (b) Contains any reference, directly or indirectly, which falsely implies an endorsement by or relationship with any school, college, or university athlete, or any school, college or university;
 - (c) Is directed to or promotes in any way the sale of Alcoholic Beverages to persons under the legal age to purchase Alcoholic Beverages in Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.21

Authority: O.C.G.A. § [3-2-2](#).

History. Original Rule entitled "Unlawful Shipments; Seizure; Assessment" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Prohibited Advertising" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.22. Trade Show.

(1) For purposes of this Regulation, the term "trade show" shall be an exhibition organized and hosted by a licensed Wholesaler, Broker, Importer, Shipper, or Manufacturer for the purpose of providing information regarding new Alcoholic Beverage products.

(a) A Wholesaler, Broker, Importer, Shipper, or Manufacturer may conduct twelve (12) trade shows per calendar year at its licensed Place of Business or at a Retailer Consumption Dealer's Premises;

(b) A trade show hosted by a Broker, Importer, Shipper or Manufacturer can be attended only by Wholesalers and their employees within the Broker's, Importer's, Shipper's, or Manufacturer's sales territory;

(c) A trade show hosted by a Wholesaler can only be attended by Licensed Manufacturer's Representatives, bona fide journalists, Retailers, and/or Retail Consumption Dealer's and their respective employees within the Wholesaler's sales territory;

(d) Wholesalers, Manufacturers, Shippers, Importers, Brokers, and their Representatives and agents can accept orders for Alcoholic Beverage products at the trade show.

1. Sale and delivery shall not occur at the trade show.

(e) A licensed Representative of any Broker, Importer, Shipper, Manufacturer or Wholesaler, at the request of the host Licensee, may provide pouring services and product information during any trade show.

1. The trade show host together with the employing Licensee and the permitted Representatives shall be responsible for all acts or omissions of any Representative providing service at the trade show.

(2) At least fifteen (15) days prior to the trade show, a party seeking to conduct a trade show shall make a request in writing to the Commissioner accompanied by the following documents and materials:

(a) A valid license or authorization, if required, from the appropriate local governing authority granting permission to conduct such trade show; and

(b) A signed statement from the Wholesaler, Broker, Importer, Shipper or Manufacturer in substantially the following format:

Date: _____

Time: Begin: _____ End: _____

Location Name: _____

Address: _____

(city) (state) (ZIP code)

The undersigned hereby affirms that:

1. The excise tax on all alcohol beverages at the trade show has been paid and documentation of payment will be available at the trade show.
2. All (Retailers/Retail Consumption Dealers) (Wholesalers) within the applicant's sales territory have been invited to the event.
3. The event is without charge or cost of any kind to the attendees.
4. The host is paying "fair market value" for the use of any retail licensed premises.
5. All participants will be or have been advised in writing that a participant may only order Alcohol Products during the trade show and shall not receive shipment of orders for product onsite.

Signed: _____

Date: _____

Name: _____

(print or type)

Title: _____

Company Name: _____

Ga. License No. _____

- (3) All trade shows must be approved by the Commissioner or Agents of the Department.
- (4) If the applicant does not receive written notification from the Commissioner within ten (10) days after applying, the request has been denied.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.22

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Failure to Report; Failure to Remit Taxes; Penalty; Interest" adopted. F. May 5,

1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Trade Show" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.23. Sales Invoice Requirements for Manufacturers, Shippers, Importers, Brokers and Wholesalers.

- (1) No Manufacturer, Shipper, Importer, Broker, or Wholesaler, its agents, or employees, shall:
 - (a) Make any sale or delivery of any Alcoholic Beverages without a written invoice made concurrently with the sale or delivery in accordance with requirements of this Regulation;
 - (b) Make any invoice which falsely indicates prices and terms of any sale;
 - (c) Insert in any invoice any statements which make the invoice a false record, wholly or in part, of the transaction invoiced or represented on the face of the invoice; or
 - (d) Withhold from any invoice any statement which properly should be included in it so that in the absence of such a statement the invoice does not truly reflect the transaction involved.
- (2) Each sales invoice shall have the name, address, and license number of the seller and shall show the following information:
 - (a) Name, address, and license number of purchaser;
 - (b) Date of delivery or shipment and invoice number;
 - (c) Brand, Alcohol Type, size of container, amount of cases, number of containers and size of container in each case of Alcoholic Beverage delivered or shipped;
 - (d) The place from which the Alcoholic Beverage was shipped; and
 - (e) Invoices covering sales of Distilled Spirits and Wine shall show, in addition to the above, the total number of liters by tax category.
- (3) For each sale made to a licensed retail location, a Wholesaler shall issue a separate and distinct sales ticket or invoice in compliance with this Regulation.
 - (a) The terms and conditions of sale shall at all times be consistent with applicable current price sheet and there shall be no terms or conditions of the transaction that are not readily determinable from the face of the invoice or ticket.

- (b) A Wholesaler shall not favor specific retail locations and shall sell to retail locations within its territories on substantially the same terms and conditions at all times consistent with these regulations.
- (4) Within twenty-four (24) hours after sale, all sales tickets or invoices must be on file on the premises of the Wholesaler and shall be open for inspection by authorized agents of the Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.23

Authority: O.C.G.A. §§ [3-2-2](#), [3-6-24](#).

History. Original Rule entitled "Common Carriers: Bills of Lading" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Manufacturer, Shipper and Wholesaler to Make Accurate Invoice" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Sales Invoice Requirements for Manufacturers, Shippers, Importers, Brokers and Wholesalers." F. May 31, 2023; eff. June 20, 2023.

[Rule 560-2-2-.24. Sales by Vending Machines.](#)

No Licensee shall sell, offer for sale, or allow to be sold any Alcoholic Beverages through any vending machine or through any unattended machine.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.24

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Wholesale Brand Combinations" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Amended: New Rule entitled "Sales by Vending Machines" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

[Rule 560-2-2-.25. Sales to Minors; Exceptions.](#)

No Licensee, employee of such Licensee, or any person acting on behalf of or with the knowledge of such Licensee shall give, sell, offer to sell, furnish, cause to be furnished, or offer to furnish any Alcoholic Beverage to any person who is under the lawful drinking age as established by Georgia law.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.25

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-23](#), [48-2-12](#).

History. Original Rule entitled "Restriction to Retail Dealers and Retail Consumption Dealers" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Dec. 13, 2002; eff. Jan. 2, 2003.

Repealed: New Rule entitled "Sales to Minors; Exceptions" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Note: Correction of non-substantive typographical error in Authority, "**Authority:** O.C.G.A. §§ [3-2-2](#), [3-2-23](#), [48-2-12](#)," corrected to "**Authority:** O.C.G.A. §§ [3-2-2](#), [3-3-23](#), [48-2-12](#)." (i.e., "3-2-23" corrected to "3-3-23"), as requested by the Agency. Effective September 5, 2023.

Rule 560-2-2-.26. Subterfuge.

Any act which may be construed as a subterfuge in an effort to circumvent any of these regulations shall be deemed a violation of the regulation attempted to be circumvented.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.26

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#), [48-2-12](#).

History. Original Rule entitled "Valid County or Municipal License Requisite to Valid State License" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Dec. 15, 2006; eff. Jan. 4, 2007.

Amended: New Rule entitled "Subterfuge" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.27. Violations; Unlawful Activities.

- (1) Any person holding any license, permit, or registration issued pursuant to this Chapter or any employee or agent of such person who violates any provision of this Chapter, or directs, consents to, permits, or acquiesces in such violation, either directly or indirectly shall, by such conduct, subject the license to suspension, revocation or cancellation.
 - (a) For purposes of administering and enforcing this Chapter, any act committed by an employee, agent, or Representative of a Licensee shall be deemed to be an act of the Licensee.
- (2) It shall be a violation of this Chapter for any Licensee, permittee, or registrant to permit any person to engage in any activity on the premises for which the license is issued or within the Place of Business which is in violation of the laws or regulations of any federal, state, county or municipal governing authority or regulatory agency.
 - (a) With respect to any such activity, it shall be rebuttably presumed that the act was done with the knowledge or consent of the Licensee, provided however, that this presumption may be rebutted only by evidence which precludes every reasonable hypothesis that such Licensee did not know of, assisted, or aided in such occurrence, or in the exercise of full diligence could not have discovered or prevented such activity.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.27

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-9](#).

History. Original Rule entitled "Employment Restrictions" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Violations; Unlawful Activities" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.28. Other Alcoholic Beverages Prohibited.

No Licensee shall keep, possess, or store at the Licensee's Place of Business any Alcoholic Beverages for which the Licensee does not hold a valid license to sell those Alcoholic Beverages at that Licensee's Place of Business.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.28

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-3](#).

History. Original Rule entitled "Violations; Unlawful Activities" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Other Alcoholic Beverages Prohibited" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.29. Furnishing Alcoholic Beverages When Sale Not Permitted; Prohibited.

No Licensee, employee of any Licensee, or any person acting on behalf of any Licensee shall furnish or give Alcoholic Beverages to any person on any day or at any time when sale of same is prohibited by law.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.29

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-7](#), [3-3-20](#), [48-2-12](#).

History. Original Rule entitled "Failure to Comply with Tax Laws" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: New Rule entitled "Furnishing Alcoholic Beverages When Sale Not Permitted; Prohibited" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.30. Non-Registered Brands.

Except where not required by law, no Person shall move or cause to be moved into Georgia, receive, hold, purchase, give away, sell, or offer to sell in Georgia any Alcoholic Beverages unless the Brand has first been registered with and approved by the Commissioner or the Commissioner's agent as provided in Rule [560-2-5-.08](#) or Rule [560-2-5-.09](#).

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.30

Authority: O.C.G.A. §§ [3-2-2](#), [3-4-152](#), [3-4-153](#).

History. Original Rule entitled "Damaged, Lost or Stolen Goods; Notification" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: New Rule entitled "Non-Registered Brands" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.31. Dishonored Payments.

- (1) Retailers or Retail Consumption Dealers remitting payment for purchases of merchandise from a Wholesaler shall, upon notification that any payment has been dishonored, make immediate payment for such purchases. This requirement applies regardless of whether

the Retail or Retail Consumption Dealer is the maker, endorser, account holder, or payor of the payment.

- (a) Failure to comply with this Regulation may subject Retailers and Retail Consumption Dealers to a citation.
- (2) Wholesalers who receive a dishonored payment from a Retailer or Retail Consumption Dealer and secure a criminal warrant or a returned check citation against the Retailer or Retail Consumption Dealer must notify the Commissioner in writing within ten (10) days of the date of issuance of the warrant or citation.
 - (a) The notification shall include all pertinent information associated with the criminal warrant or returned check citation, including the county where the warrant or citation was secured, the warrant or citation number, docket number, and/or a copy of the warrant or citation.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.31

Authority: O.C.G.A. § [3-2-2](#).

History. Original Rule entitled "Selling in Violation of Order of Commissioner" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Invalid Checks" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Dishonored Payments." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.32. Notification of Disciplinary Action.

- (1) Any Licensee who has any disciplinary action taken against the Licensee or the Licensee's employees by any authority, either municipal, county, state, or federal, shall notify the Commissioner, through the Georgia Tax Center or the Commissioner's agents within fifteen (15) days of such action, except as otherwise provided by law.
 - (a) The notification must include the complete details of the action taken;
 - (b) Any Licensee who fails to notify the Commissioner or the Commissioner's agents of such action within the prescribed time may be cited and required to appear before the Commissioner to show cause as to why the Licensee's license should not be suspended, revoked, or cancelled.
- (2) Disciplinary action as used in this Regulation means any action taken by any municipal, county, state or federal agency against the Licensee, its employees, or its Place of Business including but not limited to:
 - (a) Arrests by local, state, or federal authorities of the Licensee or any of its employees;

- (b) Citations issued by local, state, or federal authorities, to the Licensee or any of its employees;
 - (c) Indictments, presentments, or accusations in any local, state, or federal courts against the Licensee or any of its employees;
 - (d) Convictions of, or penalties imposed pursuant to a plea of nolo contendere or non vult against the Licensee or any of its employees in any local, state, or federal court;
 - (e) Penalties imposed by any regulatory agency against the Licensee or any of its employees; or
 - (f) Any other written charges or reprimand by local, state, or federal authorities.
- (3) Traffic citations that do not result in arrest, written to the Licensee or any of its employees need not be reported to the Commissioner or the Commissioner's agents.
- (4) Civil actions or accusations against the Licensee, or any person, firm or corporation holding a financial interest in the license, shall be reported in accordance with paragraph (1) of this Regulation.
- (a) Civil actions or accusations against employees of the Licensee need not be reported.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.32

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-2.1](#), [48-2-12](#).

History. Original Rule entitled "Measurement of Distances" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Repealed: New Rule entitled "Notification of Disciplinary Action" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.33. Termination of Business and Refunds on Close-Out Inventory.

- (1) Upon termination of a Retailer's or Retail Consumption Dealer's business, including termination of such Retailer's or Retail Consumption Dealer's special event permit pursuant to Rule [560-2-2-.35](#), Rule [560-2-2-.67](#), Rule [560-2-11-.02](#), or Rule [560-2-11-.03](#), such Retailer or Retail Consumption Dealer may return to the appropriate Wholesaler such goods as the Licensee then has on hand, and the Wholesaler shall accept the return of such goods deemed by such Wholesaler to be saleable at the prices posted by such Wholesaler pursuant to these Regulations at the time such goods were sold to the Retailer or Retail Consumption Dealer.

- (a) No Wholesaler shall charge a fee for picking up or taking back any merchandise greater than ten percent (10%) of the value of the merchandise returned.
- (b) In the event of a termination of a Retailer's or Retail Consumption Dealer's business with such goods on hand being returned to the Wholesaler as provided herein, the Wholesaler may defer payment to the Retailer or Retail Consumption Dealer for a period not to exceed thirty (30) days to ensure that no security interest is being held by a third party on such merchandise.
- (c) With express written permission of the Commissioner, a Retailer or Retail Consumption Dealer terminating its business may sell that portion of its remaining inventory which the Wholesaler does not accept to another Retailer or Retail Consumption Dealer within the same taxing jurisdiction.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.33

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-4](#).

History. Original Rule entitled "Initial Applications; Temporary Permits Authorized; Conditions of Issuance" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Termination of Business and Refunds on Close -Out Inventory" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.34. Product Recall.

- (1) For products that are unmarketable due to internal content deterioration resulting in the product varying substantially in taste or appearance from the Manufacturer's specifications, or other conditions the Commissioner deems appropriate, the Manufacturer, Shipper or Importer may petition the Commissioner in writing to request authorization to recall such products.
 - (a) Except in cases where there is an immediate threat to public health and safety, the recall request shall be submitted so that it is received by the Alcohol & Tobacco Division at least fifteen (15) days in advance of the proposed date for initiating the recall and shall specifically detail the reason for the recall, including:
 - 1. The extent and scope of the problem with the product(s);
 - 2. The amount in distribution within Georgia; and
 - 3. The estimated amount of time needed to complete the recall.
 - (b) All approved recalls shall be conducted by Wholesalers working in conjunction with the impacted Manufacturer, Shipper, or Importer under terms and conditions agreed to by the Wholesalers and the impacted Manufacturer, Shipper, or Importer.

- (c) Where a product is recalled pursuant to this provision, the product shall be exchanged for an equal quantity of the same product.
 - 1. Where the same product is unavailable because the recall encompasses the total removal of a product from distribution or otherwise, the product shall be exchanged for an equal quantity of a product that is the same type of Alcoholic Beverages, or where such a product is unavailable, the issuance of a credit to the Retailer equal to the original purchase price paid by the Retailer.
- (d) There shall be no refund or credit of any excise tax paid on any products subject to recall for any reason.
- (e) Records regarding recalls of products shall be maintained in a manner consistent with O.C.G.A. § [3-3-6](#).

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.34

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-4](#), [3-3-6](#).

History. Original Rule entitled "Sales by Vending Machines" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Product Recall" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

[Rule 560-2-2-.35. Special Use Permits.](#)

- (1) The Commissioner may issue a special use permit subject to the following mandatory conditions:
 - a. Using the Georgia Tax Center, accessible through the Department's website, the permittee shall submit an application to the Department no later than ten (10) business days prior to the event; and
 - b. The permittee shall secure all appropriate and necessary local licenses, permits, or authorizations for the event, which must be available for Department inspection upon request.
- (2) The following events shall qualify for a special use permit:
 - a. Estate sales;
 - b. Sales of inventory authorized under a bankruptcy proceeding;
 - c. Inventory auctions; and
 - d. Other such activities as deemed appropriate by the Commissioner.

- (3) All applicable bonds and fees must be paid.
- (4) No special use permit shall be issued unless the applicant is in full compliance with the laws and regulations governing the sale of Alcoholic Beverages, including alcohol excise tax laws.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.35

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-5](#), [3-3-1](#), [3-9-4](#), [3-14-1](#).

History. Original Rule entitled "Monthly Report of Shipments" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Adopted: New Rule entitled "Special Events Permits." F. Aug. 8, 2012; eff. Aug. 28, 2012.

Amended: New title "Special Use Permits." F. May 6, 2016; eff. May 26, 2016.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-2-.36. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.36

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Consumption on Premises - Trade Practices" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.37. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.37

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Package Sales by Retail Consumption Dealers; Prohibitions" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.38. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.38

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Ownership Interest" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Feb. 3, 1987; eff. Feb. 23, 1987.

Repealed: New Rule of same title adopted. F. Dec. 15, 2006; eff. Jan. 4, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.39. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.39

Authority: Ga. L. 1973, pp. 309-324 (Ga. Code Ann., Sec. 91A-215); Ga. L. 1980, pp. 1573, 1577, 1578 (Ga. Code Ann., Sec. 5A-302).

History. Original Rule entitled "Providing Testimony and Documents" was filed on May 5, 1982; effective May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.40. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.40

Authority: O.C.G.A. Secs. 48.2-12; 3-2-2; 3-4-21.

History. Original Rule entitled "Prohibition Against Holding or Having Beneficial Interest in More Than Two Retail Dealer Licenses" was filed on December 19, 1984; effective January 8, 1985.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.41. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.41

Authority: O.C.G.A. Secs. 48.12-2; 3-2-2.

History. Original Rule entitled "Furnishing Beverage Alcohol When Sale Not Permitted; Prohibited" was filed on September 27, 1985; effective October 17, 1985.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.42. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.42

Authority: O.C.G.A. Secs. [3-1-5](#), [3-2-2](#), [3-3-24.2](#), [48-12-2](#).

History. Original Rule entitled "Required Signs - Pregnancy Warning and Sales to Underage Persons" adopted. F. July 28, 1986; eff. August 17, 1986.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.43. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.43

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Charitable Events; Organization" adopted. F. Feb 3, 1987; eff. February 23, 1987.

Amended: F. Aug. 4, 2000; eff. Aug. 24, 2000.

Repealed: New Rule of same title adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Amended: F. Sept. 20, 2007; eff. Oct. 10, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.44. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.44

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Manufacturer, Shipper or Wholesaler to Make Accurate Invoice" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Amended: F. Dec. 13, 2002; eff. Jan. 2, 2003.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.45. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.45

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Coupons and Rebates" adopted. F. Mar. 10, 1997; eff. Mar. 30, 1997.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.46. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.46

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Prohibited Advertising" adopted. F. Mar. 10, 1997; eff. Mar. 30, 1997.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.47. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.47

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#), [48-2-12](#).

History. Original Rule entitled "Certain Requirements for Licensees Upon Suspension of Alcohol License" adopted. F. June 2, 2006; eff. June 22, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.48. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.48

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Promotional Events" adopted. F. Dec. 15, 2006; eff. Jan. 4, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.49. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.49

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-32](#), [48-2-12](#).

History. Original Rule entitled "Inspection of Licenses Premises and Records" adopted. F. Dec. 15, 2006; eff. Jan. 4, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.50. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.50

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Invalid Checks" adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.
Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.51. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.51

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Wholesaler - Additional Requirements of Licensee" adopted. F. June 29, 2007; eff. July 19, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.52. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.52

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Special Charges" adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.53. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.53

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Delivery Vehicle Requirements" adopted. F. June 29, 2007; eff. July 19, 2007.

Amended: F. Sept. 20, 2007; eff. Oct. 10, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.54. Repealed/ Reserved.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.54

History. Repealed: Rule reserved. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.55. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.55

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Trade Show" adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Amended: F. June 29, 2007; eff. July 19, 2007.

Amended: F. Sept. 20, 2007; eff. Oct. 10, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.56. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.56

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#).

History. Original Rule entitled "Trade Practices - Inventory Rotations; New Brands; Displays and Bins" adopted. F. Sept. 20, 2007; eff. Oct. 10, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.57. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.57

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#).

History. Original Rule entitled "Trade Practices - Inventory Set and Resets; Notification" adopted. F. Sept. 20, 2007; eff. Oct. 10, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.58. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.58

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#).

History. Original Rule entitled "Trade Practices - Point-of-Sale Advertising" adopted. F. Sept. 20, 2007; eff. Oct. 10, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.59. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.59

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#).

History. Original Rule entitled "Trade Practices - Promotional Items and Marketing Events" adopted. F. Mar. 10, 2008; eff. Mar. 30, 2008.

Amended: F. Apr. 4, 2008; eff. Apr. 24, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.60. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.60

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Sale Limitation; Delivery" adopted. F. adopted. F. June 29, 2007; eff. July 19, 2007.

Amended: F. Sept. 20, 2007; eff. Oct. 10, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.61. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.61

Authority: O.C.G.A. Secs. [3-2-2](#), [3-5-38](#).

History. Original Rule entitled "Facility Tours" adopted. F. Mar. 10, 2008; eff. Mar. 30, 2008.

Amended: F. Apr. 4, 2008; eff. Apr. 24, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.62. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.62

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Warehouse - Hub and Spoke Operations" adopted. F. June 29, 2007; eff. July 19, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.63. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.63

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Manufacturer Representatives Authorization to Contact Wholesalers and Retailers" adopted. F. Sept. 20, 2007; eff. Oct. 10, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.64. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.64

Authority: O.C.G.A. Secs. [3-2-2](#), [3-4-26](#), [3-6-25.1](#).

History. Original Rule entitled "Wholesale Cost Price" adopted. F. Mar. 10, 2008; eff. Mar. 30, 2008.

Amended: F. Apr. 4, 2008; eff. Apr. 24, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.65. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.65

Authority: O.C.G.A. Secs. [3-2-2](#), [3-6-4](#).

History. Original Rule entitled "Package Sales by Retail Consumption Dealers; Prohibitions" adopted as ER. 560-2-2-0.33-.65. F. and eff. July 2, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.66. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.66

Authority: O.C.G.A. Secs. [3-2-2](#), [3-6-31](#).

History. Original Rule entitled "Wine Special Order Shipper" adopted as ER. 560-2-2-0.33-.66. F. and eff. July 2, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-2-.67. Special Events on the Premises of a Licensed Manufacturer or Wholesaler.

(1) Definitions:

For the purpose of this regulation,

- a. "Event Services" means services provided by an event planner, caterer, bartending service, or other third-party food and beverage vendor necessary to organize and execute a special event on the premises of a Manufacturer or Wholesaler on behalf of a Permittee.
- b. "Permittee" means any person issued a special event permit pursuant to this regulation.
- c. "Related Party" means any person who holds an ownership interest in an annual Licensee, is an employee of an annual Licensee, is an immediate family member of any owner or employee of an annual Licensee, or is any person who, in the determination of the Commissioner, has any relationship with an annual Licensee that is not arm's length.

(2) Permit Applicants:

Persons may apply for a permit to sell or distribute Alcoholic Beverages for consumption on the premises of a licensed Manufacturer or Wholesaler for a period not to exceed three

(3) days, subject to the following mandatory conditions:

- a. Applicants shall secure all appropriate and necessary local licenses, permits, or authorizations for the event, which must be submitted to the Department during the application process;
- b. Applicants shall submit an application to the Department no later than ten (10) business days prior to the event using the Georgia Tax Center, accessible through the Department's website;
- c. The rental of the premises of a Manufacturer or Wholesaler for a special event must be made through an arms-length agreement for a flat fee. The agreement cannot be based on the type or quantity of Alcoholic Beverages sold, commission, or a percentage of sales. The agreement must be formalized in writing and available to the Department for inspection upon request;

- d. No special event permit shall be issued unless the applicant is in full compliance with the laws and regulations governing the sale of Alcoholic Beverages and all tax laws of this State; and
- e. No annual Licensee or Related Party may hold a special event on the premises of a licensed Manufacturer or Wholesaler, except where such event will be held on the premises of a licensed Manufacturer or Wholesaler that is located within a local jurisdiction which requires by ordinance that the Permittee be the holder of an annual Retail license.
 - i. No annual retail Licensee shall be issued more than six (6) special event permits per year on the premises of any single licensed Manufacturer or Wholesaler.
 - ii. Permits issued pursuant to this exception shall be imputed between annual Retail Licensees and Related Parties for the purpose of determining the six (6) special event permit limitation.

(3) Duties of the Permittee:

- a. All Alcoholic Beverages to be served or sold at the event must be purchased by the Permittee from a licensed Wholesaler, except where the Alcoholic Beverages have been donated for a charitable event pursuant to Rule [560-2-11-.02](#).
- b. All Alcoholic Beverages supplied by the Permittee must be clearly identifiable at all times before, during, and after the special event.
- c. Invoices for Alcoholic Beverages purchased by the Permittee must be available for inspection upon request during the event.

(4) Contracting for Event Services:

Nothing in this regulation shall prohibit a vendor ordinarily engaged in the business of providing Event Services who holds a retail or consumption on premises license from providing Event Services as an arms-length independent contractor pursuant to a written agreement.

- a. Permittees shall provide the written agreement for Event Services to the Department for inspection upon request.
- b. Event Services vendors may not purchase or provide the Alcoholic Beverages to be sold or dispensed at the special event. All Alcoholic Beverages to be served or sold at the event must be purchased by the Permittee from a licensed Wholesaler, except where the Alcoholic Beverages have been donated for a charitable event pursuant to Rule [560-2-11-.02](#).

(5) Duties of the Manufacturer or Wholesaler:

- a. All Alcoholic Beverages owned by the Manufacturer or Wholesaler must be secured by locked barrier and physically isolated at all times from the Permittee and special event attendees.
- b. Employees of a Manufacturer or Wholesaler are prohibited from providing any services on behalf of a Permittee during a special event, except where services have been donated for a charitable event pursuant to Rule [560-2-11-.02](#).
- c. Manufacturers and Wholesalers may not require a Permittee to sell certain brands of Alcoholic Beverages as a condition of the event space rental agreement.

Cite as Ga. Comp. R. & Regs. R. 560-2-2-.67

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-14-1](#), [48-2-12](#).

History. Original Rule entitled "Special Events on the Premises of a Licensed Manufacturer or Wholesaler" adopted. F. Aug. 8, 2016; eff. Aug. 28, 2016.

Repealed: New Rule of the same title adopted. F. Aug. 1, 2017; eff. Aug. 21, 2017.

Amended: F. May 31, 2023; eff. June 20, 2023.

Subject 560-2-3. RETAILER/RETAIL CONSUMPTION DEALER.

Rule 560-2-3-.01. Restriction to Retailer; Storage of Inventory.

- (1) No licensed Retailer or Retail Consumption Dealer shall keep any Distilled Spirits stored in any Warehouse, whether bonded or not, nor shall he enter into any agreement whereby Distilled Spirits ordered by him are stored for him by any licensed Wholesaler.
- (2) A licensed Retailer or a Retail Consumption Dealer shall keep no inventory or stock of Distilled Spirits at any place except his licensed Place of Business, and within his licensed Place of Business his storage space for Distilled Spirits shall be immediately adjacent to the room in which he is licensed to do business.
 - (a) If the storage space for Distilled Spirits has an opening leading directly to the outside, the door shall be so equipped that it may only be unlocked and opened from the inside, and shall be opened only while accepting delivery of goods from a licensed Wholesaler;
 - (b) It shall be permissible to store other products, which the Licensee is legally permitted to sell, in the same storage space as described above;
 - (c) This Rule, however, is subject to the provisions of Rule [560-2-2-.16](#) of these regulations, which provides for the emergency movement of Distilled Spirits.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.01

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Inter-State Transportation by Registered Producer" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Producer" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: New Rule entitled "Restriction to Retailer; Storage of Inventory" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.02. Restriction to Retailer Business Hours; Exception; Restrictions on Other Mercantile Establishments; Manner of Operation.

- (1) No Retailer of Distilled Spirits shall open its Place of Business or furnish, sell, or offer for sale, any Alcoholic Beverage at any of the following times:
 - (a) In violation of a county or municipal ordinance or regulation;
 - (b) In violation of a special order of the Commissioner;
 - (c) Sundays prior to 11:00 a.m. or after 11:30 p.m., except as otherwise provided in O.C.G.A. § [3-3-7](#); or
 - (d) Any other day prior to 8:00 a.m. or after 11:45 p.m.
- (2) No Retailer of Distilled Spirits shall be in or permit others to be in its Place of Business at any of the following times:
 - (a) In violation of a county or municipal ordinance or regulation;
 - (b) In violation of a special order of the Commissioner;
 - (c) On Sundays prior to 9:00 a.m.;
 - (d) On Sundays after 12:00 a.m. (midnight) or, if the Place of Business closes earlier than 11:30 p.m., 30 minutes past the closing time;
 1. Example: Package store A closes at 11:00 p.m. The Retailer and all other persons are prohibited from being in the Place of Business after 11:30 p.m.
 - (e) On all days other than Sunday, prior to 6:00 a.m.;
 - (f) On all days other than Sunday, after 12:15 a.m. or, if the Place of Business closes earlier than 11:45 p.m., 30 minutes past the closing time.
 1. Example: Package store A closes at 11:30 p.m. The Retailer and all other persons are prohibited from being in the Place of Business after 12:00 a.m. (midnight).

- (3) Nothing contained in paragraph (2) shall prohibit a Retailer from being in its Place of Business at any time:
- (a) For purposes of responding to emergency situations such as fire or burglary;
 - (b) For purposes of taking inventory, making repairs, renovating, or any other Alcoholic Beverage business purpose which does not involve the presence of Persons other than the Retailer, its agents or employees, when the activities could not reasonably be carried out during regular business hours, provided that the Licensee posts on all door entrances to the Place of Business a sign to read: "CLOSED, NO CUSTOMERS ALLOWED ON PREMISES."
 - (c) This exception does not relieve the Licensee from full compliance with all local laws and regulations or authorize the presence on the Retailer's Place of Business of any Person other than the Retailer, its agents or employees.
- (4) Except as provided in Rule [560-2-3-.14](#), no Retailer shall operate in connection with any other mercantile establishment.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-7](#), [48-2-12](#).

History. Original Rule entitled "Registration of Producers and Sellers; Joint Registrants; Registration Fees" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Registration of Producers, Sellers, Joint Registrants and Brands; Registration Fee; Additional Brand Registrations" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Licensed Producer" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Amended: New Rule entitled "Restriction to Retailer Business Hours; Exception; Restrictions on Other Mercantile Establishments; Manner of Operation" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Feb. 28, 2012; eff. Mar. 19, 2012.

Amended: F. May 31, 2023; eff. June 20, 2023.

Amended: F. Jan. 19, 2024; eff. Feb. 8, 2024.

Rule 560-2-3-.03. Place of Sale or Delivery of Goods.

- (1)
- (a) It shall be permissible for a Retailer to have a drive-in window, and it shall be permissible for the Licensee or any of his employees to deliver Alcoholic Beverages through that window.
 - (b) A Retailer is permitted to load purchased goods into a customer's vehicle when the sale has previously taken place inside the Place of Business.
 - (c) No mechanical devices or contrivances may be used for delivery of, or loading of, merchandise into a customer's vehicle.

- (d) No individual or business providing delivery for hire may purchase, pickup, or deliver Alcoholic Beverages, except as provided in O.C.G.A. § [3-3-10](#).
- (2)
- (a) Except when prohibited by local ordinance, Retailers, excluding those who sell Alcoholic Beverages for consumption on the premises, may offer "online curbside pickup"-type services for sales of Alcoholic Beverages. Purchased goods must be delivered to the customer's vehicle and the vehicle must be located within a clearly designated pickup area located within a paved parking area adjacent to the Place of Business. If the Place of Business is located in a shopping center or other single property owned or leased by more than one business, at the discretion of the Department, the pickup area may be located within a paved parking area that is a part of or adjacent to such shopping center or single property, as long as the pickup area is owned or leased by the Retailer or the Retailer's landlord and is under the supervision and control of the Retailer.
 - (b) Alcoholic Beverages sold as part of "online curbside pickup" services must be pulled from the inventory located at the licensed location of the Retailer providing the "online curbside pickup" services and may not be pulled from the inventory of another Retailer or licensed location.
 - (c) Retailers shall require any customer to register with the Retailer before permitting the customer to order Alcoholic Beverages for "online curbside pickup."
 - (d) A Retailer may not knowingly transfer Alcoholic Beverages as part of an "online curbside pickup" service to an individual or business providing delivery for hire services, except as provided in O.C.G.A. § [3-3-10](#).
 - (e) Any employee delivering Alcoholic Beverages to a vehicle for "online curbside pickup" must confirm the individual receiving the Alcoholic Beverages is at least 21 years of age.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-10](#), [48-2-12](#).

History. Original Rule entitled "Additional Brand Registration Fee" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "License Application; Bond" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. July 19, 1976; eff. August 8, 1976.

Repealed: New Rule entitled "Registered Producer" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Amended: New Rule entitled "Place of Sale or Delivery of Goods" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Nov. 30, 2017; eff. Dec. 20, 2017.

Amended: F. Mar. 12, 2018; eff. Apr. 1, 2018.

Amended: F. July 22, 2019; eff. August 11, 2019.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.04. Products Other than Distilled Spirits for Sale, Display, or Offer.

No Retailer of Distilled Spirits shall sell, offer for sale, display, furnish, or keep in stock for sale at its licensed Premises where Distilled Spirits are offered for sale, any other products or services except the following:

- (a) Wines, if the Retailer holds a valid and current license to sell Wine at that Place of Business;
- (b) Malt Beverages, if the Retailer holds a valid and current license to sell Malt Beverages at that Place of Business;
- (c) Cigarettes, cigars, chewing tobacco, alternative nicotine products, or vapor products, snuff, if properly licensed to do so, cigarette papers, lighters and matches, chewing gum, breath mints, manufactured packaged consumable single-serving snack items not requiring any preparation for consumption, single-serving pain medications, and over-the-counter birth control devices;
- (d) Beverages containing no Alcohol and which are commonly used to dilute Distilled Spirits;
- (e) Packaged ice, ice chests, and "koozies" (individual can and bottle coolers).
 - 1. The term "packaged ice" shall refer only to ice in packages of five pounds or greater that is also in compliance with Georgia Department of Agriculture Rule [40-7-1-.08](#), entitled "Food from Approved Source," and the packaging complies with Georgia Department of Agriculture Rule [40-7-1-.26](#), entitled "Labeling."
- (f) Paper, Styrofoam, or plastic cups, gift bags, which are limited in size to accommodate one 750 milliliter size bottle of Wine or Distilled Spirits, and contain only products approved for sale or display by this regulation.
- (g) Lottery tickets issued by the Georgia Lottery Corporation and any approved Georgia Lottery Corporation lottery materials, provided such Retailer is also an authorized retailer of the Georgia Lottery Corporation;
- (h) Bar supplies, limited to:
 - 1. Corkscrews, openers, straws, swizzle stirrers, and bar-related containers, and wares made of glass, plastic, metal, or ceramic materials.
 - 2. Items customarily used in the preparation of Alcoholic Beverage drinks, including but not limited to cocktail olives, onions, cherries, lemons, limes, and sugars or salts, provided such products are produced and marketed specifically for the preparation of Alcoholic Beverage drinks.

3. Alcoholic Beverage drink recipe booklets, bar guides, and consumer-oriented Alcoholic Beverage publications.
- (i) Products co-packaged with Alcoholic Beverages, provided that the products are limited to items approved for sale or display by this regulation, are offered for sale and sold as a single unit, and do not include more than one type of Alcoholic Beverage product;
 - (j) Check cashing services arising out of the sale of any product lawfully sold under this Rule;
 - (k) Money order sales arising out of check cashing services;
 - (l) Automated teller machine service for customer use;
 - (m) Gift certificates for use only at the issuing licensed Retailer; and
 - (n) Devices and related accessories designed primarily for accessing or extracting alcohol and/or flavorings from prepackaged containers, including pods, pouches, capsules or similar containers, to mix or prepare alcoholic beverages. Devices which are not designed primarily for these purposes, including but not limited to household blenders, are not eligible under this subparagraph.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.04

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Brand Registration Conditional to Sale" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: New Rule entitled "Brand Registration; Labels; Conditional to Sale" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "Joint Registrant" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Products Other than Distilled Spirits for Sale, Display, or Offer" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Jul. 24, 2014; eff. Aug. 13, 2014.

Amended: F. Nov. 18, 2020; eff. Dec. 8, 2020.

Amended: F. May 31, 2023; eff. June 20, 2023.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-3-.05. Games of Chance; Cause for Suspension or Revocation of License.

- (1) Any scheme or device involving the hazarding of money or any other thing of value in any licensed Place of Business, or in any room adjoining the same owned, leased or controlled by the business, shall be cause for suspension or revocation of the Licensee's license. Such schemes or devices include but are not limited to:
 - (a) Gambling;

- (b) Betting;
 - (c) Operating games of chance;
 - (d) Punchboards;
 - (e) Slot machines;
 - (f) Lotteries; and/or
 - (g) Tickets of chance.
- (2) Nothing shall prohibit the operation of a bingo game, where properly licensed, or operating as an authorized retailer of the Georgia Lottery Corporation.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.05

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Authorized Agents Only to Receive or Solicit Orders from Licensed Georgia Wholesalers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Correct Labeling; Private Label" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Games of Chance; Cause for Suspension or Revocation of License" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.06. Acceptance of Legal Delivery.

- (1) A licensed Retailer shall take delivery of Alcoholic Beverages only:
- (a) At their licensed Place of Business; and
 - (b) Only from a licensed Wholesaler or a licensed Carrier acting for a licensed Wholesaler.
- (2) A delivering Wholesaler assumes entire responsibility of legal delivery to a licensed Retailer.
- (3) Licensed Retailers shall not:
- (a) Keep any Alcoholic Beverages stored in any Warehouse, whether bonded or not;
 - (b) Enter into any arrangement to store ordered Alcoholic Beverages with any licensed Wholesaler, Manufacturer, Broker, Importer, or Shipper; nor
 - (c) Keep any stock of Alcoholic Beverages at any place except its licensed Place of Business.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.06

Authority: O.C.G.A. §§ [3-2-2](#), [3-4-111](#), [3-5-28](#), [3-6-26](#), [48-2-12](#).

History. Original Rule entitled "Licensing Procedure for Resident Representative of a Registered Producer or Joint Registrant" adopted. F. and eff. June 30, 1965.

Amended: F. Feb. 2, 1967; eff. Feb. 21, 1967.

Amended: F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Amended: F. Apr. 23, 1975; eff. May 13, 1975.

Repealed: New Rule entitled "Case Marking" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Acceptance of Legal Delivery - Retailer/Retail Consumption Dealer" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.07. Required Signs - Pregnancy Warning and Sales to Underage Persons.

- (1) All Retail Consumption Dealers, Retailers, distilleries, farm wineries, and breweries in this state who sell at retail any Alcoholic Beverages for consumption on the Premises must display a sign warning that consumption of Alcoholic Beverages during pregnancy can cause birth defects.
 - (a) The Department shall furnish on its website the necessary warning sign that must be displayed;
 1. Nothing shall prohibit the display of additional similar information.
 - (b) The warning sign shall be prominently displayed at or near the entrance to where Alcoholic Beverages are consumed and shall be displayed in a readily visible, well lighted place, and safe from being defaced or destroyed;
 - (c) Should the sign be defaced or destroyed, the Licensee shall immediately obtain a replacement from the Department website;
 - (d) Retailers selling Alcoholic Beverages in the unbroken Packages for consumption off the Premises may also display the warning sign.
- (2) Every Retailer shall post in a conspicuous place a notice containing provisions of the laws of Georgia regarding the unlawful sale or furnishing of Alcoholic Beverages to Persons under the lawful drinking age.
 - (a) The Department shall furnish the initial necessary notice that must be displayed;
 1. Nothing shall prohibit display of additional similar information.
 2. Additional copies may be obtained as a download from the Department's website.

- (b) This notice shall be prominently displayed in a readily visible, well lighted place, safe from being defaced or destroyed;
- (c) Should the notice be defaced or destroyed, the Licensee shall immediately obtain a replacement from the Department website.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.07

Authority: O.C.G.A. §§ [3-1-5](#), [3-2-2](#), [3-3-24.2](#), [48-2-12](#).

History. Original Rule entitled "Department of Revenue Recognition of Registered Producer or Joint Resident Representative" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Through-Shipment Permit" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Required Signs - Pregnancy Warning and Sales to Underage Persons" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.08. Retailer Purchase from Licensed Wholesaler; No Sales Below Purchase Price; Penalty for Violation.

- (1) Retailers and Retail Consumption Dealers shall only buy, arrange to buy, or in any way effect the transfer of, any Alcoholic Beverages from a licensed Wholesaler.
- (2) All sales made by Wholesalers to licensed Retailers shall be bona fide sales transactions from the Wholesaler to the licensed Retailer.
- (3) No Retailer shall sell Alcoholic Beverages for less than the cost for which the Alcoholic Beverages were purchased from a licensed Wholesaler, as evidenced by the Wholesaler's invoice.
 - (a) The Department shall consider the totality of the invoice as evidence of the cost for which the Alcoholic Beverages were purchased;
 - (b) For the purposes of auditing, the Department shall calculate the cost of an Alcoholic Beverage by applying to the Brand cost any:
 - 1. Free Alcoholic Beverages; and/or
 - 2. Cash discounts.
- (4) Failure to comply with this Rule shall be cause for revocation of the licenses of all licensed Wholesalers and Retailers involved.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.08

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-4-26](#), [3-5-26](#), [3-5-27](#), [3-6-25](#), [48-2-12](#).

History. Original Rule entitled "Authorization to Contact Wholesalers or Retailers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Through-Shipment Regulations" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Repealed: New Rule entitled "Retailer Purchase from Licensed Wholesaler, No Sales Below Purchase Price; Penalty for Violation" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.09. Consideration of Goods Bought or Sold, Must Be in Cash; Exceptions.

- (1) The consideration for all Alcoholic Beverages sold by any Retailer or Retail Consumption Dealer shall be cash only, and, except as otherwise specifically permitted in paragraph (2) of Rule [560-2-3-.03](#) of these Regulations, the delivery and payment shall be a simultaneous transaction within the licensed Place of Business.
 - (a) No credit of any fashion shall be extended;
 - (b) The use of post-dated checks is prohibited.
- (2) The use of a credit or debit card for the purchase of Alcoholic Beverages from a Retailer or Retail Consumption Dealer shall not be prohibited, provided that the credit card represents an unqualified obligation to pay without recourse on the part of the Person, institution, or agency issuing such card.
 - (a) Hotels licensed to sell Alcoholic Beverages shall not be prohibited from billing guests for Alcoholic Beverages, provided that payment is tendered at the time the guest leaves or checks out of the Hotel;
 - (b) The sale of Alcoholic Beverages by bona fide private clubs and lodges where members pay all charges on a monthly basis shall not be prohibited, provided that the receivables from such transactions are promptly placed for collection consistent with sound business practices.
- (3) Consideration paid for Alcoholic Beverages when purchased by Retailers or Retail Consumption Dealers shall be cash paid at or before delivery.
- (4) Where a Wholesaler makes deliveries to two or more Places of Business of the same Retailer or Retail Consumption Dealer, payment for all such deliveries shall be made by the Retailer or Retail Consumption Dealer in one cash payment at or before the last delivery on such day.
- (5) Giving or receiving of post-dated checks, other evidence of indebtedness, or other subterfuges for obtaining or extending credit shall be a violation of this Regulation.
- (6) The consideration for all Malt Beverages purchased from a Wholesaler by a Retailer or Retail Consumption Dealer shall be for cash only at or before the time of delivery except

that in the event the Retailer or Retail Consumption Dealer owns more than one business and payment is made from a central office, the Wholesaler is permitted to carry an account for a period not to exceed five (5) days after delivery and invoice.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.09

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Unauthorized Sales Promotion or Distributions: Audits" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Non-Registered Brands; Affixing Tax Stamp" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Non-Registered Brands" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: New Rule entitled "Consideration of Goods Bought or Sold, Must be in Cash; Exceptions" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. July 22, 2019; eff. August 11, 2019.

Amended: New title, "Consideration of Goods Bought or Sold, Must Be in Cash; Exceptions." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.10. Restriction to Retailers and Retail Consumption Dealers.

No licensed Retailer or Retail Consumption Dealer shall transport Alcoholic Beverages except by Carrier and then only with the written approval of the Commissioner, except for delivery pursuant to O.C.G.A. § [3-3-10](#) or emergency movement of Alcoholic Beverages as provided in Rule [560-2-2-.16](#).

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.10

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-10](#), [48-2-12](#).

History. Original Rule entitled "Designation of Sales Territories" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Mar. 13, 1967; eff. Apr. 1, 1967.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Aug. 17, 1972; eff. Sept. 6, 1972.

Repealed: New Rule of same title adopted. F. Dec. 8, 1975; eff. Dec. 28, 1975.

Repealed: New Rule of same title adopted. F. Apr. 17, 1978; eff. May 7, 1978.

Repealed: New Rule entitled "Bottles, Cans or Containers Without Tax Stamps" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Apr. 14, 1993; eff. May 4, 1993.

Amended: New Rule entitled "Restriction to Retailers and Retail Consumption Dealers" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.11. Keg Registration and Identification.

- (1) Each retail Licensee selling kegs containing Malt Beverages for consumption off licensed Premises shall require each purchaser to present a Georgia driver's license or other proper identification at the time of purchase.

- (2) Upon the sale of a keg of Malt Beverage, Licensees shall record the following information on the keg registration label or tag provided by the Department and shall affix the completed label or tag to the keg:
 - (a) Name and address of the retail Licensee;
 - (b) Keg identification number; and
 - (c) State alcohol license number of the business.
- (3) The Licensee shall record for each keg sale the following information on an identification form:
 - (a) Date of sale;
 - (b) Size of the keg;
 - (c) Keg identification number;
 - (d) Amount of container deposit;
 - (e) Amount of keg registration fee;
 - (f) Name, address, and date of birth of the purchaser; and
 - (g) Form of identification presented by the purchaser.
- (4) Prior to the culmination of the sale, the purchaser shall read and sign a statement acknowledging and attesting to the following:
 - (a) Accuracy of the purchaser's name and address;
 - (b) Location where the keg contents will be consumed;
 - (c) Knowledge that a violation of O.C.G.A. § [3-3-23](#), as it relates to furnishing Alcoholic Beverages to Persons under the age of twenty-one (21) years, may result in civil liability, criminal prosecution, or both; and
 - (d) Removal or obliteration of the keg registration label or tag is a violation of O.C.G.A. § [3-5-5](#) and that this violation may result in criminal prosecution as set forth in O.C.G.A. § [3-3-9](#).
- (5) Licensees are authorized to charge a keg registration fee due at the time of sale of the keg.
- (6) Licensees are authorized to charge a container deposit due at the time of sale of the keg.
 - (a) When the keg is returned and satisfies the conditions outlined in paragraph (7), the container deposit shall be refunded to the purchaser.

- (b) The Licensee is authorized to retain any container deposit if the keg is returned without the label or the keg identification number, or if the information is illegible.
- (7) Upon return of the keg, the Licensee shall record the condition of the label and keg identification number on the identification form.
- (8) The Licensee shall retain all keg registration information at the Licensee's licensed Premises for a period of six months from the date of sale.
 - (a) Keg registration tags and labels issued by the Commissioner are for the use of the Licensee of the licensed Premises at the address as shown on the state license.
 - (b) Keg registration tags and labels are not transferable from one Licensee to another Licensee, or from one licensed Premises to another licensed Premises.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.11

Authority: O.C.G.A. §§ [3-2-2](#), [3-5-5](#), [48-2-12](#).

History. Original Rule entitled "Shipment by Licensed Common Carriers; Application for Permit to Ship" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Shipment by Licensed Common Carriers; Shipments Consigned to Producer" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "Restriction Against Law Enforcement Agents" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Keg Registration and Identification" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.12. Retailer of Distilled Spirits License.

- (1) Every applicant for a State license as a Retailer of Distilled Spirits shall comply with the requirements and qualifications set forth in Rule [560-2-2-.02](#) of these Regulations and this Rule. The requirements and qualifications in this Rule are cumulative and not in lieu of any requirements and qualifications of Rule [560-2-2-.02](#).
- (2) In all cases where the owner of the business is a resident individual, the application shall be made in that name.
 - (a) Where the owner is a partnership, association, or non-resident of a county or municipality in which the sale of Distilled Spirits is authorized, the application shall be made in the name of a resident officer of a county in which the sale of Distilled Spirits is authorized, partner or associate owning a substantial interest in the business, or in the name of the principal resident managing officer, and the application shall show that the license is for the use of the owner, and the owner shall be named, and both shall be bonded;

- (b) In the event the owner is a corporation or fraternal organization, the application may be submitted as set forth in Rule [560-2-2-.02](#) of these Regulations.
- (3) A separate Retailer license shall be required for each Place of Business.
- (4) The requirement that an applicant's license be for the same location may be waived by the Department where the location previously occupied was lost as the result of the judgment of a court of general jurisdiction involving no fault or default of the Person under whom the applicant had occupied the Premises, the condemnation of the property by an authority having the power of eminent domain, or the due acquisition of the property of such authority under the threat of condemnation.
 - (a) The requirement that an applicant's license be for the same location may be waived by the Department where the net effect of the proposed change is to reduce the number of package stores attributed to a Person or in which an applicant and his family holds an interest.
- (5) No Retailer of Distilled Spirits shall be approved where the Licensee pays to any Person, firm or corporation any rent, management fee, or other payment based on the profits or sales of such licensed Premises.
 - (a) Every applicant for a retail license for Distilled Spirits shall attach to the application a copy of the applicant's lease if the applicant is leasing the Premises. The application will be denied if the rental payments are anything other than fixed amounts reasonable for the area and consistent with rent paid for similar accommodations by other retail business establishments.
- (6) All leases for a Retailer of Distilled Spirits shall be in writing and for a term not less than the period of such license. In the event the lease is terminated for any reason, the retail license shall be terminated immediately.
- (7) Application for a Retailer of Distilled Spirits for a location that has not been licensed in the previous twelve (12) months shall include a certificate or scale drawing of a registered surveyor that the proposed location complies with the Act in regard to distances from alcohol treatment centers, churches, schools, and licensed locations for retail sale of Distilled Spirits.
- (8) Pursuant to O.C.G.A. § [3-4-21](#), no person shall be issued more than two Retailer of Distilled Spirits licenses, nor shall any person be permitted to have a beneficial interest in more than two Retailer of Distilled Spirits licenses, regardless of the degree of such interest, except under subparagraph (b) of this paragraph 8.
 - (a) For purposes of this regulation, a person shall be deemed to have a beneficial interest in a Retailer license when they:
 - 1. Holds a Retailer of Distilled Spirits license;

2. Has any ownership interest, whether legal, equitable or other, in or control over a retail distilled spirits business;
 3. Holds a retail license for or has any ownership interest in a beer or wine business which is conducted in conjunction with or immediately adjacent to a retail distilled spirits business; or
 4. Holds the license for or has any ownership interest in any retail Alcoholic Beverage business and has any financial, contractual, or other business interest, including any lease arrangement, in or with a retail distilled spirits business or licensee.
- (b) Under the *de minimis* concept, a person who owns less than five percent (5%) of the shares of a corporation which has more than thirty-five (35) shareholders or whose stock is publicly traded shall not, on the fact of stock ownership alone, be deemed to have a beneficial interest in the retail distilled spirits business of such corporation.
- (9) With regards to tasting events, should any broken package containing Alcoholic Beverages be stored by a Retail Package Liquor Store not licensed for retail sales for consumption on the premises pursuant to O.C.G.A. § [3-15-2\(9\)](#), such package shall be considered an "open package" at all subsequent tasting events for purposes of O.C.G.A. § [3-15-2\(3\)](#) until such package is entirely consumed or disposed of.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.12

Authority: O.C.G.A. §§ [3-2-2](#); [3-4-21](#), [3-15-2](#), [3-15-3](#), [48-2-12](#).

History. Original Rule entitled "Bill of Lading in Advance of Shipment" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Producers Monthly Report: Invoices" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "Application a Permanent Record; Specification of Premises: Licenses Valid After December 31" adopted. F. May 5, 1982; eff. May 25, 1985.

Repealed: New Rule entitled "Specification of Premises" adopted. F. Dec. 15, 2006; eff. Jan. 4, 2007.

Repealed: New Rule entitled "Retailer License" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Retailer of Distilled Spirits License." F. May 31, 2023; eff. June 20, 2023.

Note: Correction of non-substantive typographical errors in paragraph (9), ". pursuant to O.G.C.A. 3-15-2(9)," and ". purposes of O.G.C.A. § [3-15-2\(3\)](#)," corrected to ". pursuant to O.C.G.A. [3-15-2\(9\)](#)," and ". purposes of O.C.G.A. § [3-15-2\(3\)](#)," respectively (i.e., "O.G.C.A." corrected to "O.C.G.A."), as requested by the Agency. Effective September 5, 2023.

Rule 560-2-3-.13. Size of Container Purchased.

- (1) Except as provided in paragraph (2) of this rule, no Retail Consumption Dealer may purchase Distilled Spirits which exceed ten percent (10%) alcohol by volume in containers smaller than 750 milliliters.

- (2) A Retail Consumption Dealer may purchase Distilled Spirits that exceed ten percent (10%) alcohol by volume in containers of 375 milliliters or greater where such brands are not commercially available in containers of 750 milliliters or greater as certified by the Manufacturer with the Department. Manufacturer certification shall be made to the Department at the time of brand registration by electronic means prescribed by the Commissioner.
- (3) A Manufacturer is permitted to bundle single-serving containers of Distilled Spirits containing less than 750 milliliters in secure packaging where the aggregate volume of the bundled containers meets or exceeds 750 milliliters. Single-serving containers must remain bundled until the moment of service to the ultimate consumer by a Retail Consumption Dealer.
- (4) The sale of Distilled Spirits by a Retail Consumption Dealer Licensee in unbroken Packages or in any quantity for other than consumption on the Premises is expressly prohibited.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.13

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Shipment Under Seal; Breaking Seal" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Shipment Under Seal" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "Prima Facie Contraband" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Size of Container Purchased" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Nov. 10, 2016; eff. Nov. 30, 2016.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.14. Consumption on Premises - Retail, Contiguous Operation.

- (1) A Person holding a Retail Consumption Dealer license and a valid Retailer of Distilled Spirits license at locations where the Premises of each Place of Business is contiguous to the other and where each business is treated as completely separate for all purposes, including such things as inventory, purchasing and record maintenance, may have a door between the retail Place of Business and the consumption on premises Place of Business subject to the following conditions:
 - (a) Each Place of Business must hold a proper license;
 - (b) Each Place of Business must operate in compliance with all laws and regulations applicable to such business;
 - (c) The door between the Places of Business must be closed and locked during days and hours when the operation of either Place of Business is prohibited;
 - (d) Each Place of Business must have a separate entrance for the public and no common entrance shall be permitted;

- (e) Each Place of Business shall have a separate and distinct trade name;
 - (f) Any storage room for the retail Place of Business shall be in compliance with all rules and regulations pertaining to that retail Place of Business;
 - (g) Distilled Spirits may only be sold and delivered in the retail Place of Business;
 - (h) Only the Licensee of each Place of Business or his employees shall be permitted ingress and egress through the passageway or door separating the two Places of Business, and all such Persons must have a proper personnel statement on file with the Department at all times;
 - (i) A separate cash register shall be maintained in each Place of Business and all business transactions of the two Places of Business shall be kept separate;
 - (j) The passageway or door between the two Places of Business shall be located behind the bar or service counter of each Place of Business or otherwise so situated or maintained as to be accessible only to the Licensee and his employees and such passageway or door shall not be used by customers, patrons, or any other Persons not permitted by this Regulation.
 - 1. Any connecting door or passageway which is not located behind the bar or service counter of each Place of Business must be specially approved by the Commissioner. There shall be permanently affixed on or beside that door or passageway a sign in letters at least two inches in height stating "Employees Only May Use This Door--Revenue Regulation [560-2-3-.14](#)."
- (2) It is the express intent of this Regulation that if a Retailer of Distilled Spirits location is operated adjacent to an establishment which sells Alcoholic Beverages for consumption on the premises as provided in paragraph (1) of this Regulation with an inside connecting service door, such Retailer of Distilled Spirits location shall remain a distinct and separate business entity, and the Retailer of Distilled Spirits location is hereby declared to be a separate Premises from the establishment which sells Alcoholic Beverages for consumption on the premises.
- (3) It shall be a violation of this Regulation for any Licensee to sell, offer to sell, or keep for the purpose of sale any item not commonly associated with that establishment. Prohibited items shall include, but are not limited to, guns, ammunition, knives, weapons of any character, gambling paraphernalia, including playing cards or dice, non-immediately consumable items including groceries or any other items not commonly associated with the consumption of Alcoholic Beverages or establishments licensed for the sale of Alcoholic Beverages for consumption on the premises.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.14

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Arrival; Date of Receipt; Tax Stamp Inspection" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Arrival; Date of Receipt; Tax Stamp Inspection" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Notification of Intention to Engage as a Producer" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Consumption on Premises - Retail, Contiguous Operation" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.15. Package Sales by Retail Consumption Dealers; Prohibitions.

- (1) A Retail Consumption Dealer shall not sell Distilled Spirits in Packages for carryout purposes at any time.
- (2) Retail Consumption Dealers shall not sell beer or Wine by the Package for carryout purposes:
 - (a) On any day or at any time when the sale of Package beer or Wine for carryout purposes is otherwise prohibited by law; or
 - (b) At any location which is within distances to grounds or buildings where the sale of Alcoholic Beverages for carryout purposes is otherwise prohibited by law.
- (3) Any Retail Consumption Dealer violating the provisions of this Rule shall be subject to the suspension or revocation of licenses to sell Alcoholic Beverages.
- (4) Pursuant to O.C.G.A. § [3-6-4](#), a restaurant that is a Retail Consumption Dealer may allow a patron to remove a partially consumed bottle of Wine which was:
 - (a) Purchased from the Licensee;
 - (b) Partially consumed in conjunction with a meal purchased from the Licensee;
 - (c) Securely resealed with tamper-resistant tape by the Licensee; and
 - (d) Placed in a bag or container that is secured in such a manner that it would be visibly apparent if the container has been subsequently opened or tampered with, along with an affixed, dated receipt indicating the terms of the purchase.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.15

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-7](#), [3-3-20](#), [3-3-21](#), [3-6-4](#), [48-2-12](#).

History. Original Rule entitled "Common Carrier's Report" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Common Carriers: Bill of Lading" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "License Application" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Package Sales by Retail Consumption Dealers; Prohibitions" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.16. Consumption on Premises; Trade Practices.

- (1) All Persons licensed to sell or dispense Alcoholic Beverages by the drink for consumption on the premises and the employees of such Person shall not:
 - (a) Sell or dispense any drinks not containing the exact brand, brands, or mixtures ordered or requested by the customer or consumer; or
 - (b) Make any statement which is false or untrue in any fashion or which by any means tends to create a misleading impression as to the quality of any Alcoholic Beverage to the customer or consumer.
- (2) All Persons licensed to sell or dispense Alcoholic Beverages by the drink for consumption on the premises or the employees of such Person shall upon request of any customer or consumer:
 - (a) Divulge to that customer or consumer the quantity of Alcoholic Beverage contained in each drink sold to him or her; and
 - (b) Shall exhibit the specific brand or brands of Alcoholic Beverage contained in each drink to that customer.
- (3) In the case of Distilled Spirits, no Licensee, in the preparation of mixed drinks for consumption on the premises, shall dispense one brand of Distilled Spirits from the container of any other brand of Distilled Spirits or from any container whatsoever except from that originally purchased from a licensed Wholesaler.
 - (a) No container may be refilled with any substance, including but not limited to water, under any conditions or for any reason.
- (4) No Person shall knowingly, and/or cause any other Person to, possess, sell, ship, transport, or in any way dispose of any Alcoholic Beverages under any name other than the proper name or brand known to the industry as designating the kind and quality of the contents of the package or other containers of that Alcoholic Beverage.
- (5) Establishments licensed to dispense Distilled Spirits by the drink shall not through general advertising media, advertise the alcoholic contents or measurements of Distilled Spirits contained in such drinks.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.16

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Shipment in Trucks Owned or Leased by Georgia-Licensed Wholesalers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Record of Materials Received, Including Affidavit Regarding Georgia Products; Length of Time All Records Must Be Maintained" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Consumption on Premises; Trade Practices" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.17. Outside Delivery of Drinks for Retail Consumption Dealers.

- (1) For purposes of this Regulation, the term "Licensed Premises" shall include the Place of Business and Premises that:
 - a. Is approved by the local governing authority;
 - b. Has the same address as the Licensed Premises;
 - c. Is owned or leased by the Retail Consumption Dealer;
 - d. Is not public domain;
 - e. Is served from the same bar or serving location that permanently services the Licensed Premises; and
 - f. Is under the exclusive custody and control of the Retail Consumption Dealer.
- (2) A Retail Consumption Dealer shall not sell, serve, or deliver or permit the sale, service, or delivery of Alcoholic Beverages except within the Licensed Premises.
- (3) Any area under the exclusive custody and control of the Retail Consumption Dealer that is not located at only one address and is not registered or licensed as a single Place of Business with the local licensing authority and the State of Georgia is subject to Rule [560-2-3-.12](#).
- (4) A Retail Consumption Dealer shall be responsible for:
 - a. All sale, delivery, or service of Alcoholic Beverages through any window, door, or other opening in the Licensed Premises; and
 - b. Consumption and possession of all Alcoholic Beverages by any Person located on the Licensed Premises.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.17

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Shipment Through Georgia" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Separation of Georgia Products" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Outside Delivery of Drinks" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Nov. 1, 2013; eff. Nov. 21, 2013.

Amended: New title, "Outside Delivery of Drinks for Retail Consumption Dealers." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-3-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.18

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Shipment Into State; Common Carrier's Report" adopted. F. and eff. June 30, 1965.

Repealed: F. May 13, 1975; eff. June 2, 1975.

Amended: New Rule entitled "Compliance With Transportation Rules and Regulations" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.19

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Limitation Upon Other Business Interest" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Intra-State Transportation Via Licensed Common Carriers" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.20

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Records to Be Maintained" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "Monthly Reports of Production" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.21

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Inter-State Transportation by Registered Producer" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-3-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.22

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Registration of Producers, Sellers, Joint Registrants and Brands; Registration Fees; Additional Brand Registrations" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Registration of Out-of-State Producers Registration Fees; Additional Brand Registration" adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.23

Authority: O.C.G.A. Secs. [3-2-2](#), [3-4-22](#).

History. Original Rule entitled "License Application; Bond" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Feb. 26, 2007; eff. Mar. 18, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.24

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Designation of Sales Territories" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Feb. 3, 1987; eff. Feb. 23, 1987.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.25

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Authorized Agents Only to Receive or Solicit Orders from Licensed Georgia Wholesalers" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Feb. 26, 2007; eff. Mar. 18, 2007.

Rule 560-2-3-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.26

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Department of Revenue Recognition of Registered Producer or Joint Registrant Solely by Resident Representative" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Feb. 26, 2007; eff. Mar. 18, 2007.

Rule 560-2-3-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.27

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Licensing Procedure for Resident Representative of a Registered Producer of Joint Registrant" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Feb. 26, 2007; eff. Mar. 18, 2007.

Rule 560-2-3-.28. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.28

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Authorization to Contact Wholesalers or Retail Dealers" adopted. F. May 5, 1982;

eff. May 25, 1982.

Repealed: F. Feb. 26, 2007; eff. Mar. 18, 2007.

Rule 560-2-3-.29. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.29

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Shipments by Licensed Common Carriers; In Trucks Owned or Leased by Georgia Licensed Wholesalers; Shipments Consigned to Producer" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-3-.30. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.30

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Arrival; Tax Stamp Inspection" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Arrival; Inspection" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-3-.31. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.31

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Shipment Through Georgia" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-3-.32. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.32

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Requirements for Salespersons and Representatives of Wholesalers" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. Dec. 15, 2006; eff. Jan. 4, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.33. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.33

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Transportation of Distilled Spirits; Vehicle Requirements; Itemization of Cargo" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Aug. 3, 1993; eff. Aug. 23, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.34. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.34

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Sales Reports" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.35. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.35

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Retail Dealer License" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.36. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.36

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Products for Sale, Display or Offer Other Than Distilled Spirits" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. June 15, 1993; eff. July 5, 1993;

Amended: F. Sept. 21, 1993; eff. Oct. 11, 1993.

Repealed: New Rule of same title adopted. F. Dec. 31, 2003; eff. Jan. 20, 2004.

Repealed: New Rule entitled "Products Other than Distilled Spirits for Sale, Display, or Offer" adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Amended: F. Sept. 20, 2007; eff. Oct. 10, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.37. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.37

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Place of Sale or Delivery of Goods" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.38. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.38

Authority: Ga. L. 1978, pp. 309-324 (Ga. Code Ann., Sec. 91A 215); Ga. L. 1980, pp. 1573, 1577, 1578 (Ga. Code Ann., Sec. 5A-302; O.C.G.A. Secs. [48-2-12](#); [3-2-2](#)).

History. Original Rule entitled "Restriction to Retail Dealer Business Hours; Exceptions; Restrictions on other Mercantile Establishments; Manner of Operation" was filed on May 5, 1982; effective May 25, 1982.

Repealed: New Rule of same title adopted. F. Aug. 3, 1993; eff. Aug. 23, 1993.

Repealed: New Rule, same tide, adopted. F. Mar. 1, 1994; eff. Mar. 21, 1994. Amended: F. Dec. 5, 2000; eff. December 25, 2000.

Repealed: New Rule of same title adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.39. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.39

Authority: Ga. Code Ann. Secs. 91A-215; 5A-302.

History. Original Rule entitled "Restriction to Retail Dealer, Storage of Inventory" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.40. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.40

Authority: O.C.G.A., Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Special Delivery Charges; Net Quantity" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Aug. 19, 1997; eff. Sept. 8, 1997.

Repealed: F. Feb. 26, 2007; eff. Mar. 18, 2007.

Rule 560-2-3-.41. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.41

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Payments" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-3-.42. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.42

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Interest in Licensee's Business, Notice to Commissioner Within Five Days" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "New Ownership or Financial Interest in Distilled Spirit Licensee's Business" adopted. F. Dec. 15, 2006; eff. Jan. 4, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.43. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.43

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Consumption on Premises - Retail, Contiguous Operation" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.44. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.44

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Invalid Checks" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Feb. 26, 2007; eff. Mar. 18, 2007.

Rule 560-2-3-.45. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.45

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Wholesaler to Post Prices" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.46. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.46

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "When Prices Are Effective" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.47. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.47

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Price Affirmation" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-3-.48. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.48

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Size of Container Purchased" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. July 23, 1992; eff. August 12, 1992.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.49. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.49

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#).

History. Original Rule entitled "Outside Delivery of Drinks Prohibited" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 20, 2007; eff. Oct. 10, 2007.

Rule 560-2-3-.50. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.50

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Signs Inside and Outside Retail Stores; Floor Displays; Advertising on Surrounding Premises" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. June 15, 1993; eff. July 5, 1993.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Amended: New Rule entitled "Distilled Spirits Quantity Discounts" adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.51. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.51

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Special Approval for Variations in Sign Requirements" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Amended: New Rule entitled "Manufacturer Representatives Authorization to Contact Wholesalers or Retailers" adopted. F. Feb. 26, 2007; eff. Mar. 18, 2007.

Repealed: F. Sept. 20, 2007; eff. Oct. 10, 2007.

Rule 560-2-3-.52. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.52

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Advertising Within the State Subject to Regulation by the Commissioner; Exception" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.53. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.53

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Prohibited Advertising Devices; Electrical" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.54. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.54

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Prohibited Advertising Devices; Stationary Display" adopted. F. May 5, 1982; eff.

May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.55. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.55

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Prohibited Advertising Devices; Sale Benefits" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.56. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.56

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Periodical Advertising" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.57. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.57

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Advertising Prices" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.58. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.58

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Advertising Prohibited" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.59. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.59

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Unauthorized Advertising Prohibited; By Wholesaler or Retail Dealer; By Third Party on Behalf of Wholesaler or Retail Dealer" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. Mar. 1, 1994; eff. Mar. 21, 1994.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.60. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.60

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Prohibited Advertising Devices; Photographic Display" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-3-.61. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.61

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Alcohol; Ethyl Alcohol; Definition; Purpose; License Required; Inspection; Records; Motor Fuel Registration; Applications Permanent Record" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.62. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.62

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Bonds" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.63. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.63

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Monthly Report; Remittance of Taxes" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.64. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.64

Authority: O.C.G.A. Secs. [48-2-12](#); [3-2-2](#).

History. Original Rule entitled "Responsibility for Taxes" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-3-.65. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-3-.65

Authority: O.C.G.A. Secs. [48-2-12](#); [3-2-2](#).

History. Original Rule entitled "Inventories" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Subject 560-2-4. WHOLESALE.

Rule 560-2-4-.01. Wholesaler; Additional Requirements of Licensee.

- (1) A person applying for a license as a Wholesaler shall, in addition to providing the information required by these regulations, provide the Commissioner with the following items:
 - (a) A copy of the deed or purchase contract for the proposed licensed Premises, if the licensed Premises is owned by the applicant;
 - (b) A copy of applicant's lease agreement for the licensed Premises if the proposed licensed Premises is not owned by the applicant;
 1. The term of the lease shall not be less than the term of the license sought by applicant.
 - (c) The applicant's scheduled hours and days of operation, including the hours and days when the licensed location is open and staffed.
- (2) The Wholesaler shall:
 - (a) Maintain all inventory records at the licensed Premises for no less than three (3) years;
 - (b) Maintain all Alcoholic Beverages separately from all other products of the Wholesaler or from the products of any other parties sharing the facility;
 1. Any separate location shall be a secured location under the custody and control of only the applicant, its agent, or employees.
 - (c) Maintain and have custody and control over direct access from outside the facility into the licensed Premises.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.01

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Application for Wholesalers License" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of the same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Registration of Representatives" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Wholesaler; Additional Requirements of Licensee" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.02. Delivery Charges and Special Charges.

- (1) **Delivery Charges:** When a shipment to a Retailer or Retail Consumption Dealer consists only of an order for the delivery of Alcoholic Beverages of less than one case of a single or an assortment of brands, the Wholesaler may charge the Retailer or Retail

Consumption Dealer a special delivery charge of no more than twenty dollars (\$20.00) for that delivery.

- (2) The amount of a delivery charge, other than special charges, shall be the same as applied to all of the Wholesaler's Retailers and/or Retail Consumption Dealers for shipments of less than one case.
- (3) All special charges, including fuel surcharges, shall be shown on invoices to the Retailer or Retail Consumption Dealer.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.02

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Limitation of Wholesalers; No Retail Business Interests" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Designation of Sales, Territories" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Feb. 3, 1987; eff. Feb. 23, 1987.

Repealed: New Rule entitled "Special Charges" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Delivery Charges and Special Charges." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.03. Transportation of Distilled Spirits; Vehicle Requirements.

- (1) Except for military deliveries as provided in Rule [560-2-15-.03](#) of these regulations and except for emergency movements as provided in Rule [560-2-2-.16](#) of these regulations, all transportation of Distilled Spirits from one point within Georgia to another within Georgia shall be by Carrier unless otherwise provided for in this Rule.
- (2) A licensed Manufacturer may transport its product to a Wholesaler under the same provisions as set forth in this Regulation for a licensed Wholesaler.
- (3) A licensed Wholesaler may only transport Alcoholic Beverages in vehicles owned or leased by that Wholesaler.
 - (a) An Alcoholic Beverage Wholesaler may also transport Alcoholic Beverages in vehicles owned or leased and operated by a Wholesaler's employees;
 - (b) Any vehicle used to transport Alcoholic Beverages, whether owned by the Wholesaler or by an employee of that Wholesaler, shall be properly identified;
 1. Proper identification shall include the Wholesaler's trade name or state license number in a conspicuous place on each side of the vehicle.
 2. The lettering for that identification shall not be less than two (2) inches in height and not less than one (1) inch in width, and clearly spaced so as to be clearly visible when read from a reasonable distance.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.03

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Requirements for Salesmen and Representatives of Wholesalers" adopted. F. and eff. June 30, 1965.

Amended: F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Nov. 2, 1977; eff. Nov. 22, 1977.

Repealed: New Rule entitled "Approval to Sell" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Transportation of Distilled Spirits; Vehicle Requirements" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.04. Transportation of Distilled Spirits; Limitations.

- (1) Transportation of Distilled Spirits shall be made on any day except Sundays. Each shipment shall be accompanied by an invoice or itemized list showing in detail the number of cases, the size of containers, Alcohol Type, Brand and price of Distilled Spirits included in the shipment and the point of origin and the point of destination.
- (2) No licensed Wholesaler shall transport, or cause to be transported, any Distilled Spirits to any point outside of Georgia without the special approval of the Commissioner.
- (3) No other goods, wares, merchandise, or property of any description, except Wine, Malt Beverages and those items that are lawfully sold in a Retailer's licensed location pursuant to Rule [560-2-3-.04](#) may be transported in a vehicle transporting Distilled Spirits.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.04

Authority: O.C.G.A. §§ [3-2-2](#), [3-4-153](#), [48-2-12](#).

History. Original Rule entitled "Submitting Form 338" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Reports on Sales Withdrawals; Breakage and Other Losses" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Nov. 22, 1972; eff. Dec. 12, 1972.

Repealed: New Rule entitled "Sales Reports" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule entitled "Identification Required" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. June 11, 1984; eff. July 1, 1984.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Transportation of Distilled Spirits Limitations" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.05. Trade Practices - Inventory Rotations; New Brands; Displays and Bins.

- (1) No Wholesaler, or anyone acting on its behalf, shall alter, disturb, move, rearrange, or remove any Alcoholic Beverage within any Premises of a Retailer or Retail Consumption Dealer, except:

- (a) In a retail business where a Malt Beverage Wholesaler has been assigned a specific cooler and/or shelf space, the Malt Beverage Wholesaler may affix the price, as designated by the Retailer, and place its Brand Label in an assigned specific cooler and/or shelf space;
 - 1. Wholesaler personnel cannot subsequently change or alter the retail price information affixed to Malt Beverages at time of delivery.
- (2) A Malt Beverage Wholesaler may rotate its inventory while stocking its assigned Brand Label within the Place of Business of a Retailer including storerooms, product displays, warm shelves, and coolers.
- (3) Upon introduction of a new Brand Label for distribution and sale in Georgia, or within a Wholesaler's sales territory, Wholesalers, at the request of a Retailer or Retail Consumption Dealer, may assist in rearranging available cooler and/or shelf space which has been previously assigned to the Wholesaler.
 - (a) This service is permitted only within sixty (60) calendar days of date of receipt of first shipment of the Brand Label by the Wholesaler and is limited to the rearranging of the Wholesalers' designated Brand Labels.
- (4) Permitted sales Representatives of Wholesalers, Brokers, Importers, and Manufacturers may deliver generic point-of-sale displays and bins to Retailers provided such displays are made available to all Retailers and Retail Consumption Dealers on equal terms.
- (5) The Wholesaler, at the request of a Retailer or Retail Consumption Dealer, **may** construct displays and bins on the Premises of a Retailer or Retail Consumption Dealer.
 - (a) These are allowed as part of the Wholesaler's marketing function;
 - (b) The construction or setup of displays and bins may include initially stocking the display with Alcoholic Beverages;
 - (c) Any further resets of Alcoholic Beverages associated with the display must be as prescribed under Rule [560-2-2-.17](#).
- (6) No Wholesaler, Broker, Importer, Manufacturer, or any of their employees or agents shall alter, disturb, block, or in any way impede the property of any other Wholesaler or the products or displays relating to products offered by other Wholesalers.
- (7) Wholesalers are not permitted to re-shelve Alcoholic Beverages contained in a display or bin.
- (8) Except as provided in paragraph (3) of this regulation, all services authorized to be performed by a Wholesaler on or within the Place of Business of a Retailer or Retail Consumption Dealer must be performed within five (5) business days (excluding state

holidays and Sunday) after the date of delivery by the Wholesaler, its employees, agents, or contractors.

- (a) Wholesalers shall maintain written copies of their schedules for a subsequent period of three calendar years and make such schedules available to the Commissioner upon request.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.05

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Reports on Sales, Withdrawals, Breakage and Other Losses" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Submitting Form 338" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Nov. 22, 1972; eff. Dec. 12, 1972.

Repealed: New Rule entitled "Identification; Exception" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. June 11, 1984; eff. July 1, 1984.

Amended: New Rule entitled "Trade Practices - Inventory Rotations; New Brands; Displays and Bins" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.06. Sale Limitation; Delivery.

- (1) Licensed Wholesalers shall sell only to Georgia Wholesalers, Importers, Retailers or Retail Consumption Dealers holding a valid license.
- (2) Alcoholic Beverages shall only be delivered to the Premises of such Retailers or Retail Consumption Dealers by a vehicle leased, owned, or authorized by these regulations and operated by a Wholesaler with a proper state-issued license or permit to make sales and deliveries within the municipality or county in which the sale and delivery occurs.
- (3) Alcoholic Beverages sold shall not be received, stored, or delivered to any other place than the Place of Business for which a Retailer or Retail Consumption Dealer license has been issued except as otherwise permitted under these regulations.
- (4) It shall be a violation of these regulations for any Wholesaler to sell or deliver Brands of Alcoholic Beverages in a territory designated to another Wholesaler for such Brands.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.06

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Authorized Sales by Wholesalers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Bonds" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. Sept. 20, 1990; eff. Oct. 10, 1990.

Amended: F. Apr. 25, 2006; eff. May 15, 2006.

Repealed: New Rule entitled "Sale Limitation; Delivery" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.07. Wholesaler Posted Price for Distilled Spirits and Malt Beverages.

- (1) Every licensed Wholesaler of Distilled Spirits and/or Malt Beverages shall file with the Commissioner a list setting forth all Alcohol Types, Brands, Brand Labels and sizes of Distilled Spirits and Malt Beverages being handled by the Wholesaler for each designated sales territory.
- (2) All price listings for Distilled Spirits and Malt Beverages shall be submitted via the Wholesaler's Georgia Tax Center (GTC) account.
 - (a) All prices listed for Distilled Spirits and Malt Beverages shall include all federal and state taxes. Malt Beverage listings shall include county and municipal taxes.
 - (b) No licensed Wholesaler shall make any sale of Distilled Spirits or Malt Beverages for any price lower than the price posted with the Department, except that sales may be made less state tax to persons entitled to exemption from such tax.
- (3) Quantity discounts, including cash, merchandise, and free Alcoholic Beverages provided by the licensed Wholesaler, must be listed separately from the non-discounted price.
 - (a) Quantity discounts shall be for the same Brand and Alcohol Type as required to be purchased to participate in the quantity discount listed by the licensed Wholesaler;
 - (b) Quantity discounts as provided for may not be used as a device or subterfuge to circumvent the provisions of Rule [560-2-2-.13](#);
 - (c) The quantity discount price shall be available to all Retailers and Retail Consumption Dealers within the Wholesaler's assigned sales territory;
 - (d) Quantity discount prices for Distilled Spirits may continue for a maximum of sixty (60) calendar days from the initial date of sale and delivery of the product to the Retailer or Retail Consumption Dealer provided the applicable price posting specifically notes the availability of the extended discount price on specific products;
 - (e) Quantity discounts for Malt Beverages must be posted at the same time and for the same duration as the actual price posting.
- (4) All reported prices shall be effective the Monday following the date of filing with the Department and shall remain in effect until amended.
- (5) Prices may not be amended for a period of:
 - (a) Fourteen (14) days after the previous effective filing date for Distilled Spirits;

- (b) One hundred eighty (180) days after the previous effective filing date for Malt Beverages.
 - 1. The Commissioner may grant a waiver of the one hundred eighty (180) day period for Malt Beverages when extenuating circumstances are shown and subject to the following conditions:
 - (i) In the event a change in posted prices for Malt Beverages is requested, the Wholesaler shall submit with the request substantial documentation indicating to the satisfaction of the Commissioner justification for such increase or decrease; and
 - (ii) In the event a waiver in writing is granted for Malt Beverages by the Commissioner pursuant to this Regulation, no subsequent increase or decrease in posted prices shall be permitted within a period of one hundred eighty (180) days after the date of the approval and waiver by the Commissioner unless a subsequent waiver is obtained from the Commissioner in the same manner and under the same conditions as specified in this Rule.
- (6) Every Wholesaler, or Wholesaler employee, when calling on Retailer or Retail Consumption Dealer for the purpose of conducting business, shall have in their possession, and available to such licensee, a copy of the price list as reported to the Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.07

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Wholesaler Retaining Possession: Consignments" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Monthly Report; Remittance of Taxes" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. June 29, 2007; eff. July 19, 2007.

Repealed: New Rule entitled "Wholesaler Posted Price for Distilled Spirits and Malt Beverages" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.08. Inventories.

- (1) Every licensed Wholesaler shall prepare a report, submitted via the Georgia Tax Center (GTC) setting forth (i) total containers by size and (ii) total liters by tax category of Distilled Spirits, Malt Beverages, and Wine on hand as of close of business January 31 and July 31 of each year, and at any other time as directed by the Commissioner or by any authorized agent of the Commissioner.
- (2) The Wholesaler shall file the report via GTC with the Commissioner no later than ten (10) days following taking of the inventory.

- (a) A detailed record of the physical inventories, broken down by Brand, Brand Label, Alcohol Type and size, must be available at all times at the Wholesaler's licensed Premises for verification by the Commissioner's agents.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.08

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Storage Other Than at Licenses Premises" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Sale Limitation; Delivery" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. June 29, 2007; eff. July 19, 2007.

Amended: New Rule entitled "Inventories" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.09. Audits; Assignment of Auditors; Due Cause.

- (1) In addition to the audits provided for in Rule [560-2-7-.02](#), the Commissioner, based on credible information that a Wholesaler is not remitting local taxes in a timely manner, may direct Department agents to perform any level of examinations or audits necessary to ensure that:
 - (a) Each taxing jurisdiction has been properly paid the taxes as required; and
 - (b) All applicable state taxes have been paid on each business transaction.
- (2) Upon discovery of any discrepancy, the Commissioner shall report any findings to any and all taxing jurisdictions concerned; and
 - (a) The Commissioner may order the Wholesaler to show cause as to why the Wholesaler's license should not be suspended or revoked, or have other penalties imposed.
- (3) The Department shall make available to any local taxing jurisdiction all:
 - (a) Excise tax reports;
 - (b) Audit briefs and reports;
 - (c) Alcoholic Beverage shipment records; and
 - (d) Any other investigative summaries and documents necessary for those taxing jurisdictions to conduct an independent audit of or inquiry into the reports of any licensed Wholesaler.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.09

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-11](#), [3-2-32](#), [48-2-12](#).

History. Original Rule entitled "Wholesale Brand Combinations" adopted. F. Dec. 26, 1974; eff. Jan. 15, 1975.

Repealed: New Rule entitled "Deposit for Bottles" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Audits; Assignment of Auditors; Due Cause" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.10. Requirements for Salespersons and Representatives of Wholesalers.

- (1) No person shall be a salesperson or Representative of a licensed Wholesaler unless:
 - (a) The employing Wholesaler has notified the Department of the person's appointment as a salesperson or Representative;
 - (b) The salesperson or Representative has, under oath, completed and filed an application for a permit in the form prescribed by the Commissioner;
 - (c) The Commissioner has issued the permit to such salesperson or Representative;
- (2) The permit shall expire upon written notice to the Commissioner by the Wholesaler that it no longer employs the salesperson or Representative.
- (3) It shall be a violation of this Regulation for a salesperson or Representative of a licensed Wholesaler to:
 - (a) Engage in any activity that is in violation of the laws or regulations of any federal, state, county, or municipal governing authority or regulatory agency; and/or
 - (b) Cause Alcoholic Beverages to be delivered to an unlicensed place of business.
- (4) A salesperson or Representative of a licensed Wholesaler violating these regulations may be cited and required to show cause as to why his or her permit should not be suspended or revoked.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.10

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Transportation of Distilled Spirits, Vehicle Requirements, Itemization of Cargo" adopted. F. Aug. 27, 1975; eff. Sept. 16, 1975.

Repealed: New Rule of same title adopted. F. June 20, 1980; eff. July 10, 1980.

Repealed: New Rule entitled "Driver, Salesperson, Delivery-man Permit" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Amended: New Rule entitled "Requirements for Salespersons and Representatives of Wholesalers" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023

Rule 560-2-4-.11. Warehouse - Hub and Spoke Operations.

- (1) With the Department's advance approval, a Wholesaler may use Warehouse space as a staging area for the routine transfer of Alcoholic Beverages for delivery within the Wholesaler's designated territory without additional licensing requirements, subject to the following requirements:
 - (a) The Warehouse space must be either owned or leased solely by the Wholesaler;
 - (b) The Warehouse space must not be shared with any other business entity;
 - (c) The Warehouse space must be located within a jurisdiction that allows the sale and retail consumption of Alcoholic Beverages; and
 - (d) The request for authorization from the Department must contain the street address of the Warehouse space.
- (2) The Wholesaler must attest that:
 - (a) No business activity will occur at such Warehouse other than the routine transfer of Alcoholic Beverages; and
 - (b) Such Warehouse will not be used for direct shipments of Alcoholic Beverages from Shippers/Manufacturers to a Wholesaler.
- (3) All Alcoholic Beverages transferred at such Warehouse shall be properly invoiced prior to moving to the Warehouse.
- (4) At no time will Alcoholic Beverages be allowed to remain at such Warehouse in excess of two (2) consecutive days.
- (5) Departmental approvals shall:
 - (a) Not extend beyond twelve (12) calendar months from the date of approval;
 - (b) Be renewed annually during the license renewal process;
 - (c) Be made a part of the Wholesaler's licensing file maintained by the Department; and
 - (d) Require that any changes to the original request must be submitted in writing and approved in advance.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.11

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Posting Master Price List" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: New Rule entitled "Warehouse - Hub and Spoke Operations" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-4-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.12

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Responsibility for Taxes" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.13

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Sales Ticket" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.14

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Invalid Checks" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Feb. 26, 2007; eff. Mar. 18, 2007.

Rule 560-2-4-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.15

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Price Advertising Prohibited; Exceptions" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Rule 560-2-4-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.16

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Imposition of Tax" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-4-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.17

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Tax Imposed Upon and Paid by Wholesale Dealer" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-4-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.18

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Reports" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.19

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Remittance of Tax" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-4-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.20

Authority: Ga. L. 1978, pp. 309-324 (Ga. Code Ann., Sec. 91A 215); Ga. L. 1980, pp. 1573, 1577, 1578 (Ga. Code Ann., Sec. 5A-302).

History. Original Rule entitled "Additional Reports; Markings, Stamps Prohibited: Authority of Commissioner" was filed on May 5, 1982; effective May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.21

Authority: Ga. L. 1978, pp. 309-324 (Ga. Code Ann., Sec. 91A 215); Ga. L. 1980, pp. 1573, 1577, 1578 (Ga. Code Ann., Sec. 5A-302).

History. Original Rule entitled "Compensation for Collection Prohibited" was filed on May 5, 1982; effective May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.22

Authority: (Ga. L. 1978, pp. 309-324 (Ga. Code Ann., Sec. 91A 215); Ga. L. 1980, pp. 1573, 1577, 1578 (Ga. Code Ann., Sec. 5A-302).

History. Original Rule entitled "Failure to Report or Remit; Failure to Maintain Records; Revocation of the State License" was filed on May 5, 1982; effective May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.23

Authority: Ga. L. 1978, pp. 309-324 (Ga. Code Ann., Sec. 91A 215); Ga. L. 1980, pp. 1573, 1577, 1578 (Ga. Code Ann., Sec SA-302).

History. Original Rule entitled "Audits; Assignment of Auditors; Due Cause was filed on May 5, 1982; effective May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.24

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Regulatory Agencies; Business Relations Prohibited: Conflicts of Interest" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.25

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Trades Practices" adopted. F. Feb. 3, 1987; eff. Feb. 23, 1987.

Repealed: New Rule of same title adopted. F. Feb. 13, 1992; eff. Mar. 4, 1992.

Repealed: F. Sept. 20, 2007; eff. Oct. 10, 2007.

Rule 560-2-4-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.26

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Special Events" adopted. F. Feb. 3, 1987; eff. Feb. 23, 1987.

Repealed: F. Dec. 15, 2006; eff. Jan. 4, 2007.

Rule 560-2-4-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.27

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Non-Registered Brands" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.28. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.28

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Inventories" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.29. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.29

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#), [48-2-12](#).

History. Original Rule entitled "Brewpub Bonds" adopted. F. Sept. 5, 1995; eff. Sept. 25, 1995.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.30. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.30

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#), [3-5-37](#), [48-2-12](#).

History. Original Rule entitled "Monthly Report; Remittance of Taxes by Brewpubs" adopted. F. Sept. 5, 1995; eff. Sept. 25, 1995.

Amended: F. June 29, 2007; eff. July 19, 2007.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-4-.31. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-4-.31

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Keg Registration and Identification" adopted. F. Aug. 6, 2001; eff. Aug. 26, 2001.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Subject 560-2-5. MANUFACTURERS, SHIPPERS, IMPORTERS, & BROKERS.

Rule 560-2-5-.01. Advertising Material; Assessments for Advertising.

- (1) No Manufacturer, Shipper, Importer, or Broker shall make any assessment or surcharge against any Wholesaler on the purchase of Alcoholic Beverages, or otherwise, for advertising purposes.
 - (a) This Rule does not prohibit charging for advertising which is voluntarily requested and for which a fair market value is charged.
- (2) No licensed Retailer or Retail Consumption Dealer shall accept from a Wholesaler, directly or indirectly, any free goods or free merchandise, except standard Manufacturer, Shipper, Importer, or Broker advertising material, nor shall any licensed Retailer or Retail Consumption Dealer accept such advertising material on consignment.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.01

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Location of Premises" adopted. F. and eff. June 30, 1965.

Amended: F. May 29, 1969; eff. June 16, 1969.

Repealed: New Rule entitled "Application" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the

Agency.

Repealed: New Rule entitled "Registration of Representatives" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Advertising Materials; Assessments for Advertising" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-5-.02. Unlawful Shipments; Seizure; Assessment.

- (1) Any and all Alcoholic Beverages shipped into or sold within Georgia by any Manufacturer, Shipper, Importer, or Broker that is not in compliance with the provisions of this Act or the provisions of the regulations promulgated pursuant to the Code shall be deemed contraband and shall be seized by agents of the Commissioner and any law enforcement agent in Georgia and disposed of according to the Act.
- (2) Any Manufacturer, Shipper, Importer or Broker of contraband Alcoholic Beverages shall pay the full amount of tax as assessed to Georgia as determined by the Commissioner on Alcoholic Beverages shipped or sold in violation of the laws.
- (3) Any Shipper may be required to appear before the Commissioner to show cause why the Shipper's license to ship into or within Georgia should not be revoked or suspended, have its bond forfeited, or both.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-33](#), [3-2-35](#), [48-2-12](#).

History. Original Rule entitled "Retail Licenses; Limitations; Leases" adopted. F. and eff. June 30, 1965.

Amended: F. Feb. 10, 1966; eff. Mar. 1, 1966.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Nov. 30, 1972; eff. Dec. 20, 1972.

Amended: F. July 6, 1976; eff. July 26, 1976.

Amended: F. Nov. 2, 1977; eff. Nov. 22, 1977.

Amended: F. Aug. 1, 1978; eff. Aug. 21, 1978.

Repealed: New Rule entitled "Designation of Sales Territories" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Feb. 3, 1987; eff. Feb. 23, 1987.

Repealed: New Rule entitled "Unlawful Shipments; Seizure; Assessment" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-5-.03. Carriers: Bills of Lading.

- (1) Every Carrier transporting Alcoholic Beverages into Georgia shall submit bills of lading to the Commissioner covering all such shipments.
- (2) Bills of lading shall be filed monthly on or before the fifteenth (15th) day of the month subsequent to the month of shipment along with Form ATT-148.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.03

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [3-3-27.1](#), [48-2-12](#).

History. Original Rule entitled "Unbroken Package, Half Pints" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Mar. 23, 1977; eff. Apr. 12, 1977.

Repealed: New Rule entitled "Sales Ticket or Invoice" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: New Rule entitled "Carriers: Bills of Lading - Manufacturers, Shippers, Importers & Brokers" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-5-.04. Damaged, Lost, or Stolen Goods; Notification.

- (1) Should any Alcoholic Beverages that are enroute to, carried through, or carried within Georgia become damaged, destroyed, lost, or stolen during transit, the Shipper or Carrier shall immediately notify the Commissioner.
- (2) The Shipper or Carrier shall identify the Alcoholic Beverages so far as possible by type, Brand, Brand Label, type of Alcoholic Beverage, size and quantity.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.04

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Places for Concealment" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Price Advertising Prohibited, Exceptions" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Mar. 10, 1997; eff. Mar. 30, 1997.

Amended: New Rule entitled "Damaged, Lost or Stolen Goods; Notification" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Damaged, Lost, or Stolen Goods; Notification." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-5-.05. Correct Brand Labeling; Private Brand Label.

- (1) All licensed Manufacturers are required to correctly label all goods by Brand Label produced by them, including the bottles, containers, and cases.
- (2) The Brand Labels shall all contain alcohol content by volume.
- (3) Manufacturers are required to provide a copy of U.S. Alcohol and Tobacco Tax and Trade Bureau Brand Label approval that shall be submitted to the Commissioner along with the request, except where not required by statute.
- (4) Any private Brand Label Alcoholic Beverage to be offered for sale within Georgia shall:
 - (a) Receive prior approval of the Commissioner;

- (b) Be the product of an arms-length transaction between the contracting Retailer and the Manufacturer, in which the Retailer has no direct involvement in the manufacturing process; and
- (c) The Wholesaler must offer the Alcoholic Beverages to all Retailers on equal terms.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.05

Authority: O.C.G.A. §§ [3-2-2](#), [3-4-152](#), [48-2-12](#).

History. Original Rule entitled "Opening of Can, Bottle or Container on Premises" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Opening of Can, Bottle or Container on Premises; Concealment" adopted. F. Mar. 23, 1977; eff. Apr. 12, 1977.

Repealed: New Rule entitled "Wine Tastings" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. June 29, 2007; eff. July 19, 2007.

Repealed: New Rule entitled "Correct Brand Labeling; Private Brand Label" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-5-.06. Registration Requirements for Representatives of Manufacturers.

- (1) Every agent, Representative, salesperson, or employee of any brewer, winery, distillery, Manufacturer, Importer, Shipper, or Broker shipping or causing to be shipped Alcoholic Beverages into or within Georgia shall register with the Department before carrying on any activity involving the selling, promoting, displaying, or advertising of Alcoholic Beverages.
- (2) No person shall be a Representative of a Licensee unless:
 - (a) The employer has notified the Department of the person's appointment as a Representative;
 - (b) The Representative has, under oath, completed and filed an application for a permit in the form prescribed by the Commissioner;
 - (c) The Commissioner has issued the permit to such Representative;
 - 1. The permit shall expire upon notice to the Commissioner by the Manufacturer that it no longer employs the Representative.
- (3) Representatives registered under this Rule shall be authorized to contact Wholesalers and Retailers and Retail Consumption Dealers for purposes of carrying on business related to Alcoholic Beverages in Georgia.

- (4) It shall be a violation of this Regulation for a Representative of a licensed Manufacturer to:
- (a) Engage in any activity that is in violation of the laws or regulations of any federal, state, county, or municipal governing authority or regulatory agency; or
 - (b) Cause Alcoholic Beverages to be delivered to an unlicensed place of business.
- (5) A Representative of a licensed Manufacturer violating these regulations may be cited and required to show cause as to why his or her permit should not be suspended or revoked.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.06

Authority: O.C.G.A. §§ [3-2-2](#), [3-5-40](#), [48-2-12](#).

History. Original Rule entitled "Specified Persons Only Allowed Behind Counter" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 2, 1977; eff. Nov. 22, 1977.

Amended: New Rule entitled "Sale Limitation; Delivery" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule of same title adopted. F. Aug. 3, 1993; eff. Aug. 23, 1993.

Repealed: F. June 29, 2007; eff. July 19, 2007.

Amended: New Rule entitled "Registration of Representatives" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Registration Requirements for Representatives of Manufacturers." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-5-.07. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.07

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Restrictions on Products for Sale, Display or Offer, Other Than Distilled Spirits; Unbroken Packages" adopted. F. and eff. June 30, 1965.

Amended: F. Nov. 29, 1966; eff. Dec. 18, 1966.

Repealed: New Rule entitled "Restrictions on Other Mercantile Establishments; Products for Sale, Display or Offer Other Than Distilled Spirits" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Amended: F. Dec. 26, 1974; eff. Jan. 15, 1975.

Repealed: New Rule of same title adopted. F. May 14, 1975; eff. June 2, 1975.

Repealed: New Rule of same title adopted. F. Aug. 27, 1975; eff. Sept. 16, 1975.

Repealed: New Rule entitled "Products for Sale, Display or Offer Other Than Distilled Spirits" adopted. F. May 25, 1977; eff. June 14, 1977.

Repealed: New Rule entitled "Bonds" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Apr. 25, 2006; eff. May 15, 2006.

Repealed: New Rule entitled "Manufacturer Representatives Authorization to Contact Wholesalers and Retailers" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Repealed: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-5-.08. Initial Registration by Manufacturer, Shipper, Importer, or Broker; Designation of Wholesalers and Sales Territories.

(1) Except where not required by law, every Manufacturer, Shipper, Importer, or Broker shall, at least thirty (30) days in advance of offering any Alcoholic Beverages for sale for the first time in Georgia:

(a) Submit an application for a license through the Georgia Tax Center and:

1. Include one U.S. Alcohol and Tobacco Tax and Trade Beverage approved Brand Label for each Brand and Brand Label of Alcoholic Beverage to be shipped for the first time into, or within, Georgia. The registration of Brands or Brand Labels shall be limited to a maximum of ten (10) Brands and Brand Labels per submission, with unlimited submissions;
2. If such Manufacturer, Shipper, Importer, or Broker is not listed as the applicant on the U.S. Alcohol and Tobacco Tax and Trade Beverage Certification/Exemption of Label/Bottle Approval for such Brand or Brand Label, submit a letter of authorization from such applicant granting such Manufacturer, Shipper, Importer, or Broker the authority to register such Brand or Brand Label in Georgia;
3. Designate, in the application for registration, sales territories for each of its Brands or Brand Labels to be sold for the first time into, or within, Georgia; and
4. Name one licensed Wholesaler in each territory who, shall be the exclusive Wholesaler of such Brand or Brand Label within that territory;

(b) Such designations of Wholesalers or Wholesalers' territories shall be initially approved by the Commissioner and shall not be changed nor initially disapproved except for cause, and the Commissioner shall determine cause after a hearing pursuant to these Regulations.

(c) The registration of Brands and Brand Labels does not require an initial registration fee or annual renewal fee.

(2) Any application for registration of Brands or Brand Labels that tends to create a monopoly or lessen competition with respect to Alcoholic Beverages will not be approved. A proposed change or transfer that will place more than 25% of the case volume of all Distilled Spirits sold in Georgia under one Wholesaler or controlled group is presumed to be an attempt to create a monopoly and lessen competition.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.08

Authority: O.C.G.A. §§ [3-2-2](#), [3-4-152](#), [3-5-31](#), [3-6-22](#), [48-2-12](#).

History. Original Rule entitled "Cause for Suspension or Revocation of License; Games of Chance" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Mar. 23, 1977; eff. Apr. 12, 1977.

Amended: New Rule entitled "Farm Wineries" adopted. F. Sept. 19, 1983; eff. Oct. 9, 1983.

Repealed: New Rule entitled "Designation of Sales Territories" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Initial Registration by Manufacturer, Shipper, Importer, or Broker; Designation of Wholesalers and Sales Territories." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-5-.09. Registering Additional Brands and Brand Labels for Designation of Wholesalers and Sales Territories; Notice to Previously Designated Wholesaler(s).

- (1) After a Manufacturer, Shipper, Importer, or Broker has made any registration pursuant to Rule [560-2-5-.08](#), such Manufacturer, Shipper, Importer, or Broker may register additional Brands or Brand Labels subject to the following terms:
 - (a) Such Manufacturer, Shipper, Importer, or Broker shall, at least thirty (30) days in advance of offering such additional Brands or Brand Labels, submit the following through the Georgia Tax Center:
 1. Except where not required by law, one U.S. Alcohol and Tobacco Tax and Trade Beverage approved Brand Label for each such Brand and Brand Label of Alcoholic Beverage to be shipped into, or within, Georgia;
 2. If such Manufacturer, Shipper, Importer, or Broker is not listed as the applicant on the U.S. Alcohol and Tobacco Tax and Trade Beverage Certification/Exemption of Label/Bottle Approval for such Brand or Brand Label, submit a letter of authorization from such applicant granting such Manufacturer, Shipper, Importer, or Broker the authority to register such Brand or Brand Label in Georgia;
 3. Designate, in the application for registration, sales territories for each Brand or Brand Label to be sold into, or within, Georgia; and
 4. Name one Licensed Wholesaler in each territory who shall be the exclusive Wholesaler of such Brand or Brand Label within that territory.
 - (b) Such designations of Wholesalers or Wholesalers' territories shall be initially approved by the Commissioner and shall not be changed nor initially disapproved except for cause, and the Commissioner shall determine cause after a hearing pursuant to these regulations.
 - (c) Submit a request through the Georgia Tax Center at least thirty (30) days in advance of offering such Alcoholic Beverages for sale in Georgia. The registration of additional Brands or Brand Labels shall be limited to a maximum of ten (10) Brands and Brand Labels per submission, with unlimited submissions;
 - (d) Any application for the registration of Brands or Brand Labels that tends to create a monopoly or lessen competition with respect to Alcoholic Beverages will not be approved. A proposed change or transfer that will place more than 25% of the case

volume of all Distilled Spirits sold in Georgia under one Wholesaler or controlled group is presumed to be an attempt to create a monopoly and lessen competition.

- (2) If any Brands or Brand Labels submitted for registration pursuant to Rule [560-2-5-.08](#) or this Rule have been previously designated to a different Wholesaler or if such Brands or Brand Labels or any material portions thereof are the same as, or similar to, or such a modification, substitution, upgrade, or extension of, a Brand or Brand Label that has been previously designated to a different Wholesaler, the Manufacturer, Shipper, Importer, or Broker shall:
 - (a) Notify the previously designated Wholesaler(s) by mailing, via U.S. certified mail, a copy of the request to register such Brands or Brand Labels that designate different Wholesalers or sales territories.
- (3) The previously designated Wholesaler(s) shall have thirty (30) days from receipt of the notification in paragraph (2) of this Rule above to file an objection with the Commissioner. If an objection is not filed with the Commissioner within the thirty (30) day period, the right to file such objection shall be waived.
 - (a) Objections shall state the specific reasons which form the basis of the objection;
 - (b) Any Brands or Brand Labels previously registered in Georgia and which have subsequently been withdrawn from distribution for a period of less than four (4) years shall be treated in the same manner as registering additional Brands or Brand Labels and are subject to the provisions in this Rule;
 - (c) Any Brands or Brand Labels previously registered in Georgia which have subsequently been withdrawn from distribution for a period equal to or greater than four (4) years shall be deemed an initial application to register the Brands or Brand Labels pursuant to Rule [560-2-5-.08](#);
 - (d) Any previously designated Wholesaler filing an objection after the Brand or Brand Label has been withdrawn for a period equal to or greater than four (4) years and for which an initial application has been deemed filed pursuant to subparagraph (3)(c) above, and Rule [560-2-5-.08](#), shall only have the right to a hearing if an objection is filed with the Commissioner within six (6) months of the date of registration and a determination is made by the Commissioner that a hearing is warranted;
 - (e) The objection should include information showing that the last date the Manufacturer shipped Alcoholic Beverages to the Wholesaler was within the previous four (4) years;
 - (f) Maintaining an inventory of the withdrawn Brand or Brand Label showing subsequent sales of that Brand or Brand Label to Retailers and/or Retail

Consumption Dealers shall NOT constitute sufficient grounds for a determination that a hearing is warranted;

- (g) A Brand or Brand Label is considered withdrawn as of the date of the letter of withdrawal pursuant to Rule [560-2-5-.10\(8\)](#), or if sooner, the date the license expires or is relinquished by the Manufacturer, Shipper, Importer, or Broker.
- (4) The Commissioner shall set a hearing and provide at least sixty (60) days notice of such hearing via U.S. certified mail to the previously designated Wholesaler(s), the proposed designated Wholesaler(s) for such Brands or Brand Labels, and the Manufacturer, Shipper, Importer or Broker, as provided in subparagraph (a) below:
- (a) The Commissioner shall set a hearing as provided in this Rule if any of the following occur:
 - 1. Any objecting party notifies the Commissioner that the Manufacturer, Shipper, Importer, or Broker has failed to provide notice pursuant to paragraph (2) of this Rule above;
 - 2. An objection is filed pursuant to paragraph (3) of this Rule above within the thirty (30) day period;
 - 3. A Wholesaler notifies the Commissioner that it believes such Brands or Brand Labels or any material portions thereof are the same as, or similar to, or such modification, substitution, upgrade or extension of, a Brand or Brand Label which has already been registered; or
 - 4. A motion is filed by the Commissioner.
 - (b) If it is determined from the evidence adduced at the hearing that the Brand or Brand Label involved, including any material portion thereof, is the same as or similar to or is such a modification, substitution, upgrade or extension of, a Brand or Brand Label which has already been registered by the Manufacturer, Shipper, Importer or Broker (or a predecessor of such Brand or Brand Label) so as to render it unjust or inequitable (without cause being shown) to designate the Brand or Brand Label being so modified, substituted, upgraded or extended; then such request shall be denied or reversed, as the case may be;
 - (c) Provided however, that nothing in this Regulation shall be construed to prevent the Manufacturer, Shipper, Importer or Broker from treating the matter as a desire to change Wholesalers, and from proceeding under Regulation [560-2-5-.10](#), either before or after such determination;
 - (d) Any inventory of the released Brand may no longer be distributed by the Wholesaler as of the date of the letter of release as specified in Rule [560-2-5-.10\(7\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.09

Authority: O.C.G.A. §§ [3-2-2](#), [3-4-152](#), [3-5-31](#), [3-6-22](#), [48-2-12](#).

History. Original Rule entitled "Place of Sale or Delivery of Goods" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Mar. 23, 1977; eff. Apr. 12, 1977.

Repealed: New Rule of same title adopted. F. May 25, 1977; eff. June 14, 1977.

Amended: F. Nov. 2, 1977; eff. Nov. 22, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Farm Winery Retail Sales in Tasting Rooms" adopted. Sept. 19, 1983; eff. Oct. 9, 1983.

Repealed: New Rule entitled "Registering Additional Brand Labels" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Registering Additional Brands and Brand Labels for Designation of Wholesalers and Sales Territories; Notice to Previously Designated Wholesaler(s)." F. May 31, 2023; eff. June 20, 2023.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-5-.10. Changing Brands and Brand Labels Registration, Designation of Wholesalers or Sales Territories.

- (1) Any Manufacturer, Shipper, Importer, or Broker desiring to change Wholesalers with respect to any Brand or Brand Label or to change the territory of a designated Wholesaler, shall file with the Commissioner, a Notice of Intention containing the following information:
 - (a) Name of each Brand or Brand Label involved;
 - (b) Case volume in Georgia for each Brand or Brand Label for the current year and the two previous years;
 - (c) Name of the Wholesaler currently distributing each such Brand or Brand Label;
 - (d) Name of the proposed new Wholesaler, the proposed scope of the sales territory, and whether such territory is different from that of the currently designated Wholesaler;
 - (e) Case volume of all Brands or Brand Labels of the proposed new Wholesaler for the current year and the two preceding years;
 - (f) Name of all persons, firms or corporations having any financial interest in the proposed new Wholesaler;
 - (g) If any person, firm or corporation named in subparagraph (f) above has any financial interest in any other business engaged in the sale of Alcoholic Beverages, the Department requires additional information including, but not limited to, the following:
 1. Business name and address;
 2. Alcohol license number;

3. Ownership interest and/or offices held; and
 4. Business relationship or association.
- (h) A detailed explanation of the specific business reasons for the request to change Wholesalers or to change the territory of a designated Wholesaler.
- (2) Business reasons which may be considered by the Commissioner in determining cause for authorizing a change of Wholesalers or to change the territory of a designated Wholesaler include:
- (a) A Wholesaler's bankruptcy or serious financial instability, including its failure consistently to pay its debts timely or its failure to meet or maintain any objective standards of capitalization expressly agreed to between the Wholesaler and the Manufacturer, Shipper, Importer, or Broker, provided such standards are determined by the Commissioner to be reasonable;
 - (b) A Wholesaler's repeated violation of any provision of federal or state law or regulation whether or not such violation resulted in official action;
 - (c) A Wholesaler's failure to maintain sales volume of the Brand or Brand Label reasonably consistent with sales volumes of other Wholesalers of that Brand or Brand Label, or a Wholesaler's failure to otherwise promote the product effectively; and
 - (d) Any other factors relevant to such proposed change that will aid the Commissioner in determining cause.
- (3) At the same time that the original Notice of Intention is filed with the Commissioner, a copy shall be served via U.S. certified mail by the Manufacturer, Shipper, Importer, or Broker, upon each Wholesaler who may be affected by the proposed changes and a certificate of such service shall accompany the original Notice of Intention filed with the Commissioner.
- (4) Any person, including the Commissioner, may file an objection to the request to change Wholesalers or to change territory designations within thirty (30) days of the date of Notice of Intention. Such written objections shall be filed with the office of the Commissioner. The objecting party shall serve a copy of the objection upon all Wholesalers who may be affected by the proposed change via U.S. certified mail.
- (a) Upon the request of any party or upon motion by the Commissioner, the Commissioner shall provide at least sixty (60) days notice via U.S. certified mail to all applicable parties, hold a hearing, for the purpose of determining the truth of any matters of fact alleged by any party and determining whether the proposed

changes are based upon sufficient cause and are otherwise consistent with the policies set forth in Rules [560-2-5-.08](#) and [560-2-5-.09](#);

- (b) Proposed changes will not be approved for the following reasons:
 - 1. Any change that tends to create a monopoly or lessen competition with respect to any type of Alcoholic Beverage. A proposed change or transfer that will place more than 25% of the case volume of all Distilled Spirits sold in Georgia under one Wholesaler or controlled group is presumed to be an attempt to create a monopoly and lessen competition.
 - 2. The failure or refusal of a Wholesaler to comply with any demand or request of a Manufacturer, Shipper, Importer, or Broker which would result in a violation of any provision of federal or state law or regulation.
- (c) During the thirty (30) day period as provided in paragraph (4) above, and until the proposed changes have been finally approved by the Commissioner, the party proposing the change shall continue to supply the designated Wholesaler, upon commercially reasonable terms, such reasonable quantities of the Brands or Brand Labels involved as the Wholesaler may require.
- (5) If no objection is filed to the Notice of Intention as provided in this Rule, the proposed changes shall stand automatically approved by the Commissioner at the expiration of such thirty (30) day period.
- (6) Any Manufacturer, Shipper, Importer, or Broker who obtains or acquires in any manner, the right to sell, ship, or distribute any Brand or Brand Label shall for the purpose of these regulations stand in the place of, and be subject to, all of the rights, privileges, duties and obligations of its predecessor or its predecessors from whom such Brands or Brand Labels were obtained or acquired.
- (7) When a Brand or Brand Label is voluntarily released by a Georgia Wholesaler from distribution in Georgia, the Wholesaler must mail a letter of release to the Manufacturer, Shipper, Importer, or Broker on company letterhead. Wholesaler shall provide a copy of the letter of release to the Alcohol and Tobacco Division of the Department within thirty (30) days of the date of the letter of release.
 - (a) The date of the letter of release will be considered the date upon which the Brand was withdrawn from distribution;
 - (b) Letters of release received by the Department after the thirty (30) day requirement will not be considered valid, and a new letter of release must be provided pursuant to the requirements in this Rule;
 - (c) Any inventory of the released Brand or Brand Label may no longer be distributed by the Wholesaler as of the date of the letter of release.

- (8) When a Brand or Brand Label is voluntarily withdrawn from distribution in Georgia, the Manufacturer, Shipper, Importer, or Broker must mail a letter of withdrawal to the Wholesaler on company letterhead. The Manufacturer, Shipper, Importer, or Broker shall provide a copy of the letter of withdrawal to the Alcohol and Tobacco Division of the Department within thirty (30) days of the date of the letter of withdrawal.
- (a) The date of the letter of withdrawal will be considered the date upon which the Brand or Brand Label is withdrawn from distribution;
 - (b) Letters of withdrawal received after the thirty (30) day requirement will not be considered valid, and a new letter of withdrawal must be provided pursuant to the requirements in this Rule;
 - (c) Any inventory of the withdrawn Brand or Brand Label may still be distributed after receipt of the letter of withdrawal by the Wholesaler.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.10

Authority: O.C.G.A. §§ [3-2-2](#), [3-4-152](#), [3-5-31](#), [3-6-22](#), [48-2-12](#).

History. Original Rule entitled "Restriction to Retailers: Business Hours" was filed and effective on June 30, 1965.

Amended: Filed August 18, 1965; effective September 6, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed June 29, 1972; effective July 19, 1972.

Amended: Rule repealed and a new Rule of the same title adopted. Filed April 4, 1973; effective April 24, 1973.

(This amendment was not printed because a new Rule repealing said amendment was filed a day prior to the effective date of said amendment).

Amended: Rule repealed and a new Rule of the same title adopted. Filed April 23, 1973; effective May 13, 1973.

Amended: Rule repealed and a new Rule entitled "Restriction to Retailer Business Hours: Exception: Restrictions on Other Mercantile Establishments: Manner of Operation" adopted. Filed May 25, 1977; effective June 14, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: Rule entitled "Farm Winery as Wholesaler" adopted. Filed September 19, 1983; effective October 9, 1983.

Repealed: New Rule entitled "Changing Brand or Territory Designations" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Changing Brands and Brand Labels Registration, Designation of Wholesalers or Sales Territories." F. May 31, 2023; eff. June 20, 2023.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-5-.11. Allocation of Designated Brand Labels for Wine.

- (1) Any Manufacturer, Shipper, Importer, or Broker of Wine from a source producing less than 2,500 cases annually may designate Brand Labels for distribution by its designated Wholesaler in the applicable sales territories to select Wine Retailers for consumption on premises locations only, but shall not provide more than fifty (50) cases to any Retail Consumption Dealer during a calendar year.
- (2) Upon registering any such Brand Label pursuant to Rule [560-2-5-.08](#) or [560-2-5-.09](#), the Manufacturer, Shipper, Importer, or Broker must provide an affidavit certifying the total annual production of that Brand Label.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.11

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-21.1](#), [48-2-12](#).

History. Original Rule entitled "Restriction to Retailer's Employees" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed and a new Rule of the same title adopted. Filed June 29, 1972; effective July 1, 1972, p. 193.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended. Rule entitled "Records of Produce Grown or Received. Including Affidavit Regarding Georgia Products" adopted. Filed September 19, 1983; effective October 9, 1983.

Repealed: New Rule entitled "Allocation of Designated Brand Labels for Wine" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-5-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.12

Authority: O.C.G.A. Secs. [48-2-12](#) and [3-2-2](#); [3-6-21.2](#).

History. Original Rule entitled "Restriction to Retailers, Customers" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed June 29, 1972, effective July 1, 1972, as specified by the Agency in accordance with Ga. L. 1972. p. 193.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: Rule entitled "Wine in Bulk; Separation of Wine" adopted. Filed September 19, 1983; effective October 9, 1983.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-5-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.13

Authority: O.C.G.A. Secs. [48-2-12](#) and [3-2-2](#); [3-6-21.2](#).

History. Original Rule entitled "Restriction to Retailers; Transportation of Goods" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: Rule entitled "Monthly Reports of Production" adopted. Filed September 19, 1983; effective October 9, 1983.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-5-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.14

Authority: O.C.G.A. Secs. [3-2-2](#), [3-6-21.2](#), [48-2-12](#).

History. Original Rule entitled "Restriction to Retailer; Storage of Inventory" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Mar. 23, 1977; eff. Apr. 12, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Monthly Report of Sales; Payment of Taxes Farm Wineries" adopted. F. Sept. 19, 1983; eff. Oct. 9, 1983.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-5-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.15

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Limit of Sale; Affidavit and Permit to Purchase" adopted. F. July 2, 1975; eff. July 22, 1975.

Amended: F. Nov. 2, 1977; eff. Nov. 22, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Inventories" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-5-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.16

Authority: O.C.G.A. Secs. [48-2-12](#); [3-2-2](#).

History. Original Rule entitled "Non-Registered Brands" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-5-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.17

Authority: O.C.G.A. Secs. [48-2-12](#); [3-2-2](#).

History. Original Rule entitled "Responsibility for Taxes" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-5-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.18

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original rule entitled "Honey Wine" or "Mead" adopted as ER. 560-2-5-0.32-.18. F. and eff. June 27, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-5-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-5-.19

Authority: O.C.G.A. Sec. [3-2-2](#).

History. Original Rule entitled "Honey Wine" or "Mead"; Manufacture, Distribution, Transportation, Sale" adopted as ER. 560-2-5-0.32-.19. F. and eff. June 27, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Subject 560-2-6. DISTILLED SPIRITS.

Rule 560-2-6-.01. Specification of Premises.

- (1) Licenses for Retailers and Retail Consumption Dealers shall be displayed at each Premises.
 - (a) On-Premises outlets where it cannot be determined as one identifiable place of business shall require additional licenses regardless of whether the establishments have the same trade name, ownership, or management;
 - (b) Nothing shall require additional licenses for service bars, or portable bars used exclusively for the purpose of mixing or preparing Alcoholic Beverage drinks when these bars are accessible only to employees of the licensed establishment and from which Alcoholic Beverage drinks are prepared to be served on the licensed Premises.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.01

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Qualifications for Licensing of Wholesalers or Retailers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Qualifications for Licensing of Wholesalers, Retailers and Consumption on Premises Licensees" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Amended: F. May 13, 1975; eff. June 2, 1975.

Amended: F. Mar. 23, 1977; eff. Apr. 12, 1977.

Repealed: New Rule of same title adopted. F. Nov. 2, 1977; eff. Nov. 22, 1977.

Amended: F. June 23, 1978; eff. July 13, 1978.

Repealed: New Rule entitled "Definitions" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Specification of Premises" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-6-.02. Record of Materials Received, Including Affidavit Regarding Georgia Products; Length of Time All Records Must Be Maintained; Separation of Georgia Products.

- (1) Licensed Manufacturers shall maintain a record of all materials received on the licensed Premises for use in the production of Distilled Spirits, showing:
 - (a) The date of receipt;
 - (b) The name of the Person from whom received; and
 - (c) The kind and quantity of each material received.

- (2) Where the licensed Manufacturer claims that the materials used are Georgia products, the record required in this Rule shall also include:
 - (a) An affidavit of the Person from whom the products were received that they are in fact Georgia products;
 1. Where commercial invoices, bills of lading, or prescribed forms contain the required information, a separate record will not be required.
 - (b) The records, commercial invoices, or bills of lading shall be kept available for inspection by the Commissioner at all times during regular business hours.
- (3) All materials which are Georgia products shall be kept separate from materials which are not Georgia products.
- (4) Distilled Spirits manufactured from Georgia products shall be kept separate from Distilled Spirits manufactured from products that are not from Georgia.
- (5) The records required by this Rule and all other records required of licensed Manufacturers shall be kept and maintained for a period of seven (7) years unless upon written application the Commissioner has authorized otherwise.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Residence Requirements for Licensing of Wholesalers of Retailers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Residence Requirements for Licensing of Wholesalers, Retailers and Consumption on Premises Licensees" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Residence Requirements for Licensing of Retailers, Consumption on Premises Licensees; Wholesalers" adopted. F. Apr. 5, 1976; eff. Apr. 25, 1976.

Repealed: New Rule entitled "Residence Requirements for Licensing of Wholesalers, Retailers, or Consumption on Premises Licensees" adopted. F. Mar. 23, 1977; eff. Apr. 12, 1977.

Amended: F. Nov. 28, 1977; eff. Dec. 18, 1977.

Repealed: New Rule entitled "Jurisdiction Over Territory Ceded to United States" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Record of Materials Received, Including Affidavit Regarding Georgia Products; Length of Time all Records Must be Maintained; Separation of Georgia Products" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Record of Materials Received, Including Affidavit Regarding Georgia Products; Length of Time All Records Must Be Maintained; Separation of Georgia Products." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-6-.03. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.03

Authority: O.C.G.A. §§ [3-2-23-4-1](#), [3-4-24](#), [3-4-180](#).

History. Original Rule entitled "Valid County or Municipal License Requisite to Valid State License" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Jurisdiction and Right to Tax Claimed" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Adopted: New Rule entitled "Facility Tours - Distilled Beverages." F. Aug. 8, 2012; eff. Aug. 28, 2012.

Amended: F. June 26, 2015; eff. July 16, 2015.

Note: Correction of non-substantive typographical error in, "**Adopted:** F. Aug. 8, 2012; eff. Aug. 28, 2012." corrected to "**Adopted:** New Rule entitled "Facility Tours - Distilled Beverages." F. Aug. 8, 2012; eff. Aug. 28, 2012." Effective May 26, 2016.

Amended: F. May 6, 2016; eff. May 26, 2016.

Repealed: F. Aug. 1, 2017; eff. Aug. 21, 2017.

Rule 560-2-6-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.04

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Transportation of Distilled Spirits; Vehicle Requirements; Time, Itemization of Cargo" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: F. Aug. 27, 1975; eff. Sept. 16, 1975.

Amended: New Rule entitled "Federal Instrumentality as First Purchaser" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-6-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.05

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Transportation of Distilled Spirits Among Warehouses Owned by Single Wholesaler" adopted. F. and eff. June 30, 1965.

Repealed: F. May 13, 1975; eff. June 2, 1975.

Amended: New Rule entitled "Military Purchases" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. June 11, 1984; eff. July 1, 1984.

Amended: F. Dec. 20, 1989; eff. Jan. 9, 1990.

Amended: F. July 21, 1994; eff. August 10, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-6-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.06

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "Responsibility for Legal Delivery; Place of Delivery; Carrier" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Tax-Paid Beverage Alcohol" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-6-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.07

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Special Delivery Charges; Net Quantity, Less Than One Case" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Special Delivery Charges; Net Quantity" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. July 6, 1976; eff. July 26, 1976.

Repealed: New Rule entitled "Restrictions to Military Reservations" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-6-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.08

Authority: Ga. Code Ann. Secs. [58-1022](#), [92-8405](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Inspection of Delivery by Retailer" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Inspection of Delivery by Retailer or Consumption on Premises Licensees" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.09

Authority: Ga. Code Ann. Secs. [58-1022](#), [92-8405](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Restrictions Among Wholesalers and Retailers Business Affiliations" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Restrictions Among Wholesaler and Retailers or Consumption on Premises Licensee's Business Affiliations" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.10

Authority: Ga. Code Ann. Secs. [58-1022](#), [92-8405](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Retailer to Buy Only From Wholesaler, Penalty for Violation" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Retailer or Consumption on Premises Licensee to Buy From Wholesaler; Penalty for Violation" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.11

Authority: Ga. Code Ann. Secs. [58-1022](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Interest in Licensee's Business, Notice to Commissioner Within Five Days" adopted. F. and eff. June 30, 1965.

Amended: F. Mar. 13, 1967; eff. Apr. 1, 1967.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Amended: F. Mar. 23, 1977; eff. Apr. 12, 1977.

Amended: F. Sept. 25, 1978; eff. Oct. 15, 1978.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.12

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Consideration for Goods Bought or Sold to Be in Cash at or Before Delivery; Violations" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Consideration for Goods Bought or Sold to Be in Cash at or Before Delivery; Exceptions; Violations" adopted. F. Aug. 27, 1975; eff. Sept. 16, 1975.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.13

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8409, 92-8427.

History. Original Rule entitled "Payments" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.14

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8409, 92-8427.

History. Original Rule entitled "Consumption on Premises - Trade Practices" adopted. F. June 29, 1972; eff. July 1, 1972, as specified by the Agency.

Repealed: F. Aug. 27, 1975; eff. Sept. 16, 1975.

Rule 560-2-6-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.15

Authority: Ga. Code Ann. Secs. 58-1022, 92-8406, 92-8405, 92-8409, 92-8427.

History. Original Rule entitled "Notification of Disciplinary Action" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: New Rule of same title adopted. F. Nov. 29, 1973; eff. Dec. 19, 1973.

Amended: F. Mar. 23, 1977; eff. Apr. 12, 1977.

Repealed: New Rule of same title adopted. F. May 25, 1977; eff. June 14, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.16

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8409, 92-8427.

History. Original Rule entitled "Financial Transactions" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.17

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8409, 92-8427.

History. Original Rule entitled "Validity of License" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.18

Authority: Ga. Code Ann. Secs. 58-1022, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Operation of Business Subsequent Year, Renewal" adopted. F. May 13, 1974; eff. June 2, 1974.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-2-6-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.19

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1974, Act No. 1237.

History. Original Rule entitled "Initial Applications; Temporary Permits Authorized; Conditions of Issuance" was filed on May 13, 1974; elective June 2, 1974.

Amended: Filed March 23, 1977; effective April 12, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-6-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.20

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1974, Act No. 1237.

History. Original Rule entitled "Issuance of Permits Discretionary; No Property Right; Permit Subject to Suspension or Revocation" filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-6-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.21

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1974, Act No. 1237.

History. Original Rule entitled "Pre-License Investigative Fee" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-6-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.22

Authority: Ga. L. 1937-38, Extra Sess. pp. 77, *et seq.* as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Consumption on Premises--Retail, Contiguous Operation" was filed on May 13, 1975; effective June 2, 1975.

Amended: Filed August 27, 1975; effective September 16, 1975.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-6-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-6-.23

Authority: Ga. L. 1937-38, Extra Sess. pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess. p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Cause for Suspension or Revocation of License-Games of Chance" was filed on March 23, 1977, effective April 12, 1977.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 1, 1978; effective August 21, 1978.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Subject 560-2-7. MALT BEVERAGES.

Rule 560-2-7-.01. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-5-38](#), [48-2-12](#).

History. Original Rule entitled "Wholesaler to Post Master Price List for Entire Stock of Distilled Spirits; Amendments to List" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Wholesaler to Post Prices" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Nov. 27, 1979; eff. Dec. 17, 1979.

Repealed: New Rule entitled "Malt Beverage Retail Dealers Bond. Form ATT-1" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Apr. 25, 2006; eff. May 15, 2006.

Amended: New Rule entitled "Facility Tours" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. June 26, 2015; eff. July 16, 2015.

Amended: F. May 6, 2016; eff. May 26, 2016.

Repealed: F. Aug. 1, 2017; eff. Aug. 21, 2017.

Rule 560-2-7-.02. Additional Reports Prohibited; Authority of Commissioner.

- (1) No other reports may be required of a Wholesaler except reports as provided for in these regulations.
- (2) The Commissioner shall enforce the provisions of these regulations pursuant to Georgia Law, and shall:
 - (a) Examine all reports submitted by licensed Wholesalers;
 - (b) Compare the total transactions by the Wholesaler as reported by the Wholesaler in the Georgia Tax Center (GTC) or on Form ATT-123 with the sum of all reports submitted to municipalities and counties on Form ATT-122 to ensure that all municipalities and/or counties are receiving the proper tax specified;
 - (c) Ensure that thorough, complete, and continuing audits are conducted by auditors of the Department to verify that all local Malt Beverage taxes are collected and remitted to the proper local taxing jurisdiction;
 1. Such audits shall also verify that all applicable state taxes have been paid.
 2. Any discrepancy discovered during the audit shall immediately be investigated and the taxing jurisdiction concerned shall be promptly notified of such findings.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-5-84](#), [48-2-12](#).

History. Original Rule entitled "Posting of Quantity Prices" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "When Prices Are Effective" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Nov. 27, 1979; eff. Dec. 17, 1979.

Repealed: New Rule entitled "Beverage Alcohol License Application. Form ATT-4" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Beverage Alcohol Retail Dealer or Retail Consumption Dealer License Application. Form CRF-009" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: New Rule entitled "Additional Reports; Markings, Stamps Prohibited; Authority of Commissioner" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Additional Reports Prohibited; Authority of Commissioner." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-7-.03. Regulatory Agencies; Business Relations Prohibited; Conflicts of Interest.

- (1) No person licensed to sell Malt Beverages in Georgia shall enter into any agreement, or participate in any scheme or device with the governing authority or regulatory agency of any municipality or county, which results in such municipality or county receiving less than the total sum of Malt Beverage taxes due it as required by law.

- (2) No Licensee shall permit any municipality, county or other regulatory agency to hold any pecuniary interest in such Licensee's business, nor shall any Licensee pay any governing authority rent or remuneration for its business premises above the fair market value of such premises.
 - (a) No Licensee shall pay any governing authority a percentage of sales or profits as a license fee or charge, or as rent for its business premises, for the purposes of evading the provisions of the Uniform Local Malt Beverage Tax.
- (3) No Licensee shall employ or compensate any agent or employee of any municipality, county, or other governing authority in any manner whereby such compensation or payment of employment is based upon or related to the volume of Malt Beverages sold.
- (4) No Licensee shall accept from any municipality, county, or other governing authority any rebate of any excise taxes imposed on Malt Beverages by such governing authority.
- (5) No person licensed to sell Malt Beverages by the package for carryout purposes shall sell the Alcoholic Beverages at a price less than such Licensee paid for such Malt Beverages.
 - (a) A retail Licensee shall not pay less than the Wholesaler's price as published on its price list plus the local excise tax imposed.
- (6) Violation of this Rule by any Licensee shall be grounds for suspension or revocation of the license.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-4](#), [48-2-12](#).

History. Original Rule entitled "Wholesaler Obligated to Sell at Posted Price; Not Allowed to Refuse Sale at Posted Price" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Wholesalers Obligated to Sell at Posted Price; Not Allowed to Refuse Sale at Posted Price" adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Repealed: New Rule entitled "Supplement - Initial Liquor Application. Form ATT-4 Supplement" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Beverage Alcohol Wholesale Dealer, Importer, Broker or Manufacturer License Application. Form CRF-009-A" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: New Rule entitled "Beverage Alcohol Wholesale Dealer, Importer, Broker or Manufacturer License Application. Form ATT-6" adopted. F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: New Rule entitled "Regulatory Agencies; Business Relations Prohibited; Conflicts of Interest" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-7-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.04

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Posting of Discount Prices Required; All Sales Final; Termination of Business and Refunds on Close-Out Inventory" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 23, 1969; eff. Nov. 1, 1969, as specified by the Agency.

Amended: F. May 13, 1975; eff. June 2, 1975.

Repealed: New Rule of same title adopted. F. July 6, 1976; eff. July 26, 1976.

Repealed: New Rule entitled "Refunds; Discounts; Gifts to Retailers; All Sales Final; Termination of Business and Refunds on Close-Out Inventory" adopted. F. July 26, 1977; eff. August 16, 1966.

Repealed: New Rule entitled "Registered Producers Monthly Report of Distilled Spirits Shipments to Military Installations Located in the State. Form ATT-5" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.05

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Price Affirmation" adopted. F. Sept. 18, 1967; eff. Oct. 7, 1967.

Repealed: New Rule entitled "State of Georgia License Application. Form ATT-6" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Beverage Alcohol Brand and Label Registration and/or Territory Designation Application. Forms CRF-010 and CRF-011" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: New Rule entitled "Beverage Alcohol Brand and Label Registration and/or Territory Designation Application. Form ATT-104" adopted. F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.06

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Georgia Wine Wholesalers Monthly Report. Form ATT-7" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.07

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Wholesale Distributors Liquor Master Price List" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.08

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Registered Producers Monthly Report of Georgia Liquor Stamps Received and Distilled Spirits Shipments into Georgia. Form ATT-11" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Monthly Report of Distilled Spirits Shipments to Wholesalers Located in the State of Georgia. Form ATT-11" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.09

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Certificate of Residence for Liquor Licensee. Form ATT-14" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.10

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Application for Beverage Alcohol Representative License. Form ATT-15" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Application for Beverage Alcohol Permit. Form CRF-012" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: New Rule entitled "Application for Beverage Alcohol Permit. Form ATT-15" adopted. F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.11

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Beverage Alcohol Personnel Statements. Form ATT-17" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.12

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "State of Georgia - Producer of Distilled Spirits Registration Application. Form ATT-24" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. July 7, 1994; eff. July 27, 1994.

Rule 560-2-7-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.13

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Permit Cards for Beverage Alcohol Representatives. Form ATT-27" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. July 7, 1994; eff. July 27, 1994.

Rule 560-2-7-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.14

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Monthly Report of Military Designated Malt Beverage Shipments into Georgia. Form ATT-28" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. July 7, 1994; eff. July 27, 1994.

Rule 560-2-7-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.15

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "Monthly Report of Malt Beverage Shipments into Georgia. Form ATT-29" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.16

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "Distilled Spirits Manufacturer Bond. Form ATT-32" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.17

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "Wine Manufacturer Bond. Form ATT-33" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.18

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "Wholesalers Wine Bond. Form ATT-34" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.19

Authority: O.C.G.A. Secs. [3-2-248-2-12](#).

History. Original Rule entitled "Wholesalers Military Designated Malt Beverage Monthly Report. Form ATT-35"

adopted. F. May 5, 1982; eff. May 25, 1982.
Repealed: F. July 7, 1994; eff. July 27, 1994.

Rule 560-2-7-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.20

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Wholesale Dealers - Beer Price Posting. Form ATT-38" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.21

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Affirmation Foreign Registered Producers. Form ATT-39" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-7-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.22

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Registered Producers - Schedule of Prices to Wholesalers. Form ATT-40" adopted. F. May 5, 1982; eff. May 25, 1982.

Amended: F. Nov. 8, 2006; eff. Nov. 28, 2006.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.23

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Affidavit - Berries and/or Fruit Sellers. Form ATT-42" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.24

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Malt Beverage Wholesalers Bond. Form ATT-47" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Malt Beverage Wholesalers Bond and Irrevocable Bank Letter of Credit. Forms ATT-47 and ATT-183" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.25

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Affirmation - Domestic Producers. Form ATT-48" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-7-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.26

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Malt Beverage - Brewery, Importer and Broker Bond. Form ATT-52" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.27

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Registered Producers Resident Representative Bond. Form ATT-56" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.28. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.28

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Registered Producers Bond. Form ATT-57" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.29. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.29

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Retail Dealers and Retail Consumption Dealers Liquor Bond. Form ATT-59" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.30. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.30

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Georgia Winery Monthly Report. Form ATT-62" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.31. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.31

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Liquor Wholesalers - Distilled Spirits Sales to Retail Dealers and Retail Consumption Dealers. Form ATT-70" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.32. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.32

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Malt Beverage Shippers License Application. Form ATT-71" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. July 7, 1994; eff. July 27, 1994.

Rule 560-2-7-.33. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.33

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Liquor Wholesalers Purchases of Distilled Spirits from Registered Producers Monthly Report. Form ATT-80" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Wholesalers Distilled Spirits and Alcohol Monthly Report. Form ATT-85" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.34. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.34

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Wine Retail Dealers Bond. Form ATT-82" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-7-.35. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.35

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Beverage Alcohol Tax Refund or Credit Application. Form ATT-89" adopted. F.

May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Beverage Alcohol Tax or Credit Application. Form ATT-89" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.36. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.36

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Distilled Spirits Wholesalers Bond. Form ATT-95" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Distilled Spirits Wholesalers Bond and Irrevocable Bank Letter of Credit. Forms ATT-25 and ATT-162" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.37. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.37

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Wine Shippers License Application. Form ATT-107" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. July 7, 1994; eff. July 27, 1994.

Rule 560-2-7-.38. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.38

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "Wine Shippers Bond. Form ATT-108" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.39. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.39

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "Monthly Report of Receipts and Disbursements of Distilled Spirits Through U.S. Customs. Form ATT-109" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.40. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.40

Authority: Ga. Code Ann. Secs. [5A-302](#), [91A-215](#).

History. Original Rule entitled "Report of Wine Shipments into the State of Georgia. Form ATT-112" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.41. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.41

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Malt Beverage Excise Tax Monthly Report to Counties and Municipalities. Form ATT-122" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.42. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.42

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Wholesale Distributors Malt Beverage Monthly Tax Report. Form ATT-123" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.43. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.43

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Monthly Report of Malt Beverages, Distilled Spirits and Wine Sold by Airlines and Railways. Form ATT-131" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.44. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.44

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Registered Producer's Resident Representative Permit. Form ATT-138" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. July 7, 1994; eff. July 27, 1994.

Rule 560-2-7-.45. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.45

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Georgia Licensed Producers Monthly Report of Purchases of Distilled Spirits in Bulk From Out of State Producers. Form ATT-146" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.46. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.46

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Carriers Monthly Report of Beverage Alcohol Delivered into Georgia. Form ATT-148" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.47. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.47

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Malt Beverage Brand and Label Registration and/or Territory Designation Application. Form ATT-170" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Wholesale Malt Beverage Report of Inventory. Form ATT-153" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.48. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.48

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Wine Brand and Label Registration and/or Territory Designation Application Form ATT-171" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Wholesale Wine Report of Inventory, Form ATT-160" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.49. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.49

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Distilled Spirits Brand and Label Registration and/or Territory Designation Application. Form ATT-173" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: New Rule entitled "Wholesale Distilled Spirits and Alcohol Report of Inventory. Form ATT-165" adopted. F. July 7, 1994; eff. July 27, 1994.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.50. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.50

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Personnel Statement - Non-Beverage Alcohol Manufacturer. Form ATT-185" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-7-.51. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.51

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Distilled Spirits Through Shipment Permit Bond. Form ATT-194" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Sept. 6, 2006; eff. Sept. 26, 2006.

Rule 560-2-7-.52. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.52

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Importers Distilled Spirits License Performance and Tax Liability Bond. Form ATT-204" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-7-.53. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-7-.53

Authority: Ga. Code Ann. Secs. 5A-302, 91A-215.

History. Original Rule entitled "Brokers Distilled Spirits Performance and Tax Liability Bond. Form ATT-205" adopted. F. May 5, 1982; eff. May 25, 1982.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Subject 560-2-8. BREWPUBS.

Rule 560-2-8-.01. Brewpubs.

Upon application through the Georgia Tax Center as prescribed in Rule [560-2-2-.02](#), and as provided for under O.C.G.A. § [3-5-36](#), the Commissioner may issue a brewpub license to any brewpub in compliance with the requirements of this Act.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-5-36](#), [3-5-37](#), [48-2-12](#).

History. Original Rule entitled "Signs inside and Outside Retail Stores; Floor Displays; Advertising on Surrounding Premises" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Filed January 7, 1976; effective January 27, 1976.

Amended: Rule repealed and a new Rule of the same title adopted. Filed July 19, 1976; effective August 8, 1976.

Amended: Filed March 23, 1977; effective April 12, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Hotel in-Room Service" adopted. Filed July 28, 1986; effective August 17, 1986.

Repealed: New Rule entitled "Brewpubs" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-8-.02. Brewpub Bonds.

- (1) Brewpubs are required to post with the Commissioner in the amount of \$5,000.00, either:
 - (a) An annual or multiyear bond secured by a surety company authorized to do business in Georgia; or
 - (b) An irrevocable bank letter of credit, issued by a bank located in Georgia, conditioned upon prompt payment of all sums which may become due as required by all laws, rules, and regulations governing the production of Malt Beverages in Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-5-36](#), [3-5-37](#), [48-2-12](#).

History. Original Rule entitled "Wholesaler Sign Requirement; Wholesaler Liquor Dealer" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed July 19, 1976; effective August 8, 1976.

Amended: New Rule entitled "Brewpub Bonds" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-8-.03. Monthly Report; Remittance of Taxes by Brewpubs.

- (1) Every licensed brewpub located within Georgia shall file a monthly report with the Commissioner on Form ATT-103, or on such other forms or through the Georgia Tax Center as the Commissioner may prescribe, setting forth all Malt Beverage produced during a specific calendar month, setting forth beginning and ending inventories for that month, providing copies of all reports filed with the United States Department of Treasury, and providing other information as the Commissioner may require to describe the completed transactions.
- (2) Brewpubs shall file the monthly report no later than the fifteenth (15th) day of the next calendar month following the month of the transactions.
- (3) The proper tax remittance for all production shall be included with the report.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-5-37](#), [48-2-12](#).

History. Original Rule entitled "Licensed (Domestic) Producer Sign Requirements; Registered Distillery" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed July 19, 1976; effective August 8, 1976.

Amended: New Rule entitled "Monthly Report; Remittance of Taxes by Brewpubs" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-8-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.04

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409,

8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann. Sec. 58-1022).

History. Original Rule entitled "Special Approval for Variations in Sign Requirements" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.05

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8427); Ga. L. 1937-38, Extra Sess., Sec. 58-1022).

History. Original Rule entitled "Unauthorized Advertising Prohibited; by Wholesaler or Retailer; by Third Party on Behalf of Wholesaler or Retailer" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 25, 1978; effective October 15, 1978.

Amended: Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.06

Authority: Ga. L. 1837-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Advertising Within the State Subject to Regulation by the Commissioner; Exception" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.07

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Prohibited Advertising Devices" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.08

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Prohibited Advertising Devices; Electrical" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1882; effective May 25, 1982.

Rule 560-2-8-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.09

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Prohibited Advertising Devices; Photographic Display" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.10

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Prohibited Advertising Devices; Sale Benefits" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.11

Authority: Ga. L. 1927-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Prohibited Devices; Trade Novelties" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 27, 1975; effective September 16, 1975.

Amended: Rule repealed and a new Rule of the same title adopted. Filed November 2, 1977; effective November 22, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.12

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Licensed Retailer Distribution of Approved Materials" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Retailer Distribution of Pamphlets; Materials" adopted. Filed July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.13

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Periodical Advertising; Commissioner Approval" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1,

1969, as specified by the Agency.

Amended: Rule repealed and a new Rule entitled "Periodical Advertising" adopted. Filed July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.14

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sec., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Periodical Advertising, Restrictions" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Advertising Prices" adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed and a new Rule of the same title adopted. Filed March 23, 1977; effective April 12, 1977.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.15

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sec., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Allowable Advertising to Insinuate no Relation to state or Federal Flag or Armed Services" was filed and effective on June 20, 1965.

Amended: Rule repealed and a new Rule entitled "Flags, Seals, Costs of Arms, Cream, other Insignia and Academic Institutions, Personnel or Student" adopted. Filed July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.16

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1927-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Allowable Advertising to Insinuate no Relation to State or Federal Affiliation or Endorsement" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed July 19, 1976; effective August 8, 1976.

Rule 560-2-8-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.17

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Advertising Reference to Academic Institution, Personnel or Student Prohibited" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed July 19, 1976; effective August 8, 1976.

Rule 560-2-8-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.18

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Advertising by Personal Endorsement" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.19

Authority: Ga. L. 1937-39, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Advertising Prohibited; Women" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Advertising Prohibited; Immodest Dress; Consumption" adopted. Filed November 20, 1974; effective December 10, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.20

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-28, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Advertising Prohibited; Sunday; False Statement" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Advertising Prohibited; False Statement" adopted. Filed July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.21

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Advertising Prohibited; Santa Claus; Cartoon or Comic Characters" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Advertising Prohibited; Santa Claus; Cartoon or Comic Characters; Reference to Legal Holiday" adopted. Filed July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-8-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.22

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Reference to Legal Holidays Prohibited" was filed and effective on June 30, 1965.
Amended: Rule repealed. Filed July 19, 1976; effective August 8, 1976.

Rule 560-2-8-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.23

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Periodical Advertising Subject to Approval by Commissioner" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed July 19, 1976; effective August 8, 1976.

Rule 560-2-8-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.24

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Special Container, Package, or Wrapping Subject to Approval by Commissioner" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Special Container, Package, or Wrapping or Private Label Subject to Approval by Commissioner" adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed July 19, 1976; effective August 8, 1976.

Rule 560-2-8-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-8-.25

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Assessment Against Wholesaler for Advertisement" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Assessment Against Wholesaler or Retailer for Advertisement" adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Subject 560-2-9. WINE.

Rule 560-2-9-.01. Wine Tasting.

- (1) A Person conducting a Wine tasting shall have a valid Wine license issued by the Department in accordance with Rule [560-2-2-.02](#).
- (2) Any Person without a valid Wine license issued by the Department that seeks to conduct a Wine tasting shall file Form ATT-4SP with the Department, or complete the corresponding application through the Georgia Tax Center, along with any other

appropriate forms as reasonably prescribed by the Commissioner, at least ten (10) business days prior to the Wine tasting.

- (a) Any nonprofit civic organization that seeks to conduct a Wine tasting and is not licensed by the Department shall also comply with the requirements set forth in O.C.G.A. § [3-9-3](#);
 - (b) Any for-profit organization that seeks to conduct a Wine tasting and is not licensed by the Department shall also comply with the requirements set forth in O.C.G.A. § [3-6-20](#).
- (3) A Person who conducts a Wine tasting shall comply with these regulations, the Code, and the laws of the jurisdiction where the Wine tasting is being held.
- (4) This permit issued under this Rule allows for the sale of Wine to be consumed on the premises where the Wine tasting is conducted as well as the sale of Packaged Wine for consumption off-premises.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-2-6](#), [3-15-2](#), [3-15-3](#), [3-6-20](#), [3-9-3](#), [48-2-12](#).

History. Original Rule entitled "Exception for Territory Ceded to United States" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Applicability of These Rules" adopted. F. June 4, 1987; eff. June 24, 1987.

Amended: Rule retitled "Applicability of Rules". F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: New Rule entitled "Wine Tasting" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

[Rule 560-2-9-.02. Wine Special Order Shipper.](#)

- (1) An applicant for a Wine Special Order Shipping License shall have an approved Federal Basic Permit prior to submitting its application to the Department.
- (2) The Wine Special Order Shipping License will allow a Wine manufacturer to ship Wines into Georgia directly to consumers that are:
 - (a) "Dessert and Table" Wines as defined by the Act;
 - (b) Manufactured by the applicant;
 - (c) Registered with the Department prior to shipping; and
 - (d) Unassigned or are Brands already assigned to a Wine Wholesaler.
- (3) A licensee acting under this Rule shall ensure that:
 - (a) The shipping package is marked according to the Act;

- (b) The age of the party ordering the Wine is verified by the appropriate documentation as specified in the Act;
- (c) The licensee is registered with the state for a sales tax number, and the licensee is collecting and remitting all required state and local tax in accordance with the Code and these Regulations;
- (d) The licensee files all appropriate forms as prescribed by the Commissioner and state law; and
- (e) The licensee maintains a copy of all invoices for Wine shipped to Georgia consumers for three (3) years from the date of invoice.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-6-1](#), [48-2-12](#).

History. Original Rule entitled "Non-Taxation of Federal Instrumentalities; Rights and Jurisdiction Over Distilled Spirits" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Persons Authorized to Hold Hearings; Authority of Hearing Officer" adopted. F. June 4, 1987; eff. June 24, 1987.

Repealed: New Rule entitled "Wine Special Order Shipper" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-9-.03. Records.

- (1) Each Manufacturer, Shipper, Importer, Broker, Wholesaler, Distributor, Retailer, or Retail Consumption Dealer shall retain complete and accurate records of all Alcoholic Beverages manufactured, produced, purchased and sold.
- (2) The records shall be kept in a form prescribed by the Commissioner.
- (3) No Manufacturer, Shipper, Importer, Broker, Wholesaler, Distributor, Retailer, or Retail Consumption Dealer shall store any record concerning the shipping, invoicing, sale, payment, or storage of Alcoholic Beverages at any other location than which a license has been issued, except upon the written approval of the Commissioner.
- (4) A Manufacturer, Shipper, Importer, Broker, Wholesaler, Distributor, Retailer, or Retail Consumption Dealer may be required to appear before the Commissioner to show cause as to why the Shipper's license to ship into or within Georgia should not be revoked or suspended, have its bond forfeited, or both for failure to comply with this Rule.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Federal Instrumentality as First Purchaser" adopted. F. and eff. June 30, 1965.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Nature of the Proceeding; Hearing Procedure; Burden of Proof" adopted. F. June 4,

1987; eff. June 24, 1987.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Repealed: New Rule entitled "Records" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-9-.04. Mead or Honey Wine; Manufacture, Distribution, Transportation, Sale.

- (1) A proprietor shall first obtain federal approval of its formula and the process by which the Mead or Honey Wine is manufactured before applying with the Department for a license.
- (2) The sale, manufacture, transportation, and distribution of Mead or Honey Wine shall be governed by the same regulations promulgated for Wine as established by the Act, unless specifically stated to the contrary.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.04

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [48-2-12](#).

History. Original Rule entitled "Military Establishment Acting as Federal Instrumentalities" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: A new Rule entitled "Evidence; Official Notice" was filed on June 4, 1987; effective June 24, 1987.

Repealed: New Rule entitled "Mead or Honey Wine; Manufacture, Distribution, Transportation, Sale" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-9-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.05

Authority: O.C.G.A. § [3-2-2](#), [3-2-3](#) and [48-2-12](#).

History. Original Rule entitled "Tax Free Orders Through Licensed Wholesaler" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: A new Rule entitled "Executive Orders" was filed on June 4, 1987; effective June 24, 1987.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-9-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.06

Authority: O.C.G.A. § [3-2-2](#), [3-2-3](#) and [48-2-12](#).

History. Original Rule entitled "Processing Order; Direct shipment" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed May 13, 1975; effective June 2, 1975.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: A new Rule entitled "Intra-Agency Appeal Procedure; Post Hearing Motions" was filed on June 4, 1987; effective June 24, 1987.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-9-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.07

Authority: O.C.G.A. § [3-2-2](#), [3-2-3](#) and [48-2-12](#).

History. Original Rule entitled "Authorized Receiving Officer; Certification" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: A new Rule entitled "Continuances and Postponements. was filed on June 4, 1987; effective June 24, 1987.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-9-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.08

Authority: O.C.G.A. § [3-2-2](#), [3-2-3](#) and [48-2-12](#).

History. Original Rule entitled "Request for Refund of Tax" was filed and effective on June 30, 1966.

Amended: Filed April 6, 1966; effective May 1, 1966, as specified by paragraph (2) of this Rule.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1992.

Amended: A new Rule entitled "Subpoena Forms; Service" was filed on June 4, 1987; effective June 24, 1987.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-9-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.09

Authority: O.C.G.A. § [3-2-2](#), [3-2-3](#) and [48-2-12](#).

History. Original Rule entitled "Military Liquors" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: A new Rule entitled "Transcripts of Hearing" was filed on June 4, 1987; effective June 24, 1987.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-9-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.10

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Tax Paid Liquor" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-9-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-9-.11

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427) Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Restriction to Military Reservation" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Subject 560-2-10. FARM WINERIES.

Rule 560-2-10-.01. Farm Wineries.

- (1) Farm wineries, as defined by this Title, may be licensed by application on forms provided by the Commissioner or through the Georgia Tax Center upon compliance with the following requirements:
 - (a) Approval of an application to the Commissioner;
 - (b) Payment of the proper license fee; and
 - (c) Compliance with all applicable Federal, State, and local government laws and regulations.
- (2) A farm winery license shall authorize the farm winery to operate a tasting room on the Premises of the winery and to sell its products at retail at the winery.
- (3) Farm winery Licensees may be licensed to sell their products at wholesale or retail in accordance with Rules [560-2-10-.02](#) and [560-2-10-.03](#).

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-6-21.1](#), [48-2-12](#).

History. Original Rule entitled "Correct Labeling" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Correct Labeling; Private Labeling" adopted. Filed July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: Rule entitled "Beverage Alcohol Catering Events; Authorized" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: New Rule entitled "Farm Wineries" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-10-.02. Farm Winery Retail Sales in Tasting Rooms.

- (1) Farm wineries may, upon approval of the Commissioner, sell Wine in closed Packages at retail for consumption off the premises in tasting rooms exclusively owned and operated by the winery at no more than five (5) locations other than the Premises of the farm winery.
- (2) All other locations must be independently licensed as a Retailer for the sale of Wine as provided by this Title and these regulations.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-6-21.2](#), [48-2-12](#).

History. Original Rule entitled "Case Markings" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: Rule entitled "Qualifications of Beverage Alcohol Catering Licensees" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: New Rule entitled "Farm Winery Retail Sales in Tasting Rooms" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-10-.03. Farm Winery as Wholesaler.

- (1) A farm winery may only be licensed as a Wholesaler after receiving written notice from a licensed Wholesaler that the Wholesaler is rejecting the winery's offer to sell its Wine.
 - (a) The offer and the rejection shall be in writing on company letterhead;
 - (b) The letters shall be submitted along with the winery's application for a Wholesaler license.
- (2) Upon application to the Commissioner pursuant to Rule [560-2-10-.01](#) a farm winery may be issued a Wine Wholesaler license provided that:
 - (a) The application shall be in the same name as that of the farm winery;
 - (b) The license fee is paid; and
 - (c) A surety bond in an amount equal to the tax value in excess of \$5,000.00 has been provided.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#), [3-6-21.1](#), [48-2-12](#).

History. Original Rule entitled "Through-Shipment Permit" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: Rule entitled "Miscellaneous Requirements, Restrictions on Sales; Prohibitions" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: New Rule entitled "Farm Winery as Wholesaler" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-10-.04. Records of Agricultural Products; Affidavit for Georgia Products.

- (1) Licensed farm wineries shall maintain a record of all produce grown on the licensed Premises for use in the production of Wine, showing:
 - (a) The date of harvest;
 - (b) Quantity by weight; and

- (c) Definition of produce by type.
- (2) Licensed farm wineries shall maintain a record of all berries, fruits, grapes, or bulk Wines received on the licensed Premises for use in the production of Wine, showing the date of receipt, quantity, description, and the name and address of the person from whom received.
- (3) Where the licensed farm winery claims that the berries, fruits, or grapes are Georgia-grown products, the records shall include an affidavit of the person from whom the berries, fruits or grapes were received, stating that they are in fact Georgia-grown products.
 - (a) Where commercial invoices, bills of lading, or prescribed forms contain the required information, an affidavit will not be required.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.04

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-6-21.1](#), [48-2-12](#).

History. Original Rule entitled "Through-Shipment Regulations" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1932; effective May 25, 1982.

Amended: Rule entitled "Transportation and Delivery of Catered Beverages adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed: New Rule entitled "Records of Produce; Affidavit for Georgia Products" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Records of Agricultural Products; Affidavit for Georgia Products." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-10-.05. Wine In Bulk; Separation of Wine.

- (1) Farm wineries are authorized to sell, deliver, and ship Wine in bulk to other farm winery Licensees inside Georgia and are further authorized to acquire and receive deliveries and shipments of Wine made within Georgia by farm winery Licensees inside Georgia.
- (2) Wines contained or stored in bulk shall be identified as such and include:
 - (a) The origin of the berries, fruits, or grapes used in the production of Wine; and
 - (b) The percentage of the bulk Wine made from Georgia grown berries, fruits, or grapes.
- (3) Dessert and table Wines shall be stored separately.
- (4) Table Wines produced from at least forty percent (40%) Georgia-grown berries, fruits, or grapes shall be stored separately from table Wines produced from less than forty percent (40%) Georgia-grown berries, fruits, or grapes.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.05

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-6-21.1](#), [48-2-12](#).

History. Original Rule entitled "Lost or Stolen Goods; Notification" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: Rule entitled "Advertising of Catered Beverages" adopted. F. Apr. 14, 1993; eff. May 4, 1993.

Repealed F Mar. 10, 1997; eff. Mar. 30, 1997.

Amended: New Rule entitled "Wine In Bulk; Separation of Wine" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-10-.06. Monthly Reports of Production.

- (1) Licensed farm wineries shall file a monthly report of production with the Commissioner on such forms or through the Georgia Tax Center as the Commissioner may prescribe.
- (2) Exact copies of each report sent to the United States Treasury and any other such documents that the Commissioner may require shall be attached to the monthly report submitted to the Department.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.06

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Loss or Destruction of Tax Paid Goods; Refund" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Mutilated Tax Stamps" adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: Rule entitled "Violations" adopted. F. Apr. 14, 1993. eff. May 4, 1993.

Repealed: New Rule entitled "Monthly Reports of Production" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-10-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.07

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Non-Registered Brands; Affixing Tax Stamp" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.08

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original rule entitled "Bottles, Cans or Containers without Tax Stamp" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.09

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Confiscated Goods, Destruction or Sale" was filed and effective an June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.10

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Use of Untrue or Misleading Statements" was filed and effective an June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.11

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Sec. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Restriction Against Law enforcement Agents" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.12

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Sec. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., pp. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Specification of Premises; Licenses Void after December 31" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Application of Permanent Record; Specification of Premises; Licenses Void after December 31" adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed and a new Rule of the same title adopted. Filed April 4, 1973; effective April 24, 1973.

Amended: Filed November 2, 1977; November 22, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.13

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409,

8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.* as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Display of License" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.14

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Report by Warehouseman" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.15

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et. seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Prima Facie contraband" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.16

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et. seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Availability of Licensee's Records; Inspections" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed and a new Rule of the same title adopted. Filed November 2, 1977; effective November 22, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.17

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et, seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Restriction on Employees of Producer or Wholesaler" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.18

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Acts Forbidden to Agents" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.19

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Use of Singular" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.20

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Gifts to Revenue Employees" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.21

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Violation of Regulations Results in Misdemeanor" was filed and elective on June 30, 1965. Attended: Rule repealed and a new Rule entitled "Emergency Movement of Distilled Spirits" adopted.

Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.22

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Location of Premises" was filed on October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed and a new Rule of the same title adopted. Filed May 25, 1973; effective June 14, 1973.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.23

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Violations of Regulations" was filed on October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.24

Authority: The Twenty-first Amendment of the Constitution of the United States of America, Vienna Convention on Consular Relations, done at Vienna April 24, 1963, 21 U.S.T. 77, T.I.A.S. 6820, and other bilateral treaties in force between the United States and foreign states; Ga. Laws 1937-38, Extra Sess., pp. 103, 115, as amended (Ga. Code Ann., Sec. 58-1046(6)); Ga. Laws 1937-38, Extra Sess., pp. 103, 108, as amended (Ga. Code Ann., Sec. 58-1022(h)); Ga. Laws 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. Laws 1935, p. 73, as amended (Ga. Code Ann., Sec. 58-703).

History. Original Rule entitled "Consuls" was filed on August 27, 1975; effective September 16, 1975.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.25

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Licensing Qualifications" was filed on August 1, 1978; effective August 21, 1978.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.26

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Contraband; Seizure; Disposition; Claims; Hearing" was filed on August 23, 1978; effective September 12, 1978.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-10-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-10-.27

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., pp. 103, 118, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Alcohol; Ethyl Alcohol; Definition; Purpose; License Required; Inspection; Records; Motor Fuel Registration; Applications Permanent Record" was filed on June 25, 1979; effective July 15, 1979.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Subject 560-2-11. HOTELS, CHARITABLE EVENTS & REAPS.

Rule 560-2-11-.01. Hotel Catered Functions; In-Room Service License - Hotels, Charitable Events & REAPs.

- (1) Licensed Hotels shall be permitted to cater Hotel functions in ballrooms, meeting rooms, reception rooms, or patio areas of the licensed premises, provided that the functions are catered in connection with a meeting, conference, convention, or other similar type of gathering at the licensed premises.
- (2) Any Hotel is authorized to provide in-room service as defined in O.C.G.A. § [3-9-10](#), provided the establishment:
 - (a) Is licensed to sell Alcoholic Beverages;
 - (b) Applies for a hotel in-room service license through the Georgia Tax Center; and
 - (c) Is approved for a valid hotel in-room service license issued by the Department.
- (3) In order to qualify for a hotel in-room service license, an applicant must be a Hotel and:
 - (a) Have a valid Retailer license; or
 - (b) Have a valid Retail Consumption Dealer license.
- (4) Applicant may only qualify for a hotel in-room service license for the types of Alcoholic Beverages for which the Hotel has a Retailer license or Retail Consumption Dealer license.
- (5) A hotel in-room service Licensee shall be authorized to:
 - (a) Deliver Alcoholic Beverages of the types for which the Hotel has a Retailer license or Retail Consumption Dealer license and a hotel in-room service license to a registered guest's room when:
 1. The Alcoholic Beverages have been ordered by the guest; and
 2. The guest is billed for the cost of the Alcoholic Beverages at the time of delivery.
- (6) The sale shall be evidenced by a signed receipt providing the following:
 - (a) The name of the registered guest who purchased the Alcoholic Beverages; and
 - (b) The type and quantity of Alcoholic Beverages delivered.
- (7) A cabinet may be located in a Hotel's guest room which:

- (a) Contains Alcoholic Beverages of the types for which the Hotel has a Retailer license or Retail Consumption Dealer license and a hotel in-room service license; and
 - (b) Is accessible by lock and key only to the guest.
- (8) A credit may be given to the guest for any unused and unopened Alcoholic Beverages upon request.
- (9) After receipt of the guest request for credit, the Hotel will maintain a written record of the request which shall:
 - (a) Specify the name of the guest;
 - (b) Provide an inventory of the quantity of Alcoholic Beverages contained in the cabinet; and
 - (c) Indicate the amount of credit, if any, given for any unused and unopened Alcoholic Beverages at the time of the guest's departure.
- (10) All documents as set forth in this Rule shall constitute an essential record to be maintained and stored in accordance with this Title and these regulations.
- (11) All Hotels having a hotel in-room service license shall:
 - (a) Maintain and store all Alcoholic Beverages for use in connection with the license for in-room service in an area that is not accessible to the public and that is separate from any other Alcoholic Beverages purchased for use in any other licensed premises of the Hotel;
 - (b) Not consummate sales in the storage area; and
 - (c) Maintain separate records relating to the purchase and sale of Alcoholic Beverages for in-room service as specified in O.C.G.A. § [3-3-6](#) and these regulations.
- (12) Nothing contained in this Rule shall be construed to restrict or prohibit the possession of Alcoholic Beverages by Hotel guests in quantities otherwise permitted under these regulations and Title 3 of the Code.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-6](#), [3-9-10](#), [48-12-2](#).

History. Original Rule entitled "License from Local Authority" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed and a new Rule of the same title adopted. Filed November 29, 1973; effective December 19, 1973.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Hotel Catered Functions; In-Room Service License - Hotels, Charitable Events & REAP" adopted, F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Hotel Catered Functions; In-Room Service License - Hotels, Charitable Events & REAPs." F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-11-.02. Charitable Events Permit.

- (1)
 - (a) Bona fide nonprofit charitable and civic organizations desiring to sell Alcoholic Beverages may apply for a permit authorizing the organization to sell or distribute Alcoholic Beverages for consumption on the premises only for a period not to exceed three (3) days.
 - (b) Applications for such temporary permit must include the following:
 1. A copy of an official document, such as nonprofit certification by the Internal Revenue Service, the constitution and by-laws of the organization, or a corporate charter, which clearly states the purpose of the organization; and
 2. A letter of authorization or local permit for the event from the local governing authority, or a signed affidavit from the applicant, confirming that applicant is in compliance with all local ordinances and regulations concerning special or charitable events.
- (2) Applications must be submitted using the Georgia Tax Center, accessible through the Department's website. The permittee shall submit an application to the Department no later than ten (10) business days prior to the event.
- (3) No permit shall be issued unless the applicant is in full compliance with the laws and regulations governing the sale of Alcoholic Beverages, including alcohol excise tax laws.
- (4) Except as provided in this paragraph, Manufacturers, Brokers, Importers, Shippers, Wholesalers, and Retailers shall not make any donations of Alcoholic Beverages to any nonprofit charitable or civic organization that has obtained a permit. If a nonprofit charitable or civic organization has obtained a special event permit, Wholesalers shall be authorized to make donations of Alcoholic Beverages, provided that the Alcoholic Beverages were obtained through proper distribution channels and all applicable state and local taxes have been paid.
 - (a) No Alcoholic Beverages shall be donated to a nonprofit charitable or civic organization unless the organization has the appropriate state charitable event permit provided in this Rule.

- (b) The amount of Alcoholic Beverages donated by the Wholesaler shall not exceed the amount reasonably necessary for the event for which a charitable event permit has been obtained.
- (5)
 - (a) At the request of a nonprofit charitable or civic organization that holds a charitable event permit under this Rule, Manufacturers, Brokers, Importers, Shippers, and Wholesalers may donate services to the organization by having permitted Representatives provide pouring services and product information during the event.
 - (b) The permittee shall be liable, in addition to the liability of the Licensee and its permitted Representative, for all acts or omissions in violation of Title 3 of the Code committed by the Licensee or any of Licensee's permitted Representatives.
- (6) Provided a permit has been issued to a nonprofit charitable or civic organization, the organization shall be considered the same as any retail Licensee and subject to all laws, rules, and regulations under Title 3 of the Code.
- (7) Nothing shall prohibit cash donations by Licensees under Title 3 of the Code to charitable and civic organizations provided that such donations are unconditional and not related to the purchase of a particular Brand or Brand Label of Alcoholic Beverage.
- (8) No more than six (6) temporary charitable event permits may be issued to an organization in any one calendar year.
- (9) Permittees may conduct such events on the Premises of a licensed Manufacturer or Wholesaler provided that all Alcoholic Beverages to be served or sold at the event are purchased from a licensed Wholesaler or donated pursuant to this Rule.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-9-3](#), [3-9-4](#), [48-2-12](#).

History. Original Rule entitled "Location Near Church or School" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Application" adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Filed November 29, 1973; effective December 19, 1973.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Charitable Events" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Sept. 9, 2011; eff. Sept. 29, 2011.

Amended: New title "Charitable Events Permit." F. May 6, 2016; eff. May 26, 2016.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-11-.03. Charitable Auctions; Wine.

- (1) Bona fide nonprofit charitable and civic organizations desiring to sell Wine at auction may apply for a temporary special use permit authorizing the organization to auction Wine in unbroken Packages for consumption off premises only for a period not to exceed three (3) days.
 - (a) Applications must be submitted using the Georgia Tax Center, accessible through the Department's website. Applications for the temporary special use permit for Wine auctions must include the following:
 1. A copy of an official document, such as nonprofit certification by the Internal Revenue Service or constitution and by-laws of the organization, or a corporate charter, which clearly states the purpose of the organization; and
 2. A letter of authorization or a local permit issued for the event from local governing authorities.
- (2) Unlicensed individuals, licensed Retailers, and licensed Wholesalers shall be authorized to make donations of Alcoholic Beverages to a nonprofit organization to be sold at an auction permitted under this Rule, provided that the Alcoholic Beverages were obtained through proper distribution channels and all applicable state and local taxes have been paid or will be paid.
 - (a) Alcoholic Beverages may not be donated to a nonprofit charitable or civic organization unless the organization has the appropriate state special use temporary permit provided for under this Rule.
 - (b) The amount of Wine donated under paragraph (2) shall not exceed the amount necessary for the event for which a permit has been obtained.
- (3) The nonprofit charitable or civic organization holding a temporary special use permit for Wine auctions under this Rule may ship or otherwise transport donated Wine to the location specified in the temporary special use permit for Wine auctions. This paragraph (3) only applies to Wine donated by a person who does not currently hold a license that has been issued by the Department pursuant to this Title or Wine donated by a Georgia licensed Retailer.
- (4) Prior to the commencement of the event for which a temporary special use permit for Wine auctions has been issued under this Rule, the nonprofit charitable or civic organization shall furnish to the Department through the Georgia Tax Center a detailed inventory of the Wine to be auctioned, which shall include the following information:
 - (a) The name, address, telephone number, and Taxpayer Identification Number of any person furnishing Wine for the event; and
 - (b) The type, Brand, Brand Label, and quantity of each Wine to be sold at auction.
- (5) Georgia excise tax is due on all donated Wine.

- (a) In the event the nonprofit charitable or civic organization cannot verify that Georgia excise tax for the Wine was previously paid to the Department within ten (10) days of the conclusion of the permitted event, the nonprofit or charitable civic organization shall pay to the Department the appropriate excise tax as required by law on Form ATT-75 or its equivalent in the Georgia Tax Center, as provided by the Department.
- (6) At the request of a nonprofit charitable or civic organization that holds a temporary special use permit for Wine auctions under this Rule, Manufacturers, Brokers, Importers, Shippers, and Wholesalers may donate services to the organization by having permitted Representatives provide product information during the event.
- (7) Provided a temporary special use permit for Wine Auctions has been issued to a nonprofit charitable or civic organization, the organization shall be considered the same as any other Licensee and subject to all laws, rules, and regulations under this Title.
- (8) Nothing shall prohibit cash donations by Licensees under Title 3 of the Code to charitable and civic organizations provided that such donations are unconditional and not related to the purchase of a particular Brand or Brand Label of Alcoholic Beverage.
- (9) No more than six (6) temporary special use permits for Wine auctions may be issued to an organization in any one calendar year.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-9-4](#), [48-2-12](#).

History. Original Rule entitled "Annual Fee; Surety Bond" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed November 29, 1973; effective December 19, 1973.

Amended: Rule repealed and a new Rule of the same title adopted. Filed May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Charitable Auctions; Wine" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-11-.04. Regional Economic Assistance Projects (REAPs).

- (1) Once a Regional Economic Assistance Project (REAP) has received certification through the Department of Community Affairs, all licensing requirements under these regulations must be satisfied in order to obtain a license to sell Alcoholic Beverages.
- (2) In addition to providing all licensing information as required under these regulations, the applicant shall send the Department a copy of the certification received from the Department of Community Affairs.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.04

Authority: O.C.G.A. §§ [3-2-2](#), [3-13-2](#), [3-13-4](#), [48-2-12](#).

History. Original Rule entitled "Character Requirements" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Annual Filing; Due Date" adopted. Filed November 29, 1973; effective December 19, 1973.

Amended: Rule repealed and a new Rule of the same title adopted. Filed May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Regional Economic Assistance Project (REAP)" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Regional Economic Assistance Projects (REAPs)." F. Oct. 5, 2023; eff. Oct. 25, 2023.

Rule 560-2-11-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.05

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1973, p. 12.

History. Original Rule entitled "Restriction Against Distillers, Wholesalers and Retail Package Business" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed and a new Rule entitled "Applicant Investigation Fee" adopted. Filed November 29, 1973; effective December 19, 1973.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.06

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1973, p. 121 Ga. L. 1974, Act No. 1237, approved March 26, 1974.

History. Original Rule entitled "Size of Container Purchased" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 23, 1969; effective November 1, 1969, as specified by the Agency.

Amended: Rule repealed and a new Rule entitled "Penalty Imposed" adopted. Filed November 29, 1973; effective December 19, 1973.

Amended: Rule repealed and a new Rule entitled "Failure to File" adopted. Filed May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.07

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103 *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022);

History. Original Rule entitled "Regulations of Local Authority" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Restriction against Distillers, Wholesalers, and Retail Package Business" adopted. Filed November 29, 1973; effective December 19, 1973.

Amended: Rule repealed and a new Rule entitled "Restriction against Distillers and Wholesalers" adopted. Filed October 5, 1977; effective October 25, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103 *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 19731 p. 12.

History. Original Rule entitled "Size of Container Purchased" was filed on November 29, 1973; effective December 19, 1973.

Amended: Rule repealed and a new Rule of the same title adopted. Filed March 23, 1977; effective April 12, 1977.

Amended: Rule repealed. Filed May 5, 1982, effective May 25, 1982.

Rule 560-2-11-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.09

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs., 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1973, p. 12.

History. Original Rule entitled "Removal of Drinks Prohibited" was filed on November 29, 1973; effective December 19, 1973.

Amended: Rule repealed and a new Rule entitled "Outside Delivery of Drinks Prohibited" adopted. Filed April 2, 1974; effective April 22, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.10

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1973, p. 12.

History. Original Rule entitled "Purchases" was filed on November 29, 1973; effective December 19, 1973.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.11

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Solicitation of Drinks" was filed on November 29, 1973; effective December 19, 1973.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 1, 1978; effective August 21, 1978.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.12

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1973, p. 12.

History. Original Rule entitled "Subterfuge" was filed on November 29, 1973; effective December 19, 1973.
Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.13

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1973, p. 12.

History. Original Rule entitled "Unlawful Activities" was filed on November 29, 1973; effective December 19, 1973.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.14

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Cause for Suspension or Revocation of License; Games of Chance" was filed on November 29, 1973; effective December 19, 1973.

Amended: Rule repealed. Filed March 23, 1977; effective April 12, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-11-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-11-.15

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Consumption on Premises--Trade Practices" was filed on August 27, 1975; effective September 16, 1975.

Amended: Rule repealed. Filed May 5, 1982, effective May 25, 1982

Subject 560-2-12. LIMOUSINE.

Rule 560-2-12-.01. Definitions.

(1) As used in these regulations:

(a) "Carrier" shall mean a limousine as defined in O.C.G.A. § [40-1-151](#) and :

1. Has been issued a certificate in accordance with Article 3 of Chapter 1 of Title 40;
2. Has its vehicles registered with the Department; and

3. Is authorized by the Department to sell Alcoholic Beverages.
- (b) "Contracting Customer" shall mean the person who:
1. Is the contracting party retaining the services of the Carrier;
 2. Is liable for payment of the services; and
 3. Is a passenger in the Registered Vehicle for the duration of the contracted time period.
- (c) "Limousine" shall mean a vehicle as defined in O.C.G.A. § [40-1-151](#);
- (d) "Permitted Employee" shall mean a Carrier's employees or agents or contractors who have been:
1. Retained by the Carrier to drive its Registered Vehicles;
 2. Issued an approved chauffeur certificate in accordance with O.C.G.A. § [40-16-2](#); and
 3. Listed by the Carrier with the Department as a driver of the Carrier's Registered Vehicles.
- (e) "Registered Vehicle" shall mean a limousine that:
1. Is owned or leased by a Carrier;
 2. Has been registered by the Carrier with the Department to allow for the sale of Alcoholic Beverages; and
 3. Has been posted with the Department's sticker and all other required signage under these regulations.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-9-6](#), [48-2-12](#).

History. Original Rule entitled "License Application Form 63/600" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "License Application Form ATT-16" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Definitions" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-12-.02. Limousine Carrier License Application for the Sale of Alcoholic Beverages.

- (1) An applicant for a Limousine Carrier Alcoholic Beverage License shall:
- (a) Submit a completed application to the Department in the form and manner prescribed by the Department.
 - (b) The application must include:
 - (i) A list of Carrier's vehicles that will be selling Alcoholic Beverages including:
 - I. Year, make and model;
 - II. Vehicle Identification Number (VIN); and
 - III. License plate number.
 - (ii) A list of all drivers, agents, or contractors who may drive a Registered Vehicle, including:
 - I. Name and residential address;
 - II. Date of birth; and
 - III. Georgia Driver's License Number.
 - (iii) Copy of each driver's Chauffeur's Permit issued by the Department of Driver Services;
 - (iv) Copy of the certificate issued pursuant to Article 3 of Chapter 1 of Title 40;
 - (v) A license fee of \$50.00 with application; and
 - (vi) A registration fee of \$15.00 for each vehicle operated by the Carrier that will sell Alcoholic Beverages.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-9-6](#), [40-1-162](#), [40-16-2](#), [48-2-12](#).

History. Original Rule entitled "Personnel Statement Form 59-600A" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Personnel Statement Form ATT-17" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed and a new Rule of the same title adopted. Filed April 4, 1973; effective April 24, 1973.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "License Application for Sale of Alcoholic Beverages" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Limousine Carrier License Application for the Sale of Alcoholic Beverages." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-12-.03. Alcoholic Beverage License.

- (1) Upon the Department's approval of a Carrier's application, the Department shall issue a nontransferable license for a term of one (1) calendar year with an expiration date of December 31 to the Carrier and the appropriate Department sticker for each Registered Vehicle.
 - (a) Application and renewal for the license shall be made prior to November 1 for the succeeding calendar year.
- (2) A Registered Vehicle shall be subject to inspection by the Commissioner or the Commissioner's agents for the purpose of inspecting the Premises and enforcing applicable laws and regulations.
- (3) A Carrier shall:
 - (a) Comply with all applicable local laws, state laws, and regulations concerning the sale of Alcoholic Beverages by a Retail Consumption Dealer;
 - (b) Post the signs required by O.C.G.A. §§ [3-1-5](#) and [3-3-24.2](#) in each Registered Vehicle of the Carrier so that the signs are readily visible to all occupants of the Registered Vehicle;
 - (c) Maintain a current limousine carrier certificate as required by the Code; and
 - (d) Register all vehicles in which Alcoholic Beverages will be sold and affix the required Department sticker.
 1. The sticker shall be affixed in the bottom left portion of the rear windshield so as to be visible from the outside.
 2. The sticker issued to the Carrier shall not be transferable to another vehicle or owner.
- (4) Annually a Carrier shall:
 - (a) Submit a renewal application and remit a license fee of \$50.00; and
 - (b) Remit a renewal registration fee of \$15.00 for each vehicle operated by the Carrier that will sell Alcoholic Beverages.
- (5) A Carrier is authorized to obtain and purchase Alcoholic Beverages only from a Georgia licensed retail Alcoholic Beverage dealer.
- (6) Failure to meet all requirements of this Regulation may result in suspension or revocation of the Carrier's Alcoholic Beverage license.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.03

Authority: O.C.G.A. §§ [3-1-5](#), [3-2-2](#), [3-9-6](#), [48-2-12](#).

History. Original Rule entitled "Bond Form AT-59-604" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Bond Form ATT-59-604" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Alcoholic Beverage License" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-12-.04. Duties of Carrier.

- (1) All Carriers selling Alcoholic Beverages shall:
 - (a) Notify the Department within fifteen (15) calendar days of employment of new employees who may operate a Registered Vehicle or existing employees who may be selected to operate a Registered Vehicle, in each case also providing the information required for new employees under Rule [560-2-12-.02\(1\)\(b\)\(ii\)](#); and
 - (b) Store all stocked Alcoholic Beverages in an enclosed, locked, tamper-proof container permanently attached to the inside of the Registered Vehicle.
 1. The container shall be in a fixed location not accessible to the operator of the Registered Vehicle.
- (2) All Distilled Spirits stocked by the Carrier shall:
 - (a) Be in unbroken Packages; and
 - (b) Be sold in fifty (50) milliliter bottles only.
- (3) All Carriers shall maintain a copy of:
 - (a) The Carrier's license to sell Alcoholic Beverages in each Registered Vehicle; and
 - (b) Each driver's Chauffeur's Permit issued pursuant to O.C.G.A. § [40-16-2](#).
- (4) A copy of the signed and dated contract for limousine service between the Contracting Passenger and the Carrier shall be kept with the alcohol receipts of sales to that Passenger.
- (5) A Licensee shall maintain for three (3) years from the date of purchase of the Alcoholic Beverages separate records relating to the purchase and sale of Alcoholic Beverage for the Carrier's Registered Vehicles as specified in O.C.G.A. § [3-3-6](#) and these Regulations.
- (6) Upon the first violation of these Regulations, a Carrier shall be subject to revocation of registration of the vehicle involved in the violation for one (1) year and the offending driver shall be removed from the Carrier's list of Permitted Employees.

- (7) A subsequent violation within three (3) years of any prior violation of these Regulations by a Carrier for the sale of Alcoholic Beverages from an unregistered vehicle or the sale of Alcoholic Beverages by a non-Permitted Employee of the Carrier shall result in revocation or suspension of the Carrier's license to sell Alcoholic Beverages in any of the Carrier's vehicles for a minimum of one (1) year.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.04

Authority: O.C.G.A. §§ [3-2-2](#), [3-3-6](#), [3-9-6](#), [48-2-12](#).

History. Original Rule entitled "Resident Representative Application Form 64-304" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Resident Representative Application Form ATT-25" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Duties of Carrier" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-12-.05. Driver's Duties.

- (1) An employee not permitted with the Department shall not operate any Registered Vehicle when Alcoholic Beverages are stocked in the vehicle.
- (2) The Permitted Employee of the Registered Vehicle shall:
- (a) Not serve any Alcoholic Beverage to any passenger;
 - (b) Verify before any passengers are allowed to enter the vehicle that the Contracting Customer is of legal drinking age and will be a passenger in the vehicle during the entire contract period;
 - (c) Upon verification of the Contracting Customer's legal drinking age, provide the Contracting Customer with access to the secure container where the Alcoholic Beverages are stored;
 - (d) Be responsible for ensuring that all partially consumed Alcoholic Beverages left in the Registered Vehicle are delivered to the Carrier's main facility for disposal;
 - (e) Maintain a copy in the Registered Vehicle of the driver's Chauffeur's Permit issued pursuant to O.C.G.A. § [40-16-2](#); and
 - (f) Maintain a copy in the Registered Vehicle of the certificate issued to Carrier pursuant to Article 3 of Chapter 1 of Title 40.
- (3) No passenger shall be permitted to remove any stocked or partially consumed Alcoholic Beverage from the Registered Vehicle.

- (4) When Alcoholic Beverages have been ordered by any passenger(s), the sale shall be evidenced by a signed receipt indicating:
 - (a) Which passenger(s) ordered Alcoholic Beverages;
 - (b) The identity of the Alcoholic Beverages sold; and
 - (c) The quantity of the Alcoholic Beverages that were sold.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.05

Authority: O.C.G.A. §§ [3-2-2](#), [3-9-6](#), [48-2-12](#).

History. Original Rule entitled "Application for Registration of Producer Form 64-302-1" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Application of Registration of Producer Form ATT-24" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Driver's Duties" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-12-.06. Contracting Customer.

- (1) If the Contracting Customer is a legal entity other than a natural person, then any natural person who is an authorized agent of the legal entity may assume the role of Contracting Customer upon presentation of documentation establishing such person as an authorized agent.
- (2) A Contracting Customer, who is a natural person may, prior to the use of the Registered Vehicle, designate another natural person of legal age for purchasing of Alcoholic Beverages to be the Contracting Customer, provided both parties notify the Carrier in writing about their agreement.
 - (a) Upon presentation of the written agreement to the Carrier, the designated natural person shall assume all responsibility of the Contracting Customer for the purchase of Alcoholic Beverages.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.06

Authority: O.C.G.A. §§ [3-2-2](#), [3-9-6](#), [48-2-12](#).

History. Original Rule entitled "Application for Joint Registration Form 64-302-2" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Application for Joint Registration Form ATT-27" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Contracting Customer" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-12-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.07

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Permit to Ship Form AT-64-12" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Permit to Ship Form ATT-64-12" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed. Filed May 13, 1975; effective June 2, 1975.

Rule 560-2-12-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.08

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Wholesale Hauling Permit Form 61-316" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Wholesaler Hauling Permit Form ATT-49" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-12-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.09

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Distiller's Monthly Report of Liquor Stamps Received and Shipments Form AT-11" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Distiller's Monthly Report of Liquor Stamps Received and Shipments Form ATT-11" adopted. Filed November 22, 1972; effective December 12, 1972.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-12-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.10

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Wholesalers Report of Shipments Received Form AT-16" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Wholesalers Report of Shipments Form ATT-80" adopted. Filed November 22, 1972; effective December 12, 1982.

Amended: Rule repealed. Filed May 13, 1975; effective June 2, 1975.

Rule 560-2-12-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.11

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Check-Off List for License Application Form ATT-98" was filed on April 4, 1973; effective April 24, 1973.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-2-12-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-12-.12

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022).

History. Original Rule entitled "Temporary Permit From ATT-130" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Subject 560-2-13. ALCOHOLIC BEVERAGE CATERING.

Rule 560-2-13-.01. Alcoholic Beverage Catering; Qualifications.

- (1) Any establishment which obtains and holds all the required licenses and permits and otherwise complies with the provisions contained in these regulations shall be authorized to sell, transport, deliver, and dispense Alcoholic Beverages for which a license was obtained.
- (2) In order to qualify as an Alcoholic Beverage caterer, the caterer must satisfy the following requirements:
 - (a) The caterer must be the holder of either:
 1. A valid state Retailer of Distilled Spirits license;
 2. A valid state Retail Consumption Dealer license;
 3. A valid state Retailer of Malt Beverages license; or
 4. A valid state Retailer of Wine license.
 - (b) The caterer must also be the holder of:
 1. A valid local Alcoholic Beverage license; and
 2. A valid local catering event permit issued by the local governing authority in the jurisdiction where the event is to be held, except where catering events are authorized in that local jurisdiction but the local governing authority does not issue such permits.
- (3) The caterer may only sell the types of Alcoholic Beverages for which the caterer has obtained a state license.

Cite as Ga. Comp. R. & Regs. R. 560-2-13-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-11-2](#), [3-11-3](#), [3-11-5](#), [48-2-12](#).

History. Original Rule entitled "Airline and Railway Passenger Carriers; Authorization to Sell and Distribute: Container Size; Annual Authorization; Fee; Payment of Excise Taxes; Reports; Remittance" was filed on January 30, 1975; effective February 19, 1975.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Alcoholic Beverage Catering; Qualifications" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-13-.02. Requirements; Restrictions; Prohibitions.

- (1) All sales of Alcoholic Beverages in connection with an authorized catered event shall be paid for in cash.
 - (a) All other Alcoholic Beverage sales will be subject to restrictions and requirements imposed by other Department regulations; and
 - (b) The acceptance of checks, debit cards, and credit cards shall be deemed the same as cash and are subject to the requirements and restrictions imposed by other Department regulations.
- (2) No Distilled Spirits which exceed ten percent (10%) alcohol by volume may be sold in containers smaller than 750 milliliters in connection with an authorized catered event.
- (3) All sales are final and in no case will broken Packages of Alcoholic Beverages be removed or returned by the licensed Alcoholic Beverage caterer from the site of the authorized catered event to his or her place of business or any other location.
 - (a) All returns of unbroken Packages must be documented on the Quantity-Destination report;
 - (b) Return of unbroken Packages of Alcoholic Beverages shall be handled as a "no sale"; and
 - (c) Leftover broken Packages of Alcoholic Beverages shall be the property of the event sponsor.
- (4) The licensed Alcoholic Beverage caterer must provide all personnel needed to handle the Alcoholic Beverages at the authorized catered event.
 - (a) The handling of Alcoholic Beverages shall include, but is not limited to:
 1. Bartending services;
 2. Dispensing;

3. Serving; and
 4. Providing or furnishing Alcoholic Beverages.
- (b) Employees of a licensed Alcoholic Beverage caterer must be twenty-one (21) years of age or older in order to dispense, serve, sell, or handle Alcoholic Beverages at any authorized catered event.
- (5) The sale of Alcoholic Beverages shall only be allowed on Sunday by an Alcoholic Beverage caterer if the sale is authorized on Sunday by Georgia Laws and local ordinances.
 - (6) It shall be a violation of these regulations for a licensed Alcoholic Beverage caterer to violate a local ordinance with respect to the sale or transportation of Alcoholic Beverages in connection with an authorized catered event.
 - (a) Except as provided for in this Subject 560-2-13, there shall be no other transportation of Alcoholic Beverages by Retailers or Retail Consumption Dealers.
 - (7) The licensed Alcoholic Beverage caterer shall notify the Commissioner in writing of the site of the authorized catered event.
 - (a) The notification shall also contain any other information as the Commissioner may require; and
 - (b) The notification must be received by the Department at least five (5) business days prior to the authorized catered event.
 - (8) The licensed Alcoholic Beverage caterer shall keep on file at his place of business for no less than three (3) years:
 - (a) All Beverage Alcohol Quantity/Destination Reports on Form ATT-CA-1;
 - (b) Local catering event permits;
 - (c) The names and identification information of all personnel assigned to work each function; and
 - (d) All other documents, records, and reports required by Georgia law and Department regulations.
 - (9) The licensed Alcoholic Beverage caterer is required to notify sponsors of authorized catered events of the authority of the Commissioner or his agents to enter upon the premises of an authorized catered event for the purpose of inspection and enforcement of these regulations and all other laws and regulations pertaining to the sale, possession, dispossession, and distribution of Alcoholic Beverages.

Cite as Ga. Comp. R. & Regs. R. 560-2-13-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-11-5](#), [48-2-12](#).

History. Original Rule entitled "Authority, of Agents; Availability of Records; Inspection of Records" was filed on January 30, 1975; effective February 19, 1975.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Requirements; Restrictions; Prohibitions" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-13-.03. Transportation and Delivery.

- (1) The transportation and delivery of Alcoholic Beverages by a licensed Alcoholic Beverage caterer is subject to the following requirements and restrictions:
 - (a) Delivery of Alcoholic Beverages by a licensed Alcoholic Beverage caterer shall be made only in connection with a permitted catered event;
 - (b) Deliveries not meeting the requirements as set forth in these regulations shall be a violation of these regulations and other Department regulations governing the transportation of Alcoholic Beverages by Retailers and Retail Consumption Dealers;
 - (c) Violation of these regulations shall be cause for the suspension or revocation of Licensee's Alcoholic Beverage licenses and/or forfeiture of Licensee's bond by the Commissioner;
 - (d) All Alcoholic Beverages transported in violation of these regulations shall be declared contraband and subject to seizure by the Commissioner or the Commissioner's agents;
 - (e) The transportation and delivery of Alcoholic Beverages shall be made in unbroken Packages only to the permitted event site by the Licensee of an Alcoholic Beverage catering establishment or employees of the Licensee who are twenty-one (21) years of age or older;
 - (f) Vehicles used by a licensed Alcoholic Beverage caterer for the transportation and delivery of Alcoholic Beverages in connection with a permitted catered event shall be marked only with the state license number;
 1. The lettering shall be two (2) inches high and one (1) inch wide on each side of the vehicle.
 2. No other wording or advertisements relating to the catering service shall be allowed.

- (g) While transporting and delivering Alcoholic Beverages in connection with an authorized catered event, the licensee or the employee of the licensed Alcoholic Beverage caterer shall have in his or her possession all of the following items:
 - 1. A copy of the caterer's valid state Alcoholic Beverage license.
 - 2. A copy of the caterer's valid local Alcoholic Beverage catering event permit from the local governing authority in the jurisdiction where the event is being held.
 - 3. The Alcohol Beverage Catering Quantity/ Destination Report.
- (h) Delivery of all Alcoholic Beverages by a Licensee to an authorized catered event must be made in unbroken containers; and
- (i) The serving of all Alcoholic Beverages at the authorized catered event must be by the drink.

Cite as Ga. Comp. R. & Regs. R. 560-2-13-.03

Authority: O.C.G.A. §§ [3-2-2](#), [3-11-5](#), [48-2-12](#).

History. Original Rule entitled "Sale and Distribution Subject to Laws and Regulations: Regulation by Commissioner" was filed on January 30, 1975; effective February 19, 1975.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Amended: New Rule entitled "Transportation and Delivery" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-13-.04. Violations.

Any violation of these regulations will be considered a violation of the Licensee's state Alcoholic Beverage license and shall be sufficient cause for the suspension or revocation of the license and/or the forfeiture of the Licensee's bond.

Cite as Ga. Comp. R. & Regs. R. 560-2-13-.04

Authority: O.C.G.A. §§ [3-2-3](#), [3-3-1](#), [3-3-2](#), [3-4-22](#), [3-5-25.1](#), [3-6-21](#), [3-11-5](#), [48-2-12](#).

History. Original Rule entitled "Violations" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Subject 560-2-14. NON-BEVERAGE ALCOHOL.

Rule 560-2-14-.01. Manufacturing and Importing Ethyl Alcohol.

- (1) Manufacture or importation of ethyl alcohol is to be used exclusively for the uses enumerated herein as necessary and appropriate to ensure that such ethyl alcohol is not directed to be used as a beverage or as a Distilled Spirit in contravention of law and

evasion of federal, state, and local excise taxes and license fees. Enumerated purposes are:

- (a) Non-beverage scientific;
 - (b) Chemical;
 - (c) Mechanical;
 - (d) Industrial;
 - (e) Medicinal; or
 - (f) Culinary purposes.
- (2) Every Person, firm, corporation or organization who desires to import or manufacture non-beverage ethyl alcohol exclusively for any of the uses enumerated in paragraph (1) above shall first obtain a license from the Department by completing an application through the Georgia Tax Center (GTC) for a non-beverage distillery, manufacture, or importer license.
- (a) Each application for a non-beverage manufacturer's, distiller's, or importer's license shall also include:
 - 1. A personnel statement and a set of fingerprint cards, as prescribed by the Department, for each owner or owners and for principal employees such as manager, foreman, superintendent, etc.;
 - 2. An accurate and precise description of the exact location where any non-beverage manufacturing or importing facility is to be located;
 - 3. A copy of a valid Operating Permit or other proper authorization issued to the applicant by the U.S. Alcohol and Tobacco Tax and Trade Bureau; and
 - 4. A copy of approval from all applicable local governing authorities for the construction and operation of the non-beverage manufacturing or importing facility.
- (3) When all of the requirements of paragraph (2) of this Rule and all other legal requirements are met, a license for the non-beverage manufacture or importation of ethyl alcohol solely for non-beverage use shall be issued by the Commissioner at no cost to the applicant.
- (4) Licensees under this Rule must renew the license by applying for renewal each year through GTC. Any non-beverage alcohol license issued or renewed by the Commissioner is valid for the remainder of the calendar year in which it is issued. The Commissioner

may authorize Licensees who have filed an application for renewal to operate until the license has been renewed or denied.

- (5) Each non-beverage manufacturing or importing facility issued a non-beverage alcohol license pursuant to this Regulation shall be subject to inspection by federal, state, and local law enforcement officers at all times.
- (6) Each Licensee shall maintain all invoices, bills of lading, reports, books, papers, or documents of whatever nature involving all transactions relating to the purchase, sale, distribution, storage, manufacture, importation, or handling of ethyl alcohol in any manner.
 - (a) The records and documents shall be maintained at the Licensee's place of business for a period of three (3) years unless permission for disposal of such records prior to the expiration of three (3) years is obtained in writing from the Commissioner.
- (7) Each Licensee manufacturing or importing ethyl alcohol for use as fuel shall be properly registered with the Motor Fuel Tax Section of the Department.
- (8) All license applications shall be a permanent record, and all Licensees shall comply with and be subject to the provisions of Rule [560-2-6-.01](#) of these regulations.
- (9) The Commissioner may deny a license to any applicant who has been convicted of any crime involving the illegal sale or manufacture of Alcoholic Beverages.
- (10) The failure of any Person, firm, corporation, or organization holding such license under these regulations to meet any obligations imposed by any tax laws of Georgia or to otherwise comply with any requirements of law shall be grounds for suspension or revocation of the license.

Cite as Ga. Comp. R. & Regs. R. 560-2-14-.01

Authority: O.C.G.A. §§ [3-2-2](#), [3-4-2](#), [48-2-12](#).

History. Original Rule entitled "Sunday Sales Authorized-Certain Cities; Restrictions" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed September 25, 1978; effective October 15, 1978.

Amended: New Rule entitled "Alcohol; Ethyl Alcohol; License Required; Inspection; Records; Motor Fuel Registration; Applications Permanent Record" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Manufacturing and Importing Ethyl Alcohol." F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-14-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-14-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73 *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976. Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Application to Sell on Sunday: Evidence of Eligibility" was filed on July 19, 1976;

effective August 8, 1976.

Amended: Rule repealed. Filed September 25, 1978; effective October 15, 1978.

Rule 560-2-14-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-14-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73 *et seq.*, as amended (Ga. Code Ann., Sec 58-703). Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec 58-914); Ga. L 1976, Act No. 818, approved February 27, 1976. Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Determination of Eligibility; Issuance of Permit, Display of Permit or License" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed September 25, 1978; effective October 15, 1978.

Rule 560-2-14-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-14-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73 *et seq.*, as amended (Ga. Code Ann., Sec 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976. Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Package Sales Prohibited" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed September 25, 1978; effective October 15, 1978.

Rule 560-2-14-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-14-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73 *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976. Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Eating Establishments: Annual Determination of Eligibility" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed Filed September 25, 1978; effective October 15, 1978.

Rule 560-2-14-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-14-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73 *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976. Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Bona Fide Eating Establishments; Subterfuge" was filed on July 19, 1976, effective

August 8, 1976.

Amended: Rule repealed. Filed September 25, 1978; effective October 15, 1978.

Rule 560-2-14-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-14-.07

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73 *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976, Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "False Statement of Eligibility; Revocation" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed September 25, 1978; effective October 15, 1978.

Rule 560-2-14-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-14-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73 *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857; Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Sunday Sales Authorized-Certain Counties: Restrictions" was filed on July 19, 1978; effective August 8, 1978.

Amended: Rule repealed. Filed September 25, 1978; effective October 15, 1978.

Subject 560-2-15. MILITARY & CONSULS.

Rule 560-2-15-.01. Jurisdiction Over Territory Ceded to United States - Military & Consuls.

The Commissioner asserts the right to regulate and control the manufacture, sale, and transportation of Alcoholic Beverages within Georgia, including over any territory within the historical boundaries of the State of Georgia but ceded to the United States.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.01

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Bingo Law; Regulations; Obligations" was filed as Emergency Rule 560-2-15-0.3-.01 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.01 . Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Amended: New Rule entitled "Jurisdiction over Territory Cede to United States - Military & Consuls" adopted F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: New title, "Jurisdiction Over Territory Ceded to United States - Military & Consuls." F. May 31, 2023;

eff. June 20, 2023.

Rule 560-2-15-.02. Federal Instrumentality as First Purchaser.

- (1) The tax imposed by the Act is an excise tax levied upon the first sale, use, or possession of Alcoholic Beverages in Georgia, and where a federal instrumentality is the first purchaser, the transaction is not taxable.
- (2) Federal instrumentalities who wish to sell Alcoholic Beverages to authorized patrons in quantities in excess of those authorized by O.C.G.A. § [3-3-8](#) for use and consumption outside the boundaries of the federal instrumentality are authorized to purchase tax-paid Alcoholic Beverages from licensed Georgia Wholesalers; however, no refund of the tax may be made on such transactions.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.02

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Definitions" was filed as Emergency Rule 560-2-15-0.3-.02 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.02 . Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Amended: New Rule entitled "Federal Instrumentality as First Purchaser" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-15-.03. Military Purchases.

- (1) (a) Military reservations acting as federal instrumentalities are hereby authorized to purchase tax-free Distilled Spirits from licensed Georgia Wholesalers, and the Wholesalers are authorized to sell and deliver Distilled Spirits to authorized purchasers from stock on hand subject to the following procedures:
 1. Purchase orders submitted by federal instrumentalities must be maintained on file at the Wholesaler's Place of Business for auditing and inspection by the Department.
 - (i) No credits to Wholesalers for tax-free Distilled Spirits sold to federal instrumentalities shall be given unless required documents to substantiate the sale and delivery are available upon audit or inspection at the Wholesaler's Place of Business.
 2. The Wholesaler shall deliver the Distilled Spirits only to the federal instrumentality through an authorized military officer, who shall sign for the

Distilled Spirits received and who shall obligate the federal instrumentality for payment in full for the order.

- (i) The sales invoice signed by the authorized receiving officer shall be returned and filed at the Wholesaler's Place of Business.

(2) Malt Beverages.

- (a) Manufacturers, Brokers, Importers, and Shippers of Malt Beverages are authorized to ship Military Beer to Georgia licensed Wholesalers for distribution and sale to authorized military installations.
- (b) No brewer, Manufacturer, Importer or Broker of Malt Beverages, or Representatives shall sell, offer to sell, ship, or cause to be shipped, or solicit for shipment or sale any Military Beer within or into Georgia except to a licensed Wholesaler and in accordance with the rules and regulations of the Commissioner.

(3) Wine.

- (a) Purchase orders for tax-free Wines shall be transmitted through a licensed Wholesaler and that Wholesaler is authorized to sell and deliver the Wines to authorized purchasers from stock on hand subject to the following procedures:
 - 1. Purchase orders submitted by federal instrumentalities must be maintained on file at the Wholesaler's Place of Business for audit and inspection by the Department.
 - 2. The Wholesaler shall deliver the ordered Wines only to a military officer authorized to receive the Wines, and the receiving officer shall sign for the Wines received.
 - (i) The sales invoice signed by the authorized receiving officer shall be returned and filed at the Wholesaler's Place of Business.
 - 3. No credits to the Wholesaler for tax-free Wines sold to federal instrumentalities shall be given unless required documents to substantiate the sale are available upon audit or inspection at the Wholesaler's Place of Business.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.03

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Operation of Bingo Games; License Required" was filed as Emergency Rule 560-2-15-0.3-.03 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.03 . Filed

February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Amended: New Rule entitled "Military Purchases" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-15-.04. Tax-Paid Alcoholic Beverages.

- (1) Licensed Alcoholic Beverage Wholesalers may sell tax-paid Alcoholic Beverages to military reservations authorized to purchase Alcoholic Beverages.
- (2) No credit or refund of the tax shall be made to Alcoholic Beverage Wholesalers for the sale of tax-paid Alcoholic Beverages to military reservations.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.04

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "Registration; Licensing Requirements" was filed as Emergency Rule 560-2-15-0.3-.04 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.04 . Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Amended: New Rule entitled "Tax-Paid Alcoholic Beverages" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-15-.05. Restrictions to Military Reservations.

- (1) Military Liquors, Military Beer, and Military Wine purchased pursuant to Subject 560-2-15 shall be sold or purchased on military reservations only by persons authorized to sell or purchase Alcoholic Beverages.
- (2) The possession of Military Liquors, Beer, or Wine purchased pursuant to Subject 560-2-15 off the military reservation in quantities in excess of those authorized by O.C.G.A. § [3-3-8](#) shall constitute the possession of non-tax paid Alcoholic Beverages subject to all laws and regulations relating to non-tax paid Alcoholic Beverages.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.05

Authority: O.C.G.A. §§ [3-2-2](#), [48-2-12](#).

History. Original Rule entitled "License Expiration; Renewals" was filed as Emergency Rule 560-2-15-0.3-.05 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.05 . Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Amended: New Rule entitled "Restrictions to Military Reservations" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-15-.06. Consuls.

- (1) This Rule is promulgated pursuant to the Vienna Convention on Consular Relations of April 24, 1963, 21 U.S.T. 77, T.I.A.S. 6820, and other treaties in force between the United States of America and foreign states on the subject of consular relations.
 - (a) The purpose of this Regulation is to provide a procedure for extending certain exemptions guaranteed by these treaties to Consular Officers located in Georgia.
- (2) The tax imposed by the Act is an excise tax levied upon the first purchase or sale of Alcoholic Beverages imported into Georgia.
 - (a) Where a Consular Officer imports Alcoholic Beverages directly from abroad or from a federally bonded warehouse for the official use of the Consular Post or for the personal use of the Consular Officer or members of his family forming part of his household, the transaction is exempt from Georgia Alcoholic Beverages excise tax under the multilateral consular convention referred to in paragraph (1) of this Rule if the Consular Officer's sending state is a party to the convention or another treaty with the United States of similar import.
- (3) Consular Officers are authorized to purchase and import directly from abroad and from federally bonded warehouses located in the United States Alcoholic Beverages free from Georgia Alcoholic Beverages excise tax under the procedures and subject to the restrictions set forth in this Rule.
 - (a) Consular Officers may purchase tax-free Alcoholic Beverages directly from abroad by notifying the Department of the proposed importation on a form provided by the Department;
 - (b) Consular Officers may purchase tax-free Alcoholic Beverages from a federally bonded warehouse by submitting purchase orders to the Alcohol and Tobacco Division, on a form provided by the Department, executed by the head of the Consular Post making the purchase;
 1. Upon approval of the order by the Department, the Department shall forward the order to the designated federally bonded warehouse with authorization for shipment of the Alcoholic Beverages directly to the Consular Post.
 - (c) Shipment by the federally bonded warehouse shall be only to the consular premises and shall be accomplished in such manner and under such documentation as the Department may require.

- (4) The Commissioner exercises the plenary regulatory power over Alcoholic Beverages granted to the State of Georgia by the Twenty-First Amendment to the Constitution of the United States, and the authority of Consular Officers to import tax-free Alcoholic Beverages is expressly conditioned upon compliance with the requirements of this Rule, including following the requirements that the Alcoholic Beverages which may be imported tax free under this Rule must be intended for consumption only and shall not exceed the quantity necessary for direct use by the persons concerned.
- (5) In the event the Alcoholic Beverage product desired to be purchased is available from a Georgia licensed Wholesaler and is one in which excise taxes are collected and paid by a reporting system, the Commissioner may authorize tax-free purchases from such licensed Georgia Wholesalers.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.06

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-6](#), [48-2-12](#).

History. Original Rule entitled "Rental Agreements concerning Premises Used for Bingo Operations; Other Payments" was filed as Emergency Rule 560-2-15-0.3-.06 on December 27, 1978, having become effective on December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.06 . Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Amended: New Rule entitled "Consuls" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Note: Correction of typographical error in Rule History, in accordance with Rule History published in Official Compilation Rules and Regulations of the State of Georgia, "**Amended:** New Rule entitled "Consuls - Military & Consuls" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010." corrected to" **Amended:** New Rule entitled "Consuls" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010." Effective June 20, 2023.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-15-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.07

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Changes Affecting the Status of a Bingo Licensee" was filed as Emergency Rule 560-2-15-0.3-.07 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.11-.07. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.08

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Equipment for Bingo Operations" was filed as Emergency Rule 560-2-15-0.3-.08 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the

Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.08. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.09

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Revocation of Determination Letter" was filed as Emergency Rule 560-2-15-0.11-.09 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.09. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.10

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Annual Report" was filed as Emergency Rule 560-2-15-0.3-.10 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.10. Filed February 23, 1979; effective March 15, 1979

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.11

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Contracts Concerning the Bingo Operations" was filed as Emergency Rule 560-2-15-0.3-.11 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.11. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.12

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Tax Exempt Status" was filed as Emergency Rule 560-2-15-0.3-.12 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.12. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.13

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann. Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Residency Requirements" was filed as Emergency Rule 560-2-15-0.3-.13 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.13. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.14

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Licensing Qualifications" was filed as Emergency Rule 560-2-15-0.3-.14 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.14. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.15

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Places Where Bingo Operations May Be Held" was filed as Emergency Rule 560-2-15-0.3-.15 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.15. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.16

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Posting of Winners" was filed as Emergency Rule 560-2-15-0.3-.16 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.16. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.17

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Who May Operate the Bingo Session" was filed as Emergency Rule 560-2-15-0.3-.17 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.17. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed and a new Rule of the same title adopted. Filed November 27, 1979; effective December 17, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.18

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by (Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Illegal Games" was filed as Emergency Rule 560-2-15-0.3-.18 on December 27, 1978, having become effective on December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.11-.18. Filed February 23, 1979; effective March 16, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.19

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Advertising" was filed as Emergency Rule 560-2-15-0.3-.19 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.19. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.20

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Age Restrictions" was filed as Emergency Rule 560-2-15-0.3-.20 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days

or until the adoption of a permanent Rule superseding this Emergency Rule as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.20. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.21

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Payments to Individuals" was filed as Emergency Rule 560-2-15-0.3-.21 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adaption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.21. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.22

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Total Prize Value Limit" was filed as Emergency Rule 560-2-15-0.3-.22 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.22. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.23

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Operating Time" was filed as Emergency Rule 560-2-15-0.3-.23 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.23. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.24

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Location of Records" was filed on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.24. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.25

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by (Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Effect of License Revocation" was filed as Emergency Rule 560-2-15-0.3-.25 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.25. Filed February 23, 1979; effective March 16, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Rule 560-2-15-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-15-.26

Authority: Ga. L. 1977, pp. 1164, 1167 (Ga. Code Ann., Sec. 92-632), as amended by Ga. L. 1980, p. 422 *et seq.*

History. Original Rule entitled "Subterfuge" was filed as Emergency Rule 560-2-15-0.3-.26 on December 27, 1978, having become effective December 22, 1978, the date of adoption, to remain in effect for a period of 120 days or until the adoption of a permanent Rule superseding this Emergency Rule, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-2-15-0.3-.26. Filed February 23, 1979; effective March 15, 1979.

Amended: Rule repealed. Filed August 22, 1980; effective September 11, 1980.

Subject 560-2-16. ADMINISTRATIVE HEARINGS.

Rule 560-2-16-.01. Applicability of Rules; Persons Authorized to Hold Hearings; Authority of Hearing Officer.

- (1) The rules in this Chapter shall apply to and govern administrative hearings held by the Department regarding Alcoholic Beverages.
- (2) Administrative hearings will be held by a Hearing Officer appointed by the Commissioner to hear such cases.
- (3) When any person other than the Commissioner acts as Hearing Officer in such matters, the Hearing Officer's actions, decisions and orders shall be deemed to be on behalf of the Commissioner and effective as though taken by the Commissioner, and are:
 - (a) Subject to the appeals procedures as provided in this section;

- (b) Empowered to exercise the same degree of authority and perform the same actions as hearing officers under O.C.G.A. § [50-13-13](#).

Cite as Ga. Comp. R. & Regs. R. 560-2-16-.01

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Applicability of Rules; Persons Authorized to Hold Hearings; Authority of Hearing Officer" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-16-.02. Nature of the Proceeding; Hearing Procedure; Burden of Proof.

The hearings held under these Regulations shall only be as formal as is necessary to preserve order and be compatible with the principles of justice.

- (1) Parties shall have the right to be represented by legal counsel and to obtain the appearance of witnesses and documentary evidence.
- (2) The parties shall also have the right to respond and present evidence on all issues involved and to cross examine all witnesses.
- (3) The standard of proof on all issues in the hearing shall be a preponderance of the evidence.
- (4) In cases commenced by the issuance of citations by the Department, the Department shall have the burden of proof and shall present its case first.
- (5) In cases involving the preliminary denial of license applications or the seizure of alcoholic beverages, the applicant or licensee shall have the burden of proof and shall present its case first.
- (6) In all other cases the commencing party shall have the burden of proof and shall present its case first.
- (7) A hearing, or a portion thereof, may be conducted by alternate means if the record reflects that all parties have consented and that such procedure will not jeopardize the rights of any party to the hearing. Alternate means, as used here, includes remote telephonic communication methods such as two-way video-conferencing applications.

Cite as Ga. Comp. R. & Regs. R. 560-2-16-.02

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Nature of the Proceeding; Burden of Proof" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. Aug. 17, 2020; eff. Sept. 6, 2020.

Rule 560-2-16-.03. Evidence; Official Notice.

- (1) The rules of evidence in hearings covered by this Chapter shall be substantially as follows:
 - (a) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded;
 - (b) The rules of evidence as applied in the trial of civil non-jury cases in the superior courts shall be followed as far as practicable;
 - (c) When necessary to ascertain facts not reasonably susceptible of proof under such rules, evidence not admissible under superior court rules may be admitted;
 - (d) Except where precluded by statute, if it is of a type commonly relied upon by reasonably prudent persons;
 - (e) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available. Upon request, parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to the superior courts of Georgia;
 - (f) A party may conduct such cross-examination as required for a full and true disclosure of the facts;
 - (g) Official notice may be taken of judicially recognizable facts and generally recognized technical facts or records within the agency's specialized knowledge. The parties shall be notified of any material so noticed and shall be afforded the opportunity to contest such material.

Cite as Ga. Comp. R. & Regs. R. 560-2-16-.03

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Evidence; Official Notice" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-16-.04. Executive Orders.

- (1) As soon as possible after the close of a hearing, the Hearing Officer shall issue an Executive Order ("Order") in the case and forward that Order to the Alcohol and Tobacco Division for service and execution.
- (2) The Order shall contain the determination of the Hearing Officer and any penalties to be imposed as a result of the proceeding.

- (3) Unless the execution of the Order is stayed by the Commissioner or Hearing Officer, the execution of the Order is to be effective on the date specified in the Order or upon service of the Order if no other effective date is so specified.

Cite as Ga. Comp. R. & Regs. R. 560-2-16-.04

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Executive Orders" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-16-.05. Intra-Agency Appeal Procedure; Post Hearing Motions.

- (1) The following two-step appeal procedure shall be the exclusive administrative remedy for appealing decisions entered pursuant to these regulations.

- (a) Step One - **Request for Reconsideration:**

1. Prior to an Executive Order becoming final, the Hearing Officer may reconsider his or her decision to correct errors or omissions of fact or law.
 2. A licensee or applicant who is aggrieved by the Executive Order entered by the Hearing Officer may appeal by filing a Request for Reconsideration with the Hearing Officer who heard the case no later than ten (10) days after service.
 3. The Hearing Officer shall review the request and either deny the request or modify the initial Executive Order by an Order on Reconsideration.

- (b) Step Two - **Motion for Review:**

1. Provided a timely Request for Reconsideration was filed with the initial Hearing Officer, a licensee or applicant shall have ten (10) days from the date of receipt of the Hearing Officer's Order on Reconsideration (or denial of request), to file with the Commissioner, a written Motion for Review.
 2. The motion shall set forth a concise statement of the basis upon which the appeal is made together with supporting arguments setting forth an enumeration of erroneous conclusions of law or determinations.
 3. On review, the Commissioner may consider the whole record or such portions of it as may be cited by the parties. No evidence outside the record shall be considered.
 4. After due consideration and as soon as practicable, the Commissioner or his/her designee shall either grant or deny the Motion for Review.

5. If the Motion is denied, the Hearing Officer's Executive Order shall automatically become the Final Decision of the Department.
6. If the Motion is granted, the Commissioner will either remand the case to the Hearing Officer for additional proceedings or issue a Final Order either modifying or upholding the Executive Order.
7. With the exception of an Order remanding the case to the Hearing Officer, either the Commissioner's Order denying a Motion for Review or the Commissioner's Final Order entered pursuant to this procedure shall constitute final Department action, and the matter shall not be further appealable within the Department.

(2) **Application to Stay Execution of Order:** The filing of a Request for Reconsideration or Motion for Review does not automatically, of itself, stay the execution and enforcement of any Order of the Hearing Officer or Commissioner.

- (a) A request to stay the execution and enforcement of any Order may be made with the Request for Reconsideration or Motion for Review and the Hearing Officer or Commissioner may grant such request to stay upon appropriate terms for good cause shown.

(3) **Waiver of Administrative Appeal:** The failure to follow the intra-agency appeal procedure as outlined in this Regulation shall constitute a waiver of Department appeal rights. Absent the initiation of the intra-agency appeal procedure, the Hearing Officer's Executive Order shall automatically become the Final Decision of the Department ten (10) days after service.

Cite as Ga. Comp. R. & Regs. R. 560-2-16-.05

Authority: O.C.G.A. §§ [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Intra-Agency Appeal Procedures; Post Hearing Motions" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-16-.06. Continuances and Postponements.

- (1) Matters set for hearing may be continued or postponed within the sound discretion of the Hearing Officer upon timely motion by either party.
- (2) The Hearing Officer may on his own motion continue or postpone the hearing.

Cite as Ga. Comp. R. & Regs. R. 560-2-16-.06

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Continuances and Postponements" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-16-.07. Subpoena Forms; Service.

- (1) Either party may obtain subpoena forms from the Hearing Officer by making a timely request.
- (2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

Cite as Ga. Comp. R. & Regs. R. 560-2-16-.07

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Subpoena Forms; Service" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-16-.08. Transcripts of Hearing.

- (1) Any party may request that the hearing be conducted before a court reporter.
- (2) The request shall be in writing and include an agreement by the requesting party that he or she shall pay the costs incurred by the request or that he or she shall procure at his or her own cost and on his or her own initiative, the court reporting services for the hearing.
- (3) Regardless of who makes the arrangements or requests the transcript be made, the original transcript of the proceedings shall be submitted to the Hearing Officer prior to the close of the hearing record if the transcript is to be made part of the record.

Cite as Ga. Comp. R. & Regs. R. 560-2-16-.08

Authority: O.C.G.A. Secs. [3-2-2](#), [3-2-3](#).

History. Original Rule entitled "Transcripts of Hearing" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Subject 560-2-17. REPEALED.

Rule 560-2-17-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.01

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#), 48-17-12.

History. Original Rule entitled "Effective Date" adopted. F. Oct. 21, 1996; Nov. 10, 1996.

Repealed: New Rule entitled "Retailer/Retail Consumption Dealer" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Repealed: F. Oct. 24, 2012; eff. Nov. 13, 2012.

Rule 560-2-17-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.02

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#), [48-17-1](#), 48-17-12.

History. Original Rule entitled "Definition of 'Bona Fide Coin Operated Amusement Machine'" adopted. F. Oct. 21, 1996; eff. Nov. 10, 1996.

Repealed: New Rule entitled "Wholesalers" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Repealed: F. Oct. 24, 2012; eff. Nov. 13, 2012.

Rule 560-2-17-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.03

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#), [48-17-1](#), 48-17-12, 48-17-13.

History. Original Rule entitled "Authority" adopted F. Oct. 21, 1996; eff. Nov. 10, 1996.

Repealed: New Rule entitled "Manufacturers, Shippers, Importers & Brokers" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Repealed: F. Oct. 24, 2012; eff. Nov. 13, 2012.

Rule 560-2-17-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.04

Authority: O.C.G.A. Secs. [3-2-2](#), [48-2-12](#), 48-17-12.

History. Original Rule entitled "Qualification" adopted. F. Oct. 21, 1996; Nov. 10, 1996.

Repealed: New Rule entitled "General Use Forms" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Repealed: F. Oct. 24, 2012; eff. Nov. 13, 2012.

Rule 560-2-17-.05. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.05

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Application Requirements" adopted F. Oct. 21, 1996; eff. Nov. 10, 1996.

Amended: F. Nov. 14, 2005; eff. Dec. 4, 2005.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Adopted: New rule entitled "Application for Alcohol License." F. Oct. 24, 2012; eff. Nov. 13, 2012.

Repealed: F. May 31, 2023; eff. June 20, 2023.

Rule 560-2-17-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.06

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-12.

History. Original Rule entitled "Form and Use of Master License" adopted F. Oct. 21, 1996; eff. Nov. 10, 1996.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-17-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.07

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-12, 48-17-9.

History. Original Rule entitled "Form and Use of Sticker" adopted. F. Oct. 21, 1996; Nov. 10, 1996.
Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-17-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.08

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-12, 48-17-9, 48-17-13.

History. Original Rule entitled "Removal of Sticker" adopted. F. Oct. 21, 1996; eff. Nov. 10, 1996.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-17-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.09

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-12, 48-17-9.

History. Original Rule entitled "Validity of Sticker" adopted. F. Oct. 21, 1996; Nov. 10, 1996.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-17-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.10

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-12, 48-17-11.

History. Original Rule entitled "Purchase of Additional Stickers" adopted. F. Oct. 21, 1996; eff. Nov. 10, 1996.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-17-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.11

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-12, 48-17-13.

History. Original Rule entitled "Form of Commissioner Seal" adopted F. Oct. 21, 1996; eff. Nov. 10, 1996.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-17-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.12

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-14.

History. Original Rule entitled "Failure to Comply with Tax Laws" adopted. F. Oct. 21, 1996; Nov. 10, 1996.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-17-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.13

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-12, 48-17-13.

History. Original Rule entitled "Subterfuge" adopted F. Oct. 21, 1996; eff. Nov. 10, 1996.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-2-17-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-2-17-.14

Authority: O.C.G.A. Secs. [48-2-12](#), 48-17-12, 48-17-4, 48-17-13.

History. Original Rule entitled "Consequences of Violating This Chapter" adopted. F. Oct. 21, 1996; eff. Nov. 10, 1996.

Repealed: F. Oct. 1, 2010; eff. Oct. 21, 2010.

Subject 560-2-18. [Repealed].

Rule 560-2-18-.01. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.01

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rules entitled "Definitions" adopted as ER. 560-2-18-0.48-.01. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.02. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.02

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Qualifications" adopted as ER. 560-2-18-0.48-.02. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.03. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.03

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Application Requirements" adopted as ER. 560-2-18-0.48-.03. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.04. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.04

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Master License" adopted as ER. 560-2-18-0.48-.04. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.05. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.05

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Location License" adopted as ER. 560-2-18-0.48-.05. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.06. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.06

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Temporary License" adopted as ER. 560-2-18-0.48-.06. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.07. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.07

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Temporary Location Permit" adopted as ER. 560-2-18-0.48-.07. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.08. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.08

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Permit Stickers" adopted as ER. 560-2-18-0.48-.08. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.09. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.09

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Removal of Permit Stickers" adopted as ER. 560-2-18-0.48-.09. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.10. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.10

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Inspection of Licensed Premises and Records" adopted as ER. 560-2-18-0.48-.10. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.11. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.11

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Failure to Comply with Tax Laws" adopted as ER. 560-2-18-0.48-.11. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.12. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.12

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Subterfuge" adopted as ER. 560-2-18-0.48-.12. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.13. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.13

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Consequences for Violations" adopted as ER. 560-2-18-0.48-.12. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Note: Correction of typographical error in Rule [560-2-18-.13](#) History on Rules and Regulations website, rule title corrected from "Subterfuge" to "Consequences for Violations", as originally filed on Dec. 15, 2010 and published in the Official Compilation Rules and Regulations of the State of Georgia. Effective May 16, 2022.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-18-.14. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-18-.14

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Non-Cash Redemption" adopted as ER. 560-2-18-0.48-.14. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Subject 560-2-19. [Repealed].

Rule 560-2-19-.01. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-19-.01

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Applicability of Rules; Persons Authorized to Hold Hearings, Authority of Hearing Officer" adopted as ER. 560-2-19-0.49-.01. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-19-.02. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-19-.02

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Nature of the Proceedings; Hearing Procedures; Burden of Proof" adopted as ER. 560-2-19-0.49-.02. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-19-.03. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-19-.03

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Evidence; Official Notice" adopted as ER. 560-2-19-0.49-.03. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-19-.04. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-19-.04

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Executive Orders" adopted as ER. 560-2-19-0.49-.04. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-19-.05. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-19-.05

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Intra-Agency Appeal Procedure; Post Hearing Motions" adopted as ER. 560-2-19-0.49-.05. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-19-.06. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-19-.06

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Continuances and Postponements" adopted as ER. 560-2-19-0.49-.06. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-19-.07. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-19-.07

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Subpoena Forms; Service" adopted as ER. 560-2-19-0.49-.07. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Rule 560-2-19-.08. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-2-19-.08

Authority: O.C.G.A. § [48-2-12](#), 2013 Ga. Laws 15.

History. Original Rule entitled "Transcript of Hearing" adopted as ER. 560-2-19-0.49-.08. F. Dec. 15, 2010; eff. Dec. 17, 2010, as specified by the Agency.

Amended: Permanent Rule of the same title adopted. F. Dec. 15, 2010; eff. Jan. 4, 2011.

Repealed: F. Apr. 26, 2022; eff. May 16, 2022.

Subject 560-2-20. STATE OPERATION ASSESSMENT.

Rule 560-2-20-.01. Adult Entertainment State Operation Assessment.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the adult entertainment state operation assessment under O.C.G.A. § [15-21-209](#).

(2) **Definitions.** As used in this regulation, the term "adult entertainment establishment" shall have the same meaning as in O.C.G.A. § [15-21-201](#).

(3) **Required Return.**

- (a) By April 30 of each calendar year and using Form AE-SOA, each adult entertainment establishment shall pay to the Department a state operation assessment equal to the greater of 1 percent of the previous calendar year's Georgia gross revenue or \$5,000.00. The previous year's Georgia gross revenue of an adult entertainment establishment shall be determined in the same manner as Georgia gross receipts are determined pursuant to O.C.G.A. § [48-7-31](#) but shall always be determined on a calendar year basis regardless of the tax year of the adult entertainment establishment.
- (b) The adult entertainment establishment shall use the Georgia Tax Center to file Form AE-SOA and pay the tax. No other filing or payment method shall be permitted. No extension to file or pay shall be granted by the Department.

(4) **Penalty and Interest.**

- (a) **Penalty.** When any adult entertainment establishment fails to file a return or to pay the full amount of the state operation assessment, in addition to other penalties provided by law, a penalty will be added to the state operation assessment in the amount of 5 percent or \$5.00, whichever is greater, if the failure is for not more than one month. An additional penalty of 5 percent or \$5.00, whichever is greater, will be added for each additional month or fraction of month during which the failure continues. The penalty for any single year shall not exceed 25 percent or \$25.00 in the aggregate, whichever is greater. If the failure is due to reasonable cause shown to the satisfaction of the commissioner, the penalty may be waived. In the case of a false or fraudulent return or of a failure to file a return where willful intent exists to defraud the state of the state operation assessment, a penalty of 50 percent of the state operation assessment due will be assessed.
- (b) The state operation assessment shall bear interest in accordance with O.C.G.A. § [48-2-40](#).

(5) **Periods of limitation for assessment of the tax.**

- (a) Except as otherwise provided in this paragraph, in the case where a return is filed, the tax must be assessed within three years after the return was filed. For purposes of this Rule, a return filed before the last filing day prescribed by law will be considered as filed on the last day.
- (b) In the case of a false or fraudulent return filed with the intent to evade the tax or a failure to file a return, the tax may be assessed at any time.

- (c) Where, before the expiration of the time prescribed in this paragraph for the assessment of the tax, both the commissioner and the person subject to assessment have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the agreed upon period. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the previously agreed upon period. The commissioner is authorized in any such agreement to extend similarly the period within which a claim for refund may be filed.
 - (d) If a claim for refund of taxes paid for any period is filed within the last six months of the period during which the commissioner may assess the amount of taxes, the assessment period is extended for a period of six months beginning on the day the claim for refund is filed.
 - (e) No action without assessment may be brought for the collection of any tax after the expiration of the period for assessment.
- (6) **Refunds.** Any state operation assessment erroneously or illegally assessed and collected and interest on the tax will be refunded in accordance with O.C.G.A. § [48-2-35](#). Refund claims must be filed electronically on the Georgia Tax Center. When a purchaser files a refund claim, the Claim for Refund must be accompanied by the information required on the Georgia Tax Center.
- (7) **Transfer of Funds.** The state operation assessment and any related penalties and interest collected shall be remitted to the Safe Harbor for Sexually Exploited Children Fund Commission, to be deposited into the Safe Harbor for Sexually Exploited Children Fund.
- (8) **Effective Date.** This regulation shall be applicable to calendar years beginning on or after January 1, 2017 and the first return shall be due April 30, 2018.

Cite as Ga. Comp. R. & Regs. R. 560-2-20-.01

Authority: O.C.G.A. §§ [48-2-12](#), [15-21-201](#), [15-21-209](#).

History. Original Rule entitled "Adult Entertainment State Operation Assessment" adopted. F. Oct. 31, 2017; eff. Nov. 20, 2017.

Chapter 560-3. FISCAL OPERATIONS DIVISION.

Subject 560-3-1. ADMINISTRATION.

Rule 560-3-1-.01. Organization.

The Fiscal Operations Division is organized into three (3) sections:

- (a) Accounting
- (b) Revenue Stamp Control;
- (c) Department Services.

Cite as Ga. Comp. R. & Regs. R. 560-3-1-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1937-38, Extra Sess., pp. 103, *et seq.*, as amended; Ga. Code Ann., Sec. 58-1022.

History. Original Rule was filed on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Rule 560-3-1-.02. Accounting Section.

- (1) Collections. This section accepts all revenue collections, makes bank deposits, maintains controls on the collections and remits them to the State Treasurer; prepares statistical reports from revenue collection data.
- (2) Disbursements. This section assimilates and pre-audits data necessary to effect payment on general account; codes, computes and disburses all Department payroll and travel expenses; issues refunds on revenue collection accounts; approves Department purchase order requisitions.
- (3) Budget. The Accounting Section prepares budget information for the Executive Office.
- (4) Miscellaneous. The section holds for safekeeping an account for all Department bonds, leases, insurance policies and safekeeping receipts for securities pledged by State Depositories to indemnify the Department against losses for deposited revenue funds.

Cite as Ga. Comp. R. & Regs. R. 560-3-1-.02

Authority: Ga. L. 1937-38 Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1937-38, Extra Sess., pp. 103, *et seq.*, as amended; Ga. Code Ann., Sec. 58-1022.

History. Original Rule was filed on June 30, 1965.

Rule 560-3-1-.03. Revenue Stamp Control Section.

This section handles the revenue collection from the sale of revenue stamps for tobacco, liquor, and beer taxes. Requisitions are filled from mail orders and in person sales are made to local vendors.

Cite as Ga. Comp. R. & Regs. R. 560-3-1-.03

Authority: Ga. L. 1937-38 Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1937-38 Extra Sess., pp. 103, *et seq.*, as amended; Ga. Code Ann., Sec. 58-1022.

History. Original Rule was filed on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Rule 560-3-1-.04. Department Services Section.

This section maintains records on the withholding tax refund account; maintains records and inventory control for all Revenue Department property; keeps the Revenue Department storage warehouse; handles bulk mail and office supplies.

Cite as Ga. Comp. R. & Regs. R. 560-3-1-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1937-38 Extra Sess., pp. 103, *et seq.*, as amended; Ga. Code Ann., Sec. 58-1022.

History. Original Rule was filed on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Subject 560-3-2. SUBSTANTIVE REGULATIONS.

Rule 560-3-2-.01. Reissuance of Refund Checks.

- (1) When a taxpayer alleges that the endorsement on a refund check is a forgery, he or she must complete and submit a notarized affidavit with the Department stating any known facts. The affidavit and the original refund check will be forwarded to the fraud department of the financial institution used by the Department at the time the refund was issued. Once the financial institution has determined a resolution, the taxpayer's account will be updated with the results of the investigation to reflect whether the fraud claim will be awarded or denied. A new refund will be issued to the taxpayer if applicable.
- (2) When a refund check has been issued and a replacement check is needed, the payee must request a replacement check by completing and submitting a form prescribed by the Commissioner to request reissuance. The original refund check must not have been cashed. A "stop payment" will be issued on the original refund check upon the Department's receipt of the payee's claim. The payee must destroy the original refund check if he or she finds or receives it after submitting the claim.
- (3) If the Commissioner has issued a refund check to a deceased taxpayer, a claimant may request reissuance of the check. To request reissuance, the claimant must complete and submit a form prescribed by the Commissioner, along with acceptable evidentiary documents. Refund checks originally issued to a deceased taxpayer will only be reissued in the name of the surviving spouse, the estate of the deceased taxpayer, or a proper legal heir.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.01

Authority: O.C.G.A. §§ [48-2-35](#), [48-7-112](#), [48-7-121](#).

History. Original Rule entitled "Income Tax Withholding Refund Check Forgery" adopted. F. and eff. June 30, 1965.

Amended: New title "Reissuance of Refund Checks." F. Mar. 18, 2020; eff. Apr. 7, 2020.

Rule 560-3-2-.02. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.02

Authority: O.C.G.A. §§ [48-2-35](#), [48-7-112](#), [48-7-121](#).

History. Original Rule entitled "Income Tax Withholding Refund Check Loss" adopted. F. and eff. June 30, 1965.

Repealed: F. Mar. 18, 2020; eff. Apr. 7, 2020.

Rule 560-3-2-.03. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.03

Authority: O.C.G.A. §§ [48-2-35](#), [48-7-112](#), [48-7-121](#).

History. Original Rule entitled "Income Tax Refund Check Issued Deceased Taxpayer" adopted. F. and eff. June 30, 1965.

Repealed: F. Mar. 18, 2020; eff. Apr. 7, 2020.

Rule 560-3-2-.04. Requisition and Payment of Revenue Stamps.

The Administrative Unit accepts requisition for stamps from licensed dealers. Payment for the stamps must accompany the requisition. In case of liquor stamps, payment must be in the form of a certified check.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.04

Authority: Ga. L. 1937-1938, Extra Sess., pp. 103, 107, 116.

History. Original Rule entitled "Requisition and Payment of Revenue Stamps" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 15, 1976; eff. Feb. 4, 1976.

Rule 560-3-2-.05. Requisition and Payment for Release of Malt Beverage Crowns.

The Administrative Unit receives requisitions for malt beverage crown lids and can tops along with a certified check in payment. Upon acceptance of the requisition, a certificate is issued to the can or bottle manufacturer authorizing the release of the crown lids and/ or can tops.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.05

Authority: Ga. L. 1935, p. 73.

History. Original Rule entitled "Requisition and Payment for Release of Malt Beverage Crowns" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 15, 1975; eff. Feb. 4, 1975.

Rule 560-3-2-.06. Stamp Purchases.

Licensed distributors of cigarettes shall be permitted to purchase tobacco tax stamps from the State Revenue Department or its agency bank on account.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.06

Authority: Ga. L. 1937 - 1938, Extra Sess., p. 77, Ga. L. 1970, p. 146.

History. Original Rule entitled "Stamp Purchases" adopted. F. May 21, 1970; eff. July 1, 1970, as specified by R. [560-3-2-.25](#).

Rule 560-3-2-.07. Post Bond.

Licensed tobacco distributors who are authorized to purchase tobacco tax stamps from the State Revenue Department on account must first post a bond with the commissioner in the amount of 110% of his purchases of such stamps on account. Such bond shall be secured by cash which shall bear no interest or by negotiable securities approved by the State Treasury or a surety bond executed by a surety company licensed to do business in this State and approved by the Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.07

Authority: Ga. L. 1937 - 1938, Extra Sess., p. 77, Ga. L. 1970, p. 146.

History. Original Rule entitled "Post Bond" adopted. F. May 21, 1970; eff. July 1, 1970, as specified by R. [560-3-2-.25](#).

Rule 560-3-2-.08. Identification Card of Authorization.

Licensed tobacco distributors who have complied under the provisions of the law and these regulations and who are authorized by the Department of Revenue to purchase tobacco tax stamps from the State Revenue Department or its agency bank on account, shall first be issued an Identification Card of Authorization which card shall, on the front side, be so numerically coded indicating distributor's account number and other numerical designation which the Commissioner may deem proper and shall also bear the authorized distributor's firm name and firm address. The back side of each Identification Card of Authorization shall state the terms of issuance of such card.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.08

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Identification Card of Authorization" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.09. Authorization not Transferable.

The distributor's Identification Card of Authorization shall be issued to the authorized distributor whose name appears on the bond required under the laws and regulations and such card shall be non-transferable and such distributor shall be fully responsible for the use of such card when purchasing stamps from the Department of Revenue or its agency banks and the authorized distributor shall be liable for any stamp purchases made by the use of such card.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.09

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Authorization not Transferable" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.10. Cancellation of Authorization.

Only one Identification Card of Authorization shall be issued to each licensee complying under the provisions of the Act and the regulations promulgated and such card shall remain the property of the State Revenue Department and the State Revenue Commissioner reserves the right to cancel or modify this authorization of credit at any time and to demand surrender of the identification Card of Authorization when he deems it necessary to protect the revenue.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.10

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Cancellation of Authorization" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.11. Obligation.

The person, corporation, or firm whose name is embossed on the Identification Card of Authorization is obligated to pay on or before the times specified in these regulations for all purchases made by anyone using said firm's Identification Card of Authorization and the obligation shall end only upon the surrender of the Identification Card of Authorization to the State Revenue Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.11

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Obligation" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.12. Method of Payment.

Tobacco Tax stamps purchased by licensed tobacco distributors on account during any month shall be paid for in full on or before the 20th day of the month following the month of purchase, except that on or before June 20th of any fiscal year the licensed tobacco distributor shall pay for, in its entirety, any liability for the purchase of tobacco tax stamps due and owing at that time, and for the remainder of the month of June of any fiscal year, shall pay cash for tobacco revenue stamps. The Commissioner may require such payments to be by cashier's check or certified check when he deems it necessary to protect the revenue. No distributor may purchase stamps on account from designated banks or the Department of Revenue from the 20th day of June until the 1st day of July during each fiscal year. All sales of tobacco revenue stamps from June 20th to July 1st of each fiscal year may be purchased only from the Department of Revenue for CASH ONLY.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.12

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Method of Payment" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.13. Cancellation of Authorization.

The Commissioner may cancel without notice any permit issued under the provisions of these regulations if the licensed tobacco distributor fails or refuses to make payment for the stamps purchased during the calendar month on or before the 20th day of the month next succeeding or shall fail or refuse to make payment in its entirety when liability for the purchase of tobacco tax stamps due or owing on or before June 20th of any fiscal year or if the licensed tobacco distributor fails or refused to comply with the rules and regulations adopted under authority of this Act.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.13

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Cancellation of Authorization" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.14. Place of Purchase.

Licensed tobacco distributors who are authorized to purchase tobacco tax stamps on account and who elect to purchase tobacco tax stamps from authorized banks located in the State shall advise the Revenue Department in writing of which bank authorized to sell revenue stamps from which he desires to purchase on account and may not purchase on account from any other bank other than the one he selects.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.14

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Place of Purchase" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.15. Fuson Stamps Only.

Each bank designated to sell Georgia cigarette revenue stamps shall sell fuson stamps only and such sales shall be complete rolls of 30,000 stamps each and no rolls shall be broken or sold in partial roll quantities.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.15

Authority: Ga. L. 1937-33, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Fuson Stamps Only" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.16. Authority to Receive.

Each bank receiving stamps from the Department of Revenue shall appoint a person or persons authorized to receive and handle such stamps and such person shall sign each requisition and receipt form provided by the Department upon delivery of such stamps.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.16

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Authority to Receive" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.17. Sales and Delivery.

Every employee of the designated banks authorized to handle, receive or sell cigarette revenue fusion stamps shall, upon accepting requisition for stamps from licensed wholesale cigarette distributors, sell and deliver such stamps either on account or upon payment by the wholesaler or his agent, an amount equal to the sum of \$2400.00 per roll less 3% discount and shall enter on the wholesale requisition form in the space provided the name and address of the issuing bank, the name of the person selling such stamps, and shall show on the requisition whether such sale was "CASH" or "ON ACCOUNT", and shall furnish the purchaser a copy of the requisition, such copy being designated "Distributor's Copy".

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.17

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Sales and Delivery" was filed on May 21, 1970, effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.18. Daily Report.

Each bank designated to sell Georgia fusion revenue stamps shall daily forward to the Administrative Unit, Georgia Department of Revenue, two copies of the wholesaler's requisition for stamps for each sale made during such day and attach two copies of the daily cigarette revenue stamp transactions report; such report shall be furnished on forms supplied by the Administrative Unit, shall be signed by a responsible employee of the bank, and shall show the number of rolls of cigarette fusion stamps on hand at the beginning of the day for which the report is made, the number of rolls of cigarette fusion stamps received the same day from the Georgia Department of Revenue, the names of licensed wholesale cigarette distributors to whom the stamps were sold, the number of rolls sold to each such distributor on account, the number of rolls of fusion stamps sold to each such distributor for cash, and the number of rolls of stamps on hand at the end of the day.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.18

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Daily Report" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Amended: Filed January 15, 1975; effective February 4, 1975.

Rule 560-3-2-.19. Deposits.

Each designated bank shall immediately upon receipt of funds for cigarette stamps, deposit such funds in an established account at the designated bank, such account to be designated "State of Georgia--Department of Revenue--Cigarette Tax Account", and shall promptly record and forward to the Administrative Unit, Georgia Department of Revenue, a deposit ticket for each transaction made during the report day.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.19

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. . Original Rule entitled "Deposits" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Amended: Filed January 15, 1975; effective February 4, 1975.

Rule 560-3-2-.20. Transfer for Cash Funds.

Each designated bank, shall transfer all funds on balance from such account to the Fiscal Control Bank on or before the 27th day of each month, such funds being funds for cigarette revenue stamps sold to distributors for CASH ONLY and not on account.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.20

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Transfer for Cash Funds" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.21. Transfer Account Funds.

Each designated bank shall receive payment on or before the 20th day of the month following the month of purchase on account, from all distributors who have purchased such stamps on account from such designated bank the previous month and shall transfer all such funds collected to the Fiscal Control Bank no later than the 5th day of the month following collection except such funds must be transferred to the Fiscal Control Bank no later than the 20th day of each June of the fiscal year.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.21

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Transfer Account Funds" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.22. Audit.

For the purpose of auditing and inventorying for the end of each fiscal year, no bank shall sell revenue stamps on days during the month of June subsequent to the 20th day of June and prior to July 1st.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.22

Authority: Ga. L. 1937-38, Extra Sess., p. 77, as amended; Ga. L. 1970, p. 146.

History. Original Rule entitled "Audit" was filed on May 21, 1970; effective July 1, 1970, as specified by Rule [560-3-2-.25](#).

Rule 560-3-2-.23. Authorized Tobacco Distributor List.

The Department of Revenue shall furnish each designated bank authorized to sell cigarette stamps, a list of all licensed wholesale cigarette distributors authorized to purchase such stamps on account and a list of all licensed wholesale cigarette distributors authorized to purchase such stamps for cash only and no bank shall sell to any firm such stamps requested by any firm not shown on such list nor shall make such stamp sales in any manner not authorized by the Department of Revenue. The Department of Revenue shall notify each bank in writing of the removal or addition of any firm authorized to purchase such stamps and shall specify to each bank whether such firm is authorized to purchase on account or for cash only.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.23

Authority: Ga. L. 1937 - 1938, Extra Sess., p. 77, Ga. L. 1970, p. 146.

History. Original Rule entitled "Authorized Tobacco Distributor List" adopted. F. May 21, 1970; eff. July 1, 1970, as specified by R. [560-3-2-.25](#).

Rule 560-3-2-.24. Credits.

Each designated bank shall accept requisition for stamps only for cash or on account if properly authorized and may not accept credits against any order for stamps. All credits offered against stamp purchases must be submitted by the cigarette wholesaler to the Department of Revenue and may not be tendered through designated banks.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.24

Authority: Ga. L. 1937 - 1938, Extra Sess., p. 77, Ga. L. 1970, p. 146.

History. Original Rule entitled "Credits" adopted. F. May 21, 1970; eff. July 1, 1970, as specified by R. [560-3-2-.25](#).

Rule 560-3-2-.25. Effective Date.

Rule Nos. [560-3-2-.06](#), [560-3-2-.07](#), 560-32-.08, [560-3-2-.09](#), [560-3-2-.10](#), [560-3-2-.11](#), [560-3-2-.12](#), [560-3-2-.13](#), 560-32-.14, [560-3-2-.15](#), [560-3-2-.16](#), [560-3-2-.17](#), [560-3-2-.18](#), [560-3-2-.19](#), 560-32-.20, [560-3-2-.21](#), [560-3-2-.22](#), [560-3-2-.23](#), [560-3-2-.24](#) shall become effective on July 1, 1970.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.25

Authority: Ga. L. 1937 - 1938, Extra Sess., p. 77, Ga. L. 1970, p. 146.

History. Original Rule entitled "Effective Date" adopted. F. May 21, 1970; eff. July 1, 1970, as specified by R. [560-3-2-.25](#).

Rule 560-3-2-.26. Electronic Funds Transfer, Credit Card Payments, and Electronic Filing.

- (1) **Purpose.** The purpose of this rule is to provide guidance concerning the administration of O.C.G.A. § [48-2-32\(f\)](#), which authorizes the Georgia Department of Revenue to require certain taxpayers to file returns electronically and to remit taxes to the Department by the electronic transfer of funds. This rule also provides guidance in regard to submitting payment by either credit or debit card. Additionally, it provides guidance regarding O.C.G.A. §§ [48-2-35](#), [48-2-44.1](#) and [48-7-54](#) and provides other circumstances when electronic filing is required.
- (2) **Definitions.**
 - (a) "ACH" means automated clearing house, which is a central clearing facility operated by the Federal Reserve Bank or an organization established by agreement with the National Automated Clearing House Association (NACHA) that operates as a clearing house for transmitting or receiving entries between banks or bank accounts and authorizes electronic transfers of funds between banks or bank accounts.
 - (b) "ACH debit" means a transaction by which the Department or its designated agent originates, with the taxpayer's approval, an ACH transaction debiting a taxpayer's bank account and crediting the Department's bank account for the amount of the payment due.
 - (c) "ACH credit" means a transaction by which a taxpayer originates an ACH transaction debiting the taxpayer's bank account and crediting the Department's bank account for the amount of the payment due.
 - (d) "Business day" means every day except Saturday, Sunday, or any holiday observed by the Federal Reserve Bank or the State of Georgia.
 - (e) "Credit card" means any credit card as defined in section 103(k) of the Truth in Lending Act ([15 U.S.C. 1602\(k\)](#)), including any credit card, charge card, or other credit device issued for the purpose of obtaining money, property, labor, or services on credit.
 - (f) "Debit card" means any accepted card or other means of access as defined in section 903(1) of the Electronic Fund Transfer Act ([15 U.S.C. 1693a\(1\)](#)), including any debit card or similar device or means of access to an account issued

for the purpose of initiating electronic fund transfers to obtain money, property, labor, or services.

- (g) "Department" means the Georgia Department of Revenue.
- (h) "Department's designated agent" is any such agent the Department deems to be qualified and equipped to undertake and safeguard the electronic filing of returns, reports, or other documents filed by taxpayers or the receipt of payments.
- (i) "Electronic" means, but is not limited to, electronic data interchange; electronic funds transfer; or use of the Internet, telephone, or other technology specified by the Department and the filing of a return by computer technology.
- (j) "Electronic Funds Transfer (EFT)" means a method of making financial payments, from one party to another, through a series of instructions and messages communicated electronically, via computer, among financial institutions. It also means any transfer of funds (other than a transaction originated by check, draft or similar paper instrument) that is initiated through an electronic terminal, telephonic instrument, and computer to authorize a financial institution to debit or credit an account.
- (k) "Immediately available funds" means tax payments transmitted to the Department by electronic funds transfer such that the State of Georgia receives all collectible funds on the date such tax payment is statutorily required to be paid. A payment of tax by credit card or debit card shall be deemed to be immediately available to the State when the issuer of the credit card or debit card properly authorizes the transaction, provided that payment is actually received by the Department in the ordinary course of business and is not returned. A payment of tax by ACH debit shall be deemed to be immediately available to the State when the taxpayer initiates the transaction by providing the essential information to the Department or the Department's designated agent, provided that payment is actually received by the Department in the ordinary course of business and is not returned.
- (l) "Nonindividual" means any firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision, whether public, private, or quasi-public, and any other legal entity.
- (m) "Return Preparer" means any person who prepares for compensation, or who employs one or more persons to prepare for compensation, any return imposed under Title 48, or any claim for refund. The preparation of a substantial portion of a return or claim for refund shall be treated as if it were the preparation of such return or claim for refund. A person shall not be considered a return preparer merely because the person does any of the following:

1. Furnishes typing, reproducing, or other mechanical assistance;
2. Prepares a return or claim for refund of the employer, or an officer or employee of the employer, by whom the person is regularly and continuously employed;
3. Prepares as a fiduciary a return or claim for refund for any person; or
4. Prepares a claim for refund for a taxpayer in response to a notice of proposed assessment issued to the taxpayer.

(n) "Tax" means tax, interest, penalty, and fees.

(o) "Taxpayer" means any person as defined in O.C.G.A. § [48-1-2](#), and their agents, who is required to pay a tax or file any return, report, or other document.

(p) "Wire transfer" means a transaction via the taxpayer's bank by which a taxpayer originates an entry crediting the Department's bank account and debiting the taxpayer's bank account on the same day that the transaction is initiated.

(q) "Fedwire" means Federal Reserve Wire Transfer, a transaction utilizing the federal electronic payment system to transfer funds through Federal Reserve Banks.

(3) Requirements for Payment by Electronic Funds Transfer and by Credit or Debit Card.

(a) General requirements.

1. Any taxpayer, person, or business owing more than \$10,000.00 in connection with any return, report, or other document required to be filed with the Department on or after July 1, 1992, pertaining to corporate estimated income tax or individual estimated tax, shall be required to make application and remit all future payments of any such corporate estimated income tax or individual estimated income tax liability to the Department by electronic funds transfer using the ACH debit or credit method regardless of whether any payments for those tax types subsequently fall below \$10,000.00.
2. Effective for tax periods beginning on or after January 1, 2007 and prior to January 1, 2010, any taxpayer, person, or business owing more than \$5,000.00 in connection with any return, report, or other document pertaining to sales tax, use tax, withholding tax, or motor fuel distributor tax required to be filed with the Department, shall pay any such sales tax, use tax, withholding tax, or motor fuel distributor tax liability and all future payments to the state by electronic funds transfer using the ACH debit or

credit method even if some payments for those tax types subsequently fall below \$5,000.00.

3. Effective for tax periods beginning on or after January 1, 2010 and prior to January 1, 2011, any taxpayer, person, or business owing more than \$1,000.00 in connection with any return, report, or other document pertaining to sales tax, use tax, withholding tax, or motor fuel distributor tax required to be filed with the Department, shall pay any such sales tax, use tax, withholding tax, or motor fuel distributor tax liability and all future payments to the state by electronic funds transfer using the ACH debit or credit method even if some payments for those tax types subsequently fall below \$1,000.00.
4. Effective for tax periods beginning on or after January 1, 2011, any taxpayer, person, or business owing more than \$500.00 in connection with any return, report, or other document pertaining to sales tax, use tax, withholding tax, or motor fuel distributor tax required to be filed with the Department, shall pay any such sales tax, use tax, withholding tax, or motor fuel distributor tax liability and all future payments to the state by electronic funds transfer using the ACH debit or credit method even if some payments for those tax types subsequently fall below \$500.00.
5. Additionally, every employer whose withholding tax exceeds \$50,000.00 in the aggregate for the twelve-month period that ended the preceding June 30, must submit their payments as a semi-weekly payer by electronic funds transfer using the ACH debit or credit method as provided in O.C.G.A. § [48-2-32\(f\)\(3\)](#) and rule [560-7-8-.33](#).
6. Additionally, every employer whose withholding tax totals more than \$100,000.00 for the payday must submit such withholding tax by electronic funds transfer using the ACH debit or credit method by the next banking day after the payday as provided in O.C.G.A. § [48-2-32\(f\)\(3\)](#) and rule [560-7-8-.33](#).
7. The ACH debit transaction is the primary method that taxpayers must use to remit funds by electronic funds transfer. The Commissioner shall authorize use of the ACH credit as a payment method on a case-by-case basis as further explained in subparagraph (3)(c) of this rule.

(b) ACH debit method procedure.

1. Unless a taxpayer is approved to use the ACH credit method under subparagraph (3)(c) of this rule, all taxpayers required to make tax payments to the Department via electronic funds transfer shall use the ACH debit method. The taxpayer shall utilize the ACH debit method by accessing the

Department's electronic filing system or systems on the Department's website to establish an electronic account for the transfers and tax payments of such funds.

2. As of August 1, 2008, a taxpayer will no longer be able to apply to the Department's designated agent to establish an electronic account utilizing the ACH debit method. The procedure as set forth in subparagraph (3)(b)1. of this rule shall be followed. Taxpayers who currently use the Department's designated agent may continue to do so until such time as the Department notifies taxpayers that the designated agent is no longer available and the procedures set forth in subparagraph (3)(b)1. need to be followed.
3. A taxpayer using the ACH debit method shall be responsible for providing the Department or the Department's designated agent with all essential information relating to the type of tax being paid, and the related payment request on or before the statutory due date. Such payment request is required to be made on or before the statutory due date in order that the Department, by utilizing the NACHA process, may authorize and transmit all collected electronic funds between the Department's bank and taxpayers' bank accounts as is required by O.C.G.A § [48-2-32](#). For example:
 - (i) The statutory due date is a Wednesday. The ACH debit payment request must be made any time on or before that Wednesday.
 - (ii) The statutory due date falls on a Saturday or Sunday. This moves such due date to the next business day, which would be Monday. The ACH debit payment request must be made any time on or before that Monday.
 - (iii) The statutory due date falls on a Monday which has been designated as a Public Holiday. This moves such due date to the next business day, which is Tuesday. The ACH debit payment request must be made any time on or before that Tuesday.
4. After a taxpayer transmits the ACH debit payment information to the Department or the Department's designated agent, the Department or the agent shall accept the payment information and provide the taxpayer with a confirmation number. The confirmation number shall verify the completion of the ACH debit instructions only. It does not warrant that the information submitted by the taxpayer is correct nor does it represent proof of payment.

(c) ACH credit method procedure.

1. A taxpayer wishing to use the ACH credit method shall submit a written request to the Department providing a valid business reason for the use of

this method. If approved, the taxpayer shall complete Form EFT-002. The completed form must be submitted to the Department at least thirty days prior to making tax payments via the ACH credit method for an electronic funds transfer.

2. An approved taxpayer transmitting tax payments using the ACH credit method shall provide all pertinent data needed by the taxpayer's bank to complete the transaction. Any pertinent data required by the Department or its designated agent for transmittal of tax payments shall also be provided as needed.
3. A taxpayer transmitting tax payments using the ACH credit method shall verify that its bank account was debited for the correct amount of tax and that the funds were transmitted to the Department or its designated agent on or before the required statutory due date. The taxpayer shall retain the ACH trace number received and shall provide this number to the Department should the payment be either late or lost.
4. A taxpayer transmitting tax payments using the ACH credit method shall be the sole party responsible for completing the transfer in a timely manner so that the Department or its designated agent receives the tax payment on the statutory due date.
5. The Department may revoke a taxpayer's ACH credit method payment privilege if the taxpayer's ACH credit transmittals consistently contain erroneous data, if the taxpayer fails to make timely payments, or fails to provide all payment information as required by the Department.

(d) Payment by credit card and/or debit card.

1. Taxes may be paid by credit card or debit card as authorized by this section. Only credit card or debit card types approved by the Department may be used for this purpose, only the types of tax liabilities specified by the Department may be paid by credit card or debit card, and all such payments must be made in the manner and in accordance with the forms, instructions, and procedures prescribed by the Department.
2. Tax payments submitted or paid by credit card or debit card must be made on or before the required statutory due date. A payment of tax by credit card or debit card shall be deemed to be immediately available to the State when the issuer of the credit card or debit card properly authorizes the transaction, provided that the payment is actually received by the Department in the ordinary course of business and is not returned.

3. A taxpayer who tenders payment of taxes by credit card or debit card is not relieved of liability for such taxes until the payment is actually received by the Department and is not required to be returned. This continuing liability of the taxpayer is, in addition to, and not in lieu of, any liability of the issuer of the credit card or debit card or financial institution.

(4) Error Resolution Procedures for Payment by Credit or Debit Card.

- (a) General. Payments of taxes by credit card or debit card shall be subject to the applicable error resolution procedures of section 161 of the Truth in Lending Act ([15 U.S.C. 1666](#)), or any similar provisions of state or local law, for the purpose of resolving errors relating to the credit card or debit card account, but not for the purpose of resolving any errors, disputes, or adjustments relating to the underlying tax liability.
- (b) The error resolution procedures of this paragraph apply to the following types of errors:
 1. An incorrect amount posted to the taxpayer's account as a result of a computational error, numerical transposition, or similar mistake;
 2. An amount posted to the wrong taxpayer's account;
 3. A transaction posted to the taxpayer's account without the taxpayer's authorization; and
 4. Other similar types of errors that would be subject to resolution under section 161 of the Truth in Lending Act ([15 U.S.C. 1666](#)), or similar provisions of state or local law.
- (c) If a taxpayer is entitled to a return of funds pursuant to the error resolution procedures of this section, the Commissioner may, in the Commissioner's sole discretion, effect such return by arranging for a credit to the taxpayer's account with the issuer of the credit card or debit card or any other financial institution or person that participated in the transaction in which the error occurred.
- (d) The error resolution procedures of this section do not apply to any error, question, or dispute concerning the amount of tax owed by any person for any year.

(5) Emergency Exception.

- (a) If a taxpayer cannot transmit a timely tax payment by electronic funds transfer using either the ACH debit or credit method due to a situation beyond the taxpayer's control, the taxpayer shall remit their tax payments in a timely manner utilizing one of the following methods:

1. Wire transfer through the Federal Reserve System (also known as Fedwire). The Department will not approve more than two Fedwire requests per tax year for each reporting account;
 2. Wire transfer directly into the Department's bank account; or
 3. Actual delivery of a certified check or cashier's check on or before the tax liability's statutory due date to the Commissioner of the Georgia Department of Revenue, Century Center Building, 1st Floor, 1800 Century Blvd. NE, Atlanta, GA 30345.
- (b) The taxpayer must request and receive the Department's approval in writing, whether in the form of a paper document or by electronic mail, in order to utilize any of the exceptions.

(6) Voluntary participation in remitting payments electronically.

- (a) Taxpayers not required to remit payments by electronic funds transfer may voluntarily use the ACH debit method to remit tax payments as described in subparagraph (3)(b) of this rule.
- (b) Voluntary taxpayers shall complete the same forms and comply with the same requirements and provisions, such as statutory due dates, electronic filing of returns, and penalty provisions, as taxpayers required to make payment by electronic funds transfer using the ACH debit method except that the provisions of subparagraph 8(c) and 8(g) of this rule shall not apply.
- (c) Voluntary taxpayers who remit payment by electronic funds transfer through the Department's designated agent may, upon written request to and upon approval by the Department, resume transmitting tax payments using their former method of payment.
- (d) Voluntary taxpayers who remit payment by electronic funds transfer through the Department's electronic filing or payment system or systems via the Department's website may resume transmitting tax payments using their former method of payment at any time, without approval. However, they will be subject to the provisions of subparagraphs (7)(a) and (7)(b) of this rule for the tax periods for which the payments were remitted by electronic funds transfer.

(7) Electronic Filing.

- (a) Taxpayers that remit payments by electronic funds transfer, whether on a mandatory or voluntary basis, must file all associated returns electronically.

- (b) Taxpayers that remit payments by electronic funds transfer, whether on a mandatory or voluntary basis, must file all associated information return forms required to be filed with the Department such as, but not limited to, Form 1099, W-2s, G-2-A, Original G-1003, and Amended G-1003.
- (c) Pursuant to O.C.G.A. § [48-7-54](#), the Commissioner requires any nonindividual taxpayer and any return preparer who prepares any return, report, or other document required to be filed by Chapter 7 of Title 48 to electronically file any return, report, or other document required to be filed by Chapter 7 of Title 48 when the federal counterpart of such return, report, or other document is required to be filed electronically pursuant to the Internal Revenue Code of 1986 or Internal Revenue Service regulations.
- (d) The Commissioner requires any taxpayer that files any income tax or withholding tax return required to be filed by Chapter 7 of Title 48, to electronically file such return when such return generates, allocates, claims, utilizes, or includes in any manner any credit listed in Article 2 of Chapter 7 of Title 48 which has a Series 100 tax credit code. Series 100 tax credit codes include any tax credit designated by the Department with a tax credit code from 100 through 199. This electronic filing requirement also applies to any associated withholding information returns. This is necessary so that the Department's systems can more efficiently process returns with Series 100 tax credit codes.
- (e) Effective July 1, 2016, any taxpayer, person, or business required to pay taxes electronically in accordance with subparagraph (3)(a)4. of this rule shall file any claims for refund electronically through the Department's Georgia Tax Center.
- (f) Each person that files or is required to file Form 1099-K with the Internal Revenue Service shall electronically file a copy of such Form 1099-K with the Commissioner through the Georgia Tax Center. Such filing shall be completed on or before the time (including extensions) that is required for filing such Form 1099-K with the Internal Revenue Service. The person shall include one of the following in their submission:
 - 1. A duplicate copy of all Form 1099-Ks filed with the Internal Revenue Service; or
 - 2. A duplicate copy of all Form 1099-Ks related to taxpayers or payees with a Georgia address.
- (g) The Commissioner requires that any Form 900 "Georgia Financial Institutions Business Occupation Tax Return" due on or after March 1, 2021 be filed and the tax be paid through the Department's Georgia Tax Center. This is necessary so that the Department's systems can more efficiently process the related credit that is allowed against income tax.

- (h) Any amendment of an electronic return must be submitted electronically.
- (i) An electronic return, in total, must contain all the same information that is found on a comparable return that would have been filed entirely on paper and must be filed using the procedures and format established by the Department for the particular return.
- (j) Except for returns filed online via the Department's website, the electronic filing of any other type of return must be done utilizing a software vendor that is approved by the Department.
- (k) Should any Department of Revenue application, system, or other Department software prohibit the filing of any return, report, or other document as required pursuant to subparagraph (7)(c) and (7)(d), such return, report, or other document may be filed using a paper return until the Department has resolved the problem at issue, or the Department's systems are capable of receiving such electronic returns. The Department will post, on its website, an updated notification of any new development or correction regarding the problem at issue, or the availability of the new system that can accept other electronically filed tax types.
- (l) Upon receipt of an electronically filed return, no further paper returns will be mailed to the taxpayer in the future unless the taxpayer requests resumption thereof.

(8) Miscellaneous.

- (a) If a tax payment statutory due date falls on a date other than a business day, the tax payment must be made so that the funds are immediately available on the first business day thereafter.
- (b) The requirement to make tax payments by electronic funds transfer using either the ACH debit or credit method does not alter the requirement to file returns, reports, and documents associated with such payments in the manner prescribed by statute and by rules promulgated by the Department.
- (c) Failure to file electronically.
 - 1. Effective for tax periods beginning on or after January 1, 2010, a taxpayer who files paper returns pertaining to sales tax, use tax, withholding tax, or motor fuel distributor tax, even though prohibited from doing so by this rule, shall be subject to the provisions of O.C.G.A. § [48-2-44.1](#). Such deemed failure, as provided in O.C.G.A. § [48-2-44.1](#), shall also result in the failure to have timely made elections allowed pursuant to Title 48.
 - 2. A taxpayer who files any paper returns, reports, and documents, except those specified by subparagraph (8)(c)1. of this rule, even though prohibited

from doing so by this rule (including those required to be filed electronically by the return preparer), shall be deemed to have failed to make the required filing and shall be subject to all penalties and interest imposed by Title 48 unless such returns, reports, and documents are not required to be filed pursuant to subparagraph (7)(k). Such deemed failure shall also result in the failure to have timely made elections allowed pursuant to Title 48.

3. Effective July 1, 2016, any taxpayer, person, or business, filing a sales and use tax claim for refund who fails to include the allocation of the local sales and use tax in the method required by the commissioner shall be deemed to have failed to file the refund claim for all purposes including applying any statute which limits the time when a refund claim may be filed.
 4. Effective October 1, 2016, any taxpayer, person, or business, required to file a claim for refund electronically in accordance with subparagraph (7)(e) of this rule and who fails to do so, shall be deemed to have failed to file the refund claim for all purposes including applying any statute which limits the time when a refund claim may be filed.
 5. Taxpayers who voluntarily participate in remitting electronic payments according to paragraph (6) of this rule will not be subject to the provisions of subparagraph (8)(c) of this rule.
- (d) A separate payment using ACH debit or credit, credit or debit card, wire transfer, or certified check or cashier's check, as allowed pursuant to this rule, shall be made for each tax type, state tax identification number, and tax period for which the tax is due.
 - (e) If a taxpayer, utilizing the Department's designated agent, has a subsequent change in the banking information necessary to generate either an ACH debit or credit against the taxpayer's account, the taxpayer shall provide to the Department's designated agent the new banking information and a voided check from the account from which the tax payment will be wired, at least thirty days before such ACH transaction is initiated.
 - (f) If a taxpayer, utilizing the Department's electronic system or systems, requires a subsequent change in the banking information necessary to generate an ACH debit against the taxpayer's account, the taxpayer must update their electronic account to reflect any such changes.
 - (g) If a taxpayer is required to remit payments by electronic funds transfer pursuant to this rule and pays its tax liabilities to the Department in other than immediately available funds, a penalty of 10 percent of the amount due shall be added to such payment, even if timely made, unless paragraph (5) of this rule is applicable. However, taxpayers who voluntarily participate in remitting electronic payments

according to paragraph (6) of this rule will not be subject to the provisions of this subparagraph.

- (h) If the electronic payment is not timely made by the statutory due date, the Taxpayer shall be subject to all penalties and interest imposed by Title 48. Such deemed failure to make the required payment shall also result in the forfeiture of the compensation of dealers for reporting and paying tax provided in Code section § [48-8-50](#), since such Code section provides such compensation only if such payment is timely made.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.26

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-32](#), [48-2-35](#), [48-2-44.1](#), [48-7-54](#).

History. Original Rule entitled "Electronic Funds Transfer Payments; Procedures" adopted. F. Nov. 23, 1992; eff. Dec. 13, 1992.

Repealed: New Rule entitled "Electronic Funds Transfer" adopted. F. Jan. 16, 2004; eff. Feb. 5, 2004.

Repealed: New Rule entitled "Electronic Funds Transfer and Filing" adopted. F. Dec. 12, 2006; eff. Jan. 1, 2007.

Repealed: New Rule entitled "Electronic Funds Transfer, Credit Card Payments, and Electronic Filing" adopted. F. Aug. 19, 2009; eff. Sept. 8, 2009.

Amended: F. Nov. 3, 2010; eff. Nov. 23, 2010.

Amended: F. June 24, 2011; effective July 14, 2011.

Amended: F. Jun. 24, 2011; eff. July 14, 2011.

Amended: F. July 28, 2016; eff. August 17, 2016.

Amended: F. Oct. 30, 2017; eff. Nov. 19, 2017.

Amended: F. Nov. 21, 2019; eff. Dec. 11, 2019.

Amended: F. Dec. 4, 2020; eff. Dec. 24, 2020.

Rule 560-3-2-.27. Signature Requirements for Tax Returns.

- (1) **Purpose.** The purpose of this regulation is to define terms and explain the requirements for signatures under Title 48.
- (2) **Definitions.**
 - (a) "Department" means the Department of Revenue.
 - (b) "Electronic Signature" shall have the same meaning as defined in Ga. Comp. R. & Reg. § [560-1-1-.14\(1\)\(a\)](#).
 - (c) "Electronic" means, but is not limited to, electronic data interchange; or use of the Internet, telephone, or other technology specified by the Department and the filing of a return by computer technology.
 - (d) "Electronic Returns Originator (ERO)" and "Electronic Returns Transmitter (ERT)" means an entity or individual that is in the practice of and approved by the Internal Revenue Service to complete and electronically transmit Federal and Georgia income tax returns to the Department.

- (e) "GTC" means the Georgia Tax Center.
 - (f) "Information" means data, text, images, sounds, codes, computer programs, software, databases, or the like.
 - (g) "Person" means any individual, firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision, whether public, private, or quasi-public.
 - (h) "Return" shall mean any tax return, registration application, form, signature form, or information return required to be filed with the Department.
 - (i) "Return Preparer" means any person who prepares for compensation, or who employs one or more persons to prepare for compensation, any return imposed under Title 48, or any claim for refund. The preparation of a substantial portion of a return or claim for refund shall be treated as if it were the preparation of such return or claim for refund. A person shall not be considered a return preparer merely because the person does any of the following:
 - 1. Furnishes typing, reproducing, or other mechanical assistance;
 - 2. Prepares a return or claim for refund of the employer, or an officer or employee of the employer, by whom the person is regularly and continuously employed;
 - 3. Prepares as a fiduciary a return or claim for refund for any person; or
 - 4. Prepares a claim for refund for a taxpayer in response to a notice of proposed assessment issued to the taxpayer.
 - (j) "Signature Form" means Form GA-8453, Form GA-8453C, Form GA-8453S, or Form GA-8453P.
 - (k) "Tax" means tax, interest, penalty, and fees.
 - (l) "Taxpayer" means any person required by law to file a return or to pay taxes.
 - (m) "Third Party" means any person who is authorized to file returns on behalf of a taxpayer, make payments on behalf of a taxpayer, or is authorized by a taxpayer to access account information.
- (3) **Signature Provisions for the Valid Filing of all Paper Returns, Electronic Returns, and Signature Forms**

- (a) Except as provided in this regulation, a taxpayer must sign the return. By signing a return, the taxpayer declares under penalties of perjury that to the best of the taxpayer's knowledge and belief the return and accompanying schedules and statements are true, correct, and complete. Such signature will be presumed to be the valid signature of the person responsible for the filing of the return. Should a taxpayer not sign a return it will be considered not to have been filed. Except as otherwise provided by Title 48, returns must be signed as follows:
1. Individual income tax returns must be signed by the individual.
 2. Individual joint income tax returns must be signed by both spouses.
 3. For a deceased individual, the surviving spouse, administrator, or executor may sign any return on behalf of the deceased individual.
 4. All returns for sole proprietorships must be signed by the sole proprietor.
 5. All returns for corporations must be signed by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other officer duly authorized to so act. The signature shall be prima facie evidence for all purposes that such person is authorized to sign the return on behalf of the corporation.
 6. All returns for partnerships must be signed by any one of the authorized partners. The signature shall be prima facie evidence for all purposes that such person is authorized to sign the return on behalf of the partnership.
 7. All returns for limited liability companies shall be signed by any one of the authorized members. The signature shall be prima facie evidence for all purposes that such person is authorized to sign the return on behalf of the limited liability company.
 8. All returns for trusts and estates shall be signed by the fiduciary. The signature shall be prima facie evidence for all purposes that such person is the fiduciary and is authorized to sign the return on behalf of the trust or estate.
- (b) The taxpayer must also date the return in the space provided when signing a paper return.
- (c) When a return has been completed by a return preparer or a return is filed by a third party, the return preparer or third party must sign the return. By signing the return, the return preparer or third party declares under penalties of perjury that to the best of the return preparer's or third party's knowledge and belief the return and accompanying schedules and statements are true, correct, and complete. Such declaration of the return preparer or third party is based on all information of

which the return preparer or third party has knowledge. With respect to paper income tax withholding and related paper information returns, and paper sales and use tax returns, the return preparer or third party may sign such returns on behalf of a taxpayer. By this signing, such return preparer or third party certifies that the taxpayer has granted them the authority to perform this action on their behalf.

With respect to paper income tax returns, a return preparer may sign by means of a rubber stamp, mechanical device, or computer software program. Such alternative methods of signing must include either a facsimile of the individual preparer's signature or the individual preparer's printed name. Such return preparer is personally responsible for affixing their signature to the return.

- (d) When a paper return has been completed by a return preparer or a paper return is filed by a third party, the return preparer or third party must also date the return in the space provided.
- (e) An electronic signature shall have the same legal effect as a signature on a paper tax return. An electronic signature shall be attributable to a person if the record or signature was the act of the person. The act of the person may be shown in any manner, including a showing of the efficacy of any security procedure applied to determine the person to which the electronic signature was attributable.
- (f) A return signature shall be prima facie evidence for all purposes that the return was actually signed and that the signature is valid.
- (g) A signature by use of a mark can serve as a signature on a paper return only when two individuals attach a signed statement which witnesses such signature. Such witnesses shall clearly print their names next to their signatures for purposes of clarification.
- (h) A faxed signature shall have the same legal effect as an original signature.

(4) Electronically Filed Income Tax Returns.

- (a) The taxpayer's signature on the signature form must be the signature of the taxpayer whose return is filed electronically and such form must be completed and signed prior to the filing of the taxpayer's electronic return. For purposes of this subparagraph, the only electronic signature that shall be considered a signature is where the taxpayer actually signed the document electronically (using a mouse, touch pad, or other electronic input method), the person's actual signature is captured, and the signed form can be reproduced either electronically or by paper. A signature created by any other electronic means is not considered a signature for purposes of this subparagraph.
- (b) The return preparer's signature on the signature form must be the signature of the return preparer who prepared the electronically filed return and such form must be completed and signed prior to the filing of the taxpayer's electronic return. A

return preparer may sign by means of a rubber stamp, mechanical device, or computer software program. Such alternative methods of signing must include either a facsimile of the individual preparer's signature or the individual preparer's printed name. Such return preparer is personally responsible for affixing their signature to the signature form.

- (c) The ERO or ERT must sign the signature form. An ERO or ERT may sign by means of a rubber stamp, mechanical device, or computer software program. Such alternative methods of signing must include either a facsimile of the individual preparer's signature or the individual preparer's printed name. Such ERO or ERT is personally responsible for affixing their signature to the signature form.
 - (d) The ERO or ERT shall declare that they have reviewed the taxpayer's return and that the entries on the signature form are complete and correct to the best of their knowledge.
 - (e) The ERO or ERT is required to keep the following items for any Georgia income tax return filed electronically for a period of three years from the date the return is filed:
 - 1. A signed and dated signature form; and
 - 2. Any form, statement, or attachment that cannot be transmitted electronically.
 - (f) The ERO or ERT must maintain the signed and dated signature forms, in order for them to be immediately available to the Department at any time upon request during such retention period.
 - (g) In the event the ERO or ERT ceases operations or participation in the program, or has its approval to participate in the program revoked, the ERO or ERT must submit a letter of explanation and deliver to the Department by certified mail or other documented delivery all signature forms and all forms, statements, and attachments that could not be transmitted electronically within three (3) business days of ceasing operations or participation in the program.
- (5) **Tax Returns Filed Using the Georgia Tax Center (GTC).**
- (a) A taxpayer must register with the Department, using Form CRF-002 or its electronic equivalent on GTC, prior to creating a user profile.
 - (b) A third party must register with the Department, using Form CRF-002 or its electronic equivalent on GTC, prior to creating a user profile. The third party must also submit Form CRF-BULK or its electronic equivalent on GTC.

- (c) When a taxpayer or third party electronically submits a registration, such act shall constitute an electronic signature of the registration by the taxpayer and/or the third party.
- (d) After the third party has registered as provided in subparagraph (5)(b), the taxpayer, if they choose, will provide selective information to the third party, for purposes of allowing the third party to access the taxpayer's account. The provision of such information shall authorize the third party to access the taxpayer's confidential information. The third party shall then access their third party account by using the third party's username and password. They will then be able to access the taxpayer's account through their third party account. The third party shall not access the taxpayer's account directly by using the taxpayer's username and password.
- (e) When a return is filed electronically by a taxpayer, such act shall constitute an electronic signature of the return by the taxpayer.
- (f) When a return is filed electronically by an authorized third party on behalf of a taxpayer, such act shall constitute an electronic signature of the return by the taxpayer, the return preparer, and such third party. This electronic filing by such third party certifies that the taxpayer has granted them authority to perform this action on their behalf.
- (g) An electronic return will not be considered filed until all components of an electronic signature are transmitted to the Department and the Department issues a confirmation number to acknowledge receipt of the transmission. This confirmation number will be an acknowledgement of the receipt of the return only but will not acknowledge that the return is correct as filed.
- (h) The taxpayer has the authority to revoke the authority of a third party at any time by removing them as an authorized user of the taxpayer's account on GTC. Once authority has been revoked, the third party will no longer be allowed to access the account on behalf of such taxpayer.

Cite as Ga. Comp. R. & Regs. R. 560-3-2-.27

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-32](#), [48-6-95](#), [48-7-25](#), [48-7-50](#), [48-7-51](#), [48-7-52](#), [48-7-53](#), [48-7-101](#), [48-7-103](#), [48-7-106](#), [48-7-107](#), [48-7-114](#), [48-7-119](#), [48-7-128](#), [48-7-129](#), [48-8-49](#), [48-8-59](#), [48-9-4](#), [48-9-5](#), [48-9-6](#), [48-9-8](#), [48-9-9](#), [48-9-33](#), [48-9-34](#), [48-11-4](#), [48-11-5](#), [48-11-10](#), [48-11-14](#), [48-13-50.3](#), [48-13-77](#), [48-13-131](#).

History. Original Rule entitled "Signature Requirements for Tax Returns" adopted as ER. 560-3-2-0.41-.27. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. July 29, 2009; eff. August 18, 2009.

Amended: F. Nov. 3, 2010; eff. Nov. 23, 2010.

Amended: F. Sep. 13, 2013; eff. Oct. 3, 2013.

Amended: F. Nov. 17, 2015; eff. Dec. 7, 2015.

Amended: F. Jan. 21, 2021; eff. Feb. 10, 2021.

Subject 560-3-3. FORMS.

Rule 560-3-3-.01. Form 550 (Modified).

This form may be obtained from the Income Tax Withholding Refund Section of The Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form is used to obtain a new check to replace a lost refund check.

Cite as Ga. Comp. R. & Regs. R. 560-3-3-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1937-38, Extra Sess., pp. 103, *et seq* as amended Ga. Code Ann., Sec. 58-1022.

History. Original Rule was filed on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Chapter 560-4. CENTRAL AUDIT UNIT.

Chapter 560-5. SPECIAL INVESTIGATIONS.

Subject 560-5-1. ADMINISTRATION.

Rule 560-5-1-.01. Organization.

This office consists of a Chief Special Investigator, an Administrative Secretary, Special Investigators and such other staff as is necessary to conduct the affairs of the office.

Cite as Ga. Comp. R. & Regs. R. 560-5-1-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427)

History. Original Rule was filed and effective on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-1-.02. Chief Special Investigator.

All reports by Special Investigators must be approved by the Chief Special Investigator. He also supervises work of all other employees and performs such other duties as from time to time may be delegated to him by the Commissioner or his Deputies. The Chief Special Investigator also shares an equal workload regarding investigations conducted by this office. The Chief Special Investigator reports to the Commissioner, the Deputy Commissioner, and the Deputy for Administration.

Cite as Ga. Comp. R. & Regs. R. 560-5-1-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Original Rule entitled "Unit Director" repealed and a new Rule entitled "Chief Special Investigator" adopted. Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-1-.03. Administrative Secretary.

The Administrative Secretary prepares all reports of investigations on completion by the Special Investigators and performs other assignments in office operations.

Cite as Ga. Comp. R. & Regs. R. 560-5-1-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Original Rule entitled "Confidential Secretary" repealed and a new Rule entitled "Administrative Secretary" adopted. Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-1-.04. Special Investigators.

These Investigators conduct investigations assigned by the Chief Special Investigator, the Commissioner or his Deputies. The reports are usually written and, when necessary, are documented with exhibits to verify their accuracy.

Cite as Ga. Comp. R. & Regs. R. 560-5-1-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Original Rule entitled "Special Agents" repealed and a new Rule entitled "Special Investigators" adopted. Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-1-.05. Investigations Confidential.

Due to the nature of the assigned duties of all personnel of this office, all investigations must be confidential.

Cite as Ga. Comp. R. & Regs. R. 560-5-1-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Subject 560-5-2. SUBSTANTIVE RULES.

Rule 560-5-2-.01. Investigation of Personnel.

At the direction of the Commissioner of Revenue or his Deputies, investigations are made to determine that Personnel of all Divisions of the Department of Revenue honestly and faithfully perform all duties entrusted to them.

Cite as Ga. Comp. R. & Regs. R. 560-5-2-.01

Authority: Ga. L. 1937-38, Extra Sess, pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-2-.02. Employees Report of Irregularities.

All personnel of the Department of Revenue having any information of any irregularity shall report it immediately to Special Investigations. Any person in this Department who fails to report such information could be dismissed for cause by the Commissioner. All reports, complaints and allegations concerning employees shall be made known by Special Investigations to the Commissioner, Department of Revenue, or his Deputies.

Cite as Ga. Comp. R. & Regs. R. 560-5-2-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-2-.03. Reports or Complaints Against Commissioner.

All reports, complaints or allegations against the Commissioner shall be made directly to the Governor with no duty to apprise the Commissioner of the contents thereof.

Cite as Ga. Comp. R. & Regs. R. 560-5-2-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.* as amended (Ga. Code Ann., Secs 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-2-.04. Report of Irregularities by Public.

All members of the public are urged to report any information concerning irregularities in tax matters or in the work or behavior of the employees of the Revenue Department to Special Investigations, Trinity-Washington Building, Atlanta, Georgia. All such information shall be

held confidential and shall not be released without the consent of the person supplying the information. Special Investigations will coordinate with all Divisions of the Revenue Department which may be involved in an investigation.

Cite as Ga. Comp. R. & Regs. R. 560-5-2-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-2-.05. Procedures for Investigations.

Requests for investigations to be conducted by Special Investigations are made by the Governor's Office, the Commissioner or his Deputies or Division Directors. When applicable, the Chief Special Investigator obtains approval prior to conducting these investigations, from the Commissioner or his Deputies. On completion of the investigation, copies of the report are forwarded to the Commissioner and others designated by him. This procedure shall be followed except in pre-employment investigations requested by the Personnel Administrator.

Cite as Ga. Comp. R. & Regs. R. 560-5-2-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Rule 560-5-2-.06. Other Assigned Investigations.

At the direction of the Governor's Office, the Commissioner, his Deputies or the Division Directors, Special Investigations is assigned other confidential investigations. On completion of these investigations, reports are made in either written or oral form, directly to the Commissioner or the requesting agency, as appropriate. Due to the confidential nature of these investigations, they are generally made by the Chief Special Investigator; however, they may be conducted by a Special Investigator.

Cite as Ga. Comp. R. & Regs. R. 560-5-2-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule was filed and effective on June 30, 1965.

Amended: Filed January 15, 1975; effective February 4, 1975.

Amended: Filed January 24, 1978; effective February 13, 1978.

Chapter 560-6. COMPLIANCE DIVISION.

Subject 560-6-1. ADMINISTRATIVE RULES AND REGULATIONS.

Rule 560-6-1-.01. Public Auction of Seized Personal Property.

- (1) **Purpose.** O.C.G.A. § [48-2-55](#) permits the Georgia Department of Revenue to levy and conduct judicial sales in the manner provided by law for sales by sheriffs and constables. The Department uses public auctions, public internet auctions, and sealed bids as a collection mechanism when taxes are not fully paid from a delinquent taxpayer. This regulation sets forth the procedures for conducting these types of judicial sales and related procedures upon the Department's levy and seizure of personal property.

(2) **Definitions**

- (a) "Commissioner" means the commissioner of the Georgia Department of Revenue or the commissioner's appointed designee.
- (b) "Department" means the Georgia Department of Revenue.
- (c) "Designated agent" is any agent that the Department deems to be qualified and equipped to undertake and facilitate the sale of seized property.

(3) **Advertisement of Sale**

- (a) **Notice of Sale.** Ten days before the date of sale, the Department shall post a notice of sale for personal property seized under its levy authority. The notice shall be posted in three public places in a county where the sale will take place and at least one time in a newspaper in which sheriff's sales in any such county are advertised. The notice will include:
- 1. whether the sale is by public auction, public internet auction, or by sealed bids;
 - 2. a reasonable description of the property to be sold;
 - 3. a description of the seizure, including, if applicable, the name of the delinquent taxpayer; and
 - 4. the date, time and location of the sale.
 - (1) For public auctions, the sale shall be held between the hours of 10:00 A.M. and 4:00 P.M. The sale shall be conducted within the county in which the property levied on is situated, unless it appears to the Commissioner that substantially higher bids may be obtained for the property if the sale is held at a place outside such county, at which time, the Commissioner may order that the sale be held in such other place. If the location of the sale is in a county other than the county

in which the levy was made, notice of the shall be made in both counties in the manner described above.

- (2) For public internet auctions, the location of the sale shall be the website address of the public internet auction service provider used to conduct such auction.
- (3) For sealed bids, the location of the sale shall be the Department address where bids are submitted.

(b) Special Notice Provisions

1. Any notice of public auction advertising personal property encumbered by a pre-existing lien, security interest, or other encumbrance providing the holder priority over the Department's state tax execution will contain a statement, regardless of the type of auction, that "delinquent taxpayer's interest in auctioned property is being sold subject to an encumbrance."
2. Any notice of public auction advertising jewelry, gold, silver, precious metals, or precious stones, regardless of type of sale, will contain a statement that an appraisal document will be available for inspection at the time of sale.
3. Any notice of public auction of personal property, regardless of type of sale, will state that the buyer agrees to pay for and remove the seized personal property by the date and time specified in the notice if the bid is accepted.

(4) Terms and Conditions of Sale. The Department's public auction, public internet auction, and sealed bid sales are subject to the following terms and conditions:

- (a) **Acceptance of Terms and Conditions.** By submitting a bid, the bidder agrees that he or she has read, fully understands, and accepts all of the terms and conditions contained within this regulation subsection and agrees to pay for and remove the property by the dates and times specified by the Department if the bid is accepted.
- (b) **Guaranty Waiver.** All property is offered for sale "AS IS - WHERE IS." The Department makes no warranty, guaranty, or representation of any kind, expressed or implied, as to the merchantability or fitness for any purpose of the property offered. The buyer is not entitled to any payment for loss of profit or any other damages, whether they be special, direct, indirect, punitive, or consequential.
- (c) **Flawed Description Acceptance.** The property may contain flaws and/or defects which may not be immediately detectable. Any claim for a flawed description

must be made prior to the removal of the property. If the Department confirms that the property does not conform to the description, the Department will keep the property and refund any money paid. The buyer is not entitled to any payment or refund upon failure to make a claim prior to the removal of the property.

- (d) **Inspection.** Most items offered for sale are used and may contain defects not immediately detectable. Bidders are invited and strongly encouraged to physically inspect the offered property prior to bidding. Bidders must adhere to the inspection dates and times indicated in the notice or contact the Department's designated agent listed on the item posting to schedule an inspection if provided.
- (e) **Consideration of Bid.** The Department reserves the right to reject any and all bids and to withdraw from sale any of the items listed.
- (f) **Payment.** A winning bid accepted by the Department shall be considered a final agreement to buy the property by the buyer.
 - 1. Payment in full is required at the time of acceptance of the bid and must be in guaranteed funds, such as cash, certified check, bank check, or money order. No third-party instruments will be accepted. Checks should be made payable to the Georgia Department of Revenue.
 - 2. For public internet auctions, the highest bidder will provide guaranteed funds in the full amount within one day of notification of acceptance of the bid. The appropriate payment method for public internet auctions shall be listed on the public internet auction website. The Department may permit a State of Georgia entity to accept payment on its behalf through the public internet auction. If such payment has been authorized, buyer must provide guaranteed funds in the full amount payable to the state entity identified on the public internet auction website.
- (g) **Removal.** All items must be removed within five business days of the time and date of auction closing. Purchases will be released to the buyer only upon receipt of payment as specified. Successful bidders are responsible for the loading and removal of any and all property from the location of the property indicated in the auction listing. The buyer will make all arrangements and perform all work necessary, including packing, loading, and transporting the property.
 - 1. If the Department's property or facilities are damaged during the loading and/or removal of items, buyer will be responsible for all damages and will not be permitted to complete removal of purchased items until the Department's property and/or facilities have been repaired. If the buyer does not repair the damaged Department property and facilities, any payment made by the buyer will be applied to the repair of the Department's property before being applied to the purchase price of any items purchased by buyer.

2. A buyer not removing property at the time of the winning bid must contact the designated agent listed on the auction notice to schedule an appointment for pick-up within five business days of the time and date of auction closing.
3. Property not removed within five business days of the auction closing date will be considered abandoned, the buyer will be declared in default, and ownership shall revert to the Department.

(h) **Default.** Default shall include:

- (1) failure to observe this regulation;
- (2) failure to make good and timely payment; or
- (3) failure to remove all items within five business days of auction closing date. A default may result in termination of the agreement between the buyer and the Department and suspension from participation in all future sales until the default has been cured. If the buyer is in default, the Department may choose to negotiate with the next closest bidder or relist the property at a subsequent auction date. The Department may also initiate legal action against a buyer in default and seek remedies as provided by law.

(i) **Personal and Property Risk.** Persons attending the exhibition, sale, or removal of goods assume all risk of damage of or loss to person and property and specifically release the Department and the State of Georgia from liability.

(j) **Vehicle Title.** If the property for sale is a motor vehicle, the Department will turn over the existing title or certificate upon receipt of payment. It is the buyer's responsibility to apply for a new title. Titles may be subject to any restrictions as indicated in the auction item's description. Open titles cannot be issued.

(k) **Multiple Lots.** The Department reserves the right to auction the property in multiple smaller lots if there is a likelihood that the sale of smaller lots will produce more money than the sale of one single lot. If the Designated agent chooses this method, the Designated agent should announce that bids will be taken on all of the property in bulk, then by lots. Whichever method brings in the great amount of money (up to the amount due) will be the chosen method for the sale.

(l) **Sales and Use Tax.** Buyers may be subject to the payment of state and local sales tax collected at the point of payment. Buyers with a valid state sales tax exemption certificate must provide a copy of the certificate prior to payment.

(m) **Cancellation of Sale.** Public auction, public internet auction, and sealed bids may be postponed or cancelled at the discretion of the Department.

(n) **Rejection of Bids or Bidders.** The Department reserves the right to receive or reject bids or bidders.

(5) **Note on Public Internet Auctions.** The Department will be conducting its public internet auctions through third-party websites that have been authorized by the Commissioner and approved by the Department of Administrative Services. Public internet auction service providers may have their own requirements and terms and conditions. All potential bidders are expected to have read and understood the terms and conditions contained on the public internet auction service provider's website prior to submitting a bid and/or entering into an agreement with the Department for the purchase of the property. The Department shall not be held responsible for any inconsistencies between the regulations contained herein and the terms and conditions on the public internet auction website.

Cite as Ga. Comp. R. & Regs. R. 560-6-1-.01

Authority: O.C.G.A. § [48-2-55](#).

History. Original Rule entitled "Public Auction of Seized Personal Property" adopted. F. May 30, 2019; eff. June 19, 2019.

Subject 560-6-2. REPEALED.

Rule 560-6-2-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-6-2-.01

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Imposition of Collection Fees" adopted. F. Feb. 15, 1993, eff. Mar. 7, 1993

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-6-2-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-6-2-.02

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Rate of Collection Fees" adopted. F. Feb. 15, 1993; eff. Mar. 7, 1993.

Amended: F. May 3, 1996; eff. May 23, 1996.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-6-2-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-6-2-.03

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Waiver of Cost of Collection Fee; Authority" adopted. F. Feb. 15, 1993; eff. Mar. 7, 1993.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Subject 560-6-3. FORMS (FORMS APPLICABLE TO ALL TAXES ADMINISTERED BY STATE REVENUE COMMISSIONER).

Rule 560-6-3-.01. Notice to Appear. Form FS-11.

This is a notice requiring a taxpayer to appear at a given time and place, with records relating to his taxation, in order that his tax liability may be determined and reported to the Commissioner for appropriate action.

Cite as Ga. Comp. R. & Regs. R. 560-6-3-.01

Authority: Ga. L. 1937-38, Extra Secs, p. 77 *et seq.*, as amended; Ga. Code Ann., Sec. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on May 20, 1976; effective June 9, 1976.

Chapter 560-7. INCOME TAX DIVISION.

Subject 560-7-1. REPEALED.

Rule 560-7-1-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-1-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1931, Extra Sess., p. 58 *et seq.*; Ga. Code Sec. 92-3005; Ga. Code Sec. 92-3006.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Subject 560-7-2. ADMINISTRATION.

Rule 560-7-2-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1931, Extra Sess., p. 58 *et seq.*; Ga. Code Sec. 92-3005; Ga. Code Sec. 92-3006.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-2-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1931, Extra Sess., p. 58 *et seq.*; Ga. Code Sec. 92-3005; Ga. Code Sec. 92-3006.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-2-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1931, Extra Sess., p. 58 *et seq.*; Ga. Code Sec. 92-3005; Ga. Code Sec. 92-3006.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-2-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1931, Extra Sess., p. 58 *et seq.*; Ga. Code Sec. 92-3005; Ga. Code Sec. 92-3006.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-2-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1931, Extra Sess., p. 58 *et seq.*; Ga. Code Sec. 92-3005; Ga. Code Sec. 92-3006.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-2-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1931, Extra Sess., p. 58 *et seq.*; Ga. Code Sec. 92-3005; Ga. Code Sec. 92-3006.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-2-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.07

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8405, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code, sec. 92-3005; Ga. Code Sec. 92-3006).

History. Original Rule entitled "Chief of Office Operations" was filed and effective on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-2-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8405, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code, Sec. 92-3005; Ga. Code, Sec. 92-3005).

History. Original Rule entitled "Chief of Field Operations" was filed and effective on June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-2-.09. Failure to Meet Tax Liability Grounds for Dismissal.

- (1) The failure, refusal or neglect of any employee of the Department of Revenue to timely file returns or pay timely any tax liability owed by him or her to the State of Georgia is misconduct and is considered to be conduct reflecting discredit on the Department warranting disciplinary action up to and including dismissal from employment.
- (2) Each individual selected for employment with the Department of Revenue must furnish the Office of Human Resources with a statement certifying that to the best of his or her knowledge and belief he or she is not at the time indebted to the State of Georgia for any taxes and that he or she has filed a Georgia tax return for all years in which he or she was obligated by law to file such a return.
- (3) Each present employee and each individual selected for employment will authorize the Department of Revenue to verify his or her compliance with tax laws.
- (4) The Department of Revenue will conduct annual audits for employee tax compliance. Employees found to be non-compliant will be subject to disciplinary action up to and including dismissal from employment.

Cite as Ga. Comp. R. & Regs. R. 560-7-2-.09

Authority: O.C.G.A. Secs. [48-2-12](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Failure to Meet Tax Liability Grounds for Dismissal" was filed and effective on June 30, 1965.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Subject 560-7-3. SUBSTANTIVE REGULATIONS.

Rule 560-7-3-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.01

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Citation of Law" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-3-.02. Definitions.

- (1) "Resident" shall mean the same as defined in O.C.G.A. § [48-7-1](#).

- (a) Any person who is or has become a resident of this State shall continue to be a resident for income tax purposes even though temporarily absent from the State, until he or she becomes a permanent resident of another State.
 - (b) When a taxpayer is not liable for Georgia income taxes for an entire year because of moving into this State or moving from this State, he or she shall include in his or her return only his or her income received while a resident of this State.
 - (c) In the case of members of the Armed Forces, the Service Members Civil Relief Act provides that a service member shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the income of the service member by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders. There are many cases, however, of service members coming into Georgia by reason of military orders, but who later decide to become a permanent resident of the State. There are other cases where service members have come into the State and purchased property for residential purposes, claiming homestead exemption for tax purposes, and notwithstanding the provisions of the Service Members Civil Relief Act, they would be considered residents of Georgia for income tax purposes and subject to the tax. There are other instances where service members have declared the intention of becoming and remaining residents of this State, in which cases they would be liable for Georgia income tax. Residence is a question of fact which must be determined in each case.
- (2) "Corporation." The term "corporation" as used in these regulations includes not only corporations which have been created or organized under the laws of Georgia, but also every corporation doing business within this State or deriving income from sources within this State, in a corporate or organized capacity, by virtue of creation or organization under the laws of the United States or some state, territory, district or foreign country. The term "corporation" is not limited to the legal entity usually known as a corporation, but includes also an association, a trust classed as an association because of its nature or its activities, a joint stock company, and certain kinds of partnerships. Any association or organization which is required to report as a corporation for Federal income tax purposes under the Internal Revenue Code shall be considered to be a corporation for the purposes of the Georgia Act. Conversely, any association, organization or corporation required to report in any other capacity for Federal income tax purposes under the Internal Revenue Code shall report in a like capacity for purposes of the Georgia Act.
- (3) "Taxable Year." The term "taxable year" includes, in the case of a return made for a fractional part of a year, the period for which such return is made.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-1](#), [48-7-85](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Definitions" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 12, 1969; eff. Dec. 31, 1969.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-3-.03. Election to Pay Tax at the Pass-Through Entity Level.

- (1) **Purpose.** This rule provides guidance concerning the implementation and administration of the irrevocable election to pay tax at the Subchapter "S" corporation level and partnership level as provided by O.C.G.A. § [48-7-21](#) and O.C.G.A. § [48-7-23](#), respectively.
- (2) **Definitions.**
 - (a) "Credit" means those credits provided by Article 2 of Chapter 7 of Title 48 of the O.C.G.A. and Chapter 7A of Title 48 of the O.C.G.A.
 - (b) "Electing pass-through entity" means a pass-through entity which is qualified to make and has made the election to pay the tax levied by Chapter 7 of Title 48 at the entity level as provided by O.C.G.A. § [48-7-21](#) or O.C.G.A. § [48-7-23](#).
 - (c) "Internal Revenue Code of 1986" means the same as defined in O.C.G.A. § [48-1-2](#).
 - (d) "Owners" means the direct shareholders or partners of a pass-through entity that is eligible to make the election.
 - (e) "Pass-through entity" means a partnership or Subchapter "S" corporation.
- (3) **Which entities are eligible to make the election.**
 - (a) The election may only be made by a pass-through entity that is 100 percent directly owned and controlled by persons eligible to be shareholders of an "S" corporation under § 1361 of the Internal Revenue Code of 1986, as amended.
 - (b) A disregarded single member limited liability company, qualified Subchapter "S" subsidiary, and any other disregarded entity cannot by itself make the election; provided, however, a regarded owner of such entities may make the election, provided the owner is eligible to make such election. In such event, the election would be for itself and all of its disregarded entities; provided, however, if the election is made, credits are still earned by the disregarded entity as provided by Georgia law and regulation.
 - (c) If a pass-through entity is owned by another pass-through entity, such owner may make the election for itself if it is qualified to do so.
 - (d) A limited liability company that is treated as a partnership for Georgia income tax purposes shall be treated as a partnership for purposes of this regulation.

(4) Making the election.

- (a) An electing pass-through entity makes the election by checking the box and filling out the applicable schedule(s) on Form 600S if the entity is a Subchapter "S" corporation or on Form 700 if the entity is a partnership.
- (b) The election is an irrevocable election for that year which must be made by the due date of the return including any extensions, if applicable.
- (c) Each electing pass-through entity decides how to obtain consent from its owners; provided, however, the election is binding on all the owners once the election is made.
- (d) The election is an annual election which must be made each year. If in a later year the pass-through entity decides to not make the election, no notice is required to be filed with the Department.

(5) Estimated payments.

- (a) An electing pass-through entity is required to make estimated payments in the same manner as a C-Corporation and using the same form.
- (b) The estimated tax form is required to be filed on the same due dates as is required for a C-Corporation.
- (c) An electing pass-through entity is subject to the C-Corporation failure to pay estimated income tax penalties.
- (d) Estimated payments made by owners are not eligible to be transferred to the pass-through entity. However, if the owners have made estimated payments or otherwise have credits or other attributes that would reduce their liability, the entity may check the "UET Annualization Exception Attached" box on the Form 600S or Form 700 and compute the penalty on Form 600 UET as if the entity had made such payments or applied such credits or attributes.
- (e) For purposes of the 100% of the immediately preceding year's tax exception, the entity may check the "UET Annualization Exception Attached" box on the Form 600S or Form 700 and compute the penalty on Form 600 UET assuming the tax for the prior year was equal to 5.75% of the prior's year's income computed pursuant to paragraph (6).
- (f) Owners who make estimated payments for the income attributable to an electing pass-through entity, may not transfer the estimated payments to the electing pass-through entity but must instead claim a refund of the overpayment, for the year the estimates were made for, by filing the income tax form the owner would normally file.

- (g) A pass-through entity that makes estimated payments but then does not make the election to pay tax at the pass-through entity level, may not transfer the payments to its owners but must instead claim a refund of the overpayment for the year the estimates were made for. The entity may contact the Department and direct that the payments be transferred to its composite estimated tax account or its nonresident withholding tax account.

(6) Computation of Income and the Tax.

- (a) If an electing pass-through entity that is a Subchapter "S" corporation makes the election, the Subchapter "S" corporation's federal taxable income for purposes of O.C.G.A. § [48-7-21](#) shall be the federal taxable income of the Subchapter "S" corporation as computed pursuant to the Internal Revenue Code of 1986 including the separately stated items of income or loss (such as charitable contributions, the Section 179 deduction, etc.); provided, however, charitable contributions, the Section 179 deduction, and any other deduction which is subject to an Internal Revenue Code of 1986 limitation, shall be limited to what is allowed pursuant to the Internal Revenue Code of 1986 for a C-Corporation. Once the federal taxable income is determined, the Subchapter "S" corporation shall then make the adjustments required by O.C.G.A. § [48-7-21](#) to arrive at Georgia taxable income before apportionment and allocation; provided, however, in computing the net income that is subject to taxation, the electing Subchapter "S" corporation shall not be allowed any deduction for taxes that are based on or measured by gross or net income or any other variant thereof. The Georgia taxable income before apportionment and allocation shall then be apportioned and allocated pursuant to O.C.G.A. § [48-7-31](#) to arrive at the income that is taxed at the entity level.
- (b) If an electing pass-through entity that is a partnership makes the election, the partnership's federal taxable income for purposes of O.C.G.A. §§ [48-7-23](#) shall be the federal taxable income of the partnership as computed pursuant to the Internal Revenue Code of 1986 including the separately stated items of income or loss (such as charitable contributions, the Section 179 deduction, etc.); provided, however, charitable contributions, the Section 179 deduction, and any other deduction which is subject to an Internal Revenue Code of 1986 limitation, shall be limited to what is allowed pursuant to the Internal Revenue Code of 1986 for a C-Corporation. The electing pass-through entity shall not be allowed the deduction provided by Internal Revenue Code Section 743(b); provided, however, such adjustment is still eligible to be made at the owner level. The electing pass-through entity shall not be allowed deductions based on self-employment, self-employed health insurance, Keogh or SEP or other deductions normally allowed in computing Adjusted Gross Income. Once the federal taxable income is determined, the partnership shall then make the adjustments required by O.C.G.A. § [48-7-27](#) to arrive at Georgia taxable income before apportionment and allocation. The electing pass-through entity shall not be allowed the exemptions provided by O.C.G.A. § [48-7-26](#), the standard deductions provided by O.C.G.A. §

[48-7-27](#), any deduction for taxes that are based on or measured by gross or net income or any other variant thereof, and any other deduction provided in O.C.G.A. § [48-7-27](#) which is allowed based on the person being a natural person such as the retirement exclusion, etc. The Georgia taxable income before apportionment and allocation shall then be apportioned and allocated pursuant to O.C.G.A. § [48-7-31](#) to arrive at the income that is taxed at the entity level.

- (c) The electing pass-through entity shall multiply its income that is taxed at the entity level by 5.75 percent or, if subsequently changed, the applicable statutory income tax rate to arrive at the tax levied by Chapter 7 of Title 48. Except as provided in this regulation, such tax shall be assessed and collected in the same manner and be subject to the same penalties and interest as the other income taxes imposed by Chapter 7 of Title 48.
- (d) The electing pass-through entity may file amended returns subject to the applicable statute of limitations.
- (e) The consolidated provisions of Regulation [560-7-3-.13](#) shall not apply to electing pass-through entities.

(7) Tax Attributes.

- (a) Tax attributes, including, but not limited to credits and net operating losses, for an electing pass-through entity shall be generated, claimed, and utilized in the same manner as a C-Corporation.
- (b) Tax attributes, including but not limited to credits and net operating losses, from tax years when an election was not made remain with the owners and shall not be eligible to be transferred to the electing pass-through entity. Except as provided in this paragraph, any tax attributes, including but not limited to credits and net operating losses, do not pass through to the owners and remain with the electing pass-through entity if the entity does not make the election in a later year. Net operating losses shall be treated in the same manner as is allowed for C-Corporations as provided in Regulation [560-7-3-.06](#). The electing pass-through entity shall file Form IT-552 to carryback net operating losses if eligible.
 - 1. Except with respect to the credits allowed by O.C.G.A. §§ [48-7-29.16](#), [48-7-29.20](#), and [48-7-29.21](#), an electing pass-through entity may make an irrevocable election to pass through all or part of any credit, that is generated within the applicable statute of limitation period for the entity, to its owners for the taxable year the credit is generated. Such election is made by completing the "credit allocation to owners" schedule on an original or amended Form 600S or Form 700 for the taxable year the credit is generated. Such election must be made within the owner's applicable statute of limitation claiming period. If such election is made, the electing pass-

through entity shall be required to pass-through the credits using the method provided in the applicable credit statute or regulation.

- (i) For example. Regulation [560-7-8-.36](#) provides that the job tax credit is passed through "to its members, shareholders, or partners based on the year ending profit/loss percentage and the limitations of this regulation". As such any job tax credit that is elected to be passed through must be passed through in this manner.
2. With respect to the credits allowed by O.C.G.A. §§ [48-7-29.16](#), [48-7-29.20](#), and [48-7-29.21](#), any credit earned by an electing pass-through entity shall not pass through to its owners; provided, however, the owner may separately earn the credits allowed by O.C.G.A. §§ [48-7-29.16](#), [48-7-29.20](#), and [48-7-29.21](#) with respect to any income that passes through to the owner and which was not taxed at the pass-through entity level in Georgia. As such, in determining the Georgia income on which such tax was actually paid by the owner, the owner must exclude any income that was subtracted on their Georgia return because the entity paid tax at the pass-through entity level in Georgia. Also, if a pass-through entity is preapproved to make and makes a contribution with respect to the credits allowed by O.C.G.A. §§ [48-7-29.16](#), [48-7-29.20](#), and [48-7-29.21](#) because the entity intends to make but then does not make the election to pay tax at the pass-through entity level for the taxable year of the preapproval and contribution, the pass-through entity shall be allowed to pass through such credits to its owners based on the year ending profit/loss percentage; provided however, the amount that is generated and passed through by the pass-through entity is computed and generated in the same manner as if the pass-through entity had made such election and the amount that is passed through shall reduce the amount the owner is allowed to generate as provided in each respective statute for contributions related to pass through entities; any amounts that exceed such generation limits shall be disallowed entirely.
- (i) For example. An electing pass-through entity apportions, pursuant to O.C.G.A. § [48-7-31](#), 30% of its income to Georgia and pays tax at the entity level on such income. If such entity earns the credit allowed by O.C.G.A. §§ [48-7-29.16](#), [48-7-29.20](#), or [48-7-29.21](#), the credit that is allowed will be limited to 75% of its income tax liability and no part of such credit may be passed through to its owners. The other 70% of the income passes through to such entity's owners. The owner may separately earn the credit, but in determining the credit that is allowed to an owner of a pass-through entity, the owner may only include the 70% of the income that passes through to such owner.

- (c) No electing pass-through entity nor any of its owners shall be entitled to any credit under O.C.G.A. § [48-7-28](#) with respect to the electing pass-through entity tax paid to Georgia; provided, however, with respect to the income not taxed at the entity level by Georgia, a resident owner would be eligible for the credit under O.C.G.A. § [48-7-28](#) provided the requirements of that code section are met.
1. For example. A Subchapter "S" corporation makes the election to pay tax at the pass-through entity level in Georgia. Such electing pass-through entity apportions, pursuant to O.C.G.A. § [48-7-31](#), 30% of its income to Georgia and pays tax at the entity level on such income. The entity also apportions 70% of its income to another state. The resident owner files an income tax return in another state, that levies a tax upon net income, and the owner pays tax on such 70% of the income in that other state. The resident owner would be eligible for a credit under O.C.G.A. § [48-7-28](#) for such taxes.
- (d) No electing pass-through entity nor any of its owners shall be entitled to any adjustment under subsection (d) of O.C.G.A. § [48-7-27](#) for the income taxed at the entity level by Georgia; provided, however, with respect to the income not taxed at the entity level by Georgia, a resident owner would be eligible for the adjustment under subsection (d) of O.C.G.A. § [48-7-27](#) provided the requirements of subsection (d) of O.C.G.A. § [48-7-27](#) are met. As such a resident owner would be eligible for the adjustment under subsection (d) of O.C.G.A. § [48-7-27](#) if the electing pass-through entity makes a similar election in another state provided the requirements of subsection (d) of O.C.G.A. § [48-7-27](#) are met.
1. For example. A partnership makes the election to pay tax at the pass-through entity level in Georgia. Such electing pass-through entity apportions, pursuant to O.C.G.A. § [48-7-31](#), 30% of its income to Georgia and pays tax at the entity level on such income. The entity also apportions 70% of its income to another state that allows a similar election to pay a tax on or measured by income at the pass-through entity level. The entity files a return in such state for the other 70% of the entity's income and the entity pays tax on such income. A resident owner would be eligible for the adjustment under subsection (d) of O.C.G.A. § [48-7-27](#) for such income.
- (8) **Electing Pass-Through Entity with Certain Pension Plans.** If an electing pass-through entity has a pension plan where certain qualified retirement income is paid to retired owners (normally as a guaranteed payment) and such income can only, based on Federal law, be taxed by a retiree's state of residence in the year of payment, such electing pass-through entity shall subtract such guaranteed payment from its Georgia's income before allocating and apportioning such income pursuant to O.C.G.A. § [48-7-31](#). The amount subtracted shall then be taxed by the retiree's state of residence and such retiree shall not be eligible for the subtraction or addition to income for such respective share of the portion of income provided by paragraph (9).

(9) Owner Subtraction.

- (a) Owners of an electing pass-through entity shall not recognize their respective share of the portion of income or loss that was apportioned and allocated to Georgia pursuant to this regulation. Such owner shall start with Federal Adjusted Gross income and then subtract on their Georgia income tax return their respective share of the income that was apportioned and allocated to Georgia at the entity level. In the event the electing pass-through entity has a loss at the entity level, the owner shall start with Federal Adjusted Gross income and add on their Georgia income tax return their respective share of the apportioned and allocated loss at the entity level. Any Georgia adjustments attributable to the owner's distributive share of such income or loss shall be adjusted proportionally.
- (b) The subtraction or addition shall be made by the owners even when the electing pass-through entity uses credits to offset the tax that is due or uses net operating losses to offset the income.
- (c) The remaining income of the owner is taxed using the rates provided in O.C.G.A. § [48-7-20](#) or the applicable rate provided in Chapter 7 of Title 48 for an owner not subject to O.C.G.A. § [48-7-20](#).
- (d) If a nonresident owner's only source of Georgia income is the income that was taxed at the pass-through entity level, no return is required to be filed by such owner.
- (e) In the event the electing pass-through entity has a different year end than the owners, the income shall be subtracted or added in the year in which the income was included in federal taxable income by the owners.

(10) Audits.

- (a) A partnership that is audited by the Internal Revenue Service shall be required to report and pay the tax attributable to the audit at the entity level for a reviewed year where the election was made. The adjusted income that is taxed at the entity level shall be computed as provided in this regulation. In such case the provisions of Regulation [560-7-3-.11](#) shall not apply, instead the partnership shall file an amended return and report such adjustments and pay any tax required or claim any refund that is allowed based on the rules that normally apply to C-Corporations.
- (b) An electing pass-through entity that is audited by the Department of Revenue shall be required to report and pay the tax attributable to the audit at the entity level for a reviewed year where the election was made. The adjusted income that is taxed at the entity level shall be computed as provided in this regulation. In such case the provisions of Regulation [560-7-3-.11](#) shall not apply, instead the pass-through entity shall be subject to the rules that normally apply to C-Corporations.

- (11) **Investment Pass-Through Entities and Exempt Owners.** A pass-through entity that has owners that are exempt pursuant to O.C.G.A. § [48-7-24\(c\)](#) or that are otherwise exempt pursuant to O.C.G.A. § [48-7-25](#), shall be eligible to make the election and shall exclude the income that is exempt in arriving at the Georgia taxable income before apportionment and allocation; provided, however, any owners for which their respective share of the portion of income was excluded shall not be eligible for the subtraction or addition to income for such respective share of the portion of income provided by paragraph (9).
- (12) **Withholding Under O.C.G.A. §§ [48-7-129](#) and [48-7-128](#).**
- (a) An electing pass-through entity shall not be required to withhold tax as provided by O.C.G.A. § [48-7-129](#).
 - (b) An electing pass-through entity that sells property shall certify to the buyer on Form IT-AFF3 that the seller qualifies for and has made or will make the election to be taxed at the entity level pursuant to O.C.G.A. § [48-7-21](#) and O.C.G.A. § [48-7-23](#) and as such the seller is exempt from the withholding required by O.C.G.A. § [48-7-128](#).
- (13) **Subchapter "S" Corporation Specific Issues.**
- (a) A Subchapter "S" corporation with nonresident owners, which has pursuant to Regulation [560-7-3-.06](#) been filing as a C-Corporation and that makes the election to pay tax at the pass-through entity level, shall carryover any tax attributes, including but not limited to credits and net operating losses, from tax years when the entity was filing as a C-Corporation.
 - (b) A Subchapter "S" corporation is not required to file Form 600S-CA "Consent Agreement of Nonresident Shareholders of S Corporations" for any year where the election is made. A Subchapter "S" corporation with nonresident owners which has filed the required Form 600S-CA "Consent Agreement of Nonresident Shareholders of S Corporations" which is effective for the year before the year it elects to pay tax at the entity level, shall not be required to obtain and file such consents again if it does not make the election in a later year.
- (14) **Effective Date.** The principles set forth in this regulation will apply to taxable years beginning on or after January 1, 2022.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.03

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-21](#), [48-7-23](#), [48-7-24](#), [48-7-27](#), [48-7-51](#), [48-7-53](#), [48-7-100](#), [48-7-117](#), [48-7-119](#), [48-7-120](#), [48-7-121](#), [48-7-129](#).

History. Original Rule entitled "Department of Revenue; State Revenue Commissioner; Deputy State Revenue Commissioner" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Adopted: New Rule entitled "Election to Pay Tax at the Pass-Through Entity Level." F. Dec. 7, 2021; eff. Dec. 27, 2021.

Rule 560-7-3-.04. Captive Real Estate Investment Trust Expenses and Costs.

- (1) **Purpose.** The purpose of this regulation is to provide guidance with regard to the administration of O.C.G.A. § [48-7-28.4](#), which requires the taxpayer to add back certain captive real estate investment trust (REIT) expenses and costs. For purposes of this regulation, such expenses and costs shall be referred to as captive REIT costs and the captive real estate investment trust shall be referred to as the captive REIT.
- (2) **General Guidelines.** The Department requires all direct and indirect captive REIT costs to be added back to income prior to claiming an exception to the addback adjustment. Any person that paid, accrued, or incurred such captive REIT costs must complete Form IT-REIT.
- (3) **Direct and Indirect Expenses.** If an expense that is paid, accrued, or incurred by a taxpayer is related, directly or indirectly, to a captive REIT cost paid, accrued, or incurred, directly or indirectly, by or for any other related member, it is an indirect captive REIT cost and as such is required to be added back as provided in O.C.G.A. § [48-7-28.4](#). For example:
 - (a) Corporation C is a captive REIT with respect to Corporations A and B. Corporation A is a Georgia taxpayer that pays rent to Corporation B. Corporation B makes captive REIT cost payments to Corporation C. To the extent the captive REIT costs which Corporation B pays to Corporation C are directly or indirectly included in the rent Corporation A pays to Corporation B, the direct captive REIT costs of Corporation B are considered to be indirect captive REIT costs of Corporation A. As such, for purposes of O.C.G.A. § [48-7-28.4](#), Corporation A is deemed to indirectly pay captive REIT costs to Corporation C that are subject to the addback adjustment.
 - (b) Corporation C is a captive REIT with respect to Corporations A and B. Corporation A is a Georgia taxpayer that purchases products from Corporation B. Corporation B makes captive REIT cost payments to Corporation C. To the extent the captive REIT costs which Corporation B pays to Corporation C are directly or indirectly included in the costs of the products or services Corporation A purchases from Corporation B, the direct captive REIT costs of Corporation B are considered to be indirect captive REIT costs of Corporation A. As such, for purposes of O.C.G.A. § [48-7-28.4](#), Corporation A is deemed to indirectly pay captive REIT costs to Corporation C that are subject to the addback adjustment.
 - (c) Corporation C is a captive REIT with respect to Corporations A and B. Corporation A is a Georgia taxpayer that pays a management fee to Corporation B. Corporation B makes captive REIT cost payments to Corporation C. To the extent the captive REIT costs which Corporation B pays to Corporation C are directly or indirectly included in the costs of the management services Corporation A purchases from Corporation B, the direct captive REIT costs of Corporation B are considered to be indirect captive REIT costs of Corporation A. As such, for

purposes of O.C.G.A. § [48-7-28.4](#), Corporation A is deemed to indirectly pay captive REIT costs to Corporation C that are subject to the addback adjustment.

- (4) **Authority to Reverse Adjustment.** Subsection (d) of O.C.G.A. § [48-7-28.4](#) provides that the Commissioner shall have the authority to reverse in whole or in part the adjustments required by subsection (b) of O.C.G.A. § [48-7-28.4](#) when the taxpayer and the Commissioner agree in writing to the application or use of an alternative method of apportionment under subparagraph (d)(2)(C) of O.C.G.A. § [48-7-31](#), O.C.G.A. § [48-7-35](#), or O.C.G.A. § [48-7-31.1](#). Except with respect to O.C.G.A. § [48-7-31.1](#), taxpayers that wish to request such permission from the Commissioner shall file an application, petition, or request with the Commissioner at least ninety (90) days prior to the due date of the Georgia return (including extensions) or at least ninety (90) days prior to the filing of the return, whichever occurs first, for the tax year for which such application or use of an alternative method of apportionment is requested. Failure to request permission by such time will result in the filing of income tax returns subject to the regular apportionment methods for the applicable tax year. Except with respect to O.C.G.A. § [48-7-31.1](#), the reversal of the adjustment shall be applied:

- (a) Only in those cases where unusual fact patterns occur that are unique and which will produce incongruous results based upon standard allocation and apportionment provisions; and
- (b) Only when the taxpayer establishes by clear and convincing evidence that the taxpayer's proposed allocation and apportionment method would more clearly reflect the income attributable to the trade or business within Georgia.

- (5) **Exception for Income Allocated or Apportioned to and Taxed by Georgia or Another State.** The various factors of the exception for income allocated or apportioned to and taxed by Georgia or another state are set forth below:

- (a) Subsection (e) of O.C.G.A. § [48-7-28.4](#) provides that the adjustment required by subsection (b) of O.C.G.A. § [48-7-28.4](#) shall be reduced, but not below zero, to the extent the corresponding captive REIT costs paid, accrued, or incurred by the taxpayer are received as income in an arm's length transaction, as defined below in subparagraph (5)(c)5. (i), by the captive REIT and the amount to be included in the income base is allocated or apportioned, or both, to and taxed by Georgia or another state that imposes a tax on or measured by the income of the captive REIT. For purposes of this paragraph, the corresponding expenses and costs shall not be considered to have been received as income by the captive REIT to the extent such income is reduced, in computing the income of the captive REIT in Georgia or another state, by the dividends paid deduction or by expenses paid, accrued, or incurred by the captive REIT to persons that are not related members, or both. For example:

- 1. A taxpayer doing business in Georgia expenses \$5,000,000 in captive REIT costs. The captive REIT files a return in State A. The captive REIT's

apportionment ratio in State A is 75%. The captive REIT has no dividends paid deduction and no expenses paid, accrued, or incurred to persons that are not related members. Applying the apportionment ratio to the income of the captive REIT results in \$3,750,000 of the captive REIT's income being apportioned to and taxed in State A. Subtracting the \$3,750,000 from the \$5,000,000 results in the taxpayer making an addback adjustment for Georgia purposes of \$1,250,000.

2. A taxpayer doing business in Georgia expenses \$5,000,000 in captive REIT costs. The captive REIT files a return in State B. The captive REIT's apportionment ratio in State B is 75%. However, the captive REIT has a dividends paid deduction of \$2,500,000 and expenses paid, accrued, or incurred to persons that are not related members of \$2,000,000, both of which reduce the income to \$500,000. Applying the apportionment ratio to the income of \$500,000 results in \$375,000 of the captive REIT's income being apportioned to and taxed in State B. Subtracting the \$375,000 from the \$5,000,000 results in the taxpayer making an addback adjustment for Georgia purposes of \$4,625,000.
 3. A taxpayer doing business in Georgia expenses \$5,000,000 in captive REIT costs. The captive REIT does not file returns in any state. However, the taxpayer is required by State C to adjust their income for such captive REIT costs. Assume this results in the taxpayer decreasing their expense in State C by \$2,500,000. Since it is the taxpayer itself and not the captive REIT that is being taxed by State C, the addback adjustment for Georgia purposes is not reduced and is equal to \$5,000,000.
- (b) To the extent a taxpayer is deemed to indirectly pay captive REIT costs as provided in paragraph (3), the taxpayer shall be eligible for this exception only to the extent such captive REIT costs indirectly received by the captive REIT meet the requirements of this exception. For example: Assume the same facts as those in the example in subparagraph (3)(a). The exception would only be available if the captive REIT costs deemed to be paid by Corporation A to Corporation C are received as income in an arm's length transaction by Corporation C and such income is allocated or apportioned, or both, to and taxed by Georgia or another state that imposes a tax on or measured by the income of Corporation C.
- (c) When a taxpayer seeks to claim the exception provided by subsection (e) of O.C.G.A. § [48-7-28.4](#), the taxpayer must attach a copy of Form IT-REIT and any applicable schedules to its tax return and provide the following information on the Form IT-REIT (with all supporting documentation to be made available upon request):
1. The name and federal identification number of the captive REIT(s);

2. The name of each state and type of tax paid;
3. The amount of the captive REIT costs;
4. The amount of captive REIT costs subject to apportionment and/or allocation and reduced by the dividends paid deduction and by expenses paid, accrued, or incurred to persons that are not related members, the apportionment ratio, and the amount of income apportioned after applying the ratio for each state for such captive REIT;
5. A brief description of the arm's length status of the transactions between the taxpayer and the captive REIT. However, a more detailed description needs to be made available upon request or upon audit. The following shall apply with respect to such detailed description:
 - (i) The taxpayer must establish and substantiate by a preponderance of evidence that the amount of the cost or expense in question was substantially identical to what would be expended in an arm's length transaction under substantially similar circumstances. "Arm's length" is the amount of consideration that would be paid or received in a transaction between unrelated persons, whereby neither person is under any compulsion to enter into the transaction and each person has reasonable knowledge of all relevant facts. This arm's length standard is also met if the results of a transaction are consistent with the results unrelated taxpayers would have had if they had engaged in the same transaction under the same circumstances;
 - (ii) For purposes of substantiating that the amount of such expense(s) was at arm's length, a taxpayer who is relying upon an appraisal or a study must identify and make available upon request such appraisal or study and provide the name of the preparer thereof, and state the date on which such appraisal or study was issued and the general conclusions thereof;
 - (iii) In general, the Commissioner will be more likely to allow an exception when a taxpayer and a captive REIT are not controlled or managed on a day-to-day basis by the same person(s) and the same person(s) did not occupy both sides of the bargaining table. This will be particularly so when the taxpayer and a captive REIT were previously independent entities or, if not previously independent, function like independent entities without interconnected activities or overlapping interests. The taxpayer must indicate whether the taxpayer believes that the transaction was in fact negotiated by the taxpayer and a captive REIT who were dealing with each other on an arm's length basis. At the same time, the Commissioner

recognizes that in many controlled-group contexts, a taxpayer and a captive REIT will not in fact conduct arm's length negotiations. If the terms of an agreement between a taxpayer and a captive REIT are substantially the same as those that unrelated parties would have entered into, the fact that the overall organization of which a taxpayer and a captive REIT form a part is centrally managed will not, by itself, preclude relief from the addback provisions;

- (iv) The taxpayer must explain and clarify in detail how the captive REIT obtained the assets in question, such as whether the assets were either purchased by the captive REIT from a person that was not a related member or were purchased or received from a related member in an arm's length sales transaction and whether the assets were legally transferred to the captive REIT; and
- (v) Where a taxpayer cannot show by a preponderance of evidence that the amount of the deduction was at arm's length, the Commissioner may adjust the cost or expense to reflect arm's length pricing or, alternatively, may deny the taxpayer's exception claim in its entirety; and

6. Such other information as the Commissioner may prescribe.

(6) **Exception for Expenses Paid, Accrued, or Incurred to Persons that are not Related Members.** The following provides for the exception for expenses paid, accrued, or incurred by a captive REIT to persons that are not related members.

(a) Subsection (c) of O.C.G.A. § [48-7-28.4](#) provides that the adjustment required by subsection (b) of O.C.G.A. § [48-7-28.4](#) shall be reduced, but not below zero, if and to the extent:

- 1. The captive REIT costs received as income by the captive REIT are reduced by expenses paid, accrued, or incurred to persons that are not related members; and
- 2. Such expenses are allowed in computing the captive REIT's federal taxable income.

(b) Depreciation shall be considered paid, accrued, or incurred by a captive REIT to persons that are not related members provided the assets on which the depreciation is being claimed were purchased from a person who was not a related member or were purchased or received from a related member in an arm's length transaction and the assets were legally transferred to the captive REIT. The provisions listed

in subparagraph (5)(c)5. shall apply with respect to such arm's length determination.

- (c) When a taxpayer seeks to claim the exception provided by subsection (c) of O.C.G.A. § [48-7-28.4](#), the taxpayer must provide the following information on the Form IT-REIT (with all supporting documentation to be made available upon request or upon audit):
1. The amount of the expenses paid, accrued, or incurred by a captive REIT to persons that are not related members;
 2. A schedule which provides a breakdown of costs by type of expense;
 3. For any depreciation claimed, a representation as to whether the related assets were purchased from a person who was not a related member or were purchased or received from a related member in an arm's length transaction and the assets were legally transferred to the captive REIT; and
 4. Such other information as the Commissioner may prescribe.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.04

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-28.4](#).

History. Original Rule entitled "Compromise of Penalty Cases" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Amended: New Rule entitled "Captive Real Estate Investment Trust Expenses and Costs" adopted. F. Oct. 15, 2009; eff. Nov. 4, 2009.

Rule 560-7-3-.05. Related Member Interest Expenses and Costs; and Intangible Expenses and Costs.

- (1) **Purpose.** The purpose of this regulation is to provide guidance with regard to the administration of O.C.G.A. § [48-7-28.3](#), which requires the taxpayer to add back certain related member interest expenses and costs, and intangible expenses and costs. For purposes of this regulation, such expenses shall be referred to as related member costs.
- (2) **General Guidelines.** The Department requires all direct and indirect related member costs to be added back to income prior to claiming an exception to the addback adjustment. Any person that paid, accrued, or incurred such related member costs must complete Form IT-Addback.
- (3) **Direct and Indirect Expenses.** If an expense that is paid, accrued, or incurred by one related member is related, directly or indirectly, to a related member cost paid, accrued, or incurred, directly or indirectly, by or for any other related member, it is an indirect

related member cost and as such is required to be added back as provided in O.C.G.A. § [48-7-28.3](#). For example:

- (a) Corporations B and C are related members with respect to Corporation A. Corporation A is a Georgia taxpayer that purchases products from Corporation B. Corporation B licenses intangible property from Corporation C and as such makes related member cost payments to Corporation C. To the extent the related member costs which Corporation B pays to Corporation C are directly or indirectly included in the costs of the products or services Corporation A purchases from Corporation B, the direct related member costs of Corporation B are considered to be indirect related member costs of Corporation A. As such, for purposes of O.C.G.A. § [48-7-28.3](#), Corporation A is deemed to indirectly pay related member costs to Corporation C that are subject to the addback adjustment.
 - (b) Corporations B and C are related members with respect to Corporation A. Corporation A is a Georgia taxpayer that pays a management fee to Corporation B. Corporation B licenses intangible property from Corporation C and as such makes related member cost payments to Corporation C. To the extent the related member costs which Corporation B pays to Corporation C are directly or indirectly included in the costs of the management services Corporation A purchases from Corporation B, the direct related member costs of Corporation B are considered to be indirect related member costs of Corporation A. As such, for purposes of O.C.G.A. § [48-7-28.3](#), Corporation A is deemed to indirectly pay related member costs to Corporation C that are subject to the addback adjustment.
 - (c) Corporation B is a related member with respect to Corporation A. Corporation A acquires intangible property from Corporation B, thus giving Corporation A a cost basis in the intangible property. The related amortization amount that may be permitted as a deduction pursuant to Internal Revenue Code § 197 would constitute a recovery of "costs directly or indirectly for, related to, or in connection with the direct or indirect acquisition [or]. ownership. of intangible property," as defined in O.C.G.A. § [48-7-28.3\(a\)\(4\)](#). Such amortization expense would therefore be considered an indirect related member cost of Corporation A subject to the addback adjustment.
- (4) **Authority to Reverse Adjustment.** Subsection (c) of O.C.G.A. § [48-7-28.3](#) provides that the Commissioner shall have the authority to reverse in whole or in part the adjustments required by subsection (b) of O.C.G.A. § [48-7-28.3](#) when the taxpayer and the Commissioner agree in writing to the application or use of an alternative method of apportionment under subparagraph (d)(2)(C) of O.C.G.A. § [48-7-31](#) (this subparagraph was redesignated from (E) to (C) effective January 1, 2008), O.C.G.A. § [48-7-35](#), or O.C.G.A. § [48-7-31.1](#). Except with respect to O.C.G.A. § [48-7-31.1](#), taxpayers that wish to request such permission from the Commissioner shall file an application, petition, or request with the Commissioner at least ninety (90) days prior to the due date of the Georgia return (including extensions) or at least ninety (90) days prior to the filing of the return, whichever occurs first, for the tax year for which such application or use of an

alternative method of apportionment is requested. Failure to request permission by such time will result in the filing of income tax returns subject to the regular apportionment methods for the applicable tax year. Except with respect to O.C.G.A. § [48-7-31.1](#), the reversal of the adjustment shall be applied:

- (a) Only in those cases where unusual fact patterns occur that are unique and which will produce incongruous results based upon standard allocation and apportionment provisions; and
- (b) Only when the taxpayer establishes by clear and convincing evidence that the taxpayer's proposed allocation and apportionment method would more clearly reflect the income attributable to the trade or business within Georgia.

(5) **Exception for Income Allocated or Apportioned to and Taxed by Georgia or Another State.** The various factors of the exception for income allocated or apportioned to and taxed by Georgia or another state are set forth below:

- (a) Subsection (d) of O.C.G.A. § [48-7-28.3](#) provides that the adjustment required by subsection (b) of O.C.G.A. § [48-7-28.3](#) shall be reduced, but not below zero, to the extent the corresponding related member costs are received as income in an arm's length transaction, as defined below in subparagraph (5)(d)5.i., by the related member and the amount to be included in the income base is allocated or apportioned, or both, to and taxed by Georgia or another state that imposes a tax on or measured by the income of the related member. For example:
 - 1. A taxpayer doing business in Georgia expenses \$5,000,000 in related member costs. The related member files a return in State A. The related member's apportionment ratio in State A is 75%. Applying the apportionment ratio to the income of the related member results in \$3,750,000 of the related member's income being apportioned to and taxed in State A. Subtracting the \$3,750,000 from the \$5,000,000 results in the taxpayer making an addback adjustment for Georgia purposes of \$1,250,000.
 - 2. A taxpayer doing business in Georgia expenses \$5,000,000 in related member costs. The related member files a return in State B. The related member's apportionment ratio in State B is 75%. However, the related member has expenses of \$500,000 that reduce the income to \$4,500,000. The taxpayer is not required to subtract the \$500,000 expense from the \$5,000,000 to determine the Georgia addback adjustment. Applying the apportionment ratio to the income of \$5,000,000 results in \$3,750,000 of the related member's income being apportioned to and taxed in State B. Subtracting the \$3,750,000 from the \$5,000,000 results in the taxpayer making an addback adjustment for Georgia purposes of \$1,250,000.
 - 3. A taxpayer doing business in Georgia expenses \$5,000,000 in related member costs. The related member does not file returns in any state.

However, the taxpayer is required by State C to adjust their income for such related member costs. Assume this results in the taxpayer decreasing their expense in State C by \$2,500,000. Since it is the taxpayer itself and not the related member that is being taxed by State C, the addback adjustment for Georgia purposes is not reduced and is equal to \$5,000,000.

- (b) If the related member's net income is eliminated or reduced or its tax liability is offset by a credit or similar adjustment that is dependent upon the related member either maintaining or managing intangible property or collecting interest income in that jurisdiction, such income shall not be considered to be taxed to the extent of such reduction of income or to the extent of the income corresponding to the reduction in tax liability. For example:

- 1. A taxpayer doing business in Georgia expenses \$5,000,000 in related member costs. The related member files a return in State D. The related member's apportionment ratio in State D is 75%. However, the related member's income is reduced by State D because the related member manages intangible property in State D and state D confers a credit or similar adjustment upon corporations that own or manage intangible property in that state. This credit or adjustment reduces the income of the related member that is actually taxed by \$2,000,000 to \$3,000,000. Applying the apportionment ratio (75%) to the reduced income of \$3,000,000, results in \$2,250,000 of the related member's income being apportioned to and taxed in State D. Subtracting the \$2,250,000 from the \$5,000,000 results in the taxpayer making an addback adjustment for Georgia purposes of \$2,750,000.

- (c) To the extent a taxpayer is deemed to indirectly pay related member costs as provided in paragraph (3), the taxpayer shall be eligible for this exception only to the extent such related member costs received by any other related member(s) meets the requirements of this exception. For example: Assume the same facts as those in the example in subparagraph (3)(a). The exception would only be available if the related member costs deemed to be paid by Corporation A to Corporation C are received as income in an arm's length transaction by Corporation C and such income is allocated or apportioned, or both, to and taxed by Georgia or another state that imposes a tax on or measured by the income of Corporation C.

- (d) When a taxpayer seeks to claim the exception provided by subsection (d) of O.C.G.A. § [48-7-28.3](#), the taxpayer must attach a copy of Form IT-Addback and any applicable schedules to its tax return and provide the following information on the Form IT-Addback (with all supporting documentation to be made available upon request):

- 1. The name and federal identification number of the related member(s);

2. The name of each state and type of tax paid;
3. The amount of the related member costs;
4. The amount of related member costs subject to apportionment and/or allocation, the apportionment ratio, and the amount of income apportioned after applying the ratio for each state for such related member;
5. A brief description of the arm's length status of the transactions between the taxpayer and the related member. However, a more detailed description needs to be made available upon request or upon audit. The following shall apply with respect to such detailed description:
 - (i) The taxpayer must establish and substantiate by a preponderance of evidence that the amount of the cost or expense in question was substantially identical to what would be expended in an arm's length transaction under substantially similar circumstances. "Arm's length" is the amount of consideration that would be paid or received in a transaction between unrelated persons, whereby neither person is under any compulsion to enter into the transaction and each person has reasonable knowledge of all relevant facts. This arm's length standard is also met if the results of a transaction are consistent with the results unrelated taxpayers would have had if they had engaged in the same transaction under the same circumstances;
 - (ii) For purposes of substantiating that the amount of such expense(s) was at arm's length, a taxpayer who is relying upon an appraisal or a study must identify and make available upon request such appraisal or study and provide the name of the preparer thereof, and state the date on which such appraisal or study was issued and the general conclusions thereof;
 - (iii) In general, the Commissioner will be more likely to allow an exception when the two related members are not controlled or managed on a day-to-day basis by the same person(s) and the same person(s) did not occupy both sides of the bargaining table. This will be particularly so when the two related members were previously independent entities or, if not previously independent, function like independent entities without interconnected activities or overlapping interests. The taxpayer must note whether the taxpayer believes that the transaction was in fact negotiated by related members who were dealing with each other on an arm's length basis. At the same time, the Commissioner recognizes that in many controlled-group contexts, related members will not in fact conduct arm's length negotiations. If the terms of an agreement

between related members are substantially the same as those that unrelated parties would have entered into, the fact that the overall organization of which the related members form a part is centrally managed will not, by itself, preclude relief from the addback provisions;

- (iv) The taxpayer must explain and clarify in detail how the related member obtained the intangibles in question, such as whether the intangibles were either developed by the related member that receives the payment or were purchased by the related member in a bona fide arm's length sales transaction; and
- (v) Where a taxpayer cannot show by a preponderance of evidence that the amount of the deduction was at arm's length, the Commissioner may adjust the cost or expense to reflect arm's length pricing or, alternatively, may deny the taxpayer's exception claim in its entirety; and

6. Such other information as the Commissioner may prescribe.

(6) Exception for Expenses Paid, Accrued, or Incurred to a Related Member Domiciled in a Foreign Country. The following provides for the exception for expenses paid, accrued, or incurred to a related member domiciled in a foreign country:

- (a) Subsection (e) of O.C.G.A. § [48-7-28.3](#) provides that the adjustment required by subsection (b) of O.C.G.A. § [48-7-28.3](#) shall be reduced, but not below zero, if and to the extent:
 - 1. The related member costs are paid, accrued, or incurred to a related member domiciled in a foreign nation which has in force a comprehensive income tax treaty with the United States;
 - 2. The transaction giving rise to the related member costs has a valid business purpose; and
 - 3. The amounts of such related member costs were determined at arm's length rates.
- (b) When a taxpayer seeks to claim the exception provided by subsection (e) of O.C.G.A. § [48-7-28.3](#), the taxpayer must provide the following information on the Form IT-Addback (with all supporting documentation to be made available upon request or upon audit):
 - 1. The name and federal identification number of the related member;

2. The amount of the related member costs;
 3. The country of domicile of the related member;
 4. A description of the comprehensive income tax treaty;
 5. A description of the business purpose of the transactions between the taxpayer and the related member. The following shall apply with respect to such description:
 - (i) The taxpayer's business purpose or purposes for its transaction must be stated in specific terms and not in the abstract. Also, the purpose or purposes stated should relate to the particular transaction(s) for which the deduction is being claimed and not, for example, to the formation of the related member entity that takes part in the transaction. Further, the taxpayer's business purpose or purposes should be related to business activity that is conducted by the taxpayer or business activity that the taxpayer is planning to conduct;
 - (ii) The taxpayer must identify each of the elements of the transaction(s) that it relies upon to support a finding that the activity or transaction changes in a meaningful way, apart from the tax effects, the economic position of the taxpayer. If the taxpayer entered into the transaction on the advice of a tax advisor, or the terms of the engagement with a tax advisor determined the fee paid directly or indirectly to the advisor by reference to the actual or anticipated tax savings derived from the transaction, the taxpayer must disclose such fact(s); and
 - (iii) A statement as to whether the payments in either case were made pursuant to one or more written agreements and if so must briefly describe each agreement. Further, the taxpayer must state how the taxpayer actually used the intangible property in question;
 6. A description of the arm's length status of the transactions between the taxpayer and the related member. The provisions listed in subparagraph (5)(d)5. shall apply with respect to such description; and
 7. Such other information as the Commissioner may prescribe.
- (c) For example: Corporation A, a foreign corporation, domiciled in a jurisdiction that has entered into a comprehensive income tax treaty with the United States of America, owns directly or indirectly 100 percent of the outstanding shares of three U.S. domestic subsidiaries (Corporation B, Corporation C, and Corporation D). Corporation B and Corporation C utilize certain technology developed by

Corporation A in their daily operations of manufacturing products for resale. Corporation D was formed to hold and does hold the U.S. rights to such technologies developed by Corporation A. Corporation B and Corporation C pay a royalty to Corporation D for the ability to use the technology developed by Corporation A in its daily operations. Corporation D pays an annual royalty to Corporation A based on the amount of royalties it receives from Corporation B and Corporation C. Amounts paid to Corporation D by Corporation B and Corporation C would be eligible for the exception provided they otherwise qualify. Also the amounts paid by Corporation D to Corporation A would be eligible for the exception provided they otherwise qualify.

(7) **Exception for Expenses to a Related Member who Paid, Accrued, or Incurred Expenses to a Person who is not a Related Member.** The following provides for the exception for expenses to a related member who paid, accrued, or incurred expenses to a person who is not a related member:

- (a) Subsection (f) of O.C.G.A. § [48-7-28.3](#) provides that the adjustment required by subsection (b) of O.C.G.A. § [48-7-28.3](#) does not apply to the portion of related member costs that the taxpayer establishes by a preponderance of the evidence that the related member during the same taxable year directly or indirectly paid, accrued, or incurred to a person that is not a related member and the transaction giving rise to the related member costs has a valid business purpose.
- (b) When a taxpayer seeks to claim the exception provided by subsection (f) of O.C.G.A. § [48-7-28.3](#), the taxpayer must provide the following information on the Form IT-Addback (with all supporting documentation to be made available upon request or upon audit):
 - 1. The name and federal identification number of the related member and the name of the unrelated party to whom the related member paid the related member costs for the same intangible property licensed to the taxpayer;
 - 2. A description of the business purpose of the transactions between the taxpayer and the related member and between the related member and the unrelated party. The following shall apply with respect to such description:
 - (i) The taxpayer's and related member's business purpose or purposes for their transactions must be stated in specific terms and not in the abstract. Also, the purpose or purposes stated should relate to the particular transactions for which the deduction is being claimed and not, for example, to the formation of the related member entity that takes part in the transaction. Further, the taxpayer's and related member's business purpose or purposes should be related to business activity that is conducted by the taxpayer and related member or business activity that the taxpayer and related member are planning to conduct;

- (ii) The taxpayer must identify each of the elements of the transaction that it relies upon to support a finding that the activity or transaction changes in a meaningful way, apart from the tax effects, the economic position of the taxpayer and related member. If the taxpayer and related member entered into the transaction on the advice of a tax advisor, or the terms of the engagement with a tax advisor determined the fee paid directly or indirectly to the advisor by reference to the actual or anticipated tax savings derived from the transaction, the taxpayer must disclose such fact(s); and
 - (iii) A statement as to whether the payments were made pursuant to one or more written agreements and if so a brief description of each agreement. Further, the taxpayer and related member must state how the taxpayer and related member actually used the intangible property in question;
- 3. The amount of related member costs paid by the taxpayer to the related member and the related member costs paid by the related member to the unrelated party. If the two sets of payments are not identical in kind or amount or in any other respect the taxpayer must explain the basis for the discrepancy; and
- 4. Such other information as the Commissioner may prescribe.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-20](#), [48-7-28.3](#).

History. Original Rule entitled "Rate of Taxation of Individuals" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Rate of Taxation of Individuals and Fiduciaries" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Repealed: F. Dec. 26, 2001; eff. Jan. 15, 2002.

Amended: New Rule entitled "Related Member Interest Expenses and Costs; and Intangible Expenses and Costs" adopted. F. June 8, 2009; eff. June 28, 2009.

Rule 560-7-3-.06. Taxation of Corporations.

- (1) **Taxable Income.** Georgia taxable income of a corporation before apportionment and allocation shall be computed pursuant to O.C.G.A. § [48-7-21](#).
- (2) **Affiliated Corporation.** For purposes of the affiliated corporations dividend deduction provided in O.C.G.A. § [48-7-21](#), the term "affiliated corporation" means a corporation that is a member of the taxpayer's "affiliated group" within the meaning of § 1504 of the Internal Revenue Code. This shall apply whether or not the affiliated group files a federal consolidated return.

- (3) **Separate Return.** In the event a taxpayer files a separate return with Georgia but is included in a consolidated federal return, the taxpayer shall start with its separate company federal taxable income or loss. The separate company federal taxable income or loss shall be the taxable income or loss of the corporation included in the consolidated federal return but without the modifications listed in Internal Revenue Service Regulation § 1.1502-12.
- (4) **Consolidated Return.** See Regulation [560-7-3-.13](#).
- (5) **Net Operating Losses.**
- (a) Net operating losses shall be treated as provided in paragraph (10.1) of subsection (b) of O.C.G.A. § [48-7-21](#). Any limitations included in the Internal Revenue Code of 1986 on the amount of net operating loss that can be used in a taxable year shall be applied; provided, however, that such limitations, including, but not limited to, the 80 percent limitation, shall be applied to Georgia taxable net income.
 - (b) In the event a taxpayer is entitled to a refund of income taxes by reason of a net operating loss carryback under paragraph (10.1) of subsection (b) of O.C.G.A. § [48-7-21](#), the taxpayer may file an amended return within the time period prescribed by O.C.G.A. § [48-7-21](#) or alternatively may file an "application for a tentative carryback adjustment of the taxes" within a period of twelve (12) months following the end of the taxable year of the net operating loss. The application shall be in such form as the Commissioner shall prescribe. Such application shall not constitute a claim for credit or refund for purposes of O.C.G.A. § [48-2-35](#). Within a period of ninety (90) days from the last day of the month in which the application for a tentative carryback adjustment is filed, the Commissioner shall make, to the extent he or she deems practicable in such period, a limited examination of the application to determine the amount of tax decrease attributable to such carryback adjustment upon the basis of the application and examination. The Commissioner may disallow, without further action, any application which contains errors of computation which he or she deems cannot be corrected within such ninety (90) day period or which contains material omissions. The decrease so determined shall be applied against any unpaid amount of the tax and the remainder shall, within such ninety (90) day period, be either credited against any income tax then due from the taxpayer, or refunded to the taxpayer. Any such credit or refund made within such ninety (90) day period shall be without interest. If the Commissioner should determine that the amount credited or refunded under this paragraph is in excess of the amount properly attributable to the carryback adjustment, he or she may assess the amount of the excess as a deficiency as if it were due to a mathematical error appearing on the face of a return.
 - (c) The provisions of § 108 of the Internal Revenue Code of 1986, as amended, as they relate to Georgia net operating losses, shall be applied as follows:

1. Except as otherwise provided in this regulation, the Internal Revenue Code § 108 provisions shall be applied in the same manner as provided in the Internal Revenue Code and related regulations. The reduction in the Georgia net operating losses shall be determined by applying the Georgia apportionment percentage for the year of the discharge to the amount of the Internal Revenue Code § 108 net operating loss reduction determined pursuant to this regulation.
 2. If the taxpayer files a consolidated federal income tax return, such provisions shall be applied on a separate entity basis. Thus, except as provided in this regulation, the Internal Revenue Service regulations relating to how to apply Internal Revenue Code § 108 to consolidated returns shall not apply. However, a determination under the federal consolidated return regulations that the separate entity has an amount of discharge of indebtedness income and or is required to reduce tax attributes shall also apply for Georgia purposes except that paragraph (a)(4) of Internal Revenue Service Regulation § 1.1502-28 shall not apply.
 3. Any elections, with respect to the order of the tax attribute reductions, made for federal income tax filing purposes and pursuant to Internal Revenue Service Regulations, shall also apply for Georgia purposes.
- (d) Except as otherwise provided in this regulation, the provisions of Internal Revenue Code § 381, as they relate to Georgia net operating losses, shall be applied in the same manner as provided in the Internal Revenue Code and related regulations. If the taxpayer files a consolidated federal income tax return, such provisions shall be applied on a separate entity basis. However, when one or more members is a distributee of assets in a liquidation to which Internal Revenue Code § 332 applies and such member or members in the aggregate own stock of the liquidating corporation that satisfies the requirements of Internal Revenue Code § 1504(a)(2), such member or members shall succeed to the net operating loss in the same manner as provided in the Internal Revenue Service Regulations.
- (e) The provisions of § 382 of the Internal Revenue Code of 1986, as amended, as they relate to Georgia net operating losses, shall be applied as follows:
1. Except as otherwise provided in this regulation, the Internal Revenue Code § 382 limitation shall be applied in the same manner as provided in the Internal Revenue Code and related regulations. Such limitation shall be computed on a separate entity basis even when a consolidated federal income tax return is filed. Except as provided in this regulation, the Internal Revenue Service Regulations regarding how to apply Internal Revenue Code § 382 when a consolidated return is filed and paragraph (f) of Internal Revenue Service Regulation § 1.382-8 shall not apply for Georgia purposes.

2. A determination that an ownership change has occurred for federal income tax filing purposes and pursuant to Internal Revenue Service Regulations (including those regulations relating to how to apply Internal Revenue Code § 382 to consolidated returns) shall apply for Georgia purposes.
 3. Adjustments to prevent duplication of value contained in the Internal Revenue Code § 382 regulations (including those regulations relating to how to apply Internal Revenue Code § 382 to consolidated returns if a consolidated federal return is filed) apply for Georgia purposes. However, the election to restore value provided in paragraph (c) of Internal Revenue Service Regulation § 1.382-8 shall not be available.
 4. Whenever an ownership change occurs, an Internal Revenue Code § 382 limitation will apply to all Georgia pre-change losses that are carried over to a post-change year. "Pre-change years" end on or before the date of an ownership change, while "post-change years" end after the date of an ownership change. In a post-change year, the limitation on the use of any pre-change year Georgia net operating losses shall be determined by applying that post-change year's apportionment percentage to the Internal Revenue Code § 382 limitation for that post-change year determined pursuant to this regulation.
 5. The Internal Revenue Code § 382 limitation does not reduce the total amount of pre-change Georgia net operating losses available for carry forward but, similar to federal treatment, restricts the amount of net operating losses from pre-change years that can be applied to the income in a post-change year.
 6. If there is any unused Internal Revenue Code § 382 limitation for Georgia purposes in a post-change year, the following year's limitation shall be increased by the excess amounts determined for Georgia tax purposes in a manner similar to Internal Revenue Code § 382(b)(2).
- (f) Except as otherwise provided in this regulation, the provisions of Internal Revenue Code § 384, as they relate to Georgia net operating losses, shall be applied in the same manner as provided in the Internal Revenue Code and related regulations. When a consolidated federal return is filed, the adjustment for such Internal Revenue Code Section shall be determined on a separate entity basis. The limitation on offsetting losses against any recognized built in gains which are allocated to Georgia shall be equal to the Internal Revenue Code § 384 limitation (determined pursuant to this regulation) attributable to such gains. The limitation on offsetting losses against any recognized gains which are apportioned to Georgia shall be equal to the Internal Revenue Code § 384 limitation (determined pursuant to this regulation) attributable to such gains multiplied by the apportionment percentage for the recognition period taxable year.

- (g) Consolidated net operating losses, including the application of §§ 108, 381, 382, and 384 of the Internal Revenue Code of 1986, shall be treated as provided in Regulation [560-7-3-.13](#).

(6) **"S" Elections.**

- (a) The Federal treatment of a Qualified Subchapter S Subsidiary (QSSS) applies for income tax purposes but not net worth tax purposes.
- (b) In the case of an S corporation where the Subchapter "S" election is not recognized as provided by O.C.G.A. §§ [48-7-21](#) and [48-7-27](#) the following shall apply:
 - 1. Losses incurred in a year the corporation is treated as an S corporation shall not be carried to a year the corporation is treated as a C corporation.
 - 2. Net operating losses incurred in a year the corporation is treated as a C corporation shall not be carried to a year the corporation is treated as an S Corporation. For example, in 2002 the corporation is treated as a C corporation and has a net operating loss. The corporation elects to forego the carryback period and carries the net operating loss forward. In 2003 the corporation is treated as an S corporation. The net operating loss from 2002 may not be claimed in 2003. In 2004 the corporation is treated as a C Corporation. The net operating loss from 2002 may be claimed in 2004. However, the year the corporation is treated as an S Corporation is included as a taxable year for the purpose of determining the number of taxable years that a net operating loss may be carried forward or back.
 - 3. In order to pay the tax at the entity level, in a year the corporation is treated as a C corporation, the federal taxable income for purposes of O.C.G.A. § [48-7-21](#) shall be the federal taxable income of the Subchapter "S" corporation as computed pursuant to the Internal Revenue Code of 1986 including the separately stated items of income or loss (such as charitable contributions, the Section 179 deduction, etc.); provided, however, charitable contributions, the Section 179 deduction, and any other deduction which is subject to an Internal Revenue Code of 1986 limitation, shall be limited to what is allowed pursuant to the Internal Revenue Code of 1986 for a C-Corporation.
 - 4. The federal treatment of a Qualified Subchapter S Subsidiary (QSSS) applies even in a year the parent corporation is treated as a C corporation for Georgia purposes.

- (7) **Exclusion for Income from Sources Outside the United States.** With respect to the exclusion provided by subparagraph (A) of paragraph (8) of subsection (b) of O.C.G.A. § [48-7-21](#) the following shall apply:

- (a) Only Federal C Corporations are allowed this Georgia exclusion. Also, income that flows from a pass-through entity to the C-Corp is eligible for this exclusion if the C-Corp is treated as an owner of a foreign corporation pursuant to the Internal Revenue Code.
 - (b) Only the net amount, after the Internal Revenue Code § 965(c) deduction or any other Internal Revenue Code deduction, is eligible for this exclusion.
 - (c) Georgia law does not provide deferral payment options like the options provided in §§ 965(h) and 965(i) of the Internal Revenue Code.
 - (d) An addition to Georgia taxable income must be made on the Georgia return for the expenses that are directly attributable to the net amount after the Internal Revenue Code § 965(c) deduction or any other Internal Revenue Code deduction.
- (8) **Electing Pass-Through Entity.** See Regulation [560-7-3-.03](#) for the rules regarding a Subchapter "S" corporation that makes the election to pay tax at the entity level.
- (9) **Effective Date.** The principles set forth in this regulation will apply to taxable years beginning on or after January 1, 2022. Taxable years beginning before January 1, 2022 will be governed by the regulations of Chapter 560-7 as they exist before January 1, 2022 in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.06

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-21](#), [48-7-51](#).

History. Original Rule entitled "Rate of Taxation of Corporations" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Taxation of Corporations" adopted. F. Dec. 12, 1969; eff. Dec. 31, 1969.

Amended: F. July 24, 1970; eff. August 13, 1970.

Amended: F. Sept. 27, 1974; eff. Oct. 17, 1974.

Repealed: New Rule of same title adopted. F. Dec. 2, 2005; eff. Dec. 22, 2005.

Amended: F. Dec. 7, 2006; eff. Dec. 27, 2006.

Amended: F. Nov. 29, 2018; eff. Dec. 19, 2018.

Amended: F. Dec. 7, 2021; eff. Dec. 27, 2021.

Rule 560-7-3-.07. Fiduciaries.

- (1) **Purpose.** The purpose of this Rule is to provide guidance concerning the taxation of fiduciaries as required under O.C.G.A. § [48-7-22](#).
- (2) **Definitions.** The term "fiduciary" shall mean the same as defined in O.C.G.A. § [48-1-2](#).
- (3) **General Provisions.**

- (a) The provisions of this Rule (relating to estates and trusts, fiduciaries, and beneficiaries) contemplate that the corpus of a trust, or the income therefrom is no longer to be regarded as that of the grantor. If, by virtue of the nature and purpose of the trust, the corpus or income therefrom remains attributable to the grantor, these provisions do not apply.
- (b) In general, the income of an estate or trust for the taxable year which is currently distributed and/or distributable to the respective beneficiaries must be returned by and will be taxed to the beneficiaries, but the income of a trust which is to be accumulated or held for future distribution, whether consisting of ordinary income or gain from the sale of assets included in the corpus of the trusts, must be returned by and will be taxed to the fiduciary. However, regardless of whether or not the income is taxable to the fiduciary or to the distributee, the fiduciary is primarily responsible for reporting all income, allocation of the tax being affected by permitting the fiduciary, under certain circumstances, to show as a deduction the amounts credited or paid to the distributee.
- (c) From the gross income of an estate or trust there are also deductible (in addition to the deductions allowed individuals) the following:
 - 1. Any income of the estate or trust for its taxable year which is distributable currently by the fiduciary to a legatee, heir or beneficiary, whether or not such income is actually distributed.
 - 2. Any income of the estate of a deceased person for its taxable year which is properly paid or credited during such year to a legatee or heir, and any income either of such an estate or a trust for its taxable year, which is similarly paid or credited during that year to a legatee, heir or beneficiary if there was vested in the fiduciary a discretion either to distribute or to accumulate such income.
 - 3. Any amount described in subparagraph (3)(c)1. and subparagraph (3)(c)2. as being deductible from the gross income of the estate or trust shall be included in computing the net income of the legatees, heirs, or beneficiaries, whether distributed to them or not. In general there shall be taxed to the fiduciary:
 - (i) Income accumulated in trust for the benefit of unborn or unascertained persons or persons with contingent interests and income accumulated or held for future distribution under the terms of the will or trust;
 - (ii) That part of the net income of estates or trusts which has not been distributed or become distributable to the beneficiaries during the taxable year;

- (iii) Income received by estates of deceased persons during the period of administration or settlement of estates; and
 - (iv) Income which, in the discretion of the fiduciary, may be either distributed to the beneficiaries or accumulated, to the extent not distributed during the taxable year. A net loss within a tax year sustained by an estate or trust is a loss to the corpus of the estate or trust, and is not claimable as a deduction by a beneficiary of the estate or trust, unless otherwise provided for in the governing indenture.
- (d) A deduction, in lieu of a personal exemption, shall be allowed to fiduciaries in accordance with O.C.G.A. § [48-7-26](#).
- (e) The net income of deceased individuals who, at the time of death, were residents and who died during the taxable year or subsequent thereto without having made a return shall be taxed at the rates and in the same manner as living persons. A return for any year or period for which no return has been filed by the decedent prior to his death shall be made and filed by the executor or administrator of the estate of such decedent or the person or persons having charge of the properties of such decedent. See Rule [560-7-7-.08](#) as to the determination of the net income for the final return of a taxpayer who dies during a taxable year.
- (f) A guardian, whether of an infant or other person, is a fiduciary, and as such is required to make and file the Form 500 Return for his ward and pay the tax.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-22](#), [48-7-26](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Fiduciaries" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-3-.08. Partnerships.

- (1) Except as provided in Paragraph (8), partnerships, as such, are not subject to income taxation under Georgia Law, but are required to make returns of income. The members of a partnership are, however, taxable upon their distributive shares of net income of such partnership, whether distributed or not, and are required to include such distributive share in their returns. The net income of the partnership shall be computed in the same manner and on the same basis as the net income of an individual, except that the declaration of contributions or gifts is not permitted, as these are allowable deductions subject to the limitations provided by the Internal Revenue Code of 1986 to the respective partners in their returns.

- (2) Each partner is required to include in the person's return, for the person's taxable year within which or with which the taxable year of the partnership ends, the person's distributive share of the net income of the partnership, whether or not distributed.
- (3) Where the result of partnership operation is a net loss, the loss will be divisible by the partners in the same proportion as net income would have been divisible (or, if the partnership agreement provides for the division of a loss in a manner different from the division of a gain, in the manner so provided), and may be taken by the partners in their return of income.
- (4) Payments made to a partner for services rendered or for interest on capital contributions are not deductible in computing the net income of the partnership, such payments being held to represent a division of partner profits.
- (5) Every partnership, including foreign partnerships, the members of which are subject to taxation under Georgia law, shall make a return for each taxable year, stating specifically the items of its gross income and the deductions allowed by this law, and shall include in the return the names and addresses of the members who would be entitled to share in the net income if distributed and the amount of the distributive share of each member. The return must be signed as provided by Regulation [560-3-2-.27](#).
- (6) Where one or more of the members is a resident of Georgia but a member of a partnership doing business without the State of Georgia, such resident member or members shall include in the person's return the person's distributive share (whether distributed or not) of the net income of the partnership for the taxable year.
- (7) Capital gains and losses shall be excluded in determining the partnership net income. Such sales and exchanges should be shown in detail on the Partnership return but the results should be transferred to the partners' returns in their proportionate share.
- (8) **Electing Pass-Through Entity.** See Regulation [560-7-3-.03](#) for the rules regarding a partnership that makes the election to pay tax at the entity level.
- (9) **Effective Date.** The principles set forth in this regulation will apply to taxable years beginning on or after January 1, 2022. Taxable years beginning before January 1, 2022 will be governed by the regulations of Chapter 560-7 as they exist before January 1, 2022 in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.08

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-23](#), [48-7-24](#), [48-7-53](#).

History. Original Rule entitled "Partnerships" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Feb. 6, 2001; eff. Feb. 26, 2001.

Amended: F. Dec. 7, 2021; eff. Dec. 27, 2021.

Rule 560-7-3-.09. Corporations and Organizations Exempt from Tax.

(1) Request for exempt status:

- (a) For taxable years beginning before January 1, 2008, any organization which is exempt from federal income taxation pursuant to Section 501(c), 501(d), 501(e), 664, or 401 of the Internal Revenue Code of 1986 and is requesting recognition of exemption from Georgia income tax under the provisions of O.C.G.A. § [48-7-25](#) must file with the State Revenue Commissioner a copy of the determination letter received by such organization from the Internal Revenue Service, along with a completed Form 3605, "Application for Recognition of Exemption." Such request shall be made by an officer of the organization. Additional information may be required of the exempt organization, as the Commissioner deems reasonably necessary. However, those organizations which have exempt status in effect under Section 501(c), 501(d), 501(e), 664, or 401 of the Internal Revenue Code of 1986 on January 1, 1987, shall retain the exempt status unless such status is revoked as provided in O.C.G.A. § [48-7-25](#) and this rule.
 - 1. For taxable years beginning on or after January 1, 2008, an organization which is exempt from federal income taxation pursuant to Section 501(c), 501(d), 501(e), 664, or 401 of the Internal Revenue Code of 1986 shall be deemed to have similar exempt status for purposes of Code Section [48-7-21](#). A copy of the Internal Revenue Service determination letter, along with a copy of all formation documents must be attached to the applicable, initial exempt organization tax return filed with the State of Georgia. Additionally, copies of the determination letter and all formation documents must also be retained by the organization and be available upon request.
- (b) The provisions of subsection (a) of O.C.G.A. § [48-7-25](#) are not applicable to pension, profit-sharing or stock bonus plans. The special provisions for these plans are as follows:
 - 1. If a trust forming a part of a pension, profit-sharing or stock bonus plan, exempt under the provisions of the Internal Revenue Code Section 501(a) and referred to in Internal Revenue Code Section 401(a), had a tax-exempt status on January 1, 1987, such trust may remain exempt for State purposes, without filing any additional application form or Internal Revenue Service determination letter with the Commissioner.
 - 2. For trusts created after January 1, 1987, the filing with the Commissioner of a copy of the determination letter from the Internal Revenue Service, in lieu of filing a separate application for exemption, is sufficient and any such favorable determination letter shall be controlling upon the Commissioner to the same extent and from the effective date thereof as it is upon the Internal Revenue Service. Such determination letter and all formation documents must be attached to the initial return filed with Georgia. Copies of the determination letter and all formation documents must also be retained by the organization and be available upon request.

3. The requirements for filing annual returns may be fulfilled by submitting to the Commissioner a copy of the annual report that was filed with the Internal Revenue Service.
- (2) For taxable years beginning before January 1, 2008, the State Revenue Commissioner shall examine the request for exempt status and notify the organization in writing of his or her decision. Until a determination letter granting an exempt status is issued by the Department, no exempt status shall exist for any organization pursuant to the provisions of O.C.G.A. § [48-7-25\(a\)\(1\)](#). Provided, however, the Commissioner may grant an exempt status retroactively to include that period of time the organization was declared to be exempt by the Internal Revenue Service. The burden is upon the organization to show it is entitled to exempt status.
 - (a) For taxable years beginning on or after January 1, 2008, while an organization's federal Form 1023 is waiting for approval from the IRS, the organization may operate as a tax-exempt organization. If an annual exempt organization return is due, the organization must file such return, indicating that its application is pending. If the organization has unrelated business income, the organization must also file a Form 600-T. If the Internal Revenue Service issues a retroactive determination, the Department shall generally recognize such retroactive determination date subject to the revocation provisions included in O.C.G.A. § [48-7-25](#) and this rule.
 - (3) For taxable years beginning before January 1, 2008, if the Commissioner denies an exempt status, the reasons for denial shall be set forth in writing and a copy of the reasons provided to the organization. The organization may file a petition for redetermination. Such petition must be filed within 30 days of the date the Commissioner notifies the organization of his or her adverse determination, unless the time period for filing the petition for review is extended by mutual agreement between the organization and the Commissioner. The petition shall set forth the contentions of the organization, including any arguments of fact or law which may entitle it to exempt status in Georgia. The Commissioner may grant a conference with respect to the petition, if requested by the organization in such petition.
 - (4) The Commissioner may revoke the exempt status of any organization in accordance with O.C.G.A. § [48-7-25](#) and this rule. The reasons for revocation shall be set forth in writing and a copy of the reasons provided to the organization. The organization may file a petition for redetermination. Such petition must be filed within 30 days of the date the Commissioner notifies the organization of his or her revocation, unless the time period for filing the petition for review is extended by mutual agreement between the organization and the Commissioner. The petition shall set forth the contentions of the organization, including any arguments of fact or law which may entitle it to exempt status in Georgia. The Commissioner may grant a conference with respect to the petition, if requested by the organization in such petition.

(5) Annual requirement of filing forms:

- (a) All exempt organizations, described in O.C.G.A. § [48-7-25\(a\)\(1\)](#), which have sufficient activity in Georgia to be declared a taxable entity (if not so exempt), shall file annually, with the State Revenue Commissioner, a copy of the form(s) filed annually with the Internal Revenue Service, unless such organization has received written exemption from the filing requirements from the Internal Revenue Service. Such filings shall be made within the period prescribed for filing said forms with the Internal Revenue Service. For taxable years beginning on or after January 1, 2008, the initial return filed by an exempt organization described in O.C.G.A. § [48-7-25\(a\)\(1\)](#), must include a copy of the determination letter received from the Internal Revenue Service granting exempt status, as well as a copy of all formation documents. The return will be rejected if these required documents are not attached. In addition, the Commissioner may require whatever additional forms and data he or she reasonably deems necessary for the proper administration of the tax laws of this State.
 - (b) The filing of annual returns as described in subparagraph (a) of this paragraph fulfills the requirement for filing annual returns under the Georgia Trust Act.
- (6) In addition to the revocation provisions of O.C.G.A. § [48-7-25](#), an exempt status will also be revoked when the corporation is either voluntarily or involuntarily dissolved.
- (7) Upon revocation of exempt status by the Internal Revenue Service for any reason, the organization immediately shall notify the Commissioner, file the necessary tax returns and pay the taxes due as required by law.
- (8) An exempt status granted for the purpose of exempting an organization from payment of income taxes to Georgia shall not excuse the filing of any return or the payment of any other taxes required by Georgia law.
- (9) Unrelated business income of exempt organizations:
- (a) Every exempt organization, having unrelated business income from Georgia sources or from activities within Georgia, shall annually file with the State Revenue Commissioner a copy of the appropriate Federal forms along with Georgia Form 600-T and pay the taxes as provided in O.C.G.A. § [48-7-25](#), as amended. Such unrelated business income shall be determined pursuant to Internal Revenue Code Section 512. If the unrelated business income is derived in part from Georgia sources or from property owned or business done within this State, and derived in part from property owned or business done outside this State, the tax is imposed only on that portion of the unrelated business income which is reasonably attributable to Georgia sources and property owned and business done within this state, such portion to be determined as provided in O.C.G.A. § [48-7-31](#). However, only the property, payroll, or receipts (receipts only for taxable years beginning on or after January 1, 2008) attributable to such unrelated business income shall be included in such determination. In the event such exempt

organization has a net operating loss, the net operating loss shall be treated in the same manner as provided for in O.C.G.A. § [48-7-21](#). Any applicable net operating loss (NOL) carryback can be utilized by filing an amended Form 600-T.

- (b) Such forms shall be filed with the Commissioner within the period prescribed for filing said forms with the Internal Revenue Service.
- (10) Penalties and interest applicable to the tax on unrelated business income will be calculated in the same manner as they are calculated on tax due under O.C.G.A. § [48-7-21](#).

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-25](#).

History. Original Rule entitled "Corporations and Organizations Exempt from Tax" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 12, 1969; eff. Dec. 31, 1969.

Amended: F. Mar. 23, 1977; eff. Apr. 12, 1977.

Repealed: New Rule of same title adopted. F. Feb. 22, 2006; eff. Mar. 14, 2006.

Amended: F. Aug. 29, 2009; eff. Sept. 8, 2009.

Rule 560-7-3-.10. Interest Income on Government Obligations.

- (1) **Purpose.** This Rule explains how to determine the interest expense related to interest and dividend income received on government obligations.
- (2) **General Rule.** O.C.G.A. §§ [48-7-21](#) and [48-7-27](#) require Georgia taxpayers to add back or subtract interest and/or dividend income on certain United States, state, and local government obligations. Interest and/or dividend income is required to be added back if the obligations are subject to Georgia taxation, but were exempt federally and thus were excluded from federal gross income. Interest and/or dividend income must be subtracted if the obligations were taxable federally, but are exempt for Georgia purposes. In addition, certain adjustments must be made to reflect the fact that Georgia taxes this income net of related interest expense. In order to treat all government obligations consistently, the same formula is used to determine interest expense directly or indirectly attributable to the production of the interest or dividend income. The taxpayer's total interest expense is multiplied by a fraction to determine such direct and indirect interest expense. The numerator of the fraction is the total of the average adjusted bases of the obligations at issue, and the denominator is the total of the average adjusted bases for all assets of the taxpayer.
- (3) **Interest on Obligations of Other States or Their Political Subdivisions; Addition.** Interest income received on obligations of any state other than Georgia or on obligations of political subdivisions of such other states must be added back to federal taxable income when calculating Georgia taxable income to the extent such interest was not

included in gross income for federal income tax purposes. If any related interest expenses were not deducted from federal taxable income, then the addition shall be reduced by the direct or indirect interest expenses attributable to such income. The following formula shall be utilized to determine such direct and indirect interest expense. The total interest expense shall be multiplied by a fraction, the numerator of which is the total of the taxpayer's average adjusted bases of the obligations at issue, and the denominator of which is the total of the average adjusted bases for all assets of the taxpayer. For example:

Taxpayer has \$3,000 of interest income which is exempt from federal income tax, but which is subject to Georgia taxation because the interest derives from obligations of states other than Georgia. The \$3,000 must be added back, but the taxpayer is allowed to subtract the related interest expense from the \$3,000 so that it is properly taxed on a net income basis. The total interest expense for the taxpayer is \$100,000. The total of the average adjusted bases for the obligations at issue is \$60,000, and the total of the average adjusted bases for all of the taxpayer's assets is \$24,000,000. The fraction of \$60,000 over \$24,000,000 yields 0.25%. Applying 0.25% to the \$100,000 total interest expense yields related interest expense of \$250. The \$3,000 addback is thus reduced by the \$250 of related interest expense, resulting in a net figure of \$2,750 of interest income that must be added back to the Georgia tax base.

$$\$3,000 - [\$100,000 \times \$60,000 / \$24,000,000] =$$

\$2,750 added back to the Georgia tax base

- (4) **Interest or Dividends on Obligations Exempted from Federal Income Tax But Not From State Income Tax; Addition.** Interest or dividends received on certain federal obligations which are exempt from federal income tax but not from state income tax must be added to taxable income. If any related interest expenses were not deducted from federal taxable income, then the addition shall be reduced by the direct or indirect interest expenses attributable to such income. The following formula shall be utilized to determine such direct and indirect interest expense. The total interest expense shall be multiplied by a fraction, the numerator of which is the total of the taxpayer's average adjusted bases of the obligations at issue, and the denominator of which is the total of the average adjusted bases for all assets of the taxpayer. For example:

Taxpayer has \$20,000 of interest income which is exempt from federal income tax, but which is subject to Georgia taxation. The interest income derives from federal obligations which are exempt from federal income tax but which are not exempt from state income tax. The \$20,000 must be added back, but the taxpayer is allowed to subtract the related interest expense from the \$20,000 so that it is properly taxed on a net income basis. The total interest expense for the taxpayer is \$50,000. The total of the average adjusted bases for the obligations at issue is \$400,000, and the total of the average adjusted bases for all of the taxpayer's assets is \$4,000,000. The fraction of \$400,000 over \$4,000,000 yields 10%. Applying 10% to the \$50,000 total interest expense yields related interest expense of \$5,000. The \$20,000 addback is thus reduced by the \$5,000 of related interest expense,

resulting in a net figure of \$15,000 of interest income that must be added back to the Georgia tax base.

$$\$20,000 - [\$50,000 \times \$400,000 / \$4,000,000] =$$

\$15,000 added back to the Georgia tax base

- (5) **Interest or Dividends on United States Obligations; Subtraction.** Interest or dividend income received on United States obligations which is included in gross income for federal income tax purposes, but which is exempt from state income taxes under federal and Georgia law, must be subtracted from taxable income. Any direct or indirect interest expenses attributable to such income shall first be applied to determine the correct amount to be subtracted. The following formula shall be utilized to determine the direct and indirect interest expense. The total interest expense shall be multiplied by a fraction, the numerator of which is the total of the taxpayer's average adjusted bases of the obligations at issue, and the denominator of which is the total of the average adjusted bases for all assets of the taxpayer. For example:

Taxpayer has \$10,000 of interest income from United States obligations which is taxable for federal income tax purposes, but which is exempt from Georgia taxation. The interest income must be subtracted from the Georgia tax base, but the taxpayer must first subtract the related interest expense from the \$10,000 so that only the net interest income is removed from the base; otherwise the related interest expense will shield unrelated income from Georgia taxation. The total interest expense for the taxpayer is \$100,000. The total of the average adjusted bases for the obligations at issue is \$200,000, and the average adjusted bases for all of the taxpayer's assets is \$10,000,000. The fraction of \$200,000 over \$10,000,000 yields 2%. Applying 2% to the \$100,000 total interest expense yields related interest expense of \$2,000. The \$10,000 of interest income is thus first reduced by the \$2,000 of related interest expense, resulting in a net figure of \$8,000 of interest income that must be subtracted from the Georgia tax base.

$$\$10,000 - [\$100,000 \times \$200,000 / \$10,000,000] =$$

\$8,000 subtracted from the Georgia tax base

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.10

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-21](#), [48-7-26](#), [48-7-27](#).

History. Original Rule entitled "Regulations; Dependents" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Personal Exemptions and Credits for Dependents" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Repealed: F. Dec. 26, 2001; eff. Jan. 15, 2002.

Amended: New Rule entitled "Interest Income on Government Obligations" adopted. F. Mar. 3, 2008; eff. Mar. 23, 2008.

Rule 560-7-3-.11. Partnership and Pass-Through Entity Audits.

- (1) **Purpose.** The purpose of this regulation is to provide guidance concerning the administration of federal adjustments pursuant to subsection (c) of O.C.G.A. § [48-7-53](#) and partnership and pass-through entity audits conducted by the Department pursuant to subsections (d) and (e) of O.C.G.A. § [48-7-53](#), respectively.
- (2) **Definitions.** As used in this regulation:
- (a) "Administrative adjustment request" means the same as provided in Section 6227 of the Internal Revenue Code of 1986 and the regulations thereunder.
 - (b) "Audited partnership" means a partnership subject to a final federal adjustment resulting from a partnership level audit.
 - (c) "Corporate partner" means a C corporation partner that is subject to tax pursuant to O.C.G.A. § [48-7-21](#).
 - (d) "Direct partner" means a person that holds an interest directly in an audited partnership, including a person who holds such interest through another person who is a disregarded LLC or other entity that is disregarded for federal and Georgia income tax purposes.
 - (e) "Exempt partner" means a partner that is exempt from taxation pursuant to paragraph (1) of subsection (a) of O.C.G.A. § [48-7-25](#).
 - (f) "Federal adjustment" means a change to an item or amount required to be determined under the Internal Revenue Code of 1986 and the regulations thereunder that is used by a partnership to compute state tax owed for the reviewed year where such change results from a partnership level audit. A federal adjustment is positive to the extent that it increases Georgia taxable net income or decreases a net loss as determined under Title 48 and is negative to the extent that it decreases Georgia taxable net income or increases a net loss as determined under Title 48.
 - (g) "Federal adjustments report" means an amended Georgia income tax return that arises directly or indirectly from a partnership level audit and which for the audited partnership and any tiered partners, identifies all partners that hold an interest directly in such audited partnership or tiered partner and provides the effect of the final federal adjustments on such partner's Georgia taxable net income. For the audited partnership, the federal adjustments report shall also contain information reasonably necessary to provide the Commissioner with an understanding of all adjustments to the audited partnership's federal taxable income and the amount of such adjustments allocated to each of its partners; a copy of the report received from the Internal Revenue Service shall be sufficient if it provides the Commissioner with an understanding of all adjustments to the audited partnership's federal taxable income and the amount of such adjustments allocated to each of its partners. For all tiered partners, the federal adjustments report shall also contain information reasonably necessary to provide the

Commissioner with an understanding of all adjustments to a tiered partner's federal taxable income and the amount of such adjustments allocated to each of its partners.

- (h) "Federal partnership representative" means the person the partnership designates for the taxable year as the partnership's representative, or the person the Internal Revenue Service has appointed to act as the federal partnership representative, pursuant to Section 6223(a) of the Internal Revenue Code of 1986 and the regulations thereunder.
- (i) "Fiduciary partner" means a fiduciary that is subject to tax pursuant to O.C.G.A. §§ [48-7-20](#) and [48-7-22](#).
- (j) "Final determination date" means the following:
 - 1. If the federal adjustment arises from a partnership level audit, the final determination date is the first day on which no federal adjustments arising from that audit remain to be finally determined, whether by agreement, or, if appealed or contested, by a final decision with respect to which all rights of appeal have been waived or exhausted. For agreements required to be signed by the Internal Revenue Service and the audited partnership, the final determination date is the date on which the last party signed the agreement; or
 - 2. If the adjustment results from filing an administrative adjustment request, the final determination date means the day on which the administrative adjustment request was filed.
- (k) "Final federal adjustment" means a federal adjustment after the final determination date for that federal adjustment has passed.
- (l) "Georgia income tax" means the tax imposed by O.C.G.A. §§ [48-7-20](#), [48-7-21](#), and [48-7-25](#), and as provided in subsection (c) of O.C.G.A. § [48-7-53](#).
- (m) "Indirect partner" means a partner in a partnership or pass-through entity where such partnership or pass-through entity itself holds an interest directly, or through another indirect partner, in a partnership or pass-through entity.
- (n) "Individual partner" means a partner who is a natural person that is subject to tax pursuant to O.C.G.A. § [48-7-20](#).
- (o) "Internal Revenue Service" means the Internal Revenue Service of the United States Department of the Treasury.
- (p) "Nonresident partner" means a partner that is not a resident as defined in O.C.G.A. § [48-7-53](#) and this regulation.

- (q) "Partner" means a person that holds an interest, directly or indirectly, in a partnership or pass-through entity.
- (r) "Partnership" means an entity subject to taxation under Subchapter K of the Internal Revenue Code of 1986 and the regulations thereunder and includes, but is not limited to, a syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on and which is not, within the meaning of this chapter, a trust, estate, or corporation.
- (s) "Partnership level audit" means an examination or other review by the Internal Revenue Service for taxable years beginning on or after January 1, 2018, at the partnership level pursuant to the Internal Revenue Code of 1986 and the regulations thereunder either of which results in final federal adjustments initiated and made by the Internal Revenue Service.
- (t) "Pass-through entity" means an entity, other than a partnership, that is not subject to tax under O.C.G.A. § [48-7-21](#) for C corporations but excluding an exempt partner.
- (u) "Reallocation adjustment" means a final federal adjustment that changes the shares of items of partnership income, gain, loss, expense, or credit allocated to a partner that holds an interest directly in a partnership or pass-through entity. A positive reallocation adjustment means a reallocation adjustment that would increase Georgia taxable net income or decrease a net loss for such partners, and a negative reallocation adjustment means a reallocation adjustment that would decrease Georgia taxable net income or increase a net loss for such partners.
- (v) "Resident partner" means for an individual or fiduciary partner, the same as provided in O.C.G.A. § [48-7-1](#) and for all other partners means a partner whose headquarters or principal place of business is located inside this state. Whether a person is a resident partner shall be based upon the facts as such existed during the reviewed year.
- (w) "Reviewed year" means the taxable year of a partnership that is subject to a partnership level audit from which final federal adjustments arise.
- (x) "State partnership audit or pass-through entity audit" means an examination by the Commissioner at the partnership or pass-through entity level which results in adjustments to partnership or pass-through entity related items or reallocations of income, expenses, gains, losses, credits, and other attributes among such partners for the reviewed year. Included within this definition are adjustments made at the partnership or pass-through entity level that may affect a partner's apportionment and/or allocation of income or loss.
- (y) "Tiered partner" means any partner that is a partnership or pass-through entity.

- (z) "Unrelated business income" means the income which is defined in Section 512 of the Internal Revenue Code of 1986 and the regulations thereunder.
- (aa) "Withholding partner" means a partner in a partnership for whom the partnership was required to withhold tax pursuant to O.C.G.A. § [48-7-129](#) for the reviewed year.

(3) Reporting of Partnership Federal Adjustments.

- (a) A federal adjustment shall be reported by the partnership and its direct and indirect partners as provided in subsection (c) of O.C.G.A. § [48-7-53](#). Although the Commissioner receives audit and other information from the Internal Revenue Service, partnerships and their representatives should monitor the progress of a federal audit so a determination can be made regarding compliance with O.C.G.A. § [48-7-53](#) and this regulation.
- (b) In order for a partnership or tiered partner to make the irrevocable election to pay the Georgia tax on behalf of its partners:
 - 1. It shall report the total additional Georgia taxable income on an amended Georgia income tax return, check the appropriate box to make the irrevocable election, and attach a schedule to its amended Georgia income tax return that includes the details of the federal adjustment and positive reallocation adjustments, any modifications to such federal adjustment and positive reallocation adjustments that are required by Title 48, the resulting final federal adjustments and positive reallocation adjustments as modified by Title 48, the amount of income allocated to and outside of Georgia pursuant to O.C.G.A. § [48-7-31\(c\)](#), the apportionment ratio of the partnership, the additional amount of Georgia taxable income apportioned and allocated to Georgia as provided by O.C.G.A. § [48-7-31](#), and the following information for each of its partners:
 - (i) The name of the partner;
 - (ii) The federal tax identification number of the partner;
 - (iii) The last known address of the partner;
 - (iv) The type of partner (i.e. partnership, C-Corporation, S-Corporation, individual, fiduciary, etc.); and
 - (v) For a partner that is a corporate partner, tiered partner, exempt partner, nonresident individual partner, or nonresident fiduciary partner:

- (I) The distributive share of the federal adjustment and positive reallocation adjustments;
 - (II) The distributive share of any modifications to such federal adjustment and positive reallocation adjustments that are required by Title 48;
 - (III) The distributive share of the final federal adjustments and positive reallocation adjustments as modified by Title 48, but before apportioning and allocating such adjustments as provided by O.C.G.A. § [48-7-31](#); and
 - (IV) The distributive share of the additional amount of Georgia taxable income apportioned and allocated to Georgia as provided by O.C.G.A. § [48-7-31](#) which equals the additional amount of Georgia taxable income for such partner;
 - (V) And for such partner that is an exempt partner, whether or not and to what extent the income was unrelated business income; and
- (vi) For a partner that is a resident individual partner or resident fiduciary partner:
- (I) The distributive share of the federal adjustment and positive reallocation adjustments;
 - (II) The distributive share of any modifications to such federal adjustment and positive reallocation adjustments that are required by Title 48; and
 - (III) The distributive share of the final federal adjustments and positive reallocation adjustments as modified by Title 48 without apportioning and allocating such adjustments as provided by O.C.G.A. § [48-7-31](#), which equals the additional amount of Georgia taxable income for such partner.
2. Each partner is required to provide information requested by the partnership or tiered partner so that the partnership can comply with subparagraph (3)(b)1.

3. Even when the partnership or tiered partner makes the election to pay the tax on behalf of its partners, the partnership shall also provide the subparagraph (3)(b)1. (v) and (vi) information to its partners; however, the partnership must also include the amount of Georgia income tax paid on each partner's behalf with a notation to the partner that such amount cannot be claimed on a Georgia return.
4. Only the following credits shall be eligible to reduce any tax owed when the partnership or tiered partner makes the election to pay the tax on behalf of its partners:
 - (i) Amounts paid by the partnership or tiered partner that have not been previously passed through and made available to its partners; and
 - (ii) Series 100 tax credits that are eligible to be directly transferred or sold pursuant to the applicable statute and that have not been previously passed through and made available to the partners of the partnership or tiered partner. Series 100 tax credits include any tax credit designated by the Department with a tax credit code from 100 through 199.
5. If a Georgia credit is reduced, the partnership or tiered partner may include the amount of such reduction in its election to pay the tax on behalf of its partners.
6. No net operating losses of any type shall be eligible to reduce the total additional Georgia taxable income or distributive share of such income when the partnership or tiered partner makes the election to pay the tax on behalf of its partners.
7. A federal adjustment, other than a negative reallocation adjustment, that reduces Georgia taxable income shall be eligible to be included provided in the aggregate Georgia taxable income has increased for the taxable year.
8. All partners of the partnership or tiered partner must be included in the election to pay the tax on behalf of its partners including those that were originally included in a composite return filed pursuant to O.C.G.A. § [48-7-129](#).
9. If the Commissioner determines that a partnership or tiered partner fraudulently under reported its income on a return, the Commissioner shall treat any income attributable to a tiered partner of such partnership or tiered partner as being apportioned and allocated entirely to Georgia to the extent the direct and indirect partners of such tiered partner are resident partners.

10. If the partnership or tiered partner pays the tax on behalf of its partners, the partners of such partnership or tiered partner shall exclude the income on which such tax was paid and such tax paid when filing any subsequent amended return. Since the income is excluded, no tax attributes of the affected partners shall be reduced.
 11. If multiple years are included in the audit, the partnership or tiered partner may make a separate election for each year and shall not be required to make the election for all years.
- (c) A partner that is a federal S Corporation that files a return as a Georgia C Corporation because the Subchapter "S" election is not recognized as provided by O.C.G.A. § [48-7-21](#), shall be treated as a corporate partner for purposes of O.C.G.A. § [48-7-53](#) and this regulation.
 - (d) A disregarded LLC or other entity that is disregarded for federal and Georgia income tax purposes shall also be disregarded for all purposes of O.C.G.A. § [48-7-53](#) and this regulation.
 - (e) Negative reallocation adjustments shall not be included in the election to pay.
 - (f) State partnership representative.
 1. The state partnership representative for the reviewed year for a partnership is a partnership's federal partnership representative unless the partnership designates in writing another person as its state partnership representative. If a partnership desires to designate a person other than their federal partnership representative, they shall designate such person by attaching a written statement to the income tax return filed. If at a later date the income tax return is changed by the Commissioner to provide a place to indicate such designation, the partnership shall designate in such place instead of attaching a written statement. If the partnership wants to change the initial representative, they shall file an amended return and attach a written statement indicating such or attach a written statement indicating such to the federal adjustments report when it is filed.
 2. The qualifications for a person to be a state representative are the same as provided by the Internal Revenue Service for a federal partnership representative.
 - (g) If the income of the partnership is exempt pursuant to subsection (c) of O.C.G.A. § [48-7-24](#), the partnership shall indicate such on its federal adjustments report.

(4) State Partnership and State Pass-Through Entity Audits.

- (a) State partnership and state pass-through entity audit adjustments shall be subject to subsections (d) and (e) of O.C.G.A. § [48-7-53](#), respectively.
- (b) Unless otherwise specified by the Commissioner, the election to pay the tax on behalf of its partners shall be made by checking the appropriate box on the Georgia income tax return and shall be subject to the same provisions provided in paragraph (3) of this regulation. This election may be made on an original return or amended income tax return or at the time of the audit by providing a written statement to the Commissioner.
- (c) If the partnership or pass-through entity makes the election to pay the tax on behalf of its partners and the partnership or pass-through entity pays the money owed during the audit process, the partnership or pass-through entity shall not be required to file an amended Georgia income tax return.
- (d) The Commissioner may issue a proposed notice of adjustment to the partnership or pass-through entity which may be protested pursuant to O.C.G.A. § [48-2-46](#). Any final notice of adjustment issued by the Commissioner to the partnership or pass-through entity shall be treated as an assessment for purposes of O.C.G.A. §§ [48-2-59](#) and [48-7-82](#), and, as such, the notice shall be appealable pursuant to O.C.G.A. § [48-2-59](#) and shall be issued within the time period provided by O.C.G.A. § [48-7-82](#). If the partnership or pass-through entity makes the election to pay the tax on behalf of its partners, the Commissioner may issue a proposed assessment which may be protested pursuant to O.C.G.A. § [48-2-46](#). Any final assessment shall be appealable pursuant to O.C.G.A. § [48-2-59](#) and shall be issued within the time period provided by O.C.G.A. § [48-7-82](#). Once the adjustments to partnership or pass-through entity related items or reallocations of income, expenses, gains, losses, credits, and other attributes among such partners for the reviewed year are finally determined, the partnership or pass-through entity and any direct partners or indirect partners shall then be subject to the provisions of subsection (c) of O.C.G.A. § [48-7-53](#) in the same manner as if the state partnership or pass-through entity audit was a partnership level audit. As such any assessment of additional Georgia income tax or claims for refund of Georgia income tax for direct partners or indirect partners shall be assessed or claim filed in the time provided by paragraphs (6) and (7) of subsection (c) of O.C.G.A. § [48-7-53](#), respectively.
- (e) The partnership representative shall be the same as is designated pursuant to paragraph (3) of this regulation. If the partnership wants to change such representative at the time of the audit, they shall provide a written statement to the Commissioner at any time during the audit or during the appeal of any assessment. Such statement shall also override any current designation for purposes of paragraph (3) of this regulation.

- (f) A pass-through entity shall designate a person as their state partnership representative by attaching a written statement to the income tax return filed by the original due date of the return including extensions. If at a later date the income tax return is changed to provide a place to indicate such designation, the pass-through entity shall designate in such place instead of attaching a written statement. The qualifications for a person to be a state representative are the same as provided by the Internal Revenue Service for a federal partnership representative. If the pass-through entity wants to change the initial designation, they shall file an amended return and attach a written statement indicating such or provide a written statement to the Commissioner at the time of the state pass-through entity audit.
- (5) **Written Statements.** All written statements provided pursuant to this regulation shall be signed under penalty of perjury by a person authorized to sign the income tax return.
- (6) **Effective Date.** The provisions set forth in this regulation relating to reporting of partnership federal adjustments apply to taxable years beginning on or after January 1, 2018. The provisions set forth in this regulation relating to state partnership audits and state pass-through entity audits apply to taxable years beginning on or after January 1, 2017 unless an earlier application is agreed to by the Commissioner and the partnership or pass-through entity.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.11

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-21](#), [48-7-27](#), [48-7-53](#).

History. Original Rule entitled "Personal Exemptions and Credits, Surviving Spouse" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Adopted: New Rule entitled "Partnership and Pass-Through Entity Audits." F. Jan. 10, 2019; eff. Jan. 30, 2019.

Rule 560-7-3-.12. Estates.

- (1) If a taxpayer has received an extension of time for filing his estate tax return with the Internal Revenue Service, a similar extension for Georgia is automatically granted. The taxpayer should attach a copy of the approved Federal extension to the Georgia copy of the return. Such extension shall not exceed six months from the original due date.
- (2) If the decedent was a Georgia resident but the estate includes property outside the State or the decedent was not a resident of Georgia but the estate includes property within this State, the Georgia credit for state death taxes, except as provided by Chapter 12 of Title 48 of the O.C.G.A., is determined as follows: The gross value of property within Georgia is divided by the value of the entire gross estate. The value of Georgia property and the value of the entire gross estate should not be reduced by subtracting mortgages or indebtedness with respect to which the estate has personal liability or any other such charges against the estate. The resulting percentage is then multiplied by the total credit for state death taxes. That product is the amount due Georgia.

- (3) Any legal representative of an estate required by Chapter 12 of Title 48 of the O.C.G.A. to file a duplicate of the United States Estate Tax Return with the State Revenue Commissioner must include a copy of all documents required for the Federal return. No Georgia estate tax filing is required for any estate with a date of death which occurred in a year for which the Internal Revenue Code does not allow a credit for state death taxes.
- (4) Penalties:
- (a) If the State copy of the estate tax return is filed after the Federal return and taxes are due Georgia, a penalty of 10% of the Georgia liability will be added to the amount owed.
 - (b) If the amount of taxes owed Georgia is increased through redetermination and the taxpayer does not pay the additional tax within 30 days of notice by the Commissioner, a penalty of 10% of the additional tax due will be added to the amount owed.
 - (c) If a taxpayer fails to file the additional documentation required by Chapter 12 of Title 48 of the O.C.G.A. showing an increase in the credit for state death taxes as determined by a Federal adjustment, a penalty of 10% of the additional tax will be added to the amount owed.
- (5) As a condition precedent to the granting of an extension for payment, the Commissioner may require the legal representative to file a bond not to exceed double the amount due with respect to which the extension is granted.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.12

Authority: O.C.G.A. Secs. [48-2-12](#), 48-12.

History. Original Rule entitled "Estates" adopted. F. Mar. 23, 1977; eff. Apr. 12, 1977.

Repealed: New Rule of same title adopted. F. Feb. 22, 2006; eff. Mar. 14, 2006.

Rule 560-7-3-.13. Consolidated Returns.

(1) Filing of Consolidated Returns.

- (a) **Permission Required to File Consolidated.** Where a group of affiliated corporations file a consolidated income tax return for Federal income tax purposes, the members of this affiliated group may, pursuant to paragraph (2) of this regulation, petition the Commissioner for permission to file a consolidated return for Georgia income tax purposes.
- (b) **Treatment of Corporations which were Previously Required to File.** Any Georgia consolidated group, which was previously required to file a consolidated return for taxable years beginning before January 1, 2005, must request permission pursuant to this regulation. However, if such group requested

permission for a taxable year beginning on or after January 1, 2002, they are not required to request permission again.

- (c) **When Required to Clearly and Equitably Reflect Income Attributable to Georgia.** The Commissioner may require members of a group of affiliated corporations that file a consolidated return for Federal income tax purposes to file a consolidated return for Georgia income tax purposes, but only when the Commissioner reasonably determines that:

1. The filing of separate Georgia income tax returns would not clearly and equitably reflect the income of the corporations attributable to property owned in Georgia, business done in Georgia, and income derived from sources within Georgia; and
2. The filing of a consolidated return would clearly and equitably reflect the income of the corporations attributable to property owned in Georgia, business done in Georgia, and income derived from sources within Georgia.

(2) **Application for Permission to File a Consolidated Return.**

- (a) **Time for Filing Application.** Corporations that wish to request permission from the Commissioner to file a consolidated return for the purpose of determining their Georgia income tax liability must do so by filing "Application for Permission to File Consolidated Georgia Income Tax Return," Revenue Form IT-CONSOL. Such application shall be filed with the Commissioner at least seventy-five (75) days prior to the due date of the Georgia return (including extensions) or at least seventy-five (75) days prior to the filing of the return, whichever occurs first, for the tax year for which permission to file on a consolidated basis is requested. Failure to request permission by such time will result in the filing of separate income tax returns for the applicable year. Such application must designate one member of the affiliated group which is authorized to receive the notice of approval or denial or the notices referred to in paragraph (3) on behalf of the entire group, and to execute any consent referred to in subparagraph (f) of paragraph (3) on behalf of the entire group, and an address to which any such notices or consents may be sent.

- (b) **Composition of the Georgia Consolidated Group.** A Georgia consolidated group shall, for each year a consolidated return is filed, consist of all of the members of an affiliated group of corporations that file a consolidated return for Federal income tax purposes that are subject to Georgia income tax under Chapter 7 of Title 48 of the O.C.G.A; provided, however, that corporations that are immune from Georgia income tax under Federal law shall not be included in the proposed Georgia consolidated group.

(3) **Standard for Allowing Consolidated Returns; Tentative Permission; Revocation of Permission.**

- (a) **Clearly and Equitably Reflect Income Attributable to Georgia.** Permission to file a Georgia consolidated return shall be granted by the Commissioner when the filing of such return will clearly and equitably reflect the income of the corporations attributable to property owned, business done, and income derived from sources by the members of the affiliated group in Georgia. A Georgia consolidated return will generally be deemed by the Commissioner to clearly and equitably reflect the income of the corporations included in the return attributable to property owned in Georgia, business done in Georgia, and income derived from sources within Georgia except as enumerated in subparagraphs (b) through (e) below.
- (b) **Expenses Attributable to Related Members Not Included in Georgia Consolidated Group.** If any member of a group of corporations filing a Georgia consolidated return has interest expense attributable to indebtedness incurred in connection with an ownership interest in one or more related members which are not included in the Georgia consolidated return, or other deductions from income related to an ownership interest in one or more related members which are not included in the Georgia consolidated return, the Commissioner may, as a condition to the granting of permission to file a consolidated Georgia return, require that such interest or other deductions be excluded in calculating the Georgia income of such member for purposes of the Georgia consolidated return. For purposes of this regulation, the term "related member" shall mean the same as it is defined in O.C.G.A. § [48-7-28.3](#).
- (c) **Elimination of Members From Georgia Consolidated Group if Necessary to Clearly and Equitably Reflect Income Attributable to Georgia.** If the Commissioner reasonably determines that the inclusion of one or more otherwise eligible corporations in a Georgia consolidated return will not clearly and equitably reflect the income of the consolidated group attributable to Georgia, the Commissioner may, as a condition to the granting of permission to file a consolidated Georgia return by the other members of a Georgia consolidated group, require such corporations to file separate Georgia income tax returns or may require adjustment to the consolidated filing so that the consolidated return will clearly and equitably reflect the income of the Georgia consolidated group attributable to property owned in Georgia, business done in Georgia, and income derived from sources within Georgia.
- (d) **Other Adjustments Necessary to Clearly and Equitably Reflect Income Attributable to Georgia.** The Commissioner may, as a condition to granting of permission to file a consolidated Georgia income tax return, require such other adjustments as he or she may reasonably determine are necessary in order for the consolidated return to clearly and equitably reflect the income of the Georgia consolidated group attributable to property owned in Georgia, business done in Georgia, and income derived from sources within Georgia.

- (e) **Denial of Request by Commissioner.** If, upon review of an application for permission to file a consolidated return, the Commissioner reasonably determines that the filing of a consolidated Georgia return as requested by an otherwise eligible affiliated group will not clearly and equitably reflect the income of the group attributable to property owned in Georgia, business done in Georgia, and income derived from sources within Georgia, and distortion cannot reasonably be eliminated by means of one or more of the adjustments authorized in this regulation, then the Commissioner may deny the application and all of the corporations shall be required to file separate Georgia income tax returns for such year. The Commissioner may also deny the application if the corporations fail to provide any information requested by the Commissioner that he has reasonably determined is needed to decide if such application should be granted, and in such event all of the corporations shall be required to file separate Georgia income tax returns for such year.
- (f) **Tentative Permission.** If an application for permission to file a consolidated return is timely filed pursuant to paragraph (2), the Commissioner shall exercise his or her best efforts to fully consider such application and to either grant or deny it prior to the return's due date (including extensions), but any failure by the Commissioner to act on such application by such date shall not be deemed as a grant thereof or permit the filing of a consolidated return by the affiliated group. If, as of fifteen (15) days before the return's due date (including extensions), the Commissioner has requested but not yet received from the affiliated group any information that the Commissioner has reasonably determined is needed to decide if such application should be granted, or if the affiliated group otherwise has not received a response to its timely filed application, the affiliated group may request and shall be entitled to receive tentative permission from the Commissioner to file a consolidated return, which permission may be conditioned on the affiliated group's agreement to provide any such requested information by a date certain acceptable to the Commissioner. If tentative permission is granted pending the receipt of information, the Commissioner shall review and take final action on the application, using the standards and criteria set forth in subparagraphs (a) through (e), within seventy-five (75) days after receipt of such information. In all other circumstances where tentative permission has been granted, the Commissioner shall take such final action no later than four months from the Commissioner's receipt of the first such consolidated return unless the affiliated group and the Commissioner agree to a longer time period. If tentative permission has been granted pursuant to this subparagraph the affiliated group may by written consent allow the Commissioner additional time to complete his or her review and take final action. The Commissioner's tentative permission shall be revoked retroactively if the application is denied, and each member of the affiliated group shall, not later than sixty (60) days after the date of the Commissioner's written notice of denial, file an amended Georgia income tax return on a separate company basis for the affected tax period or periods and pay any additional tax and interest attributable thereto. If the Commissioner determines that any distortion can

reasonably be eliminated by means of one or more adjustments to the consolidated return, including but not limited to the elimination of corporations from the consolidated group, the Commissioner may, in lieu of revoking his or her tentative permission, modify it retroactively by written notice specifying the adjustments that are required. Each member of the affiliated group shall, not later than sixty (60) days after the date of the Commissioner's written notice of modification, file either an amended consolidated Georgia income tax return or a separate company return for the affected tax period or periods that is consistent with the adjustments mandated by the Commissioner and pay any additional tax and interest attributable thereto. If the Commissioner has tentatively approved an application but does not issue a written notice of denial, a written notice of approval, or a written notice of modification within the period prescribed in this subparagraph, such application shall be deemed to have been approved.

- (g) **Prospective Revocation of Permission.** If the Commissioner determines at any time, using the standards and criteria set forth in subparagraphs (a) through (e), that the filing of a consolidated Georgia income tax return, for which permission previously was granted, will not clearly and equitably reflect the income of the affiliated group attributable to property owned in Georgia, business done in Georgia, and income derived from sources within Georgia, the Commissioner may revoke such permission prospectively for all tax periods beginning on or after the date of the Commissioner's written notice of revocation to the affiliated group. In lieu of revocation, the Commissioner may direct changes in the consolidated group or the methodology of filing the consolidated return as set forth in subparagraphs (a) through (d). This subparagraph shall also apply in any case in which an application was deemed to have been approved by the Commissioner pursuant to subparagraph (f).
 - (h) **Retroactive Revocation of Permission in Case of Material Omissions or Misstatements.** If the Commissioner grants permission to file a consolidated Georgia return but later determines that the application upon which such permission was based contained material omissions or misstatements of fact, whether intentional or otherwise, the Commissioner may revoke his or her permission retroactively by sending written notice of revocation to the affiliated group, recalculate the tax liabilities of each member of the affiliated group on a separate company basis for all affected tax periods, and within the applicable limitations period assess any additional tax, interest, and penalties attributable thereto. This subparagraph shall also apply in any case in which an application was deemed to have been approved by the Commissioner pursuant to subparagraph (f).
- (4) **Tax Years for Which Consolidated Returns Must Be Filed once Permission Is Granted.** If a Georgia consolidated group has received permission from the Commissioner to file a consolidated Georgia income tax return for any year, consolidated

Georgia returns must be filed for all future tax years, except in the following circumstances:

- (a) The Commissioner either revokes his or her prior permission to file a consolidated Georgia income tax return pursuant to paragraph (3) of this regulation or grants permission to cease filing such a return; or
- (b) The affiliated group of corporations ceases to file a consolidated return for federal income tax purposes, whereupon the corporations must also cease filing a consolidated return for Georgia income tax purposes.

(5) **Separate Company Computation of Taxable Income or Loss.** Corporations that file a consolidated Georgia income tax return are required to consolidate separate company income or loss on a post-apportionment basis. This shall be accomplished by way of the following process:

- (a) Each corporation within the Georgia consolidated group will prepare a separate company Georgia Form 600.
- (b) The corporation will reflect its name and FEI number in the heading of the return.
- (c) The corporation will begin on line 1 of Schedule 1 with its separate company federal taxable income or loss and will make the appropriate additions to or subtractions from taxable income on lines 2 and 4 of that Schedule. For purposes of this regulation, the separate company federal taxable income or loss shall be the taxable income or loss of the member included in the consolidated federal return but without the modifications listed in Internal Revenue Service Regulation 1.1502-12.
- (d) If the corporation qualifies to apportion, it will complete Schedule 6 and Schedule 7 to determine the amount of separate company Georgia taxable income or loss to be reflected on line 7 of Schedule 1.
- (e) If the corporation has a Georgia separate return limitation year loss, or "GSRLY" (see subparagraph (8)(e) of this regulation), that loss would be reflected on either line 6 of Schedule 1, or line 8 of Schedule 7 of Form 600.
- (f) Intercompany transactions are not eliminated in this process of determining a corporation's separate company Georgia taxable income or loss. However, the Commissioner reserves the right to examine intercompany transactions, and to make appropriate adjustments, to ensure that taxpayers clearly reflect income attributable to controlled transactions or to prevent the avoidance of taxes with respect to such transactions.
- (g) The separate company income or loss of each corporation in the Georgia consolidated group, as reflected on the separate company Form 600's, would then

be consolidated on a group Form 600 and reflected on line 5 of Schedule 1 of that Form.

- (h) Any consolidated Georgia net operating loss would be deducted on Schedule 1 line 6 to arrive at the consolidated group's Georgia taxable income or loss on line 7, and the group's income tax, if appropriate, on line 8.
 - (i) Schedule 3 of the Group Form 600 would be completed to reflect a computation of tax due or overpayment for the group.
- (6) **Separate Company Computation of Net Worth Tax.** Corporations that file a consolidated Georgia income tax return are required to report and pay the net worth tax on a separate company basis.
- (7) **Earning, Claiming and Assigning of Tax Credits.** The jobs tax credit, the investment tax credit, and any other tax credits which may be claimed against the Georgia corporate income tax must be calculated and claimed on a separate company basis. When the code specifies that the amount of the credit taken in any one taxable year be limited to an amount not greater than 50 percent (or another percentage) of the taxpayer's state income tax liability, such limit shall be computed on a separate company basis. For credit limitation purposes, net operating loss carryovers must be accounted for on a separate company basis. Assignment of Georgia income tax credits under the terms of O.C.G.A. § [48-7-42](#) is available within a consolidated Georgia return. In the event tentative permission is granted pursuant to subparagraph (3)(f), the members of the consolidated group may make a new assignment or may change such assignment provided such new assignment or change is made on the returns which are required to be filed not later than sixty (60) days after the date of the Commissioner's written notice of denial or modification.

Credit Example:*

<u>Numbers Per Separate Company Calculation</u>	<u>Georgia Parent Co</u>	<u>Sub Co A</u>	<u>Sub Co B</u>	<u>Sub Co C</u>
Georgia Taxable Income	50,000	(16,000)	140,000	60,000
Georgia Tax Liability (6%)	3,000	-	8,400	3,600
<u>Georgia Income Tax Credits Generated in Current Year:</u>				
Retraining Tax Credit (limited to 50% of income tax liability)	-	6,000	-	2,500
<u>Georgia Tax Credits Carried Forward:</u>				
Investment Tax Credit (limited to 50% of income tax liability)	7,250	-	-	-
<u>Retraining Credits Assigned:</u>				

From Sub Co A	1,500	(6,000)	4,500	-
From Sub Co C	-	-	-	-
Retraining Credit Limitation	1,500	-	4,200	1,800
Investment Credit Limitation	1,500	-		
Total Tax Credits	3,000	-	4,200	1,800
Utilized in Current Tax Year				
Remaining Tax	-	-	4,200	1,800
Liability**				
<u>Tax Credits to be Carried Forward:</u>				
Investment Tax Credit	5,750	-	-	-
Retraining Tax Credit	-	-	300	700

Consolidated Tax Calculation:

<u>Taxable Income:</u>	<u>Tax Calculation:</u>	
Georgia Parent	50,000	Consolidated Taxable Income 234,000
Sub Co A	(16,000)	Georgia Tax Liability @ 6% 14,040
		Combined Tax Credits
Sub Co B	140,000	9,000
		Utilized***
Sub Co C	60,000	Balance of Georgia Tax 5,040
Consolidated Taxable Income	234,000	

* Credits assignment must be made on the separate company tax returns, with a detailed summary provided on a schedule attached to the consolidated tax return.

** The remaining tax liability is due to the limitations applied to the credits. Georgia Parent Co was able to utilize its carryforward Investment Tax Credit up to 50% of its separate company tax liability and also to utilize the assigned Retraining Tax Credit from Sub Co A for the remaining 50% of its tax liability. The remaining balance of the Retraining Tax credit generated by Sub Co A is then assigned to Sub Co B, with the unused portion available to Sub Co B as a carryforward credit. Sub Co C is able to utilize its Retraining Tax Credit up to 50% of its income tax liability, with the remaining balance kept as a carryforward credit against future liability. Please note that credits may only be assigned in the year generated and assignment must be made by the due date of the return (including extensions), thus carryforward credits are not assignable.

*** In no case may the combined tax credits utilized offset more than 100% of the consolidated tax liability. Such excess shall be carried forward by the appropriate separate companies provided it is otherwise eligible for carryforward.

(8) **Consolidated Return Net Operating Loss Deduction.** A consolidated Georgia net operating loss carryforward or carryback (if such carryback is allowed pursuant to the normal rules of paragraph (10.1) of subsection (b) of O.C.G.A. § [48-7-21](#)) shall be allowed as a deduction on the Georgia consolidated return of an affiliated group under the following rules:

- (a) The Georgia consolidated net operating loss for a taxable year shall include the separate company federal taxable income or loss of each member corporation, with the adjustments provided for in subsection (b) of O.C.G.A. § [48-7-21](#) and O.C.G.A. § [48-7-28.2](#), and allocated and apportioned as provided in O.C.G.A. § [48-7-31](#). In calculating the separate company income or loss of each member corporation, no deduction will be taken for either federal or Georgia net operating losses from other years;
- (b) "Georgia separate return year" as used in this regulation means a tax year of a corporation for which it files a separate return with Georgia or for which it joins in the filing of a consolidated Georgia return by another group;
- (c) "Georgia separate return limitation year", or "GSRLY", as used in this regulation means any Georgia separate return year of a corporation or of a predecessor of a corporation;
- (d) A consolidated Georgia Net Operating Loss deduction shall consist of any consolidated net operating loss (per subparagraph (a)) of the group that is carried forward or carried back (if applicable) to a consolidated year, plus any net operating loss incurred by members of the group in Georgia separate return years which may be carried over to that year. However, a net operating loss incurred by a member corporation in a Georgia separate return limitation year shall be subject to the limitation set forth in subparagraph (e);
- (e)
 - 1. Net operating losses arising in tax years beginning before January 1, 2018 and carried to a consolidated return year from a Georgia separate return limitation year (GSRLY) may be used to reduce the group's income only to the extent of the income contributed by the GSRLY member. This computation shall be performed first and then any consolidated loss of the group would be applied against any remaining income of the group.

(See Example 1)

Example 1

Company	A	B	C	Consolidated Total
12/31/2001 (Separate Return Loss Year)	(1) (75,000)	25,000	10,000	
12/31/2002	(50,000)	20,000	15,000	(2) (15,000)
12/31/2003	50,000	20,000	15,000	
Less: 2001 GSRLY NOL from Company A	(3) <u>(50,000)</u>	-	-	
12/31/2003 Income	-	20,000	15,000	(4) 35,000
2002 Consolidated NOL	(5) <u>(15,000)</u>			
12/31/2003 Net Taxable Income	(6) 20,000			
Total GSRLY Carryforward for Company A	(7) (25,000)			

Explanation For Example 1:

1. The year 12/31/01 is a Georgia separate return year, and the (\$75,000) loss of company A is limited in subsequent years to the income of company A. The years 12/31/02 and 12/31/03 are consolidated post apportionment years.
2. The 12/31/02 tax year reflects a (\$15,000) consolidated loss which may be carried forward.
3. In 12/31/03, the first consolidated profitable year, any GSRLY loss applies first. Therefore, (\$50,000) of company A's loss from 12/31/01 is used against company A's income in 12/31/03.
4. The reduced income of the group for 12/31/03 is \$35,000.

5. The consolidated loss of (\$15,000) from 12/31/02 which was carried forward may now be deducted.
 6. The reduced taxable income is \$20,000.
 7. Company A has a remaining GSRLY loss of \$25,000 which may be carried forward;
2. Net operating losses arising in tax years beginning after December 31, 2017 and carried to a consolidated return year from a Georgia separate return limitation year (GSRLY) may be used to reduce the group's income only to the extent of 80% of the income contributed by the GSRLY member. (See example 1A)

Example 1A - NOL Limitation

Company	A	B	C	Consolidated Total
12/31/2018 (Separate Return Loss Year)	(1) (75,000)	25,000	10,000	
12/31/2019	(50,000)	20,000	15,000	(2) (15,000)
12/31/2020	50,000	20,000	15,000	
Less: 2018 GSRLY NOL from Company A	(3) <u>(40,000)</u>	-	-	
12/31/2020 Income	10,000	20,000	15,000	(4) 45,000
2019 Consolidated NOL	(5) <u>(15,000)</u>			
12/31/2020 Net Taxable Income	(6) 30,000			
Total GSRLY Carryforward for Company A	(7) (35,000)			

Explanation For Example 1A:

1. The year 12/31/18 is a Georgia separate return year, and the (\$75,000) loss of company A is limited in subsequent years to 80% of the income of company A. The years 12/31/19 and 12/31/20 are consolidated post apportionment years.
 2. The 12/31/19 tax year reflects a (\$15,000) consolidated loss which may be carried forward.
 3. In 12/31/20, the first consolidated profitable year, any GSRLY loss applies first. Therefore, \$40,000 ($\$50,000 \times .80$) of company A's loss from 12/31/18 is used against company A's income in 12/31/20.
 4. The reduced income of the group for 12/31/20 is \$45,000.
 5. The consolidated loss of (\$15,000) from 12/31/19 which was carried forward may now be deducted. The maximum amount of consolidated NOL carry forward arising in tax years beginning after December 31, 2017 that can be used is limited to 80% therefore a maximum of \$36,000 could be used ($45,000 \times 80\%$); however, there is only a \$15,000 consolidated NOL carry forward available as such the entire \$15,000 can be used.
 6. The reduced taxable income is \$30,000.
 7. Company A has a remaining GSRLY loss of \$35,000 which may be carried forward;
- (f) If a Georgia consolidated net operating loss can carry forward to a Georgia separate return year of a corporation which was a member of an affiliated group in the year in which the loss arose, then the portion of the net operating loss attributable to such corporation shall be apportioned to such corporation under the provisions of subparagraph (g) and shall be a net operating loss carryover to such Georgia separate return year. However, such portions shall not be included in the consolidated net operating loss carryovers to the equivalent consolidated return year;
- (g) The portion of a Georgia consolidated net operating loss attributable to a member of a group is the consolidated net operating loss multiplied by a fraction, the numerator of which is the separate net operating loss of such corporation, and the denominator of which is the sum of the separate net operating losses of all members of the group in the year in which such losses were incurred. See example

2. The separate net operating loss of such corporation and of each member as is mentioned in this subparagraph shall be computed as follows:

1. The separate net operating loss for the taxable year that this regulation is first applicable to and each year thereafter shall be computed on a post apportionment basis as is provided in paragraph (5).
2. The separate net operating loss for each taxable year prior to the taxable year that this regulation is first applicable to shall be computed as follows:
 - (i) Income or loss subject to apportionment pursuant to O.C.G.A. § [48-7-31\(d\)](#). When the consolidated group consolidated its income or loss subject to apportionment and then applied the consolidated group's apportionment percentage to the income or loss subject to apportionment (pre-apportionment basis), the portion of the separate net operating loss, attributable to income or loss subject to apportionment, of each separate corporation shall be computed by applying the consolidated group's apportionment percentage to the separate corporation's income or loss subject to apportionment.
 - (ii) Income or loss subject to allocation pursuant to O.C.G.A. § [48-7-31\(c\)](#). The portion of the separate net operating loss, attributable to income or loss subject to allocation, of each separate corporation shall be equal to its separate corporation income or loss subject to allocation.

Example 2

Company	A	B	C	Total
12/31/02 SNTI* (SNOL**)	(5,000)	2,000	(1,000)	(4,000)
Gains \$2,000	- \-	- \-		
Losses (\$6,000)	(6,000)	(6,000)		
Net Loss (4,000)	=.8333	-0-	=.1667	
X (4,000)	X (4,000)			
NOL	(\$3,333)	-0-	(\$667)	(4,000)

*SNTI=Separate Net Taxable Income

**SNOL=Separate Net Operating Loss

Explanation For Example 2, Member Leaving Group:

Corporation A, B and C file a consolidated return in 12/31/02. On 1/1/03 Corporation C is sold to Corporation D. This example above computes Corporation C's loss carryforward to its new consolidated group and the loss carryforward of the original group, Corporation A&B. Corporation C has a loss carryforward of (\$667) and the remaining group (Corporation A&B) has a loss carryforward of (\$3,333);

- (h) If a corporation ceases to be a member during a consolidated return year, any Georgia consolidated net operating loss carryover from a prior tax year must first be carried to such Georgia consolidated return year even though all or a portion of the Georgia consolidated net operating loss giving rise to the carryover is attributable to the corporation which ceases to be a member. To the extent not absorbed in such consolidated return year, the portion of the consolidated net operating loss attributable to the corporation ceasing to be a member shall then be carried to the corporation's first Georgia separate return year;
- (i) The provisions of § 108 of the Internal Revenue Code of 1986, as amended, as they relate to Georgia net operating losses, shall be applied as follows:
 - 1. Except as otherwise provided in this regulation, the Internal Revenue Code § 108 provisions shall be applied in the same manner as provided in the Internal Revenue Code and related regulations (including those regulations relating to how to apply Internal Revenue Code § 108 to consolidated returns). The reduction in the Georgia net operating losses shall be determined by applying the Georgia apportionment percentage for the year of the discharge to the amount of the Internal Revenue Code § 108 net operating loss reduction determined pursuant to this regulation. A determination under the federal consolidated regulations that the separate entity has an amount of discharge of indebtedness income and or is required to reduce tax attributes shall also apply for Georgia purposes.
 - 2. The reduction of tax attributes provided in paragraph (a)(4) of Internal Revenue Service Regulation § 1.1502-28 shall be applied in the same manner as such regulation requires except that the excluded discharge of indebtedness income not applied to reduce the tax attributes attributable to the member shall be used to reduce the Georgia consolidated tax attributes instead of the federal consolidated tax attributes.
 - 3. Any elections, with respect to the order of the tax attribute reductions, made for federal income tax filing purposes and pursuant to Internal Revenue Service Regulations, shall also apply for Georgia purposes.

- (j) Except as otherwise provided in this regulation, the provisions of Internal Revenue Code § 381, as they relate to Georgia net operating losses, shall be applied in the same manner as provided in the Internal Revenue Code and related regulations (including those regulations relating to how to apply Internal Revenue Code § 381 to consolidated returns).
- (k) The provisions of § 382 of the Internal Revenue Code of 1986, as amended, as they relate to Georgia net operating losses, shall be applied as follows:
 - 1. Except as otherwise provided in this regulation, the Internal Revenue Code § 382 limitation shall be applied in the same manner as provided in the Internal Revenue Code and related regulations. Such limitation shall be computed on a separate entity basis even when a consolidated federal income tax return is filed. Except as otherwise provided in this regulation, the Internal Revenue Service Regulations regarding how to apply Internal Revenue Code § 382 when a consolidated return is filed and paragraph (f) of Internal Revenue Service Regulation § 1.382-8 shall not apply for Georgia purposes.
 - 2. A determination that an ownership change has occurred for federal income tax filing purposes and pursuant to Internal Revenue Service Regulations (including those regulations relating to how to apply Internal Revenue Code § 382 to consolidated returns) shall apply for Georgia purposes.
 - 3. Adjustments to prevent duplication of value contained in the Internal Revenue Code § 382 regulations (including those regulations relating to how to apply Internal Revenue Code § 382 to consolidated returns) apply for Georgia purposes. However, the election to restore value provided in paragraph (c) of Internal Revenue Service Regulation § 1.382-8 shall not be available.
 - 4. Whenever an ownership change occurs, an Internal Revenue Code § 382 limitation will apply to all Georgia pre-change losses that are carried over to a post-change year. "Pre-change years" end on or before the date of an ownership change, while "post-change years" end after the date of an ownership change. In a post-change year, the limitation on the use of any pre-change year Georgia net operating losses shall be determined by applying that post-change year's apportionment percentage to the Internal Revenue Code § 382 limitation for that post-change year determined pursuant to this regulation.
 - 5. The Internal Revenue Code § 382 limitation does not reduce the total amount of pre-change Georgia net operating losses available for carryforward but, similar to federal treatment, restricts the amount of net operating losses from pre-change years that can be applied to the income in a post-change year.

6. If there is any unused Internal Revenue Code § 382 limitation for Georgia purposes in a post-change year, the following year's limitation shall be increased by the excess amounts determined for Georgia tax purposes in a manner similar to Internal Revenue Code § 382(b)(2).
 7. In the event the Internal Revenue Code § 382 limitation and the GSRLY limitation both apply to a net operating loss, the net operating loss shall be subject to both the GSRLY limitation and the Internal Revenue Code § 382 limitation. For example, a taxpayer has a net operating loss of \$1000. The Internal Revenue Code § 382 limitation only allows \$500 of the loss to be used. The GSRLY limitation only allows \$200 of the loss to be used. \$200 of the loss is allowed to be used. Conversely, a taxpayer has a net operating loss of \$1000. The Internal Revenue Code § 382 limitation only allows \$200 of the loss to be used. The GSRLY limitation only allows \$500 of the loss to be used. \$200 of the loss is allowed to be used.
- (l) Except as otherwise provided in this regulation, the provisions of Internal Revenue Code § 384, as they apply to Georgia net operating losses, shall be applied in the same manner as provided in the Internal Revenue Code and related regulations. The adjustment for such Internal Revenue Code Section shall be determined on a separate entity basis. The limitation on offsetting losses against any recognized built in gains which are allocated to Georgia shall be equal to the Internal Revenue Code § 384 limitation (determined pursuant to this regulation) attributable to such gains. The limitation on offsetting losses against any recognized gains which are apportioned to Georgia shall be equal to the Internal Revenue Code § 384 limitation (determined pursuant to this regulation) attributable to such gains multiplied by the apportionment percentage for the recognition period taxable year.
- (m) For purposes of subparagraphs (8)(i) through (8)(l), the Georgia net operating loss of each separate member for the applicable year shall be computed as follows:
1. If the net operating loss is carried to a consolidated return year from a Georgia separate return limitation year (GSRLY), the Georgia net operating loss shall be the separate Georgia net operating loss of the member for the applicable year.
 2. If the net operating loss is carried to a consolidated return year from a year other than a Georgia separate return limitation year (GSRLY), the portion of a Georgia consolidated net operating loss attributable to a member of a group shall be computed in the same manner as provided in subparagraph (g) of this paragraph.
- (n) A Georgia consolidated net operating loss may not be carried back to a Georgia separate return limitation year.

- (o) In the event a taxpayer is entitled to a refund of income taxes by reason of a net operating loss carryback under paragraph (10.1) of subsection (b) of O.C.G.A. § [48-7-21](#), the taxpayer may file an amended return within the time period prescribed by O.C.G.A. § [48-7-21](#) or alternatively may file an "application for a tentative carryback adjustment of the taxes" within a period of twelve (12) months following the end of the taxable year of the net operating loss. The application shall be in such form as the Commissioner shall prescribe. Such application shall not constitute a claim for credit or refund for purposes of O.C.G.A. § [48-2-35](#). Within a period of ninety (90) days from the last day of the month in which the application for a tentative carryback adjustment is filed, the Commissioner shall make, to the extent he or she deems practicable in such period, a limited examination of the application to determine the amount of tax decrease attributable to such carryback adjustment upon the basis of the application and examination. The Commissioner may disallow, without further action, any application which contains errors of computation which he or she deems cannot be corrected within such ninety (90) day period or which contains material omissions. The decrease so determined shall be applied against any unpaid amount of the tax and the remainder shall, within such ninety (90) day period, be either credited against any income tax then due from the taxpayer, or refunded to the taxpayer. Any such credit or refund made within such ninety (90) day period shall be without interest. If the Commissioner should determine that the amount credited or refunded under this paragraph is in excess of the amount properly attributable to the carryback adjustment, he or she may assess the amount of the excess as a deficiency as if it were due to a mathematical error appearing on the face of a return.
- (p) Complete schedules must be submitted for all net operating losses carried forward to or from consolidated returns. Schedules must contain information to substantiate which corporations incurred net operating losses and the age of the net operating losses.

(9) Transition Rules for Net Operating Loss Carryforward.

- (a) Except as provided in subparagraphs (9)(b) and (9)(c), any corporation which has received permission to join in the filing of a Georgia consolidated income tax return and which has joined in the filing of a Georgia consolidated income tax return, in the first taxable year beginning prior to January 1, 2002, will be eligible to carryforward to a consolidated return year the net operating loss shown on the returns, filed and accepted by the Department, without being subject to the GSRLY limitations as described in subparagraph (8)(e).
- (b) A corporation which filed as a party to a Georgia consolidated return in the first taxable year beginning prior to January 1, 2002 and which will not be included in the Georgia consolidated return in the first taxable year beginning on or after January 1, 2002 shall be treated as ceasing to be a member of that group for the

first taxable year beginning prior to January 1, 2002 as described at subparagraph (8)(h). The separate company Georgia net operating loss for the corporation, if any, will then be determined according to subparagraphs (8)(f) and (8)(g).

- (c) The separate company net operating loss carryforward for a corporation coming into the group, that did not join in the filing of the Georgia consolidated return for the group in the first taxable year beginning prior to January 1, 2002 or which has joined in the filing of a Georgia consolidated income tax return of another group in the first taxable year beginning prior to January 1, 2002, shall be treated pursuant to the terms of subparagraph (8)(e). A corporation which has joined in the filing of a Georgia consolidated income tax return of another group in the first taxable year beginning prior to January 1, 2002 shall be treated as ceasing to be member of that group for the first taxable year beginning prior to January 1, 2002 as described at subparagraph (8)(h). The separate company Georgia net operating loss for the corporation, if any, will then be determined according to subparagraphs (8)(f) and (8)(g).
- (10) **Effective Date.** This regulation will apply to taxable years beginning on or after January 1, 2005. Taxable years beginning on or after January 1, 2002 and before January 1, 2005 will be governed by the prior provisions of this regulation. Taxable years beginning before January 1, 2002 will be governed by Regulation [560-7-3-.06\(4\)](#) as it was in effect at that time.

Cite as Ga. Comp. R. & Regs. R. 560-7-3-.13

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-21](#).

History. Original Rule entitled "Consolidated Returns" adopted. F. Nov. 27, 2002; eff. Dec. 17, 2002.

Repealed: New Rule of same title adopted. F. Dec. 2, 2005; eff. Dec. 22, 2005.

Amended: F. Dec. 7, 2006; eff. Dec. 27, 2006.

Amended: F. Nov. 29, 2018; eff. Dec. 19, 2018.

Subject 560-7-4. NET TAXABLE INCOME (INDIVIDUAL).

Rule 560-7-4-.01. Net Taxable Income (Individual). Amended.

- (1) The Georgia taxable net income of an individual shall be computed pursuant to O.C.G.A. § [48-7-27](#).
- (2) There shall be added to "net income" the amount of deductions reflected therein which resulted from transactions occurring in years in which the individual was not subject to Georgia income tax. Such deductions shall include but not be limited to, contribution carryovers, capital loss carryovers, and net operating loss carryovers.
- (3) Net Operating Losses

- (a) An appropriate adjustment shall be made to such "net income" for a net operating loss carryover.
- (b) For any taxable year in which the taxpayer claims a net operating loss deduction on the Federal income tax return, the amount of such deduction shall be added back to "net income". There shall be allowed as a separate deduction from "net income" an amount equal to the aggregate of the Georgia net operating loss carryovers to such year, plus the Georgia net operating loss carrybacks to such year if such carrybacks are allowed by the Internal Revenue Code of 1986. Any limitations included in the Internal Revenue Code of 1986 on the amount of net operating loss that can be used in a taxable year shall be applied; provided, however, that such limitations, including, but not limited to, the 80 percent limitation, shall be applied to Georgia taxable net income.
- (c) For any taxable year in which the taxpayer has a Federal net operating loss, the Georgia net operating loss for such taxable year shall be computed by making the same adjustments to the Federal net operating loss that are made to Federal adjusted gross income to determine Georgia taxable net income. In the case of nonresident individuals, trusts, and estates doing business both within and without Georgia, the loss attributable to operations within Georgia shall be computed as provided in O.C.G.A. § [48-7-30](#). The term "Georgia net operating loss" shall mean the loss computed as provided in this subparagraph. In the event the net Georgia adjustments completely offset the federal net operating loss, there shall be no Georgia net operating loss for the taxable year, and any excess of net Georgia adjustments over the Federal net operating loss shall constitute Georgia taxable net income.
- (d) The procedural sequence of taxable years to which a Georgia net operating loss may be carried back or carried over, and the number of years for which a net operating loss may be carried back or carried over, shall be the same as provided in the Internal Revenue Code as adopted for Georgia purposes. The extent to which Georgia adopts the Internal Revenue Code is set forth in the definition of "Internal Revenue Code" in O.C.G.A. § [48-1-2](#). The terms "Georgia net operating loss carryback" and "Georgia net operating loss carryover" shall mean the Georgia net operating loss carried back or carried over in the manner and for the number of years as provided in this subparagraph.
- (e) In the event the net operating loss is allowed to be carried back and the taxpayer elects to forgo the carryback period for the federal net operating loss as allowed under the Internal Revenue Code, the taxpayer shall also forgo the carryback period for Georgia purposes. If the taxpayer does not have a federal net operating loss, the taxpayer may make an irrevocable election to forgo the carryback period for the Georgia net operating loss, provided the loss is allowed to be carried back and an affirmative statement is attached to the Georgia return for the year of the loss. Such election (the affirmative statement) must be made on or before the due

date for filing the income tax return for the taxable year wherein the loss was incurred, including any extensions which have been granted. Form 500-NOL must also be separately filed when the taxpayer forgoes the carryback so that the net operating loss can be established on the Department's system for future years. Such filing must occur on or before the due date for filing the income tax return for the taxable year wherein the loss was incurred, including any extensions which have been granted. Form 500-NOL cannot be filed as an attachment to Form 500. If the net operating loss is allowed to be carried back and if the taxpayer does not elect to forgo the carryback period for the federal net operating loss, the election to forgo the net operating loss period shall not be allowed for Georgia purposes.

(f) Claim for Refund.

1. In the event the taxpayer is entitled to a refund of income taxes by reason of a net operating loss carryback, a net operating loss carryback adjustment claim for refund will be filed on Form 500-NOL and in accordance with O.C.G.A. § [48-7-21\(b\)](#)(10.1). The taxpayer must file such claim for refund within three years after the due date for filing the income tax return for the taxable year wherein the loss was incurred (including any extensions which have been granted) as prescribed in O.C.G.A. § [48-7-21\(b\)](#)(10.1). Such claim for refund shall constitute a claim for credit or refund for purposes of O.C.G.A. § [48-2-35](#). Within a period of ninety (90) days from the last day of the month in which such claim for refund is filed, the Commissioner shall make, to the extent he or she deems practicable in such period, an examination of the claim for refund to determine the amount of tax decrease attributable to such carryback adjustment upon the basis of the claim for refund and the examination. The decrease so determined shall be applied against any unpaid amount of the tax and the remainder shall, within such ninety (90) day period, be either credited against any income tax then due from the taxpayer, or refunded to the taxpayer. Any such credit or refund made within such ninety (90) day period shall be without interest as provided in O.C.G.A. § [48-7-21\(b\)](#)(10.1) and shall be subject to further examination as provided in subparagraph (3)(f)3.
2. If such claim for refund contains errors of computation which the Commissioner deems cannot be corrected within such ninety (90) day period or which contains material omissions, the Commissioner may disallow without further action any such claim for refund. Alternatively, the Commissioner may request that the taxpayer correct such errors or omissions. In either case, the date upon which the taxpayer later corrects such errors or omissions shall be considered the filing date for the claim for refund for purposes of the aforementioned (90) day no interest period.
3. The Commissioner may further examine, subject to the applicable statute of limitations, such claim for refund at a later time and assess as necessary.

- (g) The provisions of Sections 108, 381, 382, and 384 of the Internal Revenue Code of 1986, as amended, as they relate to net operating losses also apply for Georgia purposes. These shall be applied as provided in O.C.G.A. § [48-7-21\(b\)](#)(10.1)(D) and the regulations thereunder.
- (4) The subtraction provided by subsection (d) of O.C.G.A. § [48-7-27](#) shall be allowed for the Texas Franchise Tax and for other states which have a tax on the entity which is on or measured by income. Such subtraction shall not be available for a tax on the entity which is on or measured by gross receipts and other taxes which are not on or measured by income. Such subtraction shall be computed as provided in this paragraph. First, determine the Georgia taxable net income before apportionment of the entity. For purposes of this paragraph, Georgia taxable net income shall include income, gains, losses, and deductions from the entity which are separately reported and included on the partners', shareholders', or members' returns. For purposes of this paragraph, Georgia taxable net income shall not include wages paid to the partner, shareholder, or member. However, if such wages are taxed by another state, the partner, shareholder, or member may be eligible for the credit provided by O.C.G.A. § [48-7-28](#). Second, multiply such Georgia taxable net income by the entity's apportionment ratio in Texas or such other state. Third, multiply such result by the partner's, member's, or shareholder's direct or indirect distributive share percentage used for Federal income tax purposes. Provided, however, if any separately reported item (such as guaranteed payments) is allocated directly to a partner, shareholder, or member, such item shall be excluded from the above computation and allocated to such partner, member, or shareholder and multiplied by the entity's apportionment ratio in Texas or such other state and then combined with the result above.
- (a) For example, an individual has a 50% distributive share percentage of partnership A which paid the Texas Franchise Tax. Partnership A's apportionment ratio in Texas was 80%. Partnership A's Georgia taxable net income before directly allocated items and before apportionment was \$10,000. \$2,000 of guaranteed payments were deducted to arrive at the \$10,000 and were paid to the individual. 50% of partnership A's income of \$10,000 was included on the individual's federal income tax return. Partnership B also has a 50% distributive share percentage of Partnership A. As such, 50% of partnership A's income of \$10,000 was reported on Partnership B's return. The individual who has a distributive share percentage of Partnership A also has a 40% distributive share percentage of Partnership B. 40% of partnership B's income was included on the individual's federal income tax return. The percentage the individual would be allowed is 70% (50% for Partnership A plus 40% of 50% for Partnership B). As such, \$5,600 (70% x \$10,000 x 80%) of the Georgia taxable net income before directly allocated items could be subtracted by the individual. The individual would also include \$1,600 of the guaranteed payment (\$2,000 x 80%). As such, a total of \$7,200 could be subtracted by the individual.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.01

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-27](#).

History. Original Rule entitled "Gross Income Defined" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Net Taxable Income (Individual)" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Repealed: New Rule of same title adopted. F. Dec. 2, 2005; eff. Dec. 22, 2005.

Amended: F. Dec. 7, 2006; eff. Dec. 27, 2006.

Repealed: New Rule of same title adopted. F. Nov. 5, 2009; eff. Nov. 25, 2009.

Amended: F. Oct. 9, 2015; eff. Oct. 29, 2015.

Amended: F. Oct. 20, 2017; eff. Nov. 9, 2017.

Amended: F. Nov. 29, 2018; eff. Dec. 19, 2018.

Rule 560-7-4-.02. Procedures Governing Retirement Income Exclusion.

Amended.

- (1) **Eligibility.** Eligibility is provided in O.C.G.A. § [48-7-27](#).
- (2) **Married Filing Jointly.** In the case of a married couple filing jointly, each spouse shall if otherwise qualified be individually entitled to exclude retirement income received by that spouse up to the exclusion amount for such spouse. Taxpayers must qualify on a separate basis. One spouse may not use any income attributable to the other spouse in the calculation of his or her retirement exclusion. If property is jointly owned, income derived is allocated to each taxpayer at 50 percent of the total.
- (3) **Effect on Other Adjustments.** The exclusion provided for in this paragraph shall not apply to or affect and shall be in addition to those adjustments to net income provided for under O.C.G.A. §§ [48-7-27](#) and [48-7-28.2](#). Accordingly, the other income and loss adjustments to Georgia taxable income that are required by O.C.G.A. §§ [48-7-27](#) and [48-7-28.2](#) shall be added or subtracted first before computing the retirement income exclusion. Only retirement income that is included in Georgia taxable income shall be included when computing the retirement income exclusion.
- (4) **Computation of the Exclusion.**
 - (a) The amount of the exclusion shall be determined based on O.C.G.A. § [48-7-27\(a\)\(5\)\(A\)](#).
 - (b) Retirement Income.
 1. For the purpose of this paragraph, retirement income shall be divided into two parts, the unearned income portion of the retirement income exclusion and the earned income portion of the retirement income exclusion. The unearned income portion of the retirement income exclusion shall include interest income, dividend income, net income or loss from rental property that is not subject to Federal FICA tax or Federal self employment tax, partnership income that is not subject to Federal FICA tax or Federal self employment tax, income from an S-corporation in which the taxpayer or the taxpayer's spouse does not materially participate and non trade or business

income from an S-corporation in which the taxpayer or the taxpayer's spouse materially participates, capital gains or losses, income from royalties, income from pensions and annuities, and other similar income. The earned income portion of the retirement income exclusion is limited to no more than \$4,000.00 of an individual's earned income. This shall include, but not be limited to, the net business income earned by an individual from any trade or business carried on by such individual, net income or loss from rental property that is subject to Federal FICA tax or Federal self employment tax, partnership income that is subject to Federal FICA tax or Federal self employment tax, trade or business income from an S-corporation in which the taxpayer or the taxpayer's spouse materially participates, wages, salaries, tips, and other employer compensation. For purposes of this paragraph, material participation shall be determined in the same manner as provided in Internal Revenue Code Section 469.

2. Retirement income shall not include income received directly or indirectly from lotteries, gambling, illegal sources, or similar income. Indirect income from lotteries, gambling, illegal sources, or similar income shall include but not be limited to such income received through partnerships, S corporations, limited liability companies, trusts, estates, etc.
- (c) The earned income portion of the retirement income exclusion shall be computed separately from the unearned income portion of the retirement income exclusion. For both the earned income portion of the retirement income exclusion and the unearned income portion of the retirement income exclusion, losses shall be offset against income. If after each portion has been separately computed, either portion is less than zero, the portion that is less than zero shall not be offset against the other portion. For example, if the earned income portion of the retirement exclusion is a negative \$3,000 and the unearned income portion of the retirement income exclusion is a positive \$9,000, the total retirement income exclusion that is allowed shall be \$9,000.

(5) Part-Year Residents and Nonresidents.

- (a) Part-year residents and nonresidents must prorate the retirement income exclusion. The earned income portion and the unearned income portion shall each be separately prorated. Such portions shall be prorated using the ratio of Georgia source retirement income to retirement income computed as if the taxpayer were a resident of Georgia for the entire year.
- (b) Example 1:
 1. A taxpayer that is 62 years old has \$1,000 of earned retirement income that is sourced to Georgia. The taxpayer has total earned retirement income of \$10,000 computed as if the taxpayer were a resident of Georgia for the

entire year. The earned income portion of the retirement exclusion is \$400 ($\$1,000 / \$10,000 \times \$4,000$).

2. The same taxpayer also has \$5,000 of unearned retirement income that is sourced to Georgia. The taxpayer has total unearned retirement income of \$50,000 computed as if the taxpayer were a resident of Georgia for the entire year. The unearned income portion of the retirement exclusion is \$3,100 ($\$5,000 / \$50,000 \times \$31,000$ (maximum retirement exclusion of \$35,000 less the maximum earned income portion of \$4,000)). The taxpayer also has \$7,000 of Georgia lottery winnings which are not retirement income and therefore are not considered when computing the retirement exclusion.

(c) Example 2:

1. A taxpayer that is 62 years old has \$1,000 of earned retirement income that is sourced to Georgia. The taxpayer has total earned retirement income of \$2,000 computed as if the taxpayer were a resident of Georgia for the entire year. The earned income portion of the retirement exclusion is \$1,000 ($\$1,000 / \$2,000 \times \$2,000$).
2. The same taxpayer also has \$5,000 of unearned retirement income that is sourced to Georgia. The taxpayer has total unearned retirement income of \$50,000 computed as if the taxpayer were a resident of Georgia for the entire year. The unearned income portion of the retirement exclusion is \$3,300 ($\$5,000 / \$50,000 \times \$33,000$ (maximum retirement exclusion of \$35,000 less the earned income of \$2,000)). The taxpayer also has \$7,000 of Georgia lottery winnings which are not retirement income and therefore are not considered when computing the retirement exclusion.

- (6) Effective Date. The provisions set forth in this regulation will apply to taxable years beginning on or after January 1, 2011. Taxable years beginning before January 1, 2011 will be governed by the regulations of Chapter 560-7 as they exist before January 1, 2011 in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-27](#).

History. Original Rule entitled "Dealers in Personal Property" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Amended: New Rule entitled "Procedures Governing Retirement Income Exclusion" adopted. F. Feb. 24, 1996; eff. Mar. 16, 1996.

Repealed: New Rule of same title adopted. F. Mar. 25, 1987; eff. Apr. 14, 1987.

Repealed: New Rule of same title adopted. F. Dec. 26, 2001; eff. Jan. 15, 2002.

Amended: F. Apr. 5, 2011; eff. Apr. 25, 2011.

Rule 560-7-4-.03. Withholding: Procedures Governing Excess Withholding Allowances.Amended.

- (1) These regulations set forth circumstances under which employers are required to submit withholding exemption certificates received from the employees and provide a procedure for declaring such certificates to be defective. Finally, after such certificates have been declared defective, these regulations provide a procedure by which the Commissioner specifies to an employee the basis upon which amounts of withholding are to be computed.
- (2) An employer shall submit to the Commissioner a copy of any withholding exemption certificate furnished to the employer together with a copy of any written statement received from the employee in support of the claims made by the employee on the certificate received from the employee during the calendar quarter (even if not in effect at the end of the quarter) if the employee is employed by that employer on the last day of the calendar quarter and if:
 - (a) The total number of withholding dependency exemptions (within the meaning of Code Section [48-7-102](#)) claimed on the certificate exceeds 14; or
 - (b) The employer has actual knowledge that the total number of withholding dependency exemptions (within the meaning of Code Section [48-7-102](#)) claimed on the certificate exceeds the number of exemptions to which the employee is properly entitled; or
 - (c) The certificate indicates that the employee claims a status exempting the employee from withholding, and the exception provided by paragraph (3) does not apply.
- (3) A copy of the certificate shall not be submitted under sub-paragraph (b) of paragraph (2) if the employer reasonably expects, at the time the certificate is received, that the employee's wages from that employer shall not then usually exceed \$200 per week.
- (4) Copies required to be submitted under paragraph (2) shall be submitted at the time and place of filing the calendar quarterly return for the quarter during which the withholding exemption certificates in question were received by the employer. Such calendar quarterly returns shall be used to transmit such copies. At the choice of the employer, copies required to be submitted under paragraph (2) may be submitted earlier and for shorter reporting periods than a calendar quarter. In such case, the employer shall submit the copies at the place where the employer would file a calendar quarterly return and shall include with the submission a statement showing the employer's name, address, employer identification number, and the number of copies of withholding exemption certificates submitted. However, in no event shall a copy be submitted later than the time for filing the return required to be submitted for the calendar quarter during which the withholding exemption certificate was received.

- (5) An employer shall also submit to the Commissioner a copy of any currently effective withholding exemption certificate (or make the original certificate available for inspection), together with a copy of any written statement received from the employee in support of the claims made on the certificate, upon written request of the Commissioner. The request of the Commissioner may relate either to one or more named employees or to one or more reasonably segregable units of the employer. In this regard, the Commissioner may, by written notice, advise the employer that a copy of each new withholding exemption certificate received from one or more named employees, or from one or more reasonably segregable units of the employer, is to be submitted to the Commissioner. The employer shall then submit to the Commissioner a copy of each such new certificate of each such employee immediately after the employer receives the new certificate from the named employee.
- (6) Until receipt of written notice from the Commissioner that a certificate, a copy of which was submitted to the Commissioner under this section, is defective, that certificate is effective and the employer shall withhold on the basis of the statements made in that certificate, unless that certificate must be disregarded under the provisions of paragraph (11) of this Rule.
- (7) If the Commissioner finds that a copy of a withholding exemption certificate which has been submitted contains a materially incorrect statement, or if the Commissioner determines, after written request to the employee for verification, that he lacks sufficient information to determine if the certificate is correct, the Commissioner shall notify the employer in writing that the certificate is defective and the employer shall thereafter consider the certificate to be defective for purposes of computing amounts of withholding.
- (8) If the Commissioner notifies the employer that the certificate is defective, the Commissioner shall, based upon his findings, advise the employer as follows:
 - (a) That the employee is not entitled to claim a status exempting the employee from withholding;
 - (b) That the employee is not entitled to a particular withholding exemption status as specified in subsection (a) of Code Section [48-7-102](#);
 - (c) That the employee is not entitled to claim a total number of withholding dependency exemptions in excess of a number specified by the Commissioner in the notice; or
 - (d) All of the above.
- (9) The Commissioner shall provide the employer with a copy for the employee of each notice he furnished to the employer under this subsection in addition to the notice furnished to the employer for his own use. The Commissioner shall also mail a similar notice to the employee at the address of the employee shown on the certificate under review.

- (10) The employer shall promptly furnish the employee who filed the defective certificate, if still in his employ, with a copy of the written notice of the Commissioner with respect to the certificate and may request another withholding exemption certificate from the employee. The employer shall withhold amounts from the employee on the basis of the withholding exemption status and the maximum number of withholding dependency exemptions specified in the written notice received from the Commissioner.
- (11) If and when the employee does file any new certificate (after an earlier certificate of the employee was considered to be defective), the employer shall withhold on the basis of that new certificate (whenever filed) as currently effective only if the new certificate does not make a claim of exempt status, of a withholding exemption status, or of a number of withholding dependency exemptions inconsistent with the advice earlier furnished by the Commissioner in his written notice to the employer. If any new certificate does make a claim which is inconsistent with the advice contained in the Commissioner's written notice to the employer, then the employer shall disregard the new certificate, shall not submit that certificate to the Commissioner, and shall continue to withhold amounts from the employee on the basis of the withholding exemption status and maximum number of withholding dependency exemptions specified in the written notice received from the Commissioner.
- (12) If the employee makes a claim on any new certificate that is inconsistent with the advice in the Commissioner's written notice to the employer, the employee may specify on such new certificate, or by a written statement attached to the certificate, any circumstances of the employee which have changed since the date of the Commissioner's earlier written notice, or any other circumstances or reasons, as justification or support for the claims made by the employee on the new certificate. The employee may then submit that new certificate and written statement either to the Commissioner or to the employer, who must then submit a copy of that new certificate and the employee's written statement (if any) to the Commissioner. The employer shall continue to disregard that new certificate and shall continue to withhold amounts from the employee on the basis of the withholding exemption status and maximum number of withholding dependency exemptions specified in the written notice received from the Commissioner unless and until the Commissioner by written notice advises the employer to withhold on the basis of that new certificate and revokes his earlier written notice.
- (13) For purposes of this rule, the term "employer" includes an individual authorized by the employer to receive withholding exemption certificates, to make withholding computations, or to make payroll distributions.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.03

Authority: O.C.G.A. Secs. [48-7-102.1](#) and [48-2-12](#).

History. Original Rule entitled "Sales of Realty and Casual Sales of Personalty" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Amended: New Rule entitled "Withholding Procedures Governing Excess Withholding Allowances" adopted. F. Jan. 17, 1986; eff. Feb. 6, 1986.

Rule 560-7-4-.04. Procedures Governing the Georgia Higher Education Savings Plan.

(1) Definitions.

- (a) **Federal Adjusted Gross Income.** The term "federal adjusted gross income" means federal adjusted gross income, as defined in the United States Internal Revenue Code of 1986.
- (b) **Georgia Higher Education Savings Plan.** The term "Georgia Higher Education Savings Plan" is defined as the plan that is established under Article 11 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated for purposes of maintaining the Georgia Higher Education Savings Plan Trust and qualified tuition programs under Section 529 of the Internal Revenue Code.
- (c) **Account Owner.** The term "account owner" is defined the same as it is defined in O.C.G.A. § [20-3-632](#).
- (d) **Separate or Single Return.** The term "separate or single return" is defined as a return which is filed using the filing status of married filing separate, head of household, qualifying widower, or single.
- (e) **Qualified Withdrawals.** The term "qualified withdrawals" is defined as provided in O.C.G.A. § [20-3-632](#).
- (f) **Qualified Higher Education Expenses.** The term "qualified higher education expenses" is defined the same as it is defined in O.C.G.A. § [20-3-632](#).

(2) Deduction Provisions for Taxable Years beginning before January 1, 2007.

- (a) For taxable years beginning on or after January 1, 2002 and prior to January 1, 2007, an amount may be subtracted from federal adjusted gross income to arrive at Georgia taxable net income that is equal to the amount of contributions by parents or guardians to the Georgia Higher Education Savings Plan on behalf of a designated beneficiary who is claimed as a dependent on the Georgia income tax return of the beneficiary's parents or guardians, but not exceeding \$2,000.00 per beneficiary. If the parents or guardians file joint returns or separate or single returns, the sum of contributions constituting deductions on their returns under this paragraph shall not exceed \$2,000.00 per beneficiary.
 - 1. In the case where parents or guardians file separate or single returns the deduction specified in this paragraph shall be allocated as follows:
 - (i) If only one parent or guardian makes the contribution, the deduction shall be allocated to the parent or guardian who made the contribution.

- (ii) If more than one parent or guardian makes the contribution, the deduction shall be allocated to each parent or guardian based on the ratio of the contribution made by each parent or guardian to the total contributions made by the parents and guardians. In the case of a contribution made from joint funds, the deduction shall be allocated fifty percent to each parent or guardian.
- (iii) Once the allocation has been made, the deduction for each parent or guardian shall be subject to the limitations specified in subparagraph (b) of this paragraph.

(b) In order to claim the deduction under this paragraph for a taxable year:

1. Such parent or guardian must have claimed and been allowed itemized deductions pursuant to Section 63(d) of the Internal Revenue Code of 1986 and paragraph (1), subsection (a) of O.C.G.A. § [48-7-27](#);
2. The federal adjusted gross income for such taxable year cannot exceed \$100,000.00 for a joint return or \$50,000.00 for a separate or single return except as provided in subparagraph (b)4. of this paragraph; and
3. Such parent or guardian must be the account owner of the designated beneficiary's account.
4. The maximum deduction authorized by this paragraph for each beneficiary shall decrease by \$400.00 for each \$1,000.00 of federal adjusted gross income over \$100,000.00 for a joint return or \$50,000.00 for a separate or single return.

- (i) The maximum deduction for a joint return is as follows:

Federal Adjusted Gross Income	Maximum Deduction
\$100,000.00 through \$100,999.99	\$2,000.00
\$101,000.00 through \$101,999.99	\$1,600.00
\$102,000.00 through \$102,999.99	\$1,200.00
\$103,000.00 through \$103,999.99	\$ 800.00
\$104,000.00 through \$104,999.99	\$ 400.00
\$105,000.00 and over	\$ 0.00

- (ii) The maximum deduction for a separate or single return is as follows:

Federal Adjusted Gross Income	Maximum Deduction
\$50,000.00 through \$50,999.99	\$2,000.00
\$51,000.00 through \$51,999.99	\$1,600.00

\$52,000.00 through \$52,999.99	\$1,200.00
\$53,000.00 through \$53,999.99	\$ 800.00
\$54,000.00 through \$54,999.99	\$ 400.00
\$55,000.00 and over	\$ 0.00

- (c) For purposes of this paragraph, contributions or payments for any such taxable year may be made during or after such taxable year but on or before the deadline for making contributions to an individual retirement account pursuant to Section 219(f)(3) of the Internal Revenue Code of 1986.
- (d) For purposes of this paragraph, the term "contributions" does not include amounts transferred or rolled over from another account included in a Qualified Tuition Program that qualifies under Section 529 of the Internal Revenue Code of 1986. In this case, the contribution is considered to have been made at the time the money was contributed to the other account and not at the time the rollover or transfer occurs.

(3) Deduction Provisions for Taxable Years beginning on or after January 1, 2007 and before January 1, 2016.

- (a) For taxable years beginning on or after January 1, 2007 and before January 1, 2016, an amount may be subtracted from federal adjusted gross income to arrive at Georgia taxable net income that is equal to the amount of contributions to the Georgia Higher Education Savings Plan on behalf of a designated beneficiary, but not exceeding \$2,000.00 per beneficiary. If the contributor files a separate return or single return, the sum of contributions constituting deductions on the contributor's return under this paragraph shall not exceed \$2,000.00 per beneficiary. If the contributor files a joint return, the sum of contributions constituting deductions on the contributor's return under this paragraph shall not exceed \$2,000.00 per beneficiary.
- (b) For purposes of this paragraph, contributions or payments for any such taxable year may be made during or after such taxable year but on or before the deadline for making contributions to an individual retirement account under federal law for such taxable year.
- (c) For purposes of this paragraph, the term "contributions" does not include amounts transferred or rolled over from another account included in a Qualified Tuition Program that qualifies under Section 529 of the Internal Revenue Code of 1986. In this case, the contribution is considered to have been made at the time the money was contributed to the other account and not at the time the rollover or transfer occurs.

(4) Deduction Provisions for Taxable Years beginning on or after January 1, 2016 and before January 1, 2020.

- (a) For taxable years beginning on or after January 1, 2016 and before January 1, 2020, an amount may be subtracted from federal adjusted gross income to arrive at Georgia taxable net income that is equal to the amount of contributions to the Georgia Higher Education Savings Plan on behalf of a designated beneficiary, but not exceeding the amount specified in this paragraph. If the contributor files a separate return or single return, the sum of contributions constituting deductions on the contributor's return under this paragraph shall not exceed \$2,000.00 per beneficiary. If the contributor files a joint return, the sum of contributions constituting deductions on the contributor's return under this paragraph shall not exceed \$4,000.00 per beneficiary.
- (b) For purposes of this paragraph, contributions or payments for any such taxable year may be made during or after such taxable year but on or before the deadline for making contributions to an individual retirement account under federal law for such taxable year.
- (c) For purposes of this paragraph, the term "contributions" does not include amounts transferred or rolled over from another account included in a Qualified Tuition Program that qualifies under Section 529 of the Internal Revenue Code of 1986. In this case, the contribution is considered to have been made at the time the money was contributed to the other account and not at the time the rollover or transfer occurs.

(5) Deduction Provisions for Taxable Years beginning on or after January 1, 2020.

- (a) For taxable years beginning on or after January 1, 2020, an amount may be subtracted from federal adjusted gross income to arrive at Georgia taxable net income that is equal to the amount of contributions to the Georgia Higher Education Savings Plan on behalf of a designated beneficiary, but not exceeding the amount specified in this paragraph. If the contributor files a separate return or single return, the sum of contributions constituting deductions on the contributor's return under this paragraph shall not exceed \$4,000.00 per beneficiary. If the contributor files a joint return, the sum of contributions constituting deductions on the contributor's return under this paragraph shall not exceed \$8,000.00 per beneficiary.
- (b) For purposes of this paragraph, contributions or payments for any such taxable year may be made during or after such taxable year but on or before the deadline for making contributions to an individual retirement account under federal law for such taxable year.
- (c) For purposes of this paragraph, the term "contributions" does not include amounts transferred or rolled over from another account included in a Qualified Tuition Program that qualifies under Section 529 of the Internal Revenue Code of 1986. In

this case, the contribution is considered to have been made at the time the money was contributed to the other account and not at the time the rollover or transfer occurs.

- (6) **Exclusion Provisions.** For taxable years beginning on or after January 1, 2002 and before January 1, 2008, the amount of any qualified withdrawals from the Georgia Higher Education Savings Plan used solely for qualified higher education expenses shall not be subject to state income tax under this chapter. Accordingly, any such amount that has been included in federal adjusted gross income may be subtracted to arrive at Georgia taxable net income.

- (a) **Additional Exclusion Provisions.** For taxable years beginning on or after January 1, 2008 except as otherwise provided in this rule and O.C.G.A. § [48-7-27](#), the amount of any qualified withdrawals from the Georgia Higher Education Savings Plan shall not be subject to state income tax under this chapter. Accordingly, any such amount that has been included in federal adjusted gross income may be subtracted to arrive at Georgia taxable net income.

- (7) **Other Withdrawals.**

- (a) For withdrawals other than qualified withdrawals from the Georgia Higher Education Savings Plan, the proportion of earnings in the account balance at the time of the withdrawal shall be applied to the total funds withdrawn to determine the earnings portion to be included in the account owner's Georgia taxable net income in the year of the withdrawal. If the earnings amount is not already included in federal adjusted gross income, the difference between the amount computed under this subparagraph and the amount already included in federal adjusted gross income shall be added to the taxpayer's federal adjusted gross income to arrive at Georgia taxable net income. In the case this difference is a negative number, this difference shall be subtracted from the taxpayer's federal adjusted gross income to arrive at Georgia taxable net income. In the case the withdrawal is paid to the beneficiary and is included in the beneficiary's federal adjusted gross income, the beneficiary shall subtract the amount included in federal adjusted gross income to arrive at Georgia taxable net income provided the account owner has made the addition as is required by this subparagraph.
- (b) For withdrawals other than for qualified higher education expenses from the Georgia Higher Education Savings Plan which occurred in a taxable year beginning on or after January 1, 2002 and before January 1, 2008, the proportion of the contributions in an account balance at the time of such withdrawal which previously, in any year, have been used to reduce Georgia taxable net income pursuant to paragraphs (2) and (3) shall be applied to the nonearnings portion of the total funds withdrawn to determine an amount to be included in the account owner's taxable net income in the same taxable year. If the amount is not already included in federal adjusted gross income, the amount computed under this

subparagraph shall be added to the taxpayer's federal adjusted gross income to arrive at Georgia taxable net income.

1. For a taxable year beginning on or after January 1, 2008 with respect to withdrawals other than qualified withdrawals from the Georgia Higher Education Savings Plan and withdrawals from the Georgia Higher Education Savings Plan which are rolled over to a qualified tuition program other than the Georgia Higher Education Savings Plan, the proportion of the contributions in an account balance at the time of such withdrawal which previously, in any year, have been used to reduce Georgia taxable net income pursuant to paragraphs (2), (3), (4), and (5) shall be applied to the nonearnings portion of the total funds withdrawn to determine an amount to be included in the account owner's taxable net income in the same taxable year. If the amount is not already included in federal adjusted gross income, the amount computed under this subparagraph shall be added to the taxpayer's federal adjusted gross income to arrive at Georgia taxable net income.

- (c) The following example illustrates how the ratios described in subparagraphs (7)(a) and (7)(b) should be applied. The facts are as follows: The total account balance at the time of the withdrawal is \$10,000. This consists of \$2,000 of earnings, \$3,000 of contributions which previously have been used to reduce Georgia taxable net income pursuant to paragraphs (2), (3), (4), and (5), and \$5,000 of contributions which previously have not been used to reduce Georgia taxable net income pursuant to paragraphs (2), (3), (4), and (5). During the year a \$4,000 taxable withdrawal is made from the account.

1. The earnings portion to be included in the account owner's Georgia taxable net income in the year of the withdrawal as specified in subparagraph (7)(a) is computed as follows.

Line 1. Earnings in the account	\$2,000
Line 2. Total balance	\$10,000
Line 3. Ratio, line 1 divided by line 2	20%
Line 4. Amount of the withdrawal	\$4,000
Line 5. Earnings portion of the withdrawal, line 3 multiplied by line 4	\$800
Line 6. Balance of the account which consists of earnings, line 1 less line 5	\$1,200

2. The amount to be included in the account owner's Georgia taxable net income in the same taxable year as specified in subparagraph (7)(b) is computed as follows.

Line 1. Contributions which previously have been used to reduce taxable net income pursuant to paragraphs (2), (3), (4), and (5)	\$3,000
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Line 2. Total contributions, \$3,000 plus \$5,000	\$8,000
Line 3. Ratio, line 1 divided by line 2	37.5%
Line 4. Nonearnings portion of the withdrawal, \$4,000 less \$800 (earnings portion as computed in subparagraph (7)(c)1.)	\$3,200
Line 5. Amount to be included in the account owner's taxable net income in the same taxable year as specified in subparagraph (7)(b), line 3 multiplied by line 4	\$1,200
Line 6. Balance of the account which consists of contributions which previously have been used to reduce taxable net income pursuant to paragraphs (2), (3), (4), and (5), line 1 less line 5	\$1,800

3. The amount of the withdrawal that is attributable to contributions which previously have not been used to reduce Georgia taxable net income pursuant to paragraphs (2), (3), (4), and (5) is computed as follows. This computation is necessary in order to determine the proper Georgia income tax treatment of future withdrawals from the account.

Line 1. Contributions which previously have not been used to reduce taxable net income pursuant to paragraphs (2), (3), (4), and (5)	\$5,000
Line 2. Total contributions, \$3,000 plus \$5,000	\$8,000
Line 3. Ratio, line 1 divided by line 2	62.5%
Line 4. Nonearnings portion of the withdrawal, \$4,000 less \$800 (earnings portion as computed in subparagraph (7)(c)1.)	\$3,200
Line 5. Amount of the withdrawal that is attributable to contributions which previously have not been used to reduce taxable net income pursuant to paragraphs (2), (3), (4), and (5), line 3 multiplied by line 4	\$2,000
Line 6. Balance of the account which consists of contributions which previously have not been used to reduce taxable net income pursuant to paragraphs (2), (3), (4), and (5), line 1 less line 5	\$3,000

(8) Recapture due to the Internal Revenue Code Section 222 Qualified Tuition and Related Expenses Deduction.

- (a) Paragraph (5), subsection (b) of O.C.G.A. § [48-7-27](#) specifies that income, losses, and deductions previously used in computing Georgia taxable income shall not again be used in computing Georgia taxable income and the commissioner shall provide for needed adjustments by regulation. Accordingly, in any year contributions to the Georgia Higher Education Savings Plan are withdrawn and are deducted by the taxpayer pursuant to Section 222 of the Internal Revenue Code of 1986, the amount subtracted by the taxpayer pursuant to paragraphs (2), (3), (4), and (5) in the same year and previous years, reduced by the amounts the taxpayer

added to federal adjusted gross income to arrive at Georgia taxable net income pursuant to this paragraph in previous years and pursuant to subparagraph (67)(b) in the same year and previous years, shall be added to federal adjusted gross income in arriving at Georgia taxable net income for the taxpayer. In the event the amount computed under this paragraph exceeds the amount deducted pursuant to Section 222 of the Internal Revenue Code of 1986, then the amount added under this paragraph shall equal the amount deducted pursuant to Section 222 of the Internal Revenue Code of 1986.

- (9) **Effective Date.** The provisions set forth in this regulation will apply to taxable years beginning on or after January 1, 2007. Taxable years beginning before January 1, 2007 will be governed by the regulations of Chapter 560-7 as they exist before January 1, 2007 in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.04

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-27](#).

History. Original Rule entitled "Alimony in General" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Amended: New Rule entitled "Procedures Governing the Georgia Higher Education Savings Plan" adopted. F. Jan. 16, 2003; eff. Feb. 5, 2003.

Amended: F. Dec. 29, 2008; eff. Jan. 18, 2009.

Amended: F. Sep. 27, 2016; eff. Oct. 17, 2016.

Amended: F. Nov. 21, 2019; eff. Dec. 11, 2019.

Rule 560-7-4-.05. Deferred Income and Stock Options of Taxable Nonresidents.

- (1) **Purpose.** The purpose of this rule is to provide guidance regarding the administration of O.C.G.A. § [48-7-1\(11\)](#), as it applies to certain nonresidents receiving income in the form of deferred compensation or income from the exercise of stock options.
- (2) **Definitions.**
- (a) **Taxable Nonresident.** The term "taxable nonresident" means the same as defined in O.C.G.A. § [48-7-1\(11\)](#).
 - (b) **Incentive Stock Options.** The term "incentive stock options" means those stock options provided by Section 422 of the Internal Revenue Code.
 - (c) **Employee Stock Purchase Plan Options.** The term "employee stock purchase plan options" means those stock options provided by Section 423 of the Internal Revenue Code.

- (d) **Nonstatutory Stock Options.** The term "nonstatutory stock options" means those stock options that do not meet the requirements of, and are not governed by the rules of, Sections 421 through 424 of the Internal Revenue Code.
- (e) **Deferred Compensation.** The term "deferred compensation" means deferred compensation received from a nonqualified deferred compensation plan.
- (f) **Nonqualified deferred compensation plan.** The term "nonqualified deferred compensation plan" means the same as it is defined in Internal Revenue Code Section 3121(v)(2).

(3) **Taxability.**

- (a) **Deferred Compensation.** The deferred income received by a nonresident of Georgia, who regularly engaged in employment, trade, business, professional or other activity for financial gain or profit in a prior year within Georgia and whose deferred income exceeds the lesser of 5% of the income received from all places during the taxable year or \$5,000, shall be subject to taxation in Georgia as provided in O.C.G.A. § [48-7-30](#). All examples in this subparagraph assume the taxpayer meets the threshold provided in this subparagraph.
 - 1. The income earned while the taxpayer was a resident, part-year resident, or nonresident shall be allocated based on the ratio of the days worked in Georgia for the employer on or after January 1, 2011 to the total days worked for the employer.
 - (i) Example 1. Individual A, currently a resident of another state, receives deferred compensation in 2012 for employment performed in Georgia during 2011. Individual A was a resident of Georgia for all of 2011, worked 250 days in Georgia for the employer during 2011 and worked a total of 250 days for the employer during all of 2011. 100% (250/250) of the deferred compensation received is included in Georgia taxable income in 2012.
 - (ii) Example 2. Individual B, currently a resident of another state, receives deferred compensation in 2012 for employment performed in Georgia during 2011. Individual B was a resident of Georgia for all of 2011, worked 200 days in Georgia for the employer during 2011 and worked a total of 250 days for the employer during all of 2011. 80% (200/250) of the deferred compensation received is included in Georgia taxable income in 2012.
 - (iii) Example 3. Individual C, currently a resident of another state, receives deferred compensation in 2012 for employment performed in Georgia during 2011. During 2011 Individual C was a nonresident of Georgia, worked 50 days in Georgia for the employer

during 2011, and worked a total of 250 days for the employer during all of 2011. 20% (50/250) of the deferred compensation received is included in Georgia taxable income in 2012.

- (iv) **Example 4.** Individual D, currently a resident of another state, receives deferred compensation in 2012 for employment performed in Georgia during 2010 and 2011. During 2010 and 2011 Individual D was a nonresident of Georgia, worked 50 days in Georgia for the employer during 2011, and worked a total of 500 days for the employer during all of 2010 and 2011. 10% (50/500) of the deferred compensation received is included in Georgia taxable income in 2012. The days worked in Georgia before January 1, 2011 are not included in the numerator and as such only the 50 days worked in Georgia during 2011 are included in the numerator.

- 2. With respect to nonqualified deferred compensation plans governed by Internal Revenue Code Section 3121(v)(2), the amount of income earned for employment in a particular year shall be the amount determined pursuant to Internal Revenue Code Section 3121(v)(2) except that when Internal Revenue Service Regulation 31.3121(v)(2)-1(e)(4) applies, the employer must determine the amount of income for such particular year using some other reasonable method.

- (b) **Stock Options.** The income from the exercise of stock options received by a nonresident of Georgia, who engaged in employment, trade, business, professional, or other activity for financial gain or profit in a prior year within Georgia and whose income exceeds the lesser of five percent (5%) of the income received from all places during the taxable year or \$5,000, shall be subject to taxation in Georgia as provided in O.C.G.A. § [48-7-30](#). All examples in this subparagraph assume the taxpayer meets the threshold provided in this subparagraph.

- 1. **Incentive Stock Option.** If the option is an incentive stock option (income is recognized when the stock is sold) then the amount that is included in Georgia taxable income is computed using the following formula:

- (i) (During the time from the grant date to the vest date the number of days worked in Georgia for the employer on or after January 1, 2011 while a resident, part-year resident, or nonresident / total number of work days for the employer during the time from the grant date to the vest date) x (fair market value of the stock on the exercise date less the amount paid when the stock was exercised). The amount that is included in Georgia taxable income is not changed if the fair market

value at the time of the sale is higher or lower than the fair market value on the exercise date.

- (ii) Example 5. Individual E, currently a resident of another state, was granted 1000 incentive stock options on July 1, 2011 which are exercisable on June 30, 2012 at a price of \$25 per share. Individual E vested on June 30, 2012 and exercised the options on June 30, 2012. The fair market value on June 30, 2012 was \$35 per share. Individual E sold the stock on December 31, 2013 for \$50 per share. Individual E was a resident of Georgia during the period July 1, 2011 until December 31, 2011, had 125 work days in Georgia for the employer during this period, and had 125 total work days for the employer during this period. Individual E was a nonresident during the period January 1, 2012 until June 30, 2012. Individual E worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual E must include the following in Georgia taxable income in the 2013 tax year:

Difference between the fair market value on exercise date and the amount paid on exercise

$((\$35 \text{ less } \$25) \times 1000 \text{ shares}) \$10,000$

Ratio of Georgia days from grant to vest

$((125+25) / 250)) \underline{60\%}$

Income to be included in Georgia taxable income \$ 6,000

- (iii) Example 6. Individual F, currently a resident of another state, was granted 1000 incentive stock options on July 1, 2011 which are exercisable on June 30, 2013 at a price of \$25 per share. Individual F vested on June 30, 2012 and exercised the options on June 30, 2013. The fair market value on June 30, 2013 was \$35 per share. Individual F sold the stock on December 31, 2013 for \$50 per share. Individual F was a resident of Georgia during the period July 1, 2011 until December 31, 2011, had 75 work days in Georgia for the employer during this period, and had 125 total work days for the employer during this period. Individual F was a nonresident during the period January 1, 2012 until June 30, 2012. Individual F worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual

F must include the following in Georgia taxable income in the 2013 tax year:

Difference between the fair market value on exercise date and the amount paid on exercise

$((\$35 \text{ less } \$25) \times 1000 \text{ shares}) \$10,000$

Ratio of Georgia days from grant to vest

$((75+25) / 250)) \underline{40\%}$

Income to be included in Georgia taxable income \$ 4,000

- (iv) Example 7. Individual G, currently a resident of another state, was granted 1000 incentive stock options on July 1, 2010 which are exercisable on June 30, 2012 at a price of \$25 per share. Individual G vested on June 30, 2012 and exercised the options on June 30, 2012. The fair market value on June 30, 2012 was \$35 per share. Individual G sold the stock on December 31, 2013 for \$50 per share. Individual G was a resident of Georgia during the period July 1, 2010 until December 31, 2011, had 75 work days in Georgia for the employer during 2011, and had 375 total work days for the employer during this period. Individual G was a nonresident during the period January 1, 2012 until June 30, 2012. Individual G worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual G must include the following in Georgia taxable income in the 2013 tax year:

Difference between the fair market value on exercise date and the amount paid on exercise

$((\$35 \text{ less } \$25) \times 1000 \text{ shares}) \$10,000$

Ratio of Georgia days from grant to vest

$((75+25) / 500)) * \underline{20\%}$

Income to be included in Georgia taxable income \$ 2,000

*The days worked in Georgia before January 1, 2011 are not included in the numerator and as such only the 75 days worked in

Georgia during 2011 and the 25 days worked in Georgia during 2012 are included in the numerator.

2. **Employee stock purchase plan options.** If the option is an employee stock purchase plan option (income is recognized when the stock is sold) then the amount that is included in Georgia taxable income is computed using the following formula:

(i) (For the taxable year the option was granted the number of days worked in Georgia for the employer on or after January 1, 2011 while a resident, part-year resident, or nonresident / total number of work days for the employer during the taxable year the option was granted) x (ordinary income recognized pursuant to the Internal Revenue Code).

(ii) Example 8. Individual H, currently a resident of another state, was granted 1000 employee stock purchase plan options on July 1, 2011 which are exercisable on June 30, 2012 at a price of \$34 per share. Individual H exercises the options on this date and sells the stock on July 1, 2013 for \$45 per share. The fair market value on July 1, 2011 was \$40 per share. Individual H was a resident of Georgia during the period January 1, 2011 until June 30, 2011, had 75 work days in Georgia for the employer during this period, and had 125 total work days for the employer during this period. Individual H was a nonresident during the period July 1, 2011 until December 31, 2011. Individual H worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual H must include the following in Georgia taxable income in the 2013 tax year:

Ordinary income recognized pursuant to the

Internal Revenue Code ($\$40 - \$34 = \$6 \times 1000$) \$ 6,000

Ratio of Georgia days

$((75+25) / 250)$ 40%

Income to be included in Georgia taxable income \$ 2,400

(iii) Example 9. Individual I, currently a resident of another state, was granted 1000 employee stock purchase plan options on July 1, 2011 which are exercisable on June 30, 2012 at a price of \$34 per share.

Individual I exercises the options on this date and sells the stock on July 1, 2013 for \$35 per share. The fair market value on July 1, 2011 was \$40 per share. Individual I was a resident of Georgia during the period January 1, 2011 until June 30, 2011, had 125 work days in Georgia for the employer during this period, and had 125 total work days for the employer during this period. Individual I was a nonresident during the period July 1, 2011 until December 31, 2011. Individual I worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual I must include the following in Georgia taxable income in the 2013 tax year:

Ordinary income recognized pursuant to the

Internal Revenue Code ($\$35 - \$34 = \$1 \times 1000$) \$ 1,000

Ratio of Georgia days

$((125+25) / 250))$ 60%

Income to be included in Georgia taxable income \$ 600

3. **Nonstatutory stock option that does not have a readily ascertainable fair market value.** If the option is a nonstatutory stock option that does not have a readily ascertainable fair market value (income is recognized on the exercise date) then the amount that is included in Georgia taxable income is computed by the following formula:

- (i) (During the time from the grant date to the vest date the number of days worked in Georgia for the employer on or after January 1, 2011 while a resident, part-year resident, or nonresident / total number of work days for the employer during the time from the grant date to the vest date) x (fair market value of the stock on the exercise date less the amount paid when the stock was exercised).
- (ii) Example 10. Individual J, currently a resident of another state, was granted 1000 nonstatutory stock options on July 1, 2011 that do not have a readily ascertainable fair market value and which are exercisable on June 30, 2012 at a price of \$25 per share. Individual J vested on June 30, 2012 and exercised the options on June 30, 2012. The fair market value on June 30, 2012 was \$35 per share. Individual J was a resident of Georgia during the period July 1, 2011 until December 31, 2011, had 125 work days in Georgia for the

employer during this period, and had 125 total work days for the employer during this period. Individual J was a nonresident during the period January 1, 2012 until June 30, 2012. Individual J worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual J must include the following in Georgia taxable income in the 2012 tax year:

Difference between the fair market value on exercise date and the amount paid on exercise

$((\$35 \text{ less } \$25) \times 1000 \text{ shares}) \$10,000$

Ratio of Georgia days from grant to vest

$((125+25) / 250)) \underline{60\%}$

Income to be included in Georgia taxable income \$ 6,000

- (iii) Example 11. Individual K, currently a resident of another state, was granted 1000 nonstatutory stock options on July 1, 2011 that do not have a readily ascertainable fair market value and which are exercisable on June 30, 2012 at a price of \$25 per share. Individual K vested on June 30, 2012 and exercised the options on June 30, 2012. The fair market value on June 30, 2012 was \$35 per share. Individual K was a resident of Georgia during the period July 1, 2011 until December 31, 2011, had 75 work days in Georgia for the employer during this period, and had 125 total work days for the employer during this period. Individual K was a nonresident during the period January 1, 2012 until June 30, 2012. Individual K worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual K must include the following in Georgia taxable income in the 2012 tax year:

Difference between the fair market value on exercise date and the amount paid on exercise

$((\$35 \text{ less } \$25) \times 1000 \text{ shares}) \$10,000$

Ratio of Georgia days from grant to vest

$$((75+25) / 250)) \underline{40\%}$$

Income to be included in Georgia taxable income \$ 4,000

- (iv) Example 12. Individual L, currently a resident of another state, was granted 1000 nonstatutory stock options on July 1, 2010 that do not have a readily ascertainable fair market value and which are exercisable on June 30, 2013 at a price of \$25 per share. Individual L vested on June 30, 2012 and exercised the options on June 30, 2013. The fair market value on June 30, 2013 was \$35 per share. Individual L was a resident of Georgia during the period July 1, 2010 until December 31, 2011, had 75 work days in Georgia for the employer during 2011, and had 375 total work days for the employer during this period. Individual L was a nonresident during the period January 1, 2012 until June 30, 2012. Individual L worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual L must include the following in Georgia taxable income in the 2013 tax year:

Difference between the fair market value on exercise date and the amount paid on exercise

$$((\$35 \text{ less } \$25) \times 1000 \text{ shares}) \$10,000$$

Ratio of Georgia days from grant to vest

$$((75+25) / 500)) * \underline{20\%}$$

Income to be included in Georgia taxable income \$ 2,000

*The days worked in Georgia before January 1, 2011 are not included in the numerator and as such only the 75 days worked in Georgia during 2011 and the 25 days worked in Georgia during 2012 are included in the numerator.

4. **Nonstatutory stock option that has a readily ascertainable fair market value.** If the option is a nonstatutory stock option that has a readily ascertainable fair market value (income is recognized in the year the option is granted), then the amount that is included in Georgia taxable income is computed by the following formula:

- (i) (For the taxable year the option was granted the number of days worked in Georgia for the employer while a resident, part-year resident, or nonresident / total number of work days for the employer during the taxable year the option was granted) x (ordinary income recognized pursuant to the Internal Revenue Code).
- (ii) Example 13. Individual M, currently a resident of another state, was granted 1000 nonstatutory stock options on July 1, 2012 that have a readily ascertainable fair market value. The fair market value of the options on July 1, 2012 was \$35 per share. Individual M was a resident of Georgia during the period January 1, 2012 until June 30, 2012, had 125 work days for the employer in Georgia during this period, and had 125 total work days for the employer during this period. Individual M was a nonresident during the period July 1, 2012 until December 31, 2012. Individual M worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual M must include the following in Georgia taxable income in the 2012 tax year:

Ordinary income recognized pursuant to the Internal Revenue Code
(\$35 x 1000 shares) \$35,000

Ratio of Georgia days

$((125+25) / 250))$ 60%

Income to be included in Georgia taxable income \$21,000

- (iii) Example 14. Individual N, currently a resident of another state, was granted 1000 nonstatutory stock options on July 1, 2012 that have a readily ascertainable fair market value. The fair market value of the options on July 1, 2012 was \$35 per share. Individual N was a resident of Georgia during the period January 1, 2012 until June 30, 2012, had 75 work days in Georgia for the employer during this period, and had 125 total work days for the employer during this period. Individual N was a nonresident during the period July 1, 2012 until December 31, 2012. Individual N worked in Georgia for the employer during this period for 25 days and had 125 total work days for the employer during this period. Individual N must include the following in Georgia taxable income in the 2012 tax year:

Ordinary income recognized pursuant to the Internal Revenue Code
(\$35 x 1000 shares) \$35,000

Ratio of Georgia days

$((75+25) / 250))$ 40%

Income to be included in Georgia taxable income \$14,000

- (4) **Withholding.** The employer shall withhold Georgia income tax as provided in Article 5 of Chapter 7 of Title 48 on all deferred compensation and stock options which are required to be included in Georgia taxable income.
- (5) **Withholding documentation.** For purposes of determining the number of days worked in Georgia and the total days worked in a year, the employer shall use records that are available to them. However, if the records are not available, the employer may reasonably rely upon a written representation, signed under penalties of perjury, from the employee of the number of days. The employer will only be held liable if the employer had actual or constructive knowledge that the employee's written representation was false or contained erroneous information. Further, the employer may elect to determine the number of days worked in Georgia by assuming the employee worked in Georgia only during the time the employee was a resident of Georgia.
- (6) **Effective Date.** The provisions of this rule shall be effective for taxable years beginning on or after January 1, 2011.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-1](#), [48-7-30](#), 92-3005, 92-3006, 92-8405, 92-8406, 94-8427.

History. Original Rule "Life Insurance Policies and Contracts Paid Upon Death" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Amended: New Rule entitled "Deferred Income and Stock Options of Taxable Nonresidents" adopted. F. Sept. 1, 2011; eff. Sept. 21, 2011.

Rule 560-7-4-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.06

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 94-8427.

History. Original Rule entitled "When Life Insurance or Endowment Policy Not Included in Gross Income" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-4-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.07

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 94-8427.

History. Original Rule entitled "Gifts and Bequests" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-4-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.08

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 94-8427.

History. Original Rule entitled "Interest on State Obligations" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-4-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.09

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 94-8427.

History. Original Rule entitled "Pensions from United States Government or from Any State of United States" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-4-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.10

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 94-8427.

History. Original Rule entitled "Dividends on Bank or Trust Company Stock" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-4-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-4-.11

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Provisions not Applicable to Corporations" adopted. F. Dec. 12, 1969; eff. Dec. 31, 1969.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Subject 560-7-5. NET TAXABLE INCOME (CORPORATION).

Rule 560-7-5-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-5-.01

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Net Income Defined" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 12, 1969; eff. Dec. 31, 1969.

Repealed: New Rule entitled "Net Taxable Income (Corporation)" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-5-.02. Accounting Periods and Basis of Net Income.

- (1) The return of a taxpayer shall be made and the person's income computed for the person's taxable year, which means the fiscal year, or the calendar year if the person has not established a fiscal year. For purposes of this regulation, "person" means the same as is defined in O.C.G.A. § [48-1-2](#). The term fiscal year means an accounting period of 12 months ending on the last day of any month other than December. No fiscal year will be recognized unless before its close it was definitely established as an accounting period by the taxpayer and the books of such taxpayer were kept in accordance therewith. A person having no such fiscal year must make the person's return on the basis of the calendar year. The annual accounting period constituting a taxable year shall in no case be a period longer than 12 months.
- (2) It is recognized that no uniform method of accounting can be prescribed for all taxpayers, and the law contemplates that each taxpayer shall adopt such forms and systems of accounting as are in the person's judgment best suited to the person's purpose. Each taxpayer is required by law to make a return of the person's true income. The person must, therefore, maintain such accounting records as will enable the person to do so.
- (3) The taxable year of a person shall be the same as the person's taxable year for Federal income tax purposes.
- (4) A person's method of accounting must be the same for Georgia income tax purposes as for Federal income tax purposes. If the person is allowed or is required to change an accounting method for Federal income tax purposes, such accounting method for Georgia will automatically be changed.

Cite as Ga. Comp. R. & Regs. R. 560-7-5-.02

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Amended: Filed December 12, 1969; effective December 31, 1969.

Amended: F. Dec. 7, 2021; eff. Dec. 27, 2021.

Subject 560-7-6. ELECTIONS AND DEFINITIONS.

Rule 560-7-6-.01. Elections.Amended.

Elections under the Internal Revenue Code which individuals make shall likewise be recognized for Georgia income tax purposes. The time and manner of making each respective election as specified by the Internal Revenue Code and the Federal regulations thereunder are recognized by Georgia.

- (a) An exception to the general rule that the filing status of the Federal return, whether joint or separate, determines the filing status on the Georgia return is made if either husband or wife is a resident and the other is a non-resident with no Georgia income, or if husband and wife are non-residents with one having Georgia income. Such taxpayers shall file separate income tax returns in this State, in which event their tax liabilities shall be separate; each shall be entitled to only their own personal exemption, credit for dependent(s) other than spouse and personal deductions, and they shall compute their tax based upon married filing separate status.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.01

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Deductions from Gross Income" adopted. F. and eff. June 30, 1965.

Amended: F. May 25, 1966; eff. June 13, 1966.

Amended: F. Aug. 4, 1966; eff. Aug. 24, 1966.

Amended: F. Jan. 11, 1971; eff. Jan. 31, 1971.

Repealed: New Rule entitled "Elections" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-6-.02. Meaning of Terms Used.

- (1) Any term used in these Regulations has the same meaning as when used in a comparable context in the laws of the United States or Regulations of the Internal Revenue Service, relating to Federal income taxes, unless a different meaning is clearly required or the term is specifically defined in the Georgia Code or Regulations. Any reference in these Regulations to the laws of the United States or to the Internal Revenue Code means the Internal Revenue Code, as the term is defined in O.C.G.A. § [48-1-2](#), and judicial decisions thereunder.
- (2) Insofar as is practicable the Commissioner shall apply and follow the administrative and judicial interpretations of the Federal Income Tax Law. When a provision of the Federal Income Tax Law is the subject of conflicting opinions by two or more Federal courts, the Commissioner shall follow the rule observed by the United States Commissioner of Internal Revenue until the conflict is resolved. Nothing contained in this section limits the right or duty of the Commissioner to audit the return of any taxpayer or to determine any fact relating to the tax liability of any taxpayer.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.02

Authority: O.C.G.A. Secs. [48-1-2](#), [48-2-12](#).

History. Original Rule entitled "Interest" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Meaning of Terms Used" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Repealed: New Rule of same title adopted. F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-6-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.03

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Taxes" adopted. F. and eff. June 30, 1965.

Amended: F. June 10, 1969; eff. June 29, 1969.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-6-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.04

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Losses" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 12, 1969; eff. Dec. 31, 1969.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-6-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.05

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Bad Debts" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-6-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.06

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Contributions or Gifts" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Payments by Husband Under Decree of Divorce" adopted. F. Dec. 12, 1969; eff. Dec. 31, 1969.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-6-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.07

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Secs 92-3005, 92-3006).

History. Original Rule entitled "Payments by Husband Under Decree of Divorce" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Medical and Dental Expenses" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Filed October 2, 1970; effective October 22, 1970.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-6-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.* as amended; (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Secs. 92-3005, 92-3006).

History. Original Rule entitled "Medical and Dental Expenses" was filed and effective on June 30, 1965.
Amended: Rule repealed and a new Rule entitled "Optional Standard Deductions" adopted. Filed December 12, 1969; effective December 31, 1969.
Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-6-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.09

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Secs. 92-3005, 92-3006).

History. Original Rule entitled "Optional standard Deductions" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Net Operating Loss Carry-Over and Carry-Back" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-6-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.10

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Secs. 92-3005, 92-3006).

History. Original Rule entitled "Net Operating Loss Carry-Over and Carry-Back" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Items not Deductible" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-6-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.11

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Secs. 92-3005, 92-3006).

History. Original Rule entitled "Child Care Expenses" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Provisions not Applicable to corporations" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-6-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-6-.12

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Secs. 92-3005, 92-3006).

History. Original Rule entitled "Items Not Deductible" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 12, 1969; effective December 31, 1969.

Amended: By amendment filed February 16, 1972, effective March 7, 1972, Rule number was reserved.

Subject 560-7-7. TAXES.

Rule 560-7-7-.01. Credits Against Taxes.

- (1) A resident individual having income from property owned, personal services, business done, or other activities in other States, and who pays income tax in more than one other State, shall combine into a single item the total of such taxable income and tax paid in the other States to determine the allowable credit.
- (2) The amount of income, amount of personal exemption, net taxable income, computation of tax, and the total tax shown as due and paid to other States must in each instance be in accordance with actual returns filed in such other states. Credits allowed by the other States reduce the tax paid in the other States and therefore reduce the amount eligible for the credit.
- (3) The District of Columbia shall be considered a State for purposes of this credit.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-28](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Credits Against Taxes" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-7-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.02

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Credit for Sales and Use Taxes" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-7-.03. Corporations: Allocation and Apportionment of Income.

- (1) **What constitutes doing business.** A corporation will be considered to be doing business within this state if it performs acts or consummates transactions within this state which result in financial profit or gain, or if it engages within this state in any activities or transactions for the purpose of financial profit or gain. A corporation will be considered to be engaged in an activity in this state whose agent, salesman, or other representative in whatever capacity, engages in solicitation, demonstration, taking of orders, collection activities, or any other activity for the purpose of financial profit or gain. A corporation will be considered to be owning property in this state, doing business in this state, or deriving income from sources within this state whenever the corporation is a partner, whether limited or general, in a partnership which owns property in this state, does business in this state, or derives income from sources within this state. A corporation will be considered to be owning property in this state, doing business in this state, or deriving income from sources within this state whenever the corporation is a member of a limited liability company or similar nontaxable entity, not treated as a corporation for federal

income tax purposes, which owns property in this state, does business in this state, or derives income from sources within this state.

- (2) **Allocation and apportionment of income.** When a corporation's entire net income is derived from owning property within this state, doing business within this state, or deriving income from sources within this state, the entire net income shall be taxable by this state. When a corporation's business income is derived in part from property owned or business done within this state and in part from property owned or business done outside this state, the tax shall be imposed only on that portion of the business income which is reasonably attributable to the property owned and business done within this state. To arrive at net income subject to apportionment, there shall be excluded income subject to allocation as provided in paragraph (3) of this regulation.
- (3) **Allocation of income.** O.C.G.A. § [48-7-31\(c\)](#) applies only to income from property held solely for investment. All expenses connected with earning such investment income, including interest on money borrowed to pay for such property, ad valorem and other taxes on such property, and all other expenses connected with holding and owning such property shall be deducted from the gross investment income. The net investment income is not subject to apportionment.
 - (a) **Real property investment income.** If the investment property is real estate located within the state, the entire net investment income from such real property shall be allocated to Georgia. If such real estate is situated outside the state, the entire net investment income therefrom shall be allocated outside Georgia.
 - (b) **Intangible property investment income.** If the investment property is intangible, and the corporation is a domestic corporation, or a domesticated foreign corporation, or an undomesticated foreign corporation having its principal office in Georgia, the entire net investment income from such intangible property shall be allocated to Georgia; or if such intangible property was acquired as a result of business done or property owned in Georgia, the entire net investment income therefrom shall be allocated to Georgia.
 - (c) **Allocation of gain or loss on sale of investment property.** Net gain or loss from the sale or other disposition of investment property which is not held, owned or used in connection with the trade or business of the corporation, and not held for sale in the regular course of the trade or business of the corporation, shall be allocated. Such gain or loss shall be allocated to Georgia if the investment property is real estate situated in Georgia, or tangible personal property located in Georgia, or intangible property the net investment income from which is allocated to Georgia hereunder. Otherwise, such gain or loss shall be allocated outside the state.
- (4) **Apportionment of income; tangible personal property.** Any corporation whose net business income is principally derived from the manufacture, production, sale, or lease of tangible personal property shall be taxed upon that portion of its net income attributable

to this state, determined by use of a three-factor apportionment formula. The three factors in the apportionment formula are the property factor, the payroll factor, and the gross receipts factor. The method of apportioning income using ratios related to property, payroll, and gross receipts shall hereinafter be referred to as the three-factor formula. However, for tax years beginning on or after January 1, 2008, the Georgia apportionment ratio shall be computed by applying only the gross receipts factor.

(a) Property factor.

1. General rule. The property factor of the three-factor formula shall include all real and tangible personal property owned or rented by the taxpayer and used during the tax period in the regular course of the taxpayer's trade or business. The term "real and tangible personal property" includes, but is not limited to, land, buildings, machinery, stocks of goods, equipment, and other real and tangible personal property, but does not include coin or currency. Property used in connection with the production of income subject to allocation shall be excluded from the property factor. Property used both in the regular course of taxpayer's trade or business and in the production of income subject to allocation shall be included in the factor only to the extent that the property is used in the regular course of the taxpayer's trade or business. The method used to determine that portion of the value to be included in the factor will depend upon the facts of each case. The property factor shall include the average value of property includable in the factor.
2. Property used for the production of business income. Property shall be included in the property factor if it is actually used, or is available for or capable of being used, during the tax period in the regular course of the trade or business of the taxpayer. Property held as reserves or standby facilities or property held as a reserve source of materials shall be included in the factor. For example, a plant that is temporarily idle, or raw material reserves not currently being processed, are included in the factor. Property or equipment under construction during the tax period (except inventoriable goods in process) shall be excluded from the factor until such property is actually used in the regular course of the trade or business of the taxpayer. If the property is partially used in the regular course of the trade or business of the taxpayer while under construction, the value of the property to the extent used shall be included in the property factor. Property used in the regular course of the trade or business of the taxpayer shall remain in the property factor until its permanent withdrawal is established by an identifiable event.
3. Consistency in reporting. When filing returns with this state, if the taxpayer departs from or modifies the manner of valuing property, or from excluding or including property in the property factor, used in returns for prior years, the taxpayer shall disclose on the return for the current year the nature and extent of the modification.

4. Denominator. The denominator of the property factor shall include the average value of the real and tangible personal property owned or rented by the taxpayer and used during the tax period in the regular course of the taxpayer's trade or business.
5. Numerator. The numerator of the property factor shall include the average value of the real and tangible personal property owned or rented by the taxpayer and used in this state during the tax period in the regular course of the taxpayer's trade or business. Property in transit between locations of the taxpayer to which it belongs shall be considered to be at the destination for purposes of the property factor. Property in transit between a buyer and seller which is included by the taxpayer in the denominator of the taxpayer's property factor in accordance with its regular accounting practices shall be included in the numerator according to the state of destination. The value of mobile or movable property such as construction equipment, trucks, or leased electronic equipment which is located within and outside this state during the tax period shall be determined, for purposes of the numerator of the factor, on the basis of the total time located within the state during the tax period, or another reasonable method which reflects the use of the property in this state as approved and determined by the Commissioner.
6. Valuation of owned property.
 - (i) Original cost; defined. Property owned by the taxpayer shall be valued at its original cost. As a general rule, "original cost" is deemed to be the original basis of the property for federal income tax purposes (prior to any federal adjustments) at the time of acquisition by the taxpayer and adjusted by subsequent capital additions or improvements thereto and partial dispositions thereof, by reason of sale, exchange, abandonment, etc. If the original cost of the property cannot be ascertained, the property is included in the factor at its fair market value as of the date of acquisition by the taxpayer. However, capitalized intangible drilling and development costs shall be included in the property factor whether or not they have been expensed for either federal or state tax purposes. Depletable property shall be valued at its original cost less any depletion taken for federal tax purposes.
 - (ii) Inventory. Inventory of stock of goods shall be included in the factor in accordance with the valuation method used for federal income tax purposes.
 - (iii) Gift or inheritance. Property acquired by gift or inheritance shall be included in the factor at its basis for determining depreciation for federal income tax purposes.

7. Valuation of rented property.

- (i) General rule. Property rented by the taxpayer is valued at eight times the net annual rental rate. The net annual rental rate is the annual rental rate paid by the taxpayer for such property, less the aggregate annual subrental rates paid by subtenants of the taxpayer. Subrents are not deducted when they are from activities which constitute the taxpayer's regular trade or business.
- (ii) Annual rental rate; defined. "Annual rental rate" is the amount paid as rental for property for a twelve-month period (i.e., the amount of the annual rent). Where property is rented for less than a twelve-month period, the rent paid for the actual period of rental shall constitute the "annual rental rate" for the tax period. However, where a taxpayer has rented property for a term of twelve or more months and the current tax period covers a period of less than twelve months (due, for example, to a reorganization or change of accounting period), the rent paid for the short tax period shall be annualized. If the rental term is for less than twelve months, the rent shall not be annualized beyond its term. Rent shall not be annualized because of the uncertain duration when the rental term is on a month-to-month basis.
- (iii) Annual rent. "Annual rent" is the actual sum of money or other consideration payable, directly or indirectly, by the taxpayer for the use of the property and includes:
 - (I) Any amount payable for the use of real or tangible personal property, or any part thereof, whether designated as a fixed sum of money, or as a percentage of sales, profits, or otherwise; and
 - (II) Any amount payable as additional rent or in lieu of rents, such as interest, taxes, insurance, repairs, or any other items which are required to be paid by the terms of the lease or other arrangement, not including amounts paid as service charges for utilities, janitorial services, etc. If a payment includes rent and other unsegregated charges, the amount of rent shall be determined by taking into consideration the relative values of the rent and other associated items.
- (iv) Royalties. Annual rent does not include royalties based on extraction of natural resources, whether represented by delivery or purchase. For this purpose, a royalty includes any consideration conveyed or credited to a holder of an interest in property which

constitutes a sharing of current or future production of natural resources from such property, irrespective of the method of payment or how such consideration may be characterized, whether as a royalty, advance royalty, rental, or otherwise.

- (v) Leasehold improvements. For purposes of the property factor, leasehold improvements shall be treated as property owned by the taxpayer regardless of whether the taxpayer is entitled to remove the improvements or the improvements revert to the lessor upon expiration of the lease. Hence, the original cost of leasehold improvements shall be included in the factor.
 - (vi) Where no rent is charged. If property owned by others is used by the taxpayer at no charge or rented by the taxpayer for a nominal rate, the net annual rental rate for such property shall be determined on the basis of the fair market rental rate for such property.
8. Averaging property values. As a general rule, the average value of property owned by the taxpayer shall be determined by averaging the values at the beginning and end of the tax period. However, the Commissioner may require or allow averaging by monthly values if such method of averaging is required to properly reflect the average value of the taxpayer's property for the tax period.

(b) Payroll factor.

- 1. General rule. The payroll factor of the three-factor formula shall include the total amount paid by the taxpayer in the regular course of the taxpayer's trade or business for compensation during the tax period.
- 2. Method of Accounting. The total amount of compensation is determined based upon the taxpayer's accounting method. If the taxpayer has adopted the accrual method of accounting, all compensation properly accrued shall be deemed to have been paid. Notwithstanding the taxpayer's method of accounting, at the election of the taxpayer, compensation paid to employees may be included in the payroll factor by use of the cash method if the taxpayer is required to report such compensation using that method for unemployment compensation purposes. The compensation of any employee for activities in connection with the production of income subject to allocation shall be excluded from the factor.
- 3. Compensation. The term "compensation" means wages, salaries, commissions, and any other form of remuneration paid directly or indirectly to employees for personal services. Payments made to an independent

contractor or any other person not properly classifiable as an employee are excluded. Only amounts paid directly or indirectly to employees are included in the payroll factor. Amounts considered paid include the value of board, rent, housing, lodging, and other benefits or services furnished to employees by the taxpayer in return for personal services, provided that such amounts constitute income to the recipient under the Federal Internal Revenue Code.

4. Employee. The term "employee" means any officer of a corporation or any individual who, under the Internal Revenue Service rules applicable in determining the employer-employee relationship, has the status of an employee. How compensation is paid by the employer to an employee for personal services, whether directly, indirectly, or through a third party, and what the employee is called, whether partner, agent, or independent contractor, is immaterial. The existence of an actual employer-employee relationship is the fact that determines inclusion of compensation in the payroll ratio. Whether the employer-employee relationship exists or not will be determined in doubtful cases upon an examination of the particular facts of each case.
5. Modification of compensation. When filing returns with this state, if the taxpayer departs from or modifies the treatment of compensation paid that was used in returns for prior years, the taxpayer shall disclose in the return for the current year the nature and extent of the modification.
6. Denominator. The denominator of the payroll factor is the total compensation paid everywhere during the tax period.
7. Numerator. The numerator of the payroll factor is the total amount of compensation paid by the taxpayer in this State during the tax period.
8. Compensation paid in this state. Compensation is paid in this state if any one of the following tests are met:
 - (i) The employee's service is performed entirely within this state; or
 - (ii) The employee's service is performed both within and outside this state and the service performed outside this state is incidental to the employee's service within this state. The word "incidental" means any service which is temporary or transitory in nature, or which is rendered in connection with an isolated transaction; or
 - (iii) Some of the service is performed in this state and the base of operations or the place from which the service is directed or controlled is in this state; or

- (iv) Some of the service is performed in this state and the base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed but the employee's residence is in this state.

In each of the above four tests, the employee's total compensation is determined to be Georgia compensation and is included in the numerator of the payroll factor. The term "base of operations" means the place of more or less permanent nature from which the employee starts his work and to which he customarily returns in order to receive instructions from the taxpayer or communications from his customers or other persons or to replenish stock or other materials, repair equipment, or perform any other functions necessary to the exercise of trade or business at some other point or points. The term "place from which the service is directed or controlled" refers to the place from which the power to direct or control is exercised by the taxpayer.

(c) Gross receipts factor.

1. General rule. O.C.G.A. § [48-7-31](#) provides that the gross receipts factor is a fraction, the numerator of which is the total gross receipts from business done within this state during the tax period, and the denominator of which is the total gross receipts from business done everywhere during the tax period. Except as otherwise provided in subparagraph (4)(c), the term "gross receipts" as used in subparagraph (4)(c) means all gross receipts derived by the taxpayer from products shipped or delivered to customers in the regular course of the taxpayer's trade or business.
2. Gross receipts; manufacturing and resale. In the case of a taxpayer engaged in manufacturing and selling or purchasing and reselling goods or products, all gross receipts from the sale of such goods or products, or other property of a kind which would properly be included in inventory of the taxpayer if on hand at the close of the tax period, and which are held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business, are included in the gross receipts factor. Gross receipts for this purpose means gross sales, less returns and allowances, and includes all service charges or carrying charges incidental to such sales. Federal and state excise taxes, including sales taxes, shall be included as part of such receipts if such taxes are passed on to the buyer or included as part of the selling price of the product.

3. Where a taxpayer's gross receipts are also derived from activities described in paragraph (5), gross receipts shall also include the gross receipts from the activities described in paragraph (5) and shall be attributed to Georgia based upon subparagraph (5)(c).
4. Lease of tangible personal property. Gross receipts shall include receipts which are received from the lease of tangible personal property where such receipts are from activities which constitute the taxpayer's regular trade or business. The receipts shall be considered Georgia gross receipts if the property is located in this state. The gross receipts of mobile or movable property such as construction equipment, trucks, or leased electronic equipment which is located within and outside this state during the tax period shall be determined for purposes of the numerator of the factor on the basis of the total time within the state during the tax period or another reasonable method which reflects the use of the property in this state as approved and determined by the Commissioner.
5. Gross receipts; fixed-fee contracts. In the case of cost plus fixed-fee contracts, such as the operation of a government-owned plant for a cost plus a fixed fee, gross receipts shall include only the fixed fee charged for the operation of the plant.
6. Modification of gross receipts. In filing returns with Georgia, if the taxpayer departs from or modifies the basis for excluding or including gross receipts in the gross receipts factor used in returns for prior years, the taxpayer shall disclose on the return for the current year the nature and extent of the modification.
7. Denominator. The denominator of the gross receipts factor shall include the total gross receipts as defined or otherwise provided in subparagraph (4)(c).
8. Numerator. The numerator of the gross receipts factor shall include the gross receipts attributable to this state and derived by the taxpayer from products shipped or delivered to customers in this State in the regular course of the taxpayer's trade or business or that are otherwise attributable to Georgia as provided in subparagraph (4)(c).
9. Sales of tangible personal property in this state.
 - (i) Gross receipts from the sales of tangible personal property are attributable to this state if the property is delivered or shipped to a customer within this state regardless of the f.o.b. point or other conditions of sale. However, when property is picked up by an out-of-state customer at the taxpayer's place of business in Georgia for transport out of the state, the gross receipts from such sales are not

attributable to this state. The actual place of transfer and the manner by which the property arrives at its eventual destination is immaterial.

- (ii) Property shall be deemed to be delivered or shipped to a customer within this state if the recipient is located in this state, even though the property is ordered from outside this state. Additionally, when property is picked up by a Georgia customer at the taxpayer's out-of-state place of business for transport to this state, the gross receipts from such sales are attributable to this state. The actual place of transfer and the manner by which the property arrives at its eventual destination is immaterial.
- (iii) Property is delivered or shipped to a customer within this State if the shipment terminates in this state, even though the property is subsequently transferred by the purchaser to another state.
- (iv) The term "customer within this state" shall include the ultimate recipient of the property if the taxpayer in this state, at the designation of the customer, delivers to or has the property shipped to the ultimate recipient within this state.
- (v) When property being shipped by a seller from the state of origin to a consignee in another state is diverted while en route to a purchaser in this state, gross receipts from the sales are attributable to this state.

(d) Georgia apportionment ratio.

1. The three apportionment factors for tax years beginning before January 1, 2006, determined separately above, shall be weighted 25% to the property factor, 25% to the payroll factor, and 50% to the gross receipts factor. The Georgia apportionment ratio is then computed by adding the weighted factors. If the denominator for either the property factor or the payroll factor is zero, then the weighted percentage for the other will be 33-1/3% and the weighted percentage for the gross receipts factor will be 66-2/3%. If the denominator for the gross receipts factor is zero, then the weighted percentage for the property and payroll factors will be 50% each. If the denominators for any two factors are zero, then the weighted percentage for the remaining factor will be 100%.
2. The three apportionment factors for tax years beginning on or after January 1, 2006 and before January 1, 2007, determined separately above, shall be weighted 10% to the property factor, 10% to the payroll factor, and 80% to the gross receipts factor. The Georgia apportionment ratio is then computed by adding the weighted factors. If the denominator for either the property

factor or the payroll factor is zero, then the weighted percentage for the other will be 11.11% and the weighted percentage for the gross receipts factor will be 88.89%. If the denominator for the gross receipts factor is zero, then the weighted percentage for the property and payroll factors will be 50% each. If the denominators for any two factors are zero, then the weighted percentage for the remaining factor will be 100%.

3. The three apportionment factors for tax years beginning on or after January 1, 2007 and before January 1, 2008, determined separately above, shall be weighted 5% to the property factor, 5% to the payroll factor, and 90% to the gross receipts factor. The Georgia apportionment ratio is then computed by adding the weighted factors. If the denominator for either the property factor or the payroll factor is zero, then the weighted percentage for the other will be 5.26% and the weighted percentage for the gross receipts factor will be 94.74%. If the denominator for the gross receipts factor is zero, then the weighted percentage for the property and payroll factors will be 50% each. If the denominators for any two factors are zero, then the weighted percentage for the remaining factor will be 100%.
4. For tax years beginning on or after January 1, 2008, the Georgia apportionment ratio shall be computed by applying only the gross receipts factor.

- (e) **Apportionment of income: business joint ventures and business partnerships.** A corporation that is involved in a business joint venture, is a member of a limited liability company or similar nontaxable entity not treated as a corporation for federal income tax purposes, or is a partner in a business partnership, must include its pro rata share of the entity's property, payroll, and gross receipts in its own apportionment formula. In determining its income, the corporation includes its share of the entity's income before the entity apportions and allocates its income.

- (5) **Apportionment of income; where not principally from tangible personal property.** Except as otherwise provided in Chapter 7 of Title 48 of the O.C.G.A., any corporation whose net business income is derived principally from business other than the manufacture, production, or sale of tangible personal property, shall be taxed upon that portion of its net income attributable to this state, determined by use of a three-factor apportionment formula. The three factors in the apportionment formula are the property factor, the payroll factor, and the gross receipts factor. However, for tax years beginning on or after January 1, 2008, the Georgia apportionment ratio shall be computed by applying only the gross receipts factor.

- (a) **Property factor.** The property factor shall be computed in accordance with the rules which are outlined under subparagraph (4)(a).

(b) **Payroll factor.** The payroll factor shall be computed in accordance with the rules which are outlined under subparagraph (4)(b).

(c) **Gross receipts factor.**

1. General rule. O.C.G.A. § [48-7-31](#) provides that the gross receipts factor is a fraction, the numerator of which is the total gross receipts from business done within this state during the tax period, and the denominator of which is the total gross receipts from business done everywhere during the tax period. Gross receipts are in this state if the receipts are derived from customers within this state or if the receipts are otherwise attributable to this state's marketplace. This gross receipts factor is designed to measure the marketplace for the taxpayer's goods and services.
2. For purposes of subparagraph (5)(c), the term "gross receipts" means all gross receipts received from activities which constitute the taxpayer's regular trade or business. This shall not include:
 - i. Receipts from the sale of assets unless such receipts are from activities which constitute the taxpayer's regular trade or business;
 - ii. Apportionable interest and dividends unless the taxpayer's regular trade or business involves the loaning and/or investing of money;
 - iii. Gross receipts from the management of working capital;
 - iv. Receipts from income that is allocable;
 - v. Apportionable rents or royalties unless such receipts are from activities which constitute the taxpayer's regular trade or business; and
 - vi. Other similar income;
3. "Customers within this state" as used within this Regulation shall mean:
 - (i) A customer that is engaged in a trade or business and maintains a regular place of business within this state; or
 - (ii) A customer that is not engaged in a trade or business whose billing address is in this state.
4. "Regular place of business" as used within this Regulation means an office, factory, warehouse, or other business location at which the customer conducts business in a regular and systematic manner and which is continuously maintained, occupied and used by employees, agents or representatives of the customer.

5. "Billing address" as used within this Regulation means the location indicated in the books and records of the taxpayer as the address of record where any notice, statement and/or bill relating to a customer's account is mailed.
6. The following shall be used to determine the amount that is attributable to this state's marketplace for purposes of subparagraph (5)(c):
 - (i) Computer software. Gross receipts from the sale, lease, development, or license of custom computer software shall be treated according to subparagraph (5)(c)6. (ii). The gross receipts from the sale, lease, development, or license of prewritten computer software shall be treated pursuant to subparagraph (4)(c). Modification to existing prewritten computer software to meet the customer's needs is custom computer software only to the extent of the modification. The manner in which the computer software is delivered, whether it be in a tangible medium or electronically, is not considered in determining whether the computer software is custom computer software or prewritten computer software. Additionally, documentation related to the software shall be treated in the same manner as the computer software and shall not be considered in determining whether the computer software is custom computer software or prewritten computer software. For purposes of this regulation the following definitions shall apply:
 - (I) The term "computer software" means any computer data, program or routine, or any set of one or more programs or routines, which are used or intended for use to cause one or more computers, pieces of computer-related peripheral equipment, automatic processing equipment, or any combination thereof, to perform a task or set of tasks. Without limiting the generality of the foregoing, the term "computer software" shall include operating programs, application programs, system programs, and subdivisions (such as assemblers, compilers, generators, and utility programs).
 - (II) The term "custom computer software" means computer software, including custom updates, which is designed and developed by the author to the specifications of a specific purchaser. Any subsequent sale of custom software shall be deemed prewritten computer software.
 - (III) The term "prewritten computer software," also known as "canned computer software," means computer software that is designed, prepared, or held for general distribution or

repeated use, or software programs developed in-house and subsequently held or offered for repeated sale, lease, license, or use.

- (IV) The term "application program" means a set of statements or instructions that when incorporated in a machine-usable medium is capable of causing a machine or device having information processing capabilities to indicate, perform, or achieve a particular function, task, or result for the end user. Application programs include any other computer software that does not qualify under subparagraph (V) or (VI).
 - (V) The term "operating program" means a set of statements or instructions that when incorporated into a machine or device having information processing capabilities is an interface between the computer hardware and the application program or system program.
 - (VI) The term "system program" means a set of statements or instructions that interacts with the operating program that is developed, licensed, and intended to build, test, manage, or maintain application programs.
- (ii) Services. Except as otherwise provided, all gross receipts from the performance of services are included in the numerator of the apportionment factor if the recipient of the service receives all of the benefit of the service in Georgia. If the recipient of the service receives some of the benefit of the service in Georgia, the gross receipts are included in the numerator of the apportionment factor in proportion to the extent the recipient receives benefit of the service in Georgia. The following noninclusive examples illustrate the application of this subparagraph:
- (I) A real estate development firm from State A is developing a tract of land in Georgia. The real estate development firm from State A engages a surveying company from State B to survey the tract of land in Georgia. The survey work is completed and the plats are drawn in Georgia. All of the gross receipts from this survey work are attributable to Georgia and are included in the numerator of the apportionment factor because the recipient of the service received all of the benefit of the service in Georgia.

- (II) A corporation headquartered in State A is building an office complex in Georgia. The corporation from State A contracts with an engineering firm from State B to oversee construction of the buildings on the site. The engineering firm performs some of their service in Georgia at the building site and additional service in State B. All of the gross receipts from the engineering service are attributable to Georgia and are included in the numerator of the apportionment factor because the recipient of the service received all of the benefit of the service in Georgia.
- (III) A corporation from State A contracts with a computer software company from State B to develop and install custom computer software for a business office located in Georgia of the corporation from State A. The software will only be used by the business office in Georgia. The software development occurs in State B. All of the gross receipts from the software development and installation are attributable to Georgia and are included in the numerator of the apportionment factor because the recipient of the service received all of the benefit of the service in Georgia.
- (IV) A corporation from State A contracts with a computer software company from State B to develop and install custom computer software for the corporation from State A. The software will be used by the corporation from State A in a business office in Georgia and in a business office in State A. The software development occurs in State B. The gross receipts from the software development and installation are included in the numerator of the apportionment factor in proportion to the extent the software is used in Georgia.
- (V) A corporation located in Georgia performs direct mail activities for a customer located in State A. The direct mail activities include the preparation and mailing of materials to households located throughout the United States. The corporation located in Georgia performed some activities related to the direct mail contract in State A. One percent of the direct mailings were sent to addresses within Georgia. One percent of the gross receipts related to this direct mail contract are thus attributable to Georgia and included in the numerator of the apportionment factor because the recipient

of the service received 1 percent of the benefit of the service in Georgia.

- (VI) A corporation located in State A, who otherwise does business in Georgia, performs direct mail activities for a customer located in State B. The direct mail activities include the preparation and mailing of materials to households throughout the United States. The corporation located in State A printed and mailed the direct mail materials to households on a mailing list prepared by the corporation in State A. Five percent of the direct mailings were sent to addresses within Georgia. Five percent of the gross receipts related to this direct mail contract are thus attributable to Georgia and included in the numerator of the apportionment factor.
 - (VII) A company which owns apartments in Georgia and State A contracts with a pest control corporation for pest control activities. One contract is entered into which covers 100 apartment units in Georgia and 400 apartment units in State A. Twenty percent ($100/500$) of the gross receipts from the pest control contract are attributable to Georgia and are included in the numerator of the apportionment factor as 20 percent of the apartment units are located in Georgia and in the absence of more accurate records, it is therefore presumed that the number of apartment units is the best measure of the extent to which the recipient of the service received benefit of the service in Georgia.
- (iii) Rental or lease of real property. Gross receipts shall include receipts which are received from the rental or lease of real property where such receipts are from activities which constitute the taxpayer's regular trade or business. Such receipts shall be attributable to this state's marketplace if the property is located in this state.
 - (iv) Brokerage Services. Gross receipts derived from securities brokerages services attributable to this State are determined by multiplying the total dollar amount of gross receipts from securities brokerage services by a fraction, the numerator of which is the gross receipts from securities brokerage services from customers within this state, and the denominator of which is the gross receipts from securities brokerage services from all customers. Gross receipts from securities brokerage services include commissions on

transactions, the spread earned on principal transactions in which the broker buys or sells from its account, total margin interest paid on behalf of brokerage accounts owned by the broker's customers, and fees and receipts of all kinds from the underwriting of securities. For example, a broker executes a transaction on a stock exchange for a customer within this state, selling 100 shares of Corporation X for \$1,000. The broker earns a \$50 commission on the transaction. Only the commission is included in the numerator and denominator of the broker's gross receipts factor. If gross receipts from brokerage services can be associated with a particular customer, but it is impractical to associate the gross receipts with the address of the customer, then the address of the customer shall be presumed to be the address of the branch office that generates transactions for the customer.

- (v) **Services to Regulated Investment Companies.** Gross receipts from services that are derived directly or indirectly from the sale of management, distribution, administration, or securities brokerages services to, or on behalf of, a regulated investment company or its beneficial owners (including gross receipts derived directly or indirectly from trustees, sponsors, or participants of employee benefit plans that have accounts in a regulated investment company), shall be attributable to this state to the extent that the shareholders of the regulated investment company are domiciled within this state. For purposes of this subparagraph, "domicile" means the shareholder's mailing address on the records of the regulated investment company. If the regulated investment company or the person providing management services to the regulated investment company has actual knowledge that the shareholder's primary residence or principal place of business is different than the shareholder's mailing address, then the shareholder's primary residence or principal place of business is the shareholder's domicile. A separate computation shall be made with respect to the gross receipts derived from each regulated investment company. The total amount of gross receipts attributable to this State shall be equal to the total gross receipts received by each regulated investment company multiplied by a fraction:
 - (I) The numerator of which is the average of the sum of the beginning-of-year and end-of-year number of shares owned by the regulated investment company shareholders who are domiciled in this state; and

- (II) The denominator of which is the average of the sum of the beginning-of-year and end-of-year number of shares owned by all shareholders.
 - (III) For purposes of the fraction, the year shall be the taxable year of the regulated investment company that ends with or within the taxable year of the taxpayer.
- (vi) Print Media. A person in the business of publishing, selling, licensing or distributing newspapers, magazines, periodicals, trade journals or other printed material shall source their receipts pursuant to this subparagraph.
- (I) For purposes of subparagraph (5)(c)6. (vi) the following definitions shall apply:
 - I. The term "Print or printed material" includes, without limitation, the physical embodiment or printed version of any thought or expression including, without limitation, a play, story, article, column or other literary, commercial, educational, artistic or other written or printed work. The determination of whether an item is or consists of print or printed material shall be made without regard to its content. Printed material may take the form of a book, newspaper, magazine, periodical, trade journal or any other form of printed matter and may be contained on any medium or property.
 - II. The terms "Purchaser" and "Subscriber" mean the individual, residence, business or other outlet which is the ultimate or final recipient of the print or printed material. Neither of such terms shall mean or include a wholesaler or other distributor of print or printed material.
- (II) The numerator of the sales factor shall include all gross receipts of the taxpayer from sources within this state, including, but not limited to, the following:
- I. Gross receipts derived from the sale of tangible personal property, including printed materials shall be treated pursuant to subparagraph (4)(c).

II. Gross receipts derived from advertising or the sale, rental or other use of the taxpayer's customer lists or any portion thereof shall be attributed to this state as determined by the taxpayer's "circulation factor" during the tax period. The circulation factor shall be determined by the taxpayer for each individual publication of printed material containing advertising and shall be equal to the ratio that the taxpayer's in-state circulation to purchasers and subscribers of its printed material bears to its total circulation to purchasers and subscribers everywhere. The circulation factor for an individual publication shall be determined by reference to the rating statistics as reflected in such sources as the Audit Bureau of Circulations or other comparable sources, provided that the source selected is consistently used from year to year for such purpose. If none of the foregoing sources are available, or, if available, none is in form or content sufficient for such purposes, then the circulation factor shall be determined from the taxpayer's books and records.

(vii) Broadcasting Film or Radio Programing. A person in the business of broadcasting film or radio programming, whether through the public airwaves, by cable, direct or indirect satellite transmission or any other means of communication, either through a network (including owned and affiliated stations) or through an affiliated, unaffiliated or independent television or radio broadcasting station, shall source their receipts pursuant to this subparagraph.

(I) For purposes of subparagraph (5)(c)6. (vii) the following definitions shall apply:

I. The term "Film" or "Film programming" means any and all performances, events or productions telecast on television, including but not limited to news, sporting events, plays, stories or other literary, commercial, educational or artistic works, through the use of video

tape, disc or any other type of format or medium. Each episode of a series of films produced for television shall constitute a separate "film" notwithstanding that the series relates to the same principal subject and is produced during one or more tax periods.

- II. The term "Radio" or "Radio programming" means any and all performances, events or productions broadcast on radio, including but not limited to news, sporting events, plays, stories or other literary, commercial, educational or artistic works, through the use of an audio tape, disc or any other format or medium. Each episode of a series of radio programming produced for radio broadcast shall constitute a separate "radio programming" notwithstanding that the series relates to the same principal subject and is produced during one or more tax periods.
- III. The term "Release" or "In release" means the placing of film or radio programming into service. A film or radio program is placed into service when it is first broadcast to the primary audience for which the program was created. Thus, for example, a film is placed in service when it is first publicly telecast for entertainment, educational, commercial, artistic or other purpose. Each episode of a television or radio series is placed in service when it is first broadcast. A program is not placed in service merely because it is completed and therefore in a condition or state of readiness and availability for broadcast or, merely because it is previewed to prospective sponsors or purchasers.
- IV. The term "Rent" shall include license fees or other payments or consideration provided in exchange for the broadcast or other use of television or radio programming.
- V. The term "Subscriber" as it relates to a cable television system is the individual residence or other outlet which is the ultimate recipient of the transmission.

- VI. The term "Telecast" or "Broadcast" (sometimes used interchangeably with respect to television) means the transmission of television or radio programming, respectively, by an electronic or other signal conducted by radio waves or microwaves or by wires, lines, coaxial cables, wave guides, fiber optics, satellite transmissions directly or indirectly to viewers and listeners or by any other means of communications.
- (II) The numerator of the sales factor shall include all gross receipts of the taxpayer from sources within this state, including, but not limited to the following:
- I. Gross receipts, including advertising revenue, from television film or radio programming in release to or by a television or radio station (independent or unaffiliated) or network of stations for broadcast shall be attributed to this state in the ratio (hereafter "audience factor") that the audience for such station (or owned and affiliated stations in the case of networks) located in this state bears to the total audience for such station (or owned and affiliated stations in the case of networks). The audience factor for television film or radio programming shall be determined by the ratio that the taxpayer's in-state viewing (listening) audience bears to its total viewing (listening) audience. Such audience factor shall be determined either by reference to the books and records of the taxpayer or by reference to published rating statistics, provided the method used by the taxpayer is consistently used from year to year for such purpose and fairly represents the taxpayer's activity in the state.
 - II. Gross receipts from film programming in release to or by a cable television system shall be attributed to this state in the ratio (hereafter "audience factor") that the subscribers for such cable television system located in this state bears to the total subscribers of such cable television system. If the number of subscribers cannot be accurately determined from the

books and records maintained by the taxpayer, such audience factor ratio shall be determined on the basis of the applicable year's subscription statistics located in published surveys, provided that the source selected is consistently used from year to year for that purpose.

III. Receipts from the sale, rental, licensing or other disposition of audio or video cassettes, discs, or similar medium intended for home viewing or listening shall be included in the sales factor as provided in subparagraph (4)(c).

(viii) Royalties. Gross receipts shall include royalty or other receipts for the use of, or for the privilege of using, intangible property including patents, know-how, formulas, designs, processes, patterns, copyrights, trade names, service names, franchises, licenses, contracts, customer lists, or similar items where such receipts are from activities which constitute the taxpayer's regular trade or business. Except as otherwise provided in this regulation, such receipts must be attributed to the state in which the property is used by the purchaser. If the property is used in more than one state, then the royalties or other income must be apportioned to Georgia pro rata according to the portion of use in Georgia. Intangible property is used in Georgia if the purchaser uses the intangible property or the rights therein in Georgia.

(ix) The taxpayer must expend a reasonable amount of effort to obtain the information to determine the amount that is attributable to this state's marketplace. If the information is not available, the taxpayer may use another reasonable method to determine the amount attributable to this state's marketplace. Such other method is subject to review, adjustment, or change by the Commissioner.

7. Where a taxpayer's gross receipts are also derived from activities described in paragraph (4), gross receipts shall also include the gross receipts from the activities described in paragraph (4) and shall be attributed to Georgia based upon subparagraph (4)(c).

(d) **Georgia apportionment ratio.**

1. The three apportionment factors for tax years beginning before January 1, 2006, determined separately above, shall be weighted 25% to the property factor, 25% to the payroll factor, and 50% to the gross receipts factor. The Georgia apportionment ratio is then computed by adding the weighted factors. If the denominator for either the property factor or the payroll factor is zero, then the weighted percentage for the other will be 33-1/3% and the weighted percentage for the gross receipts factor will be 66-2/3%. If the denominator for the gross receipts factor is zero, then the weighted percentage for the property and payroll factors will be 50% each. If the denominators for any two factors are zero, then the weighted percentage for the remaining factor will be 100%.
2. The three apportionment factors for tax years beginning on or after January 1, 2006 and before January 1, 2007, determined separately above, shall be weighted 10% to the property factor, 10% to the payroll factor, and 80% to the gross receipts factor. The Georgia apportionment ratio is then computed by adding the weighted factors. If the denominator for either the property factor or the payroll factor is zero, then the weighted percentage for the other will be 11.11% and the weighted percentage for the gross receipts factor will be 88.89%. If the denominator for the gross receipts factor is zero, then the weighted percentage for the property and payroll factors will be 50% each. If the denominators for any two factors are zero, then the weighted percentage for the remaining factor will be 100%.
3. The three apportionment factors for tax years beginning on or after January 1, 2007 and before January 1, 2008, determined separately above, shall be weighted 5% to the property factor, 5% to the payroll factor, and 90% to the gross receipts factor. The Georgia apportionment ratio is then computed by adding the weighted factors. If the denominator for either the property factor or the payroll factor is zero, then the weighted percentage for the other will be 5.26% and the weighted percentage for the gross receipts factor will be 94.74%. If the denominator for the gross receipts factor is zero, then the weighted percentage for the property and payroll factors will be 50% each. If the denominators for any two factors are zero, then the weighted percentage for the remaining factor will be 100%.
4. For tax years beginning on or after January 1, 2008 the Georgia apportionment ratio shall be computed by applying only the gross receipts factor.

(e) Special rules: in general.

1. This subparagraph provides for a departure from the standard allocation and apportionment provisions for corporations whose income is derived principally from business other than the manufacture, production, sale, or

lease of tangible personal property. The departure rules provide that if the allocation and apportionment provisions do not fairly represent the extent of the taxpayer's business activity in this state, the taxpayer may petition the Commissioner for, or the Commissioner may by regulation require, with respect to all or any part of the taxpayer's business activity, if reasonable:

- (i) Separate accounting;
- (ii) The exclusion of any one or more of the factors;
- (iii) The inclusion of one or more additional factors that will fairly represent the taxpayer's business activity within this state; or
- (iv) The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

2. This subparagraph permits a departure from the standard allocation and apportionment provisions only in limited and specific cases. It may be invoked

- (i) Only in those cases where unusual fact patterns occur that are unique, nonrecurring, and which will produce incongruous results based upon standard allocation and apportionment provisions; and
- (ii) Only when the evidence that the proposed allocation and apportionment method would more clearly reflect the income attributable to the trade or business within Georgia is so clear, direct, convincing, and weighty that the Commissioner comes to a clear conviction without hesitancy as to the validity of the taxpayer's proposed method.

3. In order to depart from the standard allocation and apportionment provisions, a corporation must petition the Commissioner and receive permission to do so prior to filing a return. The taxpayer must file the petition two and one-half months before the due date of the return (including extensions). Permission will be granted for one year only unless otherwise specified by the Commissioner.

4. The taxpayer shall have the burden of establishing, by clear and cogent evidence, that the standard allocation and apportionment provisions do not fairly represent the extent of the taxpayer's business within and outside the state.

(f) **Special rules: business joint ventures and business partnerships.** A corporation which is involved in a business joint venture, is a member of a limited liability

company or similar nontaxable entity not treated as a corporation for federal income tax purposes, or is a partner in a business partnership, must include its pro rata share of the entity's property, payroll and gross receipts in its own apportionment formula. In determining its income, the corporation includes its share of the entity's income before the entity apportions and allocates its income.

- (g) **Special rules: petroleum pipeline companies.** Where the net business income of the corporation is derived principally from the interstate transportation of crude oil or refined petroleum products as a common carrier, the portion of the net income therefrom attributable to property owned or business done within this state shall be taken to be the portion arrived at by application of the following three-factor formula. However, for tax years beginning on or after January 1, 2008, the Georgia apportionment ratio shall be computed by applying only the gross receipts factor computed as provided below in subparagraph (5)(g)3. For purposes of subparagraph (5)(g), the term "barrel miles" is defined as the movement of one barrel of crude oil or one barrel of refined petroleum product for a distance of one mile.

1. Property factor. The property factor shall be computed in accordance with the rules outlined under subparagraph (5)(a).
2. Payroll factor. The payroll factor shall be computed in accordance with the rules outlined under subparagraph (5)(b) except the numerator of the payroll factor shall be determined by multiplying the total amount of compensation paid by the taxpayer everywhere during the tax period by a fraction, the numerator of which is the barrel miles in this state during the tax year, and the denominator of which is the total barrel miles everywhere during the tax year.
3. Gross receipts factor. The gross receipts factor shall be computed in accordance with the rules which are outlined under subparagraph (5)(c) except that the numerator of the gross receipts factor shall be determined by multiplying the total gross receipts of the taxpayer from business done everywhere by a fraction, the numerator of which is the barrel miles in this state during the tax year, and the denominator of which is the total barrel miles everywhere during the tax year.
4. Georgia apportionment ratio. The apportionment ratio shall be computed as provided in subparagraph (5)(d).

- (h) **Special rules: Motor Carriers.** Where the net business income of the motor carrier is derived principally from the transportation of freight and passengers for hire, the portion of the net income therefrom attributable to property owned or business done within this state shall be taken to be the portion arrived at by application of the gross receipts factor. The gross receipts factor shall be computed in accordance with the rules which are outlined under subparagraph

(5)(c) except that the numerator of the gross receipts factor shall be determined by multiplying the total gross receipts of the taxpayer from business done everywhere by a fraction, the numerator of which is the vehicle miles in this state during the tax year, and the denominator of which is the total vehicle miles everywhere during the tax year. For purposes of this subparagraph, the term "vehicle miles" means the mileage traveled by a carrier with cargo or passengers or on a scheduled route.

- (6) **Effective date.** The principles set forth in this regulation will apply to taxable years beginning on or after January 1, 2006. Taxable years beginning before January 1, 2006 will be governed by the regulations of Chapter 560-7 as they existed prior to January 1, 2006, in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-31](#).

History. Original Rule entitled "Corporations: Allocation and Apportionment of Income" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 12, 1969; eff. Dec. 31, 1969.

Repealed: New Rule of same title adopted. F. Aug. 13, 1996; eff. Sept. 2, 1996.

Amended: F. Mar. 13, 1998; eff. Apr. 2, 1998.

Amended: F. Feb. 6, 2001; eff. Feb. 26, 2001.

Repealed: New Rule of same title adopted. F. Dec. 2, 2005; eff. Dec. 22, 2005.

Rule 560-7-7-.04. Change of Taxable Year.

- (1) In the interest of uniformity, the Commissioner will not grant permission to change an accounting period unless the taxpayer also is granted permission and actually does change his accounting period for filing Federal income tax returns. If the taxpayer is granted permission by the Federal government to change his accounting period, then State permission is automatic provided the taxpayer attaches a copy of the written Federal permission to the first State return filed for the new period.
- (2) When taxpayers change their accounting period they will be required to compute the tax on the first return by placing the income on an annual basis. In the case of a return for a period of less than 12 months on account of a change in accounting period, the net income on the return for such short period shall be placed on an annual basis by multiplying the amount thereof by 12 and dividing by the number of months in the short period. The tax is such part of the tax computed on such annual basis as the number of months in the period is of 12 months.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.04

Authority: Ga. Code Ann. Secs. [92-3005](#), [92-3006](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Change of Taxable Year" adopted. F. and eff. June 30, 1965.

Rule 560-7-7-.05. Definition of the Term "Federal Jobs Tax Credit".

For purposes of the adjustment provided by O.C.G.A. §§ [48-7-21\(b\)\(9\)](#) and [48-7-27\(a\)\(3\)\(A\)](#), the term "federal jobs tax credit" shall include all those credits that, by virtue of Section 280C(a) of the Internal Revenue Code of 1986, require the disallowance for federal income tax purposes of a deduction for wages and salaries.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-21](#), [48-7-27](#).

History. Original Rule entitled "Year in Which Income Taxable" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Amended: New Rule entitled "Definition of the Term Federal Jobs Tax Credit" adopted. F. May 14, 2001; eff. June 3, 2001.

Rule 560-7-7-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.06

Authority: Ga. Code Ann. Secs. [92-3005](#), [92-3006](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Year in Which Deductions and Credits Taken" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.07

Authority: Ga. Code Ann. Secs. [92-3005](#), [92-3006](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Inventories to Determine Income" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.08. Income and Expenses of Taxpayer Who Dies.

- (1) **Purpose.** The purpose of this Rule is to provide guidance concerning the determination of taxable income of a taxpayer who dies.
- (2) General Provisions.
 - (a) The final return of a decedent who dies during the taxable year shall be computed on the same method of accounting (cash or accrual) as was used by the taxpayer in the last income tax return filed by him with the State of Georgia within three years next preceding the date of death.
 - (b) The amount of all items of gross income in respect to a decedent which are not properly includable in respect to the taxable period in which falls the date of his death or a prior period shall be included in the gross income, for the taxable year when received of:

1. The estate of the decedent, if the right to receive the amount is acquired by the decedent's estate from the decedent;
 2. The person who, by reason of the death of the decedent, acquires the right to receive the amount, if the right to receive the amount is not acquired by the decedent's estate from the decedent; or
 3. The person who acquires from the decedent the right to receive the amount of bequest, devises, or inheritance, if the amount is received after a distribution by the decedent's estate of such right.
- (c) If the decedent at the time of his death possessed installment obligations which were being reported on the installment basis, the unreported income on such obligations shall be included in the decedent's final return or the estate of the decedent in the same manner as provided by the Internal Revenue Code.
- (d) If a deceased taxpayer has not filed a return with the State of Georgia within the three years next preceding the date of death the Commissioner may require that the return be filed on the cash basis.
- (e) If any successor of a decedent is not a resident of this State he is considered for the purposes of this Rule a non-resident with income subject to tax in this state whether or not he is a nonresident subject to tax as defined in O.C.G.A. § [48-7-30](#) and regulations there under.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.08

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-33](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Income and Expenses of Taxpayer Who Dies" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-7-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.09

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Basis for Determining Gain and Loss; Inventory" adopted.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-7-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.10

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Basis for Determining Gain or Loss; Bequest, Devise, or Inheritance" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.11

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Limitations of Gains and Losses" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.12

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Involuntary Conversion" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.13

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Sale or Exchange of Residence" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.14

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Location of Residence" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.15

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Gains or Losses on Sales or Exchange of Other Than Capital Assets" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.16

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Gain or Loss in Exchange of Property; Corporate Stock, 'Reorganization' and 'Party

to Reorganization' Defined" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Gain or Loss in Exchange of Property" adopted. F. Dec. 12, 1969; eff. Dec. 31, 1969.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-7-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.17

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Exchange of Property Other Than Rule [560-7-7-.16](#) Property" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-7-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.18

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Stock or Securities Received for Organization of a Corporation" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Distribution in Liquidation" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-7-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.19

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Distribution in Liquidation" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Exchange of Common Stock" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-7-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.20

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Exchange of Common Stock" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Receipt of Other Property or Money in Certain Tax Free Exchanges" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-7-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.21

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Receipt of Other Property or Money in Certain Tax Free Exchanges" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Accelerated Amortization of Emergency Facilities" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-7-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.22

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Reorganizations; Purpose and Scope of Exemption Reorganization Exchanges" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Provisions not Applicable to Corporations" adopted. Filed December 12, 1969; effective December 31, 1969.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-7-7-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.23

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Party to A Reorganization" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 12, 1969; effective December 31, 1969.

Amended: By amendment filed February 16, 1972, effective March 7, 1972, Rule number was reserved.

Rule 560-7-7-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.24

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Property Received by Corporation on Complete Liquidation of Another" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 12, 1969; effective December 31, 1969.

Amended: By amendment filed on February 16, 1972, effective March 7, 1972, Rule number was reserved.

Rule 560-7-7-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.25

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Restriction on Operation of Section 92-3121" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 12, 1969; effective December 31, 1969.

Amended: By amendment filed February 16, 1972; effective March 7, 1972, Rule number was reserved.

Rule 560-7-7-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-7-.26

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.* as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1931, Extra Sess., p. 58 *et seq.* (Ga. Code Ann., Secs. 92-3005, 3006).

History. Original Rule entitled "Claims for Refunds" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 12, 1969; effective December 31, 1969.

Amended: By amendment filed February 16, 1972, effective March 7, 1972, Rule number was reserved.

Subject 560-7-8. RETURNS AND COLLECTIONS.

Rule 560-7-8-.01. Requirements for Filing.

- (1) The following filing requirements pertain to all taxable years beginning on or after January 1, 1971:
 - (a) Every resident individual who is required to file a Federal return for any year is required to file a Georgia return for such year on Form 500.
 - (b) Every non-resident individual who is required to file a Federal return for any year, which return includes income from sources within Georgia, shall file a Georgia return for such year on Form 500.
 1. Personal service. The gross income of a non-resident (who is not engaged in the conduct of a business, trade, profession or occupation on his own account, but receives compensation for his services in the status of employee or independent contractor) includes compensation for personal services only to the extent that the services were rendered in this State. Compensation for personal services rendered by a non-resident wholly outside this State and in no way connected with the management or conduct of a business in this State is excluded from gross income regardless of the fact that payment is made from a point within this State or that the employer is a resident individual, partnership or corporation. Compensation for personal services rendered by a non-resident wholly within this State is to be included in gross income although payment is received at a point outside this State or from a non-resident individual, partnership or corporation.
 - (i) Where compensation is received for personal services rendered partly within and partly without this State, that part of the income allocable to this State is included in gross income. In such cases the test of physical presence is used to determine the situs of the rendition of the services, except where the peculiar nature of such services causes the objective of the employment to be accomplished or to take effect

within this State as; for example, where a non-resident is a fiduciary of a Georgia estate or trust. The gross income from commissions earned by a non-resident traveling salesman, agent, or other employee for services performed or sales made, whose compensation is in the form of a specified commission on each sale made, or services rendered, includes the specific commissions earned on sales made, or services rendered, in this State; and allowable deductions must be computed on the same basis.

- (ii) Examples: If non-resident employees are employed in this State at intervals throughout the year, as would be the case if employed in operating trains, boats, planes, motor buses, trucks, etc., between this State and other states and foreign countries, and are paid on a daily, weekly or monthly basis, the gross income from sources within this State includes that portion of the total compensation for personal services which the total number of actual working days employed within the State bears to the total number of working days both within and without the State. If the employees are paid on a mileage basis the gross income from sources within this State includes that portion of the total compensation for personal services which the number of miles traversed in Georgia bears to the total number of miles traversed within and without the State. If the employees are paid on some other basis, the total compensation for personal services must be apportioned between this State and other states and foreign countries in such a manner as to allocate to Georgia that portion of the total compensation which is reasonably attributable to personal services performed in this State.
 - (iii) The gross income of all other non-resident employees, including corporate officers, includes that portion of the total compensation for services which the total number of actual working days employed within this State bears to the total number of actual working days employed both within and without this State during the taxable period. In the case of corporate officers and executives who spend only a portion of their time within this State, but whose compensation paid by a corporation operating in Georgia is exclusively for managerial services rendered by such officers and executives while within this State, the entire amount of compensation so earned is taxable without apportionment.
2. Income from intangible personal property. Intangible personal property, including money or credits, of a non-resident has a situs for taxation in this State when used in the conduct of the taxpayer's business, trade or

profession in this State. Income from the use of such property, including dividends, interest and other income from money or credits, constitutes a part of the income from a business, trade or profession carried on in this State when such property is acquired or used in the course of such business, trade or profession as a capital or current asset, and is held in that capacity at the time the income arises.

- (i) Examples: If a non-resident pledges stocks, bonds or other intangible personal property in Georgia as security for the payment of indebtedness, taxes, etc., incurred in connection with a business in this State, the property has a business situs here. Again, if a non-resident maintains a branch office here and a bank account on which the agent in charge of the branch office may draw for the payment of expenses in connection with the activities in this State, the bank account has a business situs here. If intangible personal property of a non-resident has acquired a business situs here, the entire income from the property, including gains from the sale thereof, regardless of where the sale is consummated, is income from sources within this State, taxable to the non-resident.
- 3. Business. The gross income of a non-resident (other than one who is employed by another, as distinguished from doing business on his own account) from a business, trade, profession or occupation is determined in the same manner as is the gross income of a resident from a similar activity, but includes only income from the business, trade, profession or occupation carried on in this State.
- 4. Sale of Property. The gain or profit from any sale, exchange or other disposition by a non-resident of real or tangible personal property located in this State is taxable, even though it is not connected with a business carried on in this State; and the loss from such a transaction is deductible if a business loss, or is a gain from a transaction entered into for profit. The gain or loss from the sale, exchange or other disposition by a non-resident of real property or tangible personal property located in this State is determined in the same manner, and is recognized to the same extent, as the gain or loss from a similar transaction by a resident.
- 5. Intangibles. The gain or profit of a non-resident from the sale, exchange or other disposition of intangible personal property, including stocks, bonds and other securities, ordinarily is not taxable and should not be included in gross income, except to the extent that such intangible personal property has acquired a business situs in this State. Likewise, losses sustained from the sale, exchange or other disposition of such property are not deductible,

except to the extent that they are losses incurred in a business carried on within this State by the non-resident taxpayer.

6. Rents. The gross income of a non-resident from rents includes all rents received from property, whether real or personal, located within this State.
- (c) Every resident estate or trust which is required to file a Federal return for any year shall file a Georgia return for such year on Form 501.
 - (d) Every non-resident estate or trust which is required to file a Federal return for any year, which return includes income from sources within Georgia, shall file a Georgia return for such year on Form 501.
 - (e) Every resident individual not required to file a Federal return who has income exempt from Federal income tax but subject to State income tax shall file a Georgia return on Form 500, computing his Georgia taxable net income as though such income were not excluded from Federal tax, and furnish therewith schedules in support of all computations.
 - (f) Every resident estate or trust not required to file a Federal return which has income exempt from Federal income tax but subject to State income tax shall file a Georgia return on Form 501, computing its Georgia taxable net income as though such income were not excluded from Federal tax, and furnish therewith schedules in support of all computations.
- (2) All taxpayers are required to file with their Georgia income tax return a copy of all or any part of their Federal income tax return for the corresponding period. The State Revenue Commissioner shall promulgate instructions specifying taxpayers not required to file a copy of their Federal returns, and permitting some taxpayers to submit specified excerpts from Federal returns in lieu of submitting copies of the entire Federal return. A return filed without the required whole or part of the Federal return shall be deemed incomplete.
 - (a) A complete copy of the Federal partnership return must be filed with the Georgia partnership return for the corresponding period.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.01

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Individual Returns; Husband and Wife; Persons Under Disability" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Requirements for Filing" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-8-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.02

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Deceased Taxpayer" adopted. F. and eff. June 30, 1965.

Amended: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.03. Alternate Method of Determining Income.

- (1) **Purpose.** The purpose of this regulation is to provide guidance concerning the administration of O.C.G.A. § [48-7-35](#).
- (2) **Application for Permission to use Another Method.**
 - (a) O.C.G.A. § [48-7-35](#) provides that if any corporation or nonresident shows by any method of allocation other than the processes or formulas prescribed by Chapter 7 of Title 48 that another method reflects more clearly the income attributable to the trade or business within Georgia, application for permission to base its return upon the other method shall be considered by the Commissioner.
 - (b) The application shall be accompanied by a statement setting forth in detail with full explanations the method the corporation or nonresident believes will more clearly reflect its income from trade or business within Georgia. If the commissioner concludes that the method submitted by the corporation or nonresident is in fact inapplicable and inequitable, he or she shall reject the application and shall so notify the corporation or nonresident. Failure to receive the commissioner's notice shall not operate to relieve the corporation or nonresident from liability for not filing the return on its due date utilizing the method prescribed by Chapter 7 of Title 48.
 - (c) Corporations or nonresidents that wish to request such permission from the Commissioner shall file an application, petition, or request with the Commissioner at least ninety (90) days prior to the due date of the Georgia return (including extensions) or at least ninety (90) days prior to the filing of the return, whichever occurs first, for the tax year for which such application is requested. Failure to request permission by such time will result in the filing of an income tax return subject to the regular method for the applicable tax year.
 - (d) The Commissioner will find that the method is in fact inapplicable and inequitable unless:
 1. Unusual fact patterns occur that are unique and which will produce incongruous results based upon standard allocation and apportionment provisions; and
 2. The corporation or nonresident establishes by clear and convincing evidence that the corporation's or nonresident's proposed method would more clearly reflect the income from trade or business within Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.03

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-35](#).

History. Original Rule entitled "No Verification Required" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Adopted: New Rule entitled "Alternate Method of Determining Income." F. Nov. 17, 2014; eff. Dec. 7, 2014.

Rule 560-7-8-.04. Corporation Returns.

Every corporation not expressly exempt from taxation must make a return of income regardless of the amount of its income. Ordinary corporations make their return on Form No. 600. Electing small business corporations under Subchapter S of the Internal Revenue Code, although exempt from Georgia income tax, make their return on Form No. 600-S. Copies of corporate returns will, so far as possible, be furnished taxpayers. The corporation, however, will not be excused from making a return because no return form has been furnished to it. Each corporation should carefully prepare its return so as to fully and dearly set forth the data called for therein. Imperfect or incorrect returns will not be accepted as meeting the requirements of the law. A corporation in existence during any portion of a taxable year is required to make a return. A corporation which has received a charter, but which has never perfected its organization, has transacted no business and has had no income from any source may, upon presentation of these facts to the Commissioner, be relieved from the necessity of making an income tax return so long as it remains in an unorganized condition. In the absence of a proper showing to the Commissioner, such a corporation will be required to make a return.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.04

Authority: Ga. Code Ann. Secs. [92-3005](#), [92-3006](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Corporation Returns" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 12, 1969; eff. Dec. 31, 1969.

Rule 560-7-8-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.05

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Information at the Source; Payments of \$1,000 or More" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 24, 2009; eff. Dec. 14, 2009.

Rule 560-7-8-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.06

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Return of Brokers" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 24, 2009; eff. Dec. 14, 2009.

Rule 560-7-8-.07. Shifting of Income.

- (1) This section of the Act was enacted for the purpose of preventing diversion of profits in an arbitrary manner between corporations and their stockholders or between affiliated corporations. There has been a tendency on the part of some corporations operating both within and without the State to form separate corporations to engage in the several activities, all of which form a part of the overall operation. If, for example, a manufacturing company operates in Georgia it may sell its products to an affiliated selling company outside Georgia at prices which may or may not result in a proper profit for manufacturing the products. Or if a sales company operates within Georgia it may buy products from a manufacturing affiliate outside Georgia at prices which may or may not result in proper profit from selling activities. Some common forms of diversion of income are:
 - (a) Sales at more or less than fair value.
 - (b) Purchases at more or less than fair value.
 - (c) Fixing profits in advance by contract, such as a parent corporation, guaranteeing costs and expenses of a subsidiary, plus a fixed fee, or percentage.
 - (d) Payment of unreasonable officers' salaries, rents, royalties, interest, and other charges against income.
 - (e) Billing a product to an affiliate at factory cost. There are other methods by which affiliates not dealing at arms length may distort or divert profits.
- (2) When any method which distorts net income among and between affiliates is used, the Commissioner will require the consolidation of income of all such affiliates and then proceed to compute the entire net income in accordance with the provisions in Section 92-3113, which relates to apportionment of income within and without the State. The tax imposed by this law shall apply to the correct apportioned income of all affiliates as consolidated.
- (3) The Commissioner will have due regard for fair profits, and for prices which products would ordinarily sell for between non-affiliates, and if it is found that affiliates are in fact dealing at arms length, operating, buying and selling, and otherwise dealing with each other as if they were not affiliated, consolidation will not apply.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.07

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Shifting of Income" adopted. F. and eff. June 30, 1965.

Rule 560-7-8-.08. Time and Place of Filing Returns.

- (1) The automatic extension for filing a return accepted by the Internal Revenue Service is honored by the State of Georgia for the same number of months from the statutory due

date of the Georgia return. A regular extension of time for filing for an individual and an additional extension of time for filing for a corporation granted by the Internal Revenue Service is accepted by the State of Georgia to the same due date of the Federal return. The taxpayer may petition for additional time, however Georgia Law prohibits the granting of an extension of over 6 months in the aggregate from the statutory due date of the return.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.08

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-3211, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Time and Place of Filing Returns" adopted. F. and eff. June 30, 1965.

Amended: F. May 4, 1976; eff. May 24, 1976.

Rule 560-7-8-.09. Addition to Tax in Case of Nonpayment.

- (1) If the amount of tax shown on a return as being due (after consideration of allowable credits) or any part thereof, is not paid by the date prescribed for such payment, a penalty, as hereinafter provided, shall be added to and collected as part of such tax, unless the taxpayer proves to the satisfaction of the Commissioner that there is reasonable cause for such delinquency. An extension of time for payment of tax is not provided for in O.C.G.A. § [48-7-86](#). An extension of time to file a return does not extend the time for payment of tax. The taxpayer who has an approved Federal extension of time to file must pay the Georgia tax due on or before the statutory date prescribed for payment.
- (2) If the amount of tax specified in a notice and demand for any tax required to be shown on a return which is not so shown is not paid within 10 days from the date thereof, a penalty, as hereinafter provided, shall be added to and collected as a part of such tax, unless the taxpayer proves to the satisfaction of the Commissioner that there is reasonable cause for such delinquency.
- (3) The penalty cited in paragraphs (1) and (2) above shall be 1/2 of 1% for each month or fractional part thereof of delinquency. For purposes of this section, the term "month" shall be the period from the date of the month on which the return is due to the same day in the next succeeding month and thereafter to the corresponding date of each succeeding month.
- (4) The maximum late payment penalty and late filing penalty imposed by O.C.G.A. § [48-7-57](#) shall not exceed 25% of the tax not paid by the due date (excluding extensions).
- (5) **Penalty for Negligence.** If all or any part of a deficiency in tax is determined by the Commissioner to be attributable to either negligence or to an intentional disregard of the Georgia Law and the Rules and Regulations thereunder, a penalty of 5% of such deficiency shall be assessed and collected as a part of such tax.
- (6) **Penalty for Fraud.** If all or any part of a deficiency in tax is determined by the Commissioner to be attributable to fraud, a penalty of 50% of such deficiency shall be

assessed and collected as a part of such tax. If a penalty for fraud is asserted with respect to any tax, no further penalty shall be assessed on such tax.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-86](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Extension of Time for Returns" adopted. F. and eff. June 30, 1965.

Amended: F. Sept. 1, 1967; eff. Sept. 20, 1967.

Repealed: New Rule entitled "Extensions of Time" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Repealed: New Rule entitled "Addition to Tax in Case of Nonpayment" adopted. F. May 4, 1976; eff. May 24, 1976.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-8-.10. Penalties for Late Filing.

- (1) If an income tax return is not filed on or before the due date therefor, a penalty as hereinafter provided shall be added to and collected as a part of the tax due thereon, unless the taxpayer proves to the satisfaction of the Commissioner that there is reasonable cause for such delinquency, or unless the taxpayer furnishes with his return a copy of an extension of time granted by the Internal Revenue Service and files such return within such extended time.
- (2) The penalty, cited above, shall be 5% for each month or fractional part thereof of delinquency. For purposes of this section, the term "month" shall mean the period from the date of the month on which the return is due to the same date in the next succeeding month, and thereafter to the corresponding date of each succeeding month. A penalty assertable under this section shall be computed on the tax required to be shown on the return less any allowable credits or payments made on or before the statutory date prescribed for payment of tax.
- (3) In the event both the late filing penalty and the late payment penalty imposed by O.C.G.A. § [48-7-86](#) are imposed in the same month, the amount of the late filing penalty shall be reduced by the amount of the late payment penalty that is imposed in such month.
- (4) The maximum late filing penalty and late payment penalty imposed by O.C.G.A. § [48-7-86](#) shall not exceed 25% of the tax not paid by the due date (excluding extensions).

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.10

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-57](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Penalties; Late Filing of, and Failure to File Return; False or Fraudulent Return" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Penalties" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Repealed: New Rule entitled "Penalties for Late Filing" adopted. F. May 4, 1976; eff. May 24, 1976.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-8-.11. Commissioner to Prepare Delinquent Returns.

If it is necessary for the Commissioner to prepare a return under this section, and he does so prepare it, or if he makes additional assessment hereunder, the taxpayer is not necessarily relieved of prosecution. The Commissioner may call upon the solicitor general of any Superior Court Circuit in this State, or the Attorney General of Georgia to prosecute a violator of this law.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.11

Authority: O.C.G.A. Secs. [48-1-5](#), [48-2-12](#), [48-2-37](#), [48-7-5](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Commissioner to Prepare Delinquent Returns" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-8-.12. Examination of Records of Taxpayers.

The Statute of Limitations provided in O.C.G.A. § [48-2-49](#) and O.C.G.A. § [48-7-82](#) does not apply to an examination of the records of any taxpayer under this law, by the Commissioner or his agent.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.12

Authority: O.C.G.A. Secs. [48-2-12](#), [48-2-49](#), [48-7-82](#).

History. Original Rule entitled "Examination of Records of Taxpayers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.13

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Secrecy Required of Officials; Information to Federal Officers; Preservation of Reports and Returns" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.14. Headquarters Job Tax Credit.

- (1) **Program Description.** The headquarters job tax credit program authorized by Section [48-7-40.17](#) provides a credit for taxes for a taxpayer establishing its headquarters in this state or relocating its headquarters into this state.
- (2) **Definitions.**
 - (a) **Average Wage.** The term "average wage" means the average wage of the county in which a full-time job is located as reported in the most recent annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor that is available as of the last day of the tax year in which the jobs were created. For purposes of this definition, wages means the total dollars paid during the year to an employee, including but not limited to bonuses, incentive pay, and

deductions from gross pay. Wages does not mean contributions made by employers on behalf of employees to health insurance, retirement, or other benefit programs.

- (b) **Full-time Job.** The term "full-time job" means employment for an individual in a permanent, full-time position located in this state which:
1. Is located at a headquarters and is engaged in performing headquarters related functions and services as a headquarters staff employee;
 2. Has a regular workweek of 30 hours or more;
 3. Pays at or above:
 - (i) In tier 1 counties, the average wage of the county in which it is located;
 - (ii) In tier 2 counties, 105 percent of the average wage of the county in which it is located;
 - (iii) In tier 3 counties, 110 percent of the average wage of the county in which it is located; and
 - (iv) In tier 4 counties, 115 percent of the average wage of the county in which it is located; and
 4. Has no predetermined end date.
- (c) **Headquarters.** The term "headquarters" means the principal central administrative office of a taxpayer, where headquarters staff employees are located and employed, and where the primary headquarters related functions and services are performed.
- (d) **Tier.** The term "tier" means a tier as designated pursuant to Code Section [48-7-40](#), as amended.
- (e) **Headquarters Related Functions and Services.** The term "headquarters related functions and services" means those functions involving financial, personnel, administrative, legal, planning, or similar business functions performed by headquarters staff employees.
- (f) **Headquarters Staff Employees.** The term "headquarters staff employee" means executive, administrative, or professional workers performing headquarters related functions and services.
1. An executive employee is a full-time job employee who is primarily engaged in the management of all or part of the enterprise.

2. An administrative employee is a full-time job employee who is not primarily involved in manual work and whose work is directly related to management policies or general headquarters operations.
 3. A professional employee is an employee whose primary duty is work requiring knowledge of an advanced type in a field of science or learning. This knowledge is characterized by a prolonged course of specialized study.
- (g) **New Full-Time Jobs.** The term "new full-time jobs" refers to full-time jobs that are new to the state of Georgia. Jobs that are transferred from other Georgia locations of the taxpayer or from other Georgia locations of an affiliate of the taxpayer would not be jobs that are new to the state of Georgia. However, an employee in a new full-time job may be employed at a temporary location in this state pending completion of construction or renovation work at the headquarters.

(3) **Establishing Eligibility for the Credit.**

- (a) A taxpayer must either establish its headquarters in this state, or it must relocate its headquarters into this state. Such establishment or relocation must occur on or after January 1, 2001.
- (b) The first date on which the taxpayer withholds wages for employees at such headquarters (pursuant to the provisions of Code Section [48-7-101](#)) is a critical date with respect to the following eligibility requirements:
 1. Prior to one year from such date the taxpayer must incur within the state a minimum of \$1 million in construction, renovation, leasing, or other costs related to such establishment or relocation; and
 2. Within one year of such date the taxpayer must employ at least 50 persons in new full-time jobs at such headquarters, as provided in paragraph (3)(c).
- (c) Once the taxpayer has employed at least 50 persons in new full-time jobs at its headquarters, the average number of new full-time jobs at such headquarters must be at least 50 for a taxable year.
- (d) New full-time jobs at such headquarters are determined for a taxable year by computing the average number of new full-time jobs subject to Georgia income tax withholding for the taxable year. This average shall be determined by the following method:
 1. For each month of the taxable year, count the total number of new full-time jobs that are subject to Georgia income tax withholding as of the last payroll period of the month or as of the payroll period during each month used for the purpose of reports to the Georgia Department of Labor;

2. Add the monthly totals of new full-time jobs; and
 3. Divide the results by the number of months in the taxable year.
- (e) The taxpayer must elect not to receive the tax credits provided for by Code Sections [48-7-40](#), [48-7-40.1](#), [48-7-40.2](#), [48-7-40.3](#), [48-7-40.4](#), [48-7-40.7](#), [48-7-40.8](#), and [48-7-40.9](#) for such jobs or for such project. This election is deemed to have been made when the taxpayer claims the headquarters job tax credit on its state income tax return. Under this election, taxpayers may not claim or carry forward the headquarters job tax credit for any given project for which a job tax credit is claimed under O.C.G.A. Sections [48-7-40](#) or [48-7-40.1](#), an investment tax credit is claimed under O.C.G.A. Sections [48-7-40.2](#), [48-7-40.3](#) or [48-7-40.4](#), or an optional investment tax credit is claimed under O.C.G.A. Sections [48-7-40.7](#), [48-7-40.8](#) or [48-7-40.9](#). Neither may taxpayers alternately elect to claim the job tax credit, the investment tax credit, or the optional investment tax credit in one year, and the headquarters job tax credit in the next year for a given project. These credits are not interchangeable. Taxpayers may elect to take only one of the tax credits for a given project.
- (4) **Calculation of Credit.** A taxpayer that has established eligibility for the headquarters job tax credit shall be allowed a credit for taxes imposed under this article as follows:
- (a) An amount equal to \$2,500.00 annually per new full-time job; or
 - (b) An amount equal to \$5,000.00 annually per new full-time job if the average wage of the new full-time jobs created is 200 percent or more of the average wage of the county in which such jobs are located.
- (5) **Claiming the Credit.**
- (a) The headquarters job tax credit may be taken on an income tax return for the first taxable year in which the taxpayer first becomes eligible for such credit. The credit may also be claimed for each of the four immediately succeeding taxable years, provided the number of new full-time jobs as required in (3)(c) of this regulation and as calculated in (3)(d) of this regulation are maintained in each year. Thereafter, the taxpayer shall be ineligible to claim the headquarters job tax credit on an income tax return, except to the extent that the taxpayer qualifies for a carry forward of the credit in accordance with paragraph (d) below.
 - (b) The credit may be used to offset 100 percent of the taxpayer's Georgia state income tax liability in the taxable year.
 - (c) Where the amount of such credit exceeds the taxpayer's income tax liability in a taxable year, the excess may be taken as a credit against such taxpayer's quarterly or monthly withholding tax payment under Code Section [48-7-103](#). The amounts

claimed under this paragraph may not exceed in any one taxable year \$2,500.00 annually per new full-time job, or \$5,000.00 if the average wage of the new full-time jobs created is 200 percent or more of the average wage of the county in which such jobs are located.

- (d) Any credit claimed under this code section but not used in any taxable year may be carried forward for ten years from the close of the taxable year in which the qualified jobs were established as eligible new full-time jobs for purposes of computing the credit.
- (6) **Documentation.** At the time the credit is claimed on an income tax return, the taxpayer shall submit to the commissioner a listing of headquarters staff employees in new full-time jobs. Such listing shall include the name of the employee, social security number, wages, amount of credit claimed for such employee (whether \$2,500.00 or \$5,000.00), and any other information that the commissioner may request.
- (7) **Notification and Process to Claim and Receive Withholding Tax Credit.**
- (a) **Notification of Intention to Claim Withholding Tax Credit.** A taxpayer establishing its headquarters in this state or relocating its headquarters into this state must notify the commissioner each year of its election to take all or part of the credit against the quarterly or monthly withholding tax payment for such taxpayer. This notification must be made at least thirty (30) days prior to the date on which the income tax return for the taxpayer is filed with the department. Taxpayers should use Form IT-JOBW for this purpose.
 - (b) **Process for Receiving Withholding Tax Credit Benefits.** Within ninety (90) days of the date the income tax return is filed in accordance with instructions provided by the department, the commissioner will confirm to the taxpayer the approved amount of headquarters job tax credit and the date when the taxpayer may begin retaining withholding tax payments otherwise due to the department.
- (8) **Pass-Through of Credit.**
- (a) **"S" Corporations.** Taxpayers that are "S" corporations will apply the headquarters job tax credit to corporate income tax liability at the entity level if one exists. Any remaining credit will then be apportioned to shareholders based on their percentage share of ownership of the corporation in the same manner as other pass-through items. Taxpayers that are "S" corporations that otherwise qualify to take all or a part of the headquarters job tax credit against withholding tax otherwise due the department must make an irrevocable election to do so as a part of their notification to the commissioner required under paragraph 7(a) of this regulation. When this election is made no headquarters job tax credit will be apportioned to shareholders.

- (b) **Partnership.** Where the taxpayer is a partnership, the headquarters job tax credit will be apportioned to partners according to the partnership agreement for sharing income or loss, or if there is no partnership agreement for sharing income or loss, according to the partner's interest in the partnership. Taxpayers that are partnerships that otherwise qualify to take all or a part of the headquarters job tax credit against withholding tax otherwise due the department must make an irrevocable election to do so as a part of their notification to the commissioner required under paragraph 7(a) of this regulation. When this election is made no headquarters job tax credit will be apportioned to partners.
- (c) **Limited Liability Companies.** Taxpayers that are limited liability companies will apportion the headquarters job tax credit to members based on their percentage ownership of the limited liability company. Taxpayers that are limited liability companies that otherwise qualify to take all or a part of the headquarters job tax credit against withholding tax otherwise due the department must make an irrevocable election to do so as a part of their notification to the commissioner required under paragraph 7(a) of this regulation. When this election is made no headquarters job tax credit will be apportioned to members.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.14

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-40.17](#).

History. Original Rule entitled "Time and Place of Payment of Tax, Installments" adopted. F. and eff. June 30, 1965.

Repealed: F. May 4, 1976; eff. May 24, 1976.

Amended: New Rule entitled "Headquarters Job Tax Credit" adopted. F. Dec. 21, 2000; eff. Jan. 10, 2001.

Amended: F. Feb. 8, 2005; eff. Feb. 28, 2005.

Amended: F. Mar. 29, 2005; eff. Apr. 18, 2005.

Rule 560-7-8-.15. Interest on Deficiencies.

- (1) Interest at the rate provided in O.C.G.A. § [48-2-40](#) and referred to in O.C.G.A. §§ [48-7-81](#) and [48-7-126](#) shall be computed on all deficiencies or unpaid tax from the date such payment of tax was due until paid.
- (2) For purposes of this rule the date such payment of tax was due shall refer to the due date of the return on which such tax is payable, and shall ignore any extension of time granted for filing such return, or any assessment of tax prior to such due date.
- (3) If there is a deficiency or unpaid tax on any return which is subsequently decreased by a carry-back of a net operating loss, interest and penalty shall be computed on such deficiency or unpaid tax, without consideration of such carry-back loss, from the date such payment of tax was due to the last day of the taxable year in which such net operating loss occurs. Thereafter, interest and penalty shall be computed on the tax after adjustment for deduction of the net operating loss carry-back.

Example: An individual filed the 2001 return reflecting taxable income, and did not pay the \$400 tax shown on the return. The taxpayer then filed the 2003 return reflecting a net operating loss of \$2000, and then filed a timely claim for refund carrying the loss to 2001. The unpaid tax balance after deduction of the operating loss carry-back is \$280.00. Interest and penalty would be computed as follows, presuming the date of payment of the liability to be August 15, 2004:

Interest and penalty on \$400 Additional Tax from

April 15, 2002 to December 31, 2003 126

Additional Tax Due After Net Operating

Loss Carry-back Deduction 280

Interest and penalty on \$280 from

January 1, 2004 to August 15, 2004 29

Net Deficiency at August 15, 2004 \$435

Note: This regulation applies to all taxpayers. An individual taxpayer was used for illustration purposes only.

- (4) The interest and penalty provided by this regulation shall be assessed and collected as if it were an integral part of the tax upon which it is computed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.15

Authority: O.C.G.A. Secs. [48-2-12](#), [48-2-40](#), [48-2-42](#), [48-7-81](#), [48-7-126](#).

History. Original Rule entitled "Interest When Filing Time Extended" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Interest on Deficiencies" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Amended: F. May 4, 1976; eff. May 24, 1976.

Repealed: New Rule of same title adopted. F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.16

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 8406, 8409, 8427.

History. Original Rule entitled "Assessment and Collection of Deficiencies Notice; Petition for Redetermination of Deficiency" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-8-.17. Period of Limitation Upon Assessment and Collection.

In the event an amended return is filed by the taxpayer which shows a change in the return, the statute of limitations under O.C.G.A. § [48-2-49](#) and O.C.G.A. § [48-7-82](#) runs from the date the amended return was filed only to the extent of such specific changes.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.17

Authority: O.C.G.A. Secs. [48-2-12](#), [48-2-49](#), [48-7-82](#).

History. Original Rule entitled "Period of Limitation Upon Assessment and Collection" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.18. Statement of Changes.

A detailed statement of changes made by the Commissioner of Internal Revenue must be submitted under separate cover. Do not mail with current year's return. This must be mailed to the address indicated in the current instruction booklet for the type of entity (i.e., corporation, s-corporation, partnership, fiduciary, or individual.)

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.18

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-82](#).

History. Original Rule entitled "Statement of Changes" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.19

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 8406, 8409, 8427.

History. Original Rule entitled "Interest and Additions to Tax in Case of Deficiencies" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 16, 1972; eff. Mar. 7, 1972.

Rule 560-7-8-.20. Rural Physician Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the rural physician credit under O.C.G.A. § [48-7-29](#).
- (2) **Definitions.** As used in this regulation:
 - (a) **Rural county.** The term "rural county" means a county in this state that has 65 persons per square mile or fewer according to the United States decennial census of 1990 or any future such census. For taxable years beginning before January 1, 2002, the United States decennial census of 1990 shall be used. For taxable years beginning on or after January 1, 2002, and before January 1, 2012, the United

States decennial census of 2000 shall be used. For taxable years beginning on or after January 1, 2012, and before January 1, 2022, the United States decennial census of 2010 shall be used. For taxable years beginning on or after January 1, 2022, the United States decennial census of 2020 shall be used; provided, however, a taxpayer that began practicing in a rural county in the taxable year beginning on or after January 1, 2022, and before January 1, 2023, shall also be eligible for the credit using the United States decennial census of 2010 provided they would have qualified for the credit using such census.

- (b) **Rural Physician.** The term "rural physician" means a physician licensed to practice medicine in this state, who practices in a rural county and resides in a rural county or a county contiguous to the rural county in which such physician practices and primarily admits patients to a rural hospital and practices in the fields of family practice, obstetrics and gynecology, pediatrics, internal medicine, or general surgery. A physician may practice and reside in different rural counties.
- (c) **Rural Hospital.** The term "rural hospital" means an acute-care hospital located in a rural county that contains fewer than 100 beds.
- (d) **Resides.** The term "resides" means the taxpayer's principal domicile and not a secondary residence of the taxpayer.
- (e) **Practices.** The term "practices" means work performed in a field listed in subparagraph (2)(b) of this regulation in a rural county for an average of at least 40 hours per week for the period the physician resides in a rural county or a county contiguous to the rural county in which such physician practices.

(3) **Amount of the Credit.**

- (a) A person qualifying as a rural physician shall be allowed a credit against the tax imposed by Code Section [48-7-20](#) in an amount not to exceed \$5,000.00. The tax credit may be claimed for not more than five years, provided that the physician continues to qualify as a rural physician. The five-year period is a continuous period, which starts in the first year the rural physician qualifies for the credit.
- (b) For taxable years beginning on or after January 1, 2022, a physician who was practicing in a rural county and residing in a rural county or a county contiguous to the rural county in which such physician practices, as determined under the decennial census of 2010, in a taxable year beginning before January 1, 2022, will be considered to continue to qualify even if the rural county, or either rural county if they were practicing and residing in different rural counties, is not included in the decennial census of 2020, provided they otherwise qualify.
- (c) For taxable years beginning on or after January 1, 2012 and before January 1, 2022, a physician who was practicing in a rural county and residing in a rural county or a county contiguous to the rural county in which such physician

practices, as determined under the decennial census of 2000, in a taxable year beginning before January 1, 2012, will be considered to continue to qualify even if the rural county, or either rural county if they were practicing and residing in different rural counties, is not included in the decennial census of 2010, provided they otherwise qualify.

- (d) A physician who, on December 31, 2021, is currently practicing and/or residing in a county which was not considered a rural county according to the decennial census of 2010 but is now considered a rural county according to the decennial census of 2020, shall not be considered to be practicing and/or residing in a rural county.
- (e) A physician who, on December 31, 2011, is currently practicing and/or residing in a county which was not considered a rural county according to the decennial census of 2000 but is now considered a rural county according to the decennial census of 2010, shall not be considered to be practicing and/or residing in a rural county.
- (f) A physician who would have first qualified, based on the decennial census of 2000, from January 1, 2012, until the effective date of this regulation will be considered to continue to qualify provided such physician meets the requirements based on the decennial census of 2000.
- (g) In the case where a physician qualifies for the rural physician credit but later the rural hospital increases its number of beds so that the hospital is not considered a rural hospital as provided by subparagraph (2)(c) of this regulation, the physician will be considered to continue to qualify provided they otherwise qualify.
- (h) No physician who, on July 1, 1995, is currently practicing in a rural county shall be eligible to receive the credit provided for in paragraph (3) of this regulation. No credit shall be allowed for a physician who has previously practiced in a rural county unless, after July 1, 1995, that physician returns to practice in a rural county after having practiced in a nonrural county for at least three years.
- (i) A physician who qualifies for the credit for part of the year is not required to prorate the credit computed under paragraph (3) of this regulation.
- (j) In no event shall the amount of the tax credit exceed the taxpayer's income tax liability, and any unused tax credit shall not be allowed to be carried forward to apply to the taxpayer's succeeding years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.20

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-29](#).

History. Original Rule entitled "Interest on Unpaid Interest or Additional Amounts" adopted. F. and eff. June 30, 1965.

Repealed: F. May 4, 1976; eff. May 24, 1976.

Amended: New Rule entitled "Rural Physician Credit" adopted. F. Dec. 26, 2001; eff. Jan. 15, 2002.

Repealed: New Rule of same title adopted. F. Jan. 16, 2003; eff. Feb. 5, 2003.

Amended: F. Jun. 11, 2012; eff. July 1, 2012.

Amended: F. June 27, 2022; eff. July 17, 2022.

Rule 560-7-8-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.21

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 8406, 8409, 8427.

History. Original Rule entitled "No Interest Over Six Percent" adopted. F. and eff. June 30, 1965.

Repealed: F. May 4, 1976; eff. May 24, 1976.

Rule 560-7-8-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.22

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Execution for Collection of Tax; Affidavit of Illegality" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.23

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Taxes, Debts, Levy, Garnishment" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.24

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Revenue Collected to Be Paid Into State Treasury. Appropriations for Refunds" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.25

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Suit for Recovery of Tax Illegally Assessed or Collected; Conditions Precedent; Limitations" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.26. Claim for Refund of Taxes and Fees Imposed by Chapter 7 of Title 48.

- (1) A claim for refund of taxes and fees, that have been erroneously or illegally assessed and collected, shall be made pursuant to Chapter 7 of Title 48 of the O.C.G.A. and O.C.G.A. § [48-2-35](#).
- (2) Upon such claim for refund, the Commissioner may redetermine the entire tax liability of the taxpayer for the year or period for which the claim is filed, and even though no new assessments can be made on account of the expiration of the period of limitation, the taxpayer is nevertheless not entitled to a refund unless the taxpayer has actually overpaid his tax for such taxable period.
- (3) Claims must be filed on the form prescribed by the Commissioner, and if the prescribed form is not timely filed the claim may be disallowed. If the taxpayer requests a refund in other than the prescribed manner within the period allowed by O.C.G.A. § [48-2-35](#) the taxpayer must, in order for the claim to be considered, show by satisfactory evidence that:
 - (a) The taxpayer did not have access to the internet; and
 - (b) The taxpayer requested the prescribed forms from the Department of Revenue, the Department failed or refused to supply them, and the taxpayer's request for forms was made in sufficient time for the Department to mail and for the taxpayer to complete and submit the forms within the time prescribed by law.
- (4) Unless otherwise specified by the Department, in the event a claim for refund is paid for an amount that is less than the amount claimed (including the applicable interest), the amount that is not paid shall be deemed denied.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.26

Authority: O.C.G.A. Secs. [48-2-12](#), [48-2-35](#).

History. Original Rule entitled "Claim for Refund; Limitations; Hearing; Interest" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Claim for Refund of Taxes and Fees Imposed by Chapter 7 of Title 48" adopted. F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.27. State Revenue Commissioner to have Right to Prorate Tax.

When a taxpayer is not liable for Georgia income taxes for an entire year because of moving into this State or moving from this State, he shall include in his return only his income received while a resident of this State. Deductions of a personal nature such as contributions to charitable organizations, alimony, medical expenses, or the optional standard deduction and personal exemption and credits for dependents shall be allowed in the ratio that the adjusted gross income of the taxpayer while residing in Georgia bears to the total adjusted gross income of the taxpayer for the entire year. As used herein, gross income means total income less business expenses incurred in the production of such income.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.27

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "State Revenue Commissioner to Have Right to Prorate Tax" adopted. F. and eff. June 30, 1965.

Rule 560-7-8-.28. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.28

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Abatement of Income Taxes of Deceased Members of Armed Forces" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 15, 2005; eff. Dec. 5, 2005.

Rule 560-7-8-.29. Defrauding State.

Whenever the Commissioner finds that a taxpayer has failed to file a return, maintain records, supply any information, or comply with other provisions of the income tax laws, payment of the tax, penalty and interest imposed by this law will not relieve the taxpayer from prosecution, nor will such prosecution relieve him of the tax, penalty and interest imposed by this law.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.29

Authority: O.C.G.A. Secs. [48-1-5](#), [48-2-12](#), [48-7-2](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Defrauding State; Misdemeanor" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Defrauding State" adopted. F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-8-.30. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.30

Authority: Ga. Code Ann. Secs. 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Income Tax Forms; Obtaining Forms" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-8-.31. Forms, Schedules and Instructions.Amended.

- (1) **Purpose.** The purpose of this Rule is to prescribe income tax forms and returns necessary for the administration and enforcement of Chapter 7 of Title 48 as required under O.C.G.A. § [48-2-12](#).
- (2) Individual/Fiduciary Taxpayer Form Numbers and Purpose.
 - (a) Form 500, Individual Income Tax Return.
 - (b) Form 500-ES, Estimated Tax for Individuals and Fiduciaries.

- (c) Form 500-EZ, Short Individual Income Tax Return.
 - (d) Form 500-NOL, Application for Net Operating Loss Adjustment (other than corporations).
 - (e) Form 500 UET, Underpayment of Estimated Tax by Individuals/ Fiduciary.
 - (f) Form 500X, Amended Individual Income Tax Return.
 - (g) Form 501, Fiduciary Income Tax Return.
 - (h) Form 501X, Amended Fiduciary Income Tax Return.
 - (i) Form 525-TV, Payment Voucher.
 - (j) Form CD LO-14B, Statement of Financial Condition for Individuals.
 - (k) Form GA-5347, Statement of Person Claiming Refund on Behalf of a Deceased Taxpayer.
 - (l) Form GA-8453, Individual Income Tax Declaration for Electronic Filing or 2D Barcode Direct Deposit.
 - (m) Form GA-9465, Georgia Individual Income Tax Installment Agreement Request.
 - (n) Form IND-CR, State of Georgia Individual Credit Form.
 - (o) Form IT-511, Individual Income Tax Instruction Booklet.
 - (p) Form IT-560, Individual/Fiduciary Extension Payment.
 - (q) Form RET-001, Taxpayer Return Request Form.
- (3) **C-Corporation Taxpayer Forms and Purpose.**
- (a) Form 600, Corporation Tax Return.
 - (b) Form 600-T, Exempt Organization Unrelated Business Income Tax Return.
 - (c) Form 602 ES, Corporate Estimated Tax.
 - (d) Form 900, Financial Institutions' Business Occupation Tax Return.
 - (e) Form 3605, Application for Recognition of Exemption with Instructions.
 - (f) Form IT-552, Corporation Application for Tentative Carry-Back Adjustment.
 - (g) Form IT 611, Corporation Income Tax Booklet.

- (h) Form IT-CONSOL, Application for permission to file Consolidated Georgia Income Tax Return.
- (i) IT-CONSOL Instr., Instructions to File Consolidated Returns

(4) Partnership Forms and Purpose.

- (a) Form 700, Partnership Income Tax Return.
- (b) Form IT-711, Partnership Income Tax Return and Instructions.

(5) S-Corporation Taxpayer Forms and Purpose.

- (a) Form 600S, S Corporation Tax Return.
- (b) Form 600S-CA, S Corporation Consent Agreement of Non-resident Stockholders.
- (c) Form IT 611S, S Corporation Income Tax Booklet.

(6) Withholding Tax Forms and Purpose.

- (a) Form IT-AFF1, Affidavit of Seller's Residence.
- (b) Form IT-AFF2, Affidavit of Seller's Gain.
- (c) Form IT-AFF3, Seller's Certificate of Exemption.
- (d) Form GA-V, Fill-in Withholding Tax Payment Voucher.
- (e) Form G-2-A, Withholding on Distributions to Non-Resident Members/Shareholders.
- (f) Form G-2LP, Withholding on Sales or Assignment of Lottery Payments.
- (g) Form G-2RP, Withholding on Sales or Transfers of Real Property and Associated Tangible Personal Property by Nonresidents.
- (h) Form G-4, Employee's Withholding Allowance Certificate.
- (i) Form G-4P, Withholding Certificate for Pension or Annuity Payments.
- (j) Form G-5B, Withholding Account Change Form.
- (k) Form G-7, Withholding Quarterly Return (For *Monthly* Payer).
- (l) Form G-7, Withholding Quarterly Return (For *Quarterly* Payer).
- (m) Form G-7, Schedule B Withholding Quarterly Return (For *Semi-Weekly* Payer).

(n) Form G-1003, Income Statement Transmittal Form.

(7) Other Income Tax Forms and Purpose.

- (a) Form 600 UET, Underpayment of Estimated Tax by Corporations.
- (b) Form 4562 Georgia, Depreciation and Amortization.
- (c) Form CR-AFF, Affidavit By Non-Resident.
- (d) Form IT-303, Application for Extension of Time for Filing State Income Tax Returns.
- (e) Form IT-550, Claim for Refund of Georgia Income Tax Erroneously or Illegally Collected.
- (f) Form IT 560 C, Payment of Income Tax and/or Net Worth Tax.
- (g) Form IT-Addback, Related Member Intangible Expenses and Costs and Interest Expenses and Costs.
- (h) Form IT-CR, Georgia Non-Resident Composite Tax Return.
- (i) Form IT-CR UET, Underpayment of Estimated Tax by Composite Filers.
- (j) Form IT-REIT, Captive Real Estate Investment Trust (REIT) Expenses and Costs.
- (k) Form PV CORP, Corporate Payment Voucher.
- (l) Form RD-1061, Power of Attorney.
- (m) Form RD-1062, Disclosure Authorization Form.
- (n) Form TSD-10 Application for Tax Clearance Certificate.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.31

Authority: O.C.G.A. Secs. [48-2-12](#), 92-3005, 92-3006, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule was filed on June 30, 1965.

Amended: Original rule entitled "Income Tax Forms; Schedules; Instructions" repealed and a new Rule entitled "Forms; Schedules and Instructions" adopted. Filed February 16, 1972; effective March 7, 1972.

Amended: F. Dec. 6, 2010; eff. Dec. 26, 2010.

[Rule 560-7-8-.32. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.32

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-101](#), [48-7-102.1](#), [48-7-103](#), [48-7-105](#), [48-7-128](#), [48-7-129](#).

History. Original Rule entitled "Income Tax Withholding Forms" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Withholding Tax Forms" adopted. F. Feb. 16, 1972; eff. Mar. 7, 1972.

Amended: F. June 29, 1972; eff. July 19, 1972.

Repealed: New Rule of same title adopted. F. Dec. 9, 1998; eff. Dec. 29, 1998.

Repealed: F. Dec. 6, 2010; eff. Dec. 26, 2010.

Rule 560-7-8-.33. Payment and Reporting of Withholding Tax.

- (1) **Purpose.** The purpose of this regulation is to provide guidance concerning the payment and reporting of withholding tax required under O.C.G.A. §§ [48-2-32](#), [48-7-101](#), [48-7-103](#), [48-7-105](#), and [48-7-106](#), and the withholding penalties imposed by subsection (c) of O.C.G.A. § [48-7-126](#).
- (2) **Definitions.**
 - (a) "Annual payer" means an employer who withholds or is required to withhold \$800.00 or less in the aggregate for the lookback period.
 - (b) "Business day" means every day except Saturday, Sunday, or any holiday observed by the Federal Reserve Bank or the State of Georgia.
 - (c) "EFT" means the payment by electronic funds transfer as provided and required by Rule [560-3-2-.26](#).
 - (d) "Lookback period" means the twelve month period ending June 30th of the preceding calendar year. For example, the lookback period for calendar year 2016 is the period from July 1, 2014 through June 30, 2015.
 - (e) "Monthly payer" means an employer who withholds or is required to withhold \$50,000 or less in the aggregate for the lookback period and who is not an annual payer or a quarterly payer.
 - (f) "Payday" means the date on the employee's check or the first day the employee is able to tender the check for cash or other consideration, whichever is earlier.
 - (g) "Quarterly payer" means an employer who withholds or is required to withhold \$200.00 or less per month during the lookback period and who is not an annual payer.
 - (h) "Semi-weekly payer" means an employer who withholds or is required to withhold more than \$50,000 in the aggregate during the lookback period.
 - (i) "Withholding tax" means the tax withheld or required to be withheld from an employee's wages pursuant to O.C.G.A. § [48-7-101](#).
- (3) **Payment of Withholding Tax.**

(a) **Determination of Taxpayer Status.** An employer will be deemed a semi-weekly, monthly, quarterly, or annual payer based upon an annual calculation of the employer's aggregate amount of withholding tax reported for the lookback period.

1. In determining the withholding tax amount for the lookback period, the Department shall determine the total amount of withholding tax liabilities reported or required to be reported per the taxpayer's withholding tax quarterly returns (Forms G-7) for the four quarters constituting the lookback period.
2. Because an employer may have multiple Georgia withholding tax identification numbers, an employer must include all withholding tax liabilities incurred under the same federal employer identification number (FEIN) when calculating its aggregate amount of withholding tax liabilities. For example, a business may have five locations and each location remits and reports withholding tax under a different state withholding tax number yet all locations operate under the same FEIN. The calculation of the withholding tax for the lookback period must include the withholding tax of all five business locations.
3. An employer who does not possess a withholding tax history in Georgia will be required to file on a monthly basis until the employer has established a withholding tax history.
4. In determining the total amount of withholding tax for each quarter in the lookback period, the Department will not include adjustments made on a corrected Form G-7 quarterly return filed after the return's due date. However, adjustments made on line 2 of Form G-7 filed by the return's due date will be taken into consideration.

(b) **Semi-weekly payer**

1. Unless a payer falls under subparagraph (3)(g) of this regulation, a semi-weekly payer for a calendar year must remit withholding tax via EFT on either the Wednesday or Friday following the payday as discussed below.
 - (i) For paydays occurring on a Wednesday, Thursday, or Friday the withholding tax is required to be remitted via EFT on or before the following Wednesday. If the following Wednesday is not a business day, the tax must be remitted on or before the next business day thereafter.
 - (ii) For paydays occurring on a Saturday, Sunday, Monday, or Tuesday the withholding tax is required to be remitted via EFT on or before the following Friday. If the following Friday is not a business day,

the tax must be remitted on or before the next business day thereafter.

2. All semi-weekly payers must remit withholding tax via EFT. See O.C.G.A. § [48-2-32](#) and Rule [560-3-2-.26](#) for additional information and requirements.
3. Payroll checks issued between scheduled paydays will be deemed to have been issued for the next scheduled payday. For example, a company normally pays its employees on the 15th and last day of the month. However, an employee is issued a supplemental check on the 6th of the month due to a miscalculation of his earnings. For withholding tax purposes, the supplemental check is deemed to have been issued on the 15th. The related withholding tax from the supplemental check shall be sent via EFT along with the withholding tax related to the payday scheduled for the 15th of the month.
4. Employers with two or more payroll periods
 - (i) An employer with two or more payroll periods in which the paydays fall on different dates shall remit the related withholding tax for each payday on the respective payment due dates pursuant to subparagraph (3)(b)1. of this regulation.
 - (ii) Example. An employer pays its hourly employees every Friday and its salaried employees on the 15th and last day of the month.
 - (I) April 15th falls on a Friday; therefore, the withholding tax for the salaried employees will be remitted the following Wednesday, April 20th along with the withholding tax related to the hourly employees. In this case, the employer has a single remittance obligation for both paydays.
 - (II) April 15th falls on a Tuesday; therefore, the withholding tax for the salaried employees will be remitted the following Friday, April 18th. The withholding tax related to the hourly employees' Friday, April 11th payday will be remitted the following Wednesday, April 16th. In this case, the employer has two remittance obligations for two separate paydays.
- (c) Monthly payer. An employer that is determined to be a monthly payer must remit withholding tax with respect to payments made during a calendar month on or before the 15th day of the following month.

- (d) Quarterly payer. An employer that is determined to be a quarterly payer must remit withholding tax with respect to payments made during the calendar quarter on or before the last day of the month following the end of the calendar quarter.
- (e) Annual payer. An employer that is determined to be an annual payer must remit withholding tax with respect to payments made during the calendar year on or before the last day of January of the following year in which the tax was required to be withheld.
- (f) Monthly, quarterly, and annual payers shall submit their payments via EFT if required to do so by regulation 560-7-3-.26.
- (g) One-Day Rule
 - 1. Notwithstanding subparagraphs (b) through (f) of this paragraph, withholding tax totaling more than \$100,000 for the payday must be remitted via EFT by the next business day after the payday. For example, an employer is required to withhold \$120,000 in tax related to the payroll checks dated Monday, May 15th. Therefore, the employer must remit the withheld tax to the Department via EFT on Tuesday, May 16th.

(4) Reporting of Withholding Tax.

(a) Semi-weekly Payer

- 1. Every employer who qualifies as a semi-weekly payer shall file a "G-7/SchB Quarterly Return for Semi-Weekly Payer" on or before the last day of the month following the end of the calendar quarter in which the withholding tax was required.
- 2. The return shall reflect the withholding tax liability for the calendar quarter less credit for any withholding tax payments made pursuant to subparagraph (3)(b) of this regulation during the calendar quarter. Any outstanding withholding tax reflected on the return shall be remitted via EFT on or before the due date of the return. Such amount shall be subject to the penalties provided in paragraph (6) as well as interest.

(b) Monthly Payers

- 1. Every employer who qualifies as a monthly payer shall file a "G-7 Quarterly Return for Monthly Payer" on or before the last day of the month following the end of the calendar quarter in which the withholding tax was required.
- 2. The return shall be accompanied by payment of the amount of any tax due for such calendar quarter less credit for any withholding tax payments required under subparagraph (3)(c) of this regulation during the calendar

quarter. Such amount shall be subject to the penalties provided in paragraph (6) as well as interest.

(c) Quarterly Payers

1. Every employer who qualifies as a quarterly payer shall file a "G-7 Quarterly Return for Quarterly Payer" on or before the last day of the month following the end of the calendar quarter in which the withholding tax was required.
2. The return shall be accompanied by payment of the amount of tax due for such calendar quarter less credit for any withholding tax payments made under subparagraph (3)(d) of this regulation during the calendar quarter.

(d) Annual Payers

1. Every employer who qualifies as an annual payer shall file the fourth quarter "G-7 Quarterly Return for Quarterly Payer" on or before January 31st of the following year in which the withholding was required.
2. The return shall be accompanied by payment of the amount of tax due for the year less credit for any withholding tax payments made under subparagraph (3)(e) of this regulation during the calendar year.

(e) Withholding Tax Statements

1. For calendar years beginning on or before December 18, 2015, on or before February 28th of each calendar year, an employer or other withholding taxpayer must file with the Department copies of the previous year's withholding tax statements.
2. The February 28th filing date stated within subparagraph (4)(e)1. shall continue to apply for calendar years beginning after December 18, 2015, with respect to Forms 1099 where Georgia withholding occurred and where such forms are required to be filed for any reason other than to report nonemployee compensation.
3. For calendar years beginning after December 18, 2015, on or before January 31 of each year for the preceding calendar year, an employer or other withholding taxpayer must file with the Department copies of the previous year's Form W-2 withholding tax statements.
4. For calendar years beginning after December 18, 2015, the January 31 filing date stated within subparagraph (4)(e)3. shall also apply with respect to

Forms 1099 where Georgia withholding occurred and where such forms are required to be filed to report nonemployee compensation.

5. The Form G-1003 return must accompany the withholding tax statements. The Department may require a different G-1003 return for different types of withholding tax statements.
6. In most cases, the Department will only grant a 30 day extension to file Form G-1003 and all associated withholding tax statements if the Internal Revenue Service issues an extension.
7. Every employer required by the United States Social Security Administration or the Internal Revenue Service to submit withholding tax statements electronically shall similarly submit the Form G-1003 return and all associated withholding tax statements electronically to the Department. Additionally, taxpayers that remit withholding tax payments by electronic funds transfer, whether on a mandatory or voluntary basis, must file the Form G-1003 return and all associated withholding tax statements electronically.
8. Withholding tax statements include Forms 1099, W-2, G2-A, etc. Forms 1099 are only required to be submitted if Georgia income tax is withheld (except 1099-K).

(f) Termination of business or change in business status.

1. An employer must report, only by using the Department's Georgia Tax Center, the termination of the business or change in business status relating to ownership, address, entity structure, or any other significant change relating to withholding tax responsibilities.
2. An employer is required to file its final withholding tax form and pay all withholding tax due by the earlier of the due date or 30 days after the close of the business or change in business entity or ownership.
3. Copies of the withholding tax statements must be filed along with the Form G-1003 return within 30 days after the close of the business or change in business entity or ownership.

(g) Withholding tax statement penalties.

- (i) If a withholding tax statement is not furnished to a person by the required date, the person required to furnish such statement shall be assessed a late penalty in the amount of:

- (I) Ten dollars per statement furnished up to 30 calendar days after the date such statement is due, provided that the total amount imposed on a person pursuant to this subparagraph shall not exceed \$50,000.00;
 - (II) Twenty dollars per statement furnished at least 31 calendar days, but not more than 210 calendar days after the date such statement is due, provided that the total amount imposed on a person pursuant to this subparagraph shall not exceed \$100,000.00; or
 - (III) Fifty dollars per statement furnished 211 calendar days or more after such statement is due, provided that the total amount imposed on a person pursuant to this subparagraph shall not exceed \$200,000.00.
 - (ii) If a withholding tax statement is not filed with the Department by the required date, the person required to file such statement shall be assessed a late penalty in the amount of:
 - (I) Ten dollars per statement filed up to 30 calendar days after the date such statement is due, provided that the total amount imposed on a person pursuant to this subparagraph shall not exceed \$50,000.00;
 - (II) Twenty dollars per statement filed at least 31 calendar days, but not more than 210 calendar days after the date such statement is due, provided that the total amount imposed on a person pursuant to this subparagraph shall not exceed \$100,000.00; or
 - (III) Fifty dollars per statement filed 211 calendar days or more after such statement is due, provided that the total amount imposed on a person pursuant to this subparagraph shall not exceed \$200,000.00.
 - (iii) A person may be subject to more than one category of the penalties imposed by subparagraphs (4)(g)(i) and (4)(g)(ii).
- (5) **Certification of Software Vendors.** At such time that the Department starts its certification program, the electronic filing of withholding returns and withholding tax statements must be completed by utilizing a software vendor that is approved by the Department.
- (6) **Withholding Penalties.** The withholding penalties imposed by subsection (c) of O.C.G.A. § [48-7-126](#) shall be applied as follows (see subparagraph (6)(e) for examples):

- (a) The addition of the \$25 late penalty assessed on a withholding period may only occur once per quarter. Such \$25 penalty shall be added to the first instance of either the late filing penalty or the late payment penalty.
- (b) Five (5) percent late filing penalty will be assessed starting on the first business day after the due date of the return, and then five (5) percent will be assessed on the first day of each month thereafter. Any payments or credits as well as amounts on the adjustment lines on the Forms G-7 will for purposes of the late filing penalty calculation be ignored; this will be calculated using the tax withheld before application of any payments or credits and any adjustments listed on the Forms G-7.
- (c) For all but quarterly and annual payers, late payment penalty will be assessed based on five (5) percent of the separate months the tax is due for the period of time prior to the return due date. Thereafter, it will be assessed at five (5) percent of the aggregate of the unpaid balance on the 16th of the month. For quarterly and annual payers it will be assessed at five (5) percent of the unpaid balance on the 1st of each month after the return due date.
- (d) If at any time the amount of the late filing penalty plus the late payment penalty charged would exceed \$25 plus twenty-five (25) percent of the total tax due for the period, the amount necessary to reach this threshold will be assessed and no further late payment penalty or late filing penalty will be assessed. Any payments or credits as well as amounts on the adjustment lines on the Forms G-7 will for purposes of this threshold be ignored; this will be calculated using the tax withheld before application of any payments or credits and any adjustments listed on the Forms G-7.

(e) Examples:

1. **Example 1:**

Monthly Payer Owes:

\$5,000 January

\$6,000 February

\$7,000 March

Filing Due: 4/30/2009

Actual Filing: 5/10/2009

Pays in Full: 5/10/2009

Late Payment Penalties:

April 16th, 2009:

$$\$25 + (\$5,000 * 15\%) = \$775$$

$$(\$6,000 * 10\%) = \$600$$

$$(\$7,000 * 5\%) = \$350$$

Late Filing Penalty:

May 1st, 2009:

$$(\$18,000 * 5\%) = \$900$$

Total Penalty: \$2,625

2. Example 2.

Monthly Payer Owes:

\$50,000 January

\$75,000 February

\$75,000 March

Pays in full on time.

Filing Due: 4/30/2009

Actual Filing: 6/15/2009

Late Payment Penalties:

None.

Late Filing Penalty:

May 1st, 2009

$$\$25 + (\$200,000 * 5\%) = \$10,025$$

June 1st, 2009

$$(\$200,000 * 5\%) = \$10,000$$

Total Penalty: \$20,025

3. Example 3.

Monthly Payer Owes:

\$50,000 January

\$75,000 February

\$75,000 March

Pays

\$100,000 February 20th

\$50,000 March 20th

Filing Due: 4/30/2009

Actual Filing: 7/15/2009

Late Payment Penalties prior to Filing Due Date:

Feb 16th, 2009:

$\$25 + 5\% \text{ of } \$50,000 \text{ from January} = \$2,525$

Feb 20th payment of \$100,000 pays the \$50,000 January amount due and \$50,000 of February amount due which leaves \$25,000 owed from February.

Mar 16th, 2009:

$5\% \text{ of } \$25,000 \text{ from February} = \$1,250$

Mar 20th payment of \$50,000 pays for remainder of the \$25,000 owed from February and pays \$25,000 of the amount due from March which leaves \$50,000 owed from March.

Apr 16th, 2009:

$5\% \text{ of } \$50,000 \text{ from March} = \$2,500$

Total Late Payment Penalty before Filing Due Date = \$6,275

Penalty after Filing Due Date:

Tax Balance Unpaid = \$50,000

Maximum Penalty Threshold = $\$25 + 25\% \text{ of } \$200,000 = \$50,025$

Late Filing Penalty

May 1st, 2009

$(\$200,000 * 5\%) = \$10,000$

Late Payment Penalty

May 16th, 2009

$(\$50,000 * 5\%) = \$2,500$

Late Filing Penalty

June 1st, 2009

$(\$200,000 * 5\%) = \$10,000$

Late Payment Penalty

June 16th, 2009

$(\$50,000 * 5\%) = \$2,500$

Late Filing Penalty

July 1st, 2009

$(\$200,000 * 5\%) = \$10,000$

Filed July 15th, Stop Late Filing Penalty

Late Payment Penalty

July 16th, 2009

$(\$50,000 * 5\%) = \$2,500$

Late Payment Penalty

Aug 16th, 2009

$(\$50,000 * 5\%) = \$2,500$

Late Payment Penalty

Sep 16th, 2009

$(\$50,000 * 5\%) = \$2,500$

Late Payment Penalty

Oct 16th, 2009

$(\$50,000 * 5\%) = \$2,500$, however reduced to \$1,250 due to threshold

Threshold Met, Stop All Additional Late Penalty

Total Penalty=\$50,025

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.33

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-32](#), [48-7-54](#), [48-7-101](#), [48-7-103](#), [48-7-105](#), [48-7-106](#), [48-7-126](#).

History. Original Rule entitled "Payment and Reporting of Income Tax Withheld" adopted. F. June 29, 1972; eff. July 19, 1972.

Amended: F. Aug. 13, 1973; eff. Sept. 2, 1973.

Repealed: New Rule of same title adopted. F. Dec. 9, 1998; eff. Dec. 29, 1998.

Repealed: New Rule entitled "Payment and Reporting of Withholding Tax" adopted. F. Jan. 16, 2004; eff. Feb. 5, 2004.

Repealed: New Rule of same title adopted. F. Nov. 24, 2009; eff. Dec. 14, 2009.

Amended: F. Nov. 3, 2016; eff. Nov. 23, 2016.

Amended: F. Nov. 21, 2019; eff. Dec. 11, 2019.

Rule 560-7-8-.34. Withholding on Nonresident Members of Partnerships, S Corporations, and Limited Liability Companies; Composite Return Alternative.

(1) Definitions. As used in this regulation, the following terms are defined as follows:

- (a) Taxable income sourced to this state.** The term "taxable income sourced to this state" means the entity's income allocated or apportioned to Georgia pursuant to Code Section [48-7-31](#) or as otherwise provided by law. The entity's income shall include the sum of the following items:

 - 1. The nonresident member's share of the Georgia separately stated income, guaranteed payments, loss, deduction or expense of the entity; and
 - 2. The nonresident member's share of the Georgia nonseparately stated income, loss, deduction or expense of the entity;
- (b) Entity.** The term "entity" shall mean a Subchapter 'S' corporation, a partnership, or a limited liability company which is treated as a partnership or Subchapter 'S' corporation for Federal income tax purposes and which is required to file a

partnership or Subchapter 'S' corporation return. However, the term "entity" does not include a Subchapter 'S' corporation that is treated as a 'C' corporation for Georgia purposes.

- (c) **Nonresident.** The term "nonresident" shall mean an individual or fiduciary member who resides outside this state and all other members whose headquarters or principal place of business is located outside this state. Such nonresident determination shall be made on the last day of the tax year of the entity.
- (d) **Individual.** The term "individual" shall mean a natural person.

(2) **Withholding.**

- (a) **Withholding Requirements.** Withholding is required at the rate of 4 percent with respect to the nonresident member's share of taxable income sourced to this state, unless exempted by this regulation or O.C.G.A. § [48-7-129](#). The filing of estimated tax payments by the member does not relieve the entity from the responsibility of the withholding requirement.
- (b) **Certain Retirement Accounts.** A member which is an individual retirement account as defined by Internal Revenue Code §§ 408(a) and 408(b), a Roth IRA as defined by Internal Revenue Code § 408A, or a qualified employer plan as defined by Internal Revenue Code § 409A(d)(2) is not subject to withholding. On a one time basis, the administrator of such retirement account or plan must certify to the entity in writing using Form NRW-Exemption, that this exception applies. Such certification must be attached to the entity's income tax return each year.
- (c) **Annual Income Less than \$1,000.00.** An entity is not required to withhold tax for a nonresident member if the aggregate annual nonresident member's share of taxable income sourced to this state is less than \$1,000.00.
- (d) **Withholding Under other Provisions of Law, Ordering, etc.** The nonresident member's share of taxable income sourced to this state is not subject to withholding under O.C.G.A. § [48-7-129](#) if such income is subject to withholding under other provisions of Georgia law. The nonresident member's share of taxable income sourced to this state shall not include payments to a member in a capacity other than as a member (e.g., salaries from Subchapter 'S' corporations, rents, or royalties).
- (e) **Exempt Organizations.** The nonresident member's share of taxable income sourced to this state of an exempt organization which results in unrelated business taxable income, as defined by Internal Revenue Code § 512, will be subject to withholding. The nonresident member's share of taxable income sourced to this state of an exempt organization that does not result in unrelated business taxable income is not subject to withholding. In such latter case, the exempt organization shall annually certify in writing to the entity using Form NRW-Exemption, that

the nonresident member's share of taxable income sourced to this state does not result in unrelated business taxable income. Such certification must be attached to the entity's income tax return each year.

- (f) **Insurance Companies.** An insurance company which actually pays a tax to Georgia on its premium income is not subject to Georgia income tax and the withholding requirements under O.C.G.A. § [48-7-129](#). In this case, the insurance company shall annually certify in writing to the entity using Form NRW-Exemption, that this applies. Such certification must be attached to the entity's income tax return each year.
- (g) **C-Corporation, Individual, or Fiduciary Members.**
 - 1. Withholding is not required for the nonresident member's share of taxable income sourced to this state for a C-Corporation, an individual, or a fiduciary member which meets the conditions listed below. On a one time basis and on or before the due date (without extension) for filing the entity's income tax return for the taxable year for which the withholding is required, such member must certify to the entity in writing that this exception applies. Such certification must be attached to the entity's income tax return each year. Such member must:
 - (i) Agree to be subject to personal jurisdiction in this State for all income tax purposes, file returns, and pay all Georgia tax liabilities due, for the current year and future years in which it is a member and the entity owns property in Georgia, does business in Georgia, or otherwise derives income from Georgia sources; and
 - (ii) Will make estimated income tax payments if required.
 - 2. In the event such member certifies to such entity and such member fails to satisfy the requirements of subparagraph (g)1. of this paragraph, then withholding will be due as originally required as if such certification had not been made for the year or years of such failure.
 - 3. Entities except Subchapter 'S' corporations shall provide the certification required by subparagraph (g)1. of this paragraph on Form NRW-Exemption. Subchapter 'S' corporations shall use Form 600S-CA. A Subchapter 'S' corporation that has already obtained the Form 600S-CA for purposes of the Georgia Subchapter 'S' corporation election shall not be required to obtain the form a second time.
- (h) **Partnerships and Limited Liability Companies.** See paragraph (4) relating to "Tiered Situations" and paragraph (5) relating to "Exception in Tiered Situations" for additional rules applicable to partnerships and limited liability companies

(treated as partnerships for Federal income tax purposes) that are members of entities subject to this regulation.

(3) Composite Returns.

- (a) **Alternative to Withholding.** In lieu of withholding, the entity may elect to file a composite income tax return for one or all of its nonresident members using Form IT-CR. The filing of the composite return shall constitute the election. Such election shall be irrevocable and must be made by the due date of the composite return (including extensions, if approved). Once the due date has expired, the composite return shall not be amended to include or exclude members. However the return must be amended to exclude members who, pursuant to subparagraph (d) of this paragraph, were not eligible to be included on the composite return (i.e. members having income within Georgia from sources other than the entity). The computation of tax is done by creating a schedule as described in subparagraph (b) of this paragraph. Individuals, corporations, partnerships, limited liability companies, estates, trusts, Qualified Subchapter S Trusts, and Electing Small Business Trusts may be included on the composite return. However, a corporation is still required to file a separate net worth tax return to pay the net worth tax that is due to Georgia. Nonresident members whose aggregate annual share of taxable income sourced to this state is less than \$1,000.00 may also be included on the composite return.
- (b) **Creating a Schedule.** The entity will create its own schedule following the examples on Form IT-CR showing the name, address, and identification number, and amount of income as provided in subparagraph (c) of this paragraph for each member included in the computation. The schedule must also include the name, address, identification number, and amount of the nonresident member's share of taxable income sourced to this state of any nonresident member not included in the computation of the composite return.
- (c) **Computing the Tax.** Using the schedule created pursuant to subparagraph (b) of this paragraph, the members shall compute the tax as indicated in subparagraphs 1. and 2. of this subparagraph. The election of options may be changed annually; however, such election shall not be changed after the filing of the return. The member's income from the entity's business done in Georgia shall be the nonresident member's share of taxable income sourced to this state adjusted as provided in this subparagraph. Deductions will not be allowed on the composite return for items of loss, deduction or expense which are subject to other limitations imposed on computing either Federal taxable income, Federal adjusted gross income, or Georgia taxable income, or are otherwise limited by the Internal Revenue Code or the O.C.G.A., such as charitable contributions, investment interest expense, I.R.C. § 179 expense, casualty losses, capital losses, etc. Also, deductions based on self-employment, self-employed health insurance, Keogh or

SEP or other deductions normally allowed in computing Adjusted Gross Income are not allowed on a composite return.

1. The following three options shall be available for individual members. Option 1 and Option 2 are only available for nonresident individual members not having income within Georgia from sources other than the entity:
 - (i) Option 1 - Filing Status. The entity may elect to compute the tax by multiplying the member's income from the entity's business done in Georgia by the applicable tax rate. The "applicable tax rate" shall be that rate provided in O.C.G.A. § [48-7-20](#) which applies to each individual member based on the individual member's filing status.
 - (ii) Option 2 - Standard Deduction and Dependents. The entity may elect to compute the tax by reducing the member's income from the entity's business done in Georgia by the personal exemption and credit for dependents as provided below and then multiplying such income by the applicable tax rate. The "applicable tax rate" shall be that rate provided in O.C.G.A. § [48-7-20](#) which applies to each individual member based on the individual member's filing status. Under this option, the member is allowed to take a standard deduction and a personal exemption and credit for dependents; however, the member should apportion these adjustments so that adjustments are allowed only to the extent that they apply to Georgia income.
 - (iii) Option 3 - Highest Marginal Tax Rate. If the above option 1 and option 2 are not available for use by the entity in computing the tax due for an individual member who has income within Georgia from sources other than the entity or if the entity otherwise elects for such individual, a composite return may be filed using this third option. In such case the individual member shall be allowed to be included on the composite return provided the highest marginal tax rate provided in O.C.G.A. § [48-7-20](#) is applied to the member's income from the entity's business done in Georgia to determine the amount of the tax. Should such individual member be required to otherwise file a Georgia return, then the income that was included using option 3 shall be excluded from the individual member's return.
 - (iv) For each individual member for whom the entity uses either Option 1 or Option 2 in computing the tax liability, the entity must obtain a signed statement each year from the respective individual member, using Form CR-AFF, verifying that the member does not have

income from sources within Georgia other than the entity and verifying the individual member's Georgia filing status.

2. All non-individual members shall apply the tax rate provided in subsection (a) of O.C.G.A. § [48-7-21](#) to the member's income from the entity's business done in Georgia to determine the amount of tax.
- (d) **Members Excluded from the Composite Return.** Any nonresident member excluded from the composite return is subject to the withholding provisions and is required to file a Georgia income tax return, unless otherwise exempted by this regulation or O.C.G.A. § [48-7-129](#). Likewise, any nonresident member included in the computation of a composite return is not subject to the withholding provisions and is not required to file a Georgia income tax return to report the entity's income. Except as provided in subparagraph (c)(1)(iii) of this paragraph, nonresident members having income within Georgia from sources other than the entity may not be included in the entity's composite return and shall be subject to the withholding tax imposed by O.C.G.A. § [48-7-129](#), unless otherwise exempted by this regulation or O.C.G.A. § [48-7-129](#).
- (e) **Composite Return Due Date.** The due date of the composite return of a calendar year entity is the same as for a calendar year individual. Extension dates are the same as for individuals. A fiscal year entity should file its return on a fiscal year basis and should file its return by the 15th day of the fourth month after the fiscal year end. Estimated tax payment dates are the same as for individuals. A fiscal year entity shall adjust its estimated payment dates and extension dates as if it is an individual filing a fiscal year return. Form IT-303 (application for extension) should be used if an extension of time to file is needed. Form IT-303 only extends the time to file. Accordingly, any tax that is due should be remitted by the original due date of the composite return on Form IT560C. Tax remitted at the time the IT-CR is due should be remitted along with the payment voucher (Form CR-PV).
- (f) **Amended Composite Returns.** Except as prohibited by subparagraph (a) of this paragraph, amended composite returns may be filed during the same periods as individual returns, and may be filed by using the Form IT-CR and checking the amended box.
- (g) **Consent Agreements.** When filing a composite return for shareholders, it is not necessary to include copies of the consent agreements required by O.C.G.A. § [48-7-27\(d\)\(2\)](#). However, consent agreements must be attached to the S Corporation return as provided in such code section.
- (h) **Composite Return Net Operating Losses.** The following shall apply with regard to net operating losses:

1. A net operating loss computed on a composite return may be carried forward to another composite return year for each member. A net operating loss computed on a composite return may not be carried back. For an individual member, the income for the year or years that the loss is being carried to, must be recomputed using the option (as specified in subparagraph (3)(c)1.) that was used for the loss year before the loss is carried to that year.
2. A net operating loss cannot be carried from a year whereby the member was excluded on the composite return to a year whereby the member is included on the composite return.
3. A net operating loss must be carried forward from a year where the member was included on the composite return to a year the member files the member's own tax return.
4. Any limitations included in the Internal Revenue Code of 1986 on the amount of net operating loss that can be used in a taxable year shall be applied for each member; provided, however, that such limitations, including, but not limited to, the 80 percent limitation, shall be applied to the income computed pursuant to this paragraph.

(4) **Tiered Situations.** Except as provided in paragraph (5), in situations whereby the nonresident member is an entity, or where such nonresident member is owned by subsequent entities, the following shall apply:

(a) Withholding is only required by an entity that:

1. Does business in Georgia on its own and not as a result of being a member;
or
2. Owns property in Georgia on its own and not as a result of being a member;

(b) Any withholding that occurs may be passed through each tier by attaching the G-2-A, of the entity in the tiered situation that was required to withhold pursuant to subparagraph (4)(a), and providing a schedule which allocates such withholding tax between the members at each tier based upon the profit/loss percentage. Failure to include this documentation will result in the disallowance of the withholding credit. A composite return may be completed at any level. However, if the composite return is not filed by the entity meeting either condition 1. or 2. of subparagraph (a) of this paragraph, withholding is still required by such entity, unless otherwise exempted by this regulation or O.C.G.A. § [48-7-129](#). Tax withheld at one level can be claimed on a composite return at another level.

- (c) A member which is an entity or a corporation must include its pro rata share of the entity's gross receipts in its own single factor apportionment formula in determining how much of its income is Georgia income. In determining its income, the member includes its share of the entity's income before the entity apportions and allocates its income.
- (d) In determining whether withholding is required, only the members that directly own an interest in the entity subject to withholding shall be considered.

For example:

1. An entity that is subject to the nonresident withholding requirements has several members. One nonresident member is also a member in several other entities that are subject to the withholding requirements. Each of the entities must withhold on that nonresident member whether or not the total income/loss from all the entities would result in a net loss for that member. A loss from one entity cannot be used to offset the income in another entity for that member.
2. Company A is subject to the nonresident withholding requirements and is in a tiered situation. Company B is a nonresident member of Company A. Company B has nonresident members, of which one is an exempt organization called Company C. Company A is required to withhold on all of Company B's share of taxable income sourced to this state.

(5) Exception in Tiered Situations.

- (a) Nonresident withholding shall not be required for a member which is also an entity provided such entity on an annual basis in writing:
 1. Elects to withhold at the rate of 4 percent with respect to its nonresident members' shares of taxable income sourced to this state in the same manner and subject to the same requirements, exceptions (including the exception provided in this paragraph but excluding the exception provided in subparagraph (2)(c)), etc. as if such entity itself was subject to O.C.G.A. § [48-7-129](#) and this regulation;
 2. Agrees to be subject to personal jurisdiction in this State for all income tax purposes including the withholding required by O.C.G.A. § [48-7-129](#), together with related interest and penalties; and
 3. Provides such election and such agreement in writing to the entity in which it is a member, using Form NRW-Exemption, on or before the due date (without extension) for filing the entity's income tax return for the taxable

year for which the withholding is required. Form NRW-Exemption must be attached to the entity's income tax return each year.

- (b) In the event such entity makes the election as provided in subparagraph (a)1. of this paragraph and such entity does not withhold at the rate of 4% if required to do so, then such exception shall not apply and withholding will be due as originally required as if such election had not been made.
- (c) Each entity in subsequent tiers shall be entitled to make such election and such agreement provided the entity in which it is a member makes such election. However, failure by any entity in any tier to withhold at the rate of 4% if required to do so shall cause withholding to be due as originally required and as if such elections were not made by any entity in any tier.

(6) Withholding Procedures.

- (a) **Registration.** All entities required to withhold taxes under O.C.G.A. § [48-7-129](#) must register with the Georgia Department of Revenue by completing Registration Application CRF-002. Registration for withholding requirements is to be separate and apart from the registration required for the payment of payroll taxes.
- (b) **Payment of Taxes.**
 - 1. With respect to the nonresident member's share of taxable income sourced to this state, payment of taxes withheld shall be due on or before the due date for filing the income tax return for the partnership, Subchapter 'S' corporation, or limited liability company as prescribed in subsection (a) of O.C.G.A. § [48-7-56](#) without regard to any extension of time for filing such income tax return. Payment should be remitted with the required Form G-7-NRW.
- (c) **Withholding Statement.** A Form G-2-A (Withholding on Nonresident Members Share of Taxable Income Sourced to Georgia) showing the amount of the nonresident member's share of taxable income sourced to this state, the nonresident member's name, address, tax identification number, the amount of the Georgia tax withheld, and any other information the Commissioner requires must be furnished to the nonresident member and filed in duplicate with the Commissioner on or before the earlier of the date the income tax return is filed or the due date for filing the income tax return of such partnership, Subchapter 'S' corporation, or limited liability company as prescribed in subsection (a) of O.C.G.A. § [48-7-56](#) without regard to any extension of time for filing such income tax return. The duplicate Form G-2-A must be submitted to the Department of Revenue along with Form G-1003 (transmittal form) for such taxable year.

(d) **Credit for Withholding; Tax Year for Which Credit can be Claimed.**

Nonresident members are required to submit a copy of Form G-2-A with their Georgia Income Tax Return in order to receive credit for any Georgia income taxes withheld. Tax withheld from an on resident member's share of taxable income sourced to this state must be claimed as a credit for the member's tax year in which the withholding tax year of the entity ends.

For example:

1. **Calendar Year Taxpayers.** A calendar year S Corporation withholds for the 2012 calendar year. An individual shareholder may claim a credit on the shareholder's 2012 individual income tax return (generally filed on or before April 15, 2013) for the 2012 taxes withheld by the S Corporation on the shareholder's behalf.
2. **Other than Calendar Year Member.** A calendar year partnership remits withholding taxes for 2012 during 2013 and has a corporate partner with a March 31 year end. The corporate partner may claim a credit in its entirety on its corporate income tax return for the year ended March 31, 2013 (generally filed on or before June 15, 2013) for the 2012 taxes withheld by the partnership on its behalf.
3. **Other than Calendar Year Entity.** An S Corporation with a January 31, 2012 year end remits withholding taxes on behalf of its nonresident shareholders. A calendar year end shareholder may claim a credit on the shareholder's 2012 individual income tax return (generally filed on or before April 15, 2013) for the taxes withheld by the S Corporation on the shareholder's behalf.

(7) **Undue Hardship.**

- (a) **Establishing Undue Hardship.** To qualify for undue hardship, the entity must be experiencing a significant hardship. The entity must establish undue hardship and each determination will be considered on a case-by-case basis. A written petition must be filed with the Commissioner or his/her delegate requesting an exemption from withholding for an entity based on undue hardship. The petition shall be made at least sixty (60) days prior to the day on which the withholding tax is due and shall be accompanied by a full and complete explanation of the hardship incurred. This sixty (60) day period may be modified or waived by the Commissioner for reasonable cause. The Commissioner or his/her delegate will carefully consider the basis of the hardship and notify the entity in writing whether the petition is accepted or rejected. An accepted petition is valid for one year only, and petitions for undue hardship must be requested annually. Failure to receive the

Commissioner's notice shall not relieve the entity from withholding in the manner prescribed by O.C.G.A. § [48-7-129](#).

(b) **Circumstances Which do not Qualify.** The following circumstances will not be considered to constitute undue hardship:

1. Inability to pay;
2. Additional cost of record keeping;
3. Paperwork too cumbersome;
4. Missing K-1 data, such as social security number, address, etc.;
5. Unfamiliarity of the filing requirements; or
6. Inadequate records.

(8) **Anti-avoidance Clause.** If the Commissioner reasonably determines that a transaction or payment has been entered into for the purpose of avoiding the provisions of this regulation and O.C.G.A. § [48-7-129](#), he or she may characterize any payment, or portion thereof, made by the entity to its member so as to reflect the true substance of the transaction.

(9) **Effective Date.** The provisions set forth in this regulation will apply to taxable years beginning on or after January 1, 2012. Taxable years beginning before January 1, 2012 will be governed by the regulations of Chapter 560-7 as they exist before January 1, 2012 in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.34

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-129](#).

History. Original Rule entitled "Withholding on Distributions to Nonresident Members of Partnerships, S Corporations, and Limited Liability Companies" adopted. F. Dec. 15, 1993; eff. Jan. 4, 1994.

Amended: F. Feb. 6, 2001; eff. Feb. 26, 2001.

Repealed: New Rule of same title adopted. F. Dec. 19, 2005; eff. Jan. 8, 2006.

Repealed: New Rule entitled "Withholding on Distributions to Nonresident Members of Partnerships, S Corporations, and Limited Liability Companies; Composite Return Alternative" adopted. F. Dec. 29, 2008; eff. Jan. 18, 2009.

Amended: Rule retitled "Withholding on Nonresident Members of Partnerships, S Corporations, and Limited Liability Companies; Composite Return Alternative." F. Aug. 13, 2012; eff. Sept. 2, 2012.

Amended: F. Nov. 29, 2018; eff. Dec. 19, 2018.

Rule 560-7-8-.35. Withholding on Sales or Transfers of Real Property and Associated Tangible Property by Nonresidents of Georgia.

- (1) **Nonresidents of Georgia.** The term "Nonresident of Georgia" shall include individuals, trusts, partnerships, corporations, and unincorporated organizations. For purposes of O.C.G.A. Section [48-7-128](#), the following persons are Nonresidents of Georgia and are therefore subject to the withholding tax requirements:
- (a) **Individual** - Any individual having his or her principal residence outside Georgia at the time of closing, unless he or she otherwise meets the requirements of O.C.G.A. Section [48-7-128\(a\)](#) and subparagraph (4)(d) of this Revenue Rule to be deemed a resident.
 - (b) **Corporation** - Any corporation whose principal place of business is located outside Georgia, unless it otherwise meets the requirements of O.C.G.A. Section [48-7-128\(a\)](#) and subparagraph (4)(d) of this Revenue Rule to be deemed a resident.
 - (c) **Partnership** - Any partnership whose principal place of business is located outside Georgia, unless it otherwise meets the requirements of O.C.G.A. Section [48-7-128\(a\)](#) and subparagraph (4)(d) of this Revenue Rule to be deemed a resident.
 - (d) **Trust** - Any trust that is being administered by a nonresident fiduciary if the gain from the sale will be taxed to the trust or that has nonresident beneficiaries if the gain from the sale will be taxed to the beneficiaries, unless it otherwise meets the requirements of O.C.G.A. Section [48-7-128\(a\)](#) and subparagraph (4)(d) of this Revenue Rule to be deemed a resident.
 - (e) **Limited Liability Company** - Any limited liability company whose principal place of business is located outside Georgia, unless it otherwise meets the requirements of O.C.G.A. Section [48-7-128\(a\)](#) and subparagraph (4)(d) of the Revenue Rule to be deemed a resident.
 - (f) **Limited Liability Partnership** - Any limited liability partnership whose principal place of business is located outside Georgia, unless it otherwise meets the requirements of O.C.G.A. Section [48-7-128\(a\)](#) and subparagraph (4)(d) of this Revenue Rule to be deemed a resident.
- (2) **Co-owners.** If two or more persons sell real property which they own as joint tenants with right of survivorship or as tenants in common, their respective status as to residence will be determined separately. Withholding is required only on the amount realized or gain recognized by the nonresident co-owner(s).
- (3) **Calculation of tax.**
- (a) **Withholding requirement and tax rate.** Nonresidents who sell or transfer Georgia real property are subject to a 3% withholding tax. The withholding tax is to be computed by applying the 3% rate to the purchase price. As an alternative, if the seller provides the buyer with a completed affidavit of gain (Form IT-AFF2 or

equivalent) swearing to the amount of the gain, the withholding may be computed by applying the 3% rate to the amount of recognized gain.

- (b) **Threshold.** Withholding will not be required on transactions where the purchase price is less than \$20,000. If the purchase price exceeds \$20,000 and the tax liability is less than \$600, the seller may provide the buyer with a completed affidavit of gain (Form ITAFF2 or equivalent), swearing to the amount of the gain, and the buyer will not be required to withhold.
- (c) **Installment transactions.** Every buyer or transferee of real property which is sold on the installment basis and who is required to deduct and withhold the withholding tax imposed by subsection (b) of O.C.G.A. Section [48-7-128](#) shall file the required return and remit payment of the tax to the Department in the following manner.
 - 1. **Initial return and initial payment.** The initial required return and the initial tax payment shall be remitted on or before the last day of the calendar month following the calendar month within which the sale or transfer giving rise to the withholding tax occurred. The initial payment is calculated by taking 3 percent of the purchase price less the installment note. Or if the seller elects to base the withholding on the gain, 3 percent of the gain that would be recognized as a result of the proceeds received at the time of the closing.
 - 2. **Subsequent return and subsequent payments.** For each subsequent return and subsequent payment, the amount of withholding is calculated by taking 3 percent of the principal amount included in each payment. Or if the seller elects to base the withholding on the gain, 3 percent of the amount of each principal payment which represents the gain. The buyer shall file the required return and remit the payment to the Department on or before the last day of the calendar month following the calendar month within which the cumulative amount withheld for the year, less any payments already made to the Department for the year, exceeds \$300. If the cumulative amount withheld for the year, less any payments already made to the Department for the year, does not exceed \$300 for the calendar year, the buyer shall file the required return and remit the payment to the Department on or before the last day of the month following the end of the calendar year within which the tax was withheld.
 - 3. **Threshold.** The threshold as described in subparagraph (3)(b) is completed based on the total purchase price or total gain as if the property were not sold on the installment basis, not on each separate principal payment or the amount of the principal payment which represents gain.

(4) **Forms.**

- (a) **Return.** Unless otherwise exempted, every buyer or transferee of real property and associated tangible property from a nonresident seller or transferor must file a return and remit payment to the Department. Form G-2RP may be used as a return and remittance form; however, if the buyer has or creates a form that provides the sales date, buyer's and seller's names, addresses, identification numbers, total amount of the sales price or the gain recognized and the amount of withholding to be remitted, such form may be used instead. The buyer or transferee is required to provide the seller with a copy of the G-2RP or other form for the seller to file with the seller's income tax return.
- (b) **Other document as substitute for return.** The buyer, in substitution for the G-2RP, may use the closing statement, transfer tax statement or other document showing all the information in (4)(a) above. The information should be contained in one page, and that page should be clearly designated at the top "Georgia Withholding Tax Return for Real Estate Transfer". The designation may be handwritten or typed, so long as it is clear and legible.
- (c) **Statement of withholding.** If the transaction is subject to withholding, the buyer shall provide to the seller a copy of the Form G-2RP (or the document used in lieu of that form) as a statement of tax withheld. A copy of the statement shall be filed with the seller's Georgia Income Tax Return in order that the seller may receive credit for the tax withheld on the transaction.
- (d) **Affidavit of sellers' residence.** O.C.G.A. Section [48-7-128\(a\)](#) provides conditions under which a seller may be deemed a resident of Georgia for purposes of the withholding requirements. In order to be deemed a resident, the seller must provide the buyer with an affidavit swearing that the conditions in the statute and this rule are met. Form IT-AFF1 has been prepared by the Commissioner as an example of the information which must be provided in the seller's affidavit in order to document that the seller is a resident or a deemed resident and that, therefore, the buyer is not required to withhold. Please note that IT-AFF1 is only required by law where a seller is a nonresident but meets the conditions under which the seller may be deemed a resident; however, it may also be used by the buyer to document the seller's representation of Georgia residence if the parties so desire. Copies of Form IT-AFF1 may be obtained from any Department of Revenue office.
- (e) **Affidavit of seller's gain.** O.C.G.A. Section [48-7-128\(c\)](#) allows a seller to provide a buyer with an affidavit swearing to the gain required to be recognized on a transaction so that withholding may be based on the gain rather than the purchase price. Form IT-AFF2 has been prepared by the Commissioner as an example of an affidavit swearing to the gain on a transaction. The seller may use this affidavit or may execute an alternate affidavit that contains substantially the same information. This affidavit should be sent to the Department of Revenue at the same time as the Form G-2RP if the balance is due. Documentation of the cost basis, depreciation,

and selling expenses should be retained by the seller and only be provided to the Department when requested. Copies of Form IT-AFF2 may be obtained at any Department of Revenue office.

- (5) **Exemptions.** Although there are no filing requirements under law in exempt transactions, the Commissioner has prepared a Certificate of Exemption (Form IT-AFF3) as an example of a form which may be executed and provided to the parties for record keeping purposes. This form, or a similar document executed by the seller and provided to the buyer, may be used to document the buyer's reliance on the seller's representation that the sale transaction is exempt. Copies of the Certificate of Exemption form may be obtained from any Department of Revenue office.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.35

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-128](#).

History. Original Rule entitled "Withholding on Sales or Transfers of Real Property and Associated Tangible Property by Nonresidents of Georgia" adopted. F. Jan. 31, 1994; eff. Feb. 20, 1994.

Repealed: New Rule of same title adopted. F. Dec. 26, 2001; eff. Jan. 15, 2002.

Rule 560-7-8-.36. Job Tax Credit, Description and Definitions.

- (1) **Program Description.** The Job Tax Credit program provides tax credits under Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated for certain business enterprises that create and retain new full-time employee jobs in Georgia. The Georgia Department of Community Affairs ("DCA") and the Georgia Department of Revenue have been designated as the responsible agencies within Georgia to administer the program.
- (2) **Coordination of Regulations.** Any reference to Community Affairs regulations in this regulation refers to the most recent regulations relating to the Job Tax Credit program which have been adopted by the Georgia Department of Community Affairs.
- (3) **Definitions.**
 - (a) **Terms Defined in Community Affairs Regulation.** The terms "business enterprise," "less developed area," "less developed census tract area," "new job," "average wage," "wages," "transferred job," and "replacement job," as used in this regulation are defined in Community Affairs Regulation [110-9-1-.01](#).
 - (b) **Taxes Imposed Under Article 2 and Article 5.** The term "taxes imposed under Article 2 and Article 5" means the corporate income tax, withholding tax, and the individual income tax described at Article 2 and Article 5 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated.

- (c) **Project.** The meaning of the term "project" as used in this regulation is identical to the meaning of "project" in Department of Revenue Regulation [560-7-8-37](#).
 - (d) **Year One.** The term "year one" means the tax year or calendar year in which sufficient new jobs are created that, meeting the requirements in O.C.G.A. Sections [48-7-40](#) or [48-7-40.1](#) and Community Affairs Regulations [110-9-1-.01](#), [110-9-1-.02](#), and [110-9-1-.03](#) and this regulation, entitle a business enterprise to job tax credits.
 - (e) **Years Two through Five.** For business enterprises that create a new year one under DCA regulations for any taxable year beginning on or after January 1, 2009, the term "years two through five" means the consecutive four-year period following year one in which job tax credits may be allowed for new jobs created in year one and in which additional new jobs may be created that may also qualify for job tax credits.
 - (f) **Years Two through Six.** For business enterprises that initially claimed the credit for any taxable year beginning before January 1, 2009, the term "years two through six" means the consecutive five-year period following year one in which job tax credits may be allowed for new jobs created in year one and in which additional new jobs may be created that may also qualify for job tax credits.
 - (g) **Competitive Project.** The term "competitive project" as used in this regulation is defined in O.C.G.A. Section [48-7-40](#).
- (4) **Designation/Redesignation of Less Developed Counties and Less Developed Census Tract Areas.** Counties will be designated tier 1, tier 2, tier 3 or tier 4 less developed counties subject to the factors set out in Community Affairs Regulation [110-9-1-.02](#). Census tracts will be designated less developed census tract areas subject to the factors set out in Community Affairs Regulation [110-9-1-.02](#). Less developed counties and less developed census tract areas may be redesignated according to the factors set out in Community Affairs Regulation [110-9-1-.02](#).
- (5) **Amount of Credit.**
- (a) **Business Enterprises that Create a New Year One Under DCA Regulations for Any Taxable Year Beginning On or After January 1, 2009.** Business enterprises in counties designated as tier 1, tier 2, tier 3 or tier 4 less developed areas, or in a less developed census tract area will receive an annual credit for taxes imposed under Article 2 for each new full-time employee job created. Replacement jobs and transferred jobs will not generate a credit. The amount of the credit will be \$3,500 for business enterprises located in less developed census tract areas or tier 1 counties, \$2,500 for business enterprises located in tier 2 counties, \$1,250 for business enterprises located in tier 3 counties and \$750 for business enterprises located in tier 4 counties. A business enterprise located within the jurisdiction of a joint development authority as described in O.C.G.A. Section

[36-62-5.1\(e\)](#) will qualify for an additional \$500 credit for each new full-time job created, subject to the conditions and limitations set forth in these regulations. An existing business enterprise as defined in O.C.G.A. Section [48-7-40\(a\)\(4\)](#) will qualify for an additional \$500 credit for each new full-time job for the first year in which the new full-time job is created, subject to the conditions and limitations set forth in O.C.G.A. Section [48-7-40](#) and this regulation.

- (b) **Business Enterprises that Initially Claimed the Credit for Any Taxable Year Beginning Before January 1, 2009.** Business enterprises in counties designated as tier 1, tier 2, tier 3 or tier 4 less developed areas, or in a less developed census tract area will receive an annual credit for taxes imposed under Article 2 for each new full-time employee job created for five years, beginning with years two through six after the creation of the jobs. Replacement jobs and transferred jobs will not generate a credit. The amount of the credit will be \$3,500 for business enterprises located in less developed census tract areas or tier 1 counties, \$2,500 for business enterprises located in tier 2 counties, \$1,250 for business enterprises located in tier 3 counties and \$750 for business enterprises located in tier 4 counties. A business enterprise located within the jurisdiction of a joint development authority as described in O.C.G.A. Section [36-62-5.1\(e\)](#) will qualify for an additional \$500 credit for each new full-time job created, subject to the conditions and limitations set forth in these regulations. An existing business enterprise as defined in O.C.G.A. Section [48-7-40\(a\)\(4\)](#) will qualify for an additional \$500 credit for each new full-time job for one year after the creation of such job, subject to the conditions and limitations set forth in O.C.G.A. Section [48-7-40](#) and this regulation.

(6) **Maximum Amount of Credit.**

- (a) **Business Enterprises that Create a New Year One Under DCA Regulations for Any Taxable Year Beginning On or After January 1, 2009.** In tier 3 counties and tier 4 counties the job tax credit may be used, in any taxable year, to offset 50 percent of the taxpayer's Georgia income tax liability derived from operations within this state. Further, where a business enterprise is engaged in a competitive project located in a tier 3 county or a tier 4 county and where the amount of the credit exceeds 50 percent of the business enterprise's income tax liability for the taxable year, such business enterprise may elect to take the excess credit as a credit against such business enterprise's quarterly or monthly withholding payments under O.C.G.A. Section [48-7-103](#). In tier 1 counties, tier 2 counties and in less developed census tract areas the job tax credit may be used to offset 100 percent of the taxpayer's Georgia income tax liability derived from operations within this state. Further, in tier 1 counties and less developed census tract areas, the taxpayer may elect, in cases where the amount of such credit exceeds the business enterprise's liability for income taxes in a taxable year, to take the excess as a credit against such business enterprise's quarterly or monthly withholding payments under O.C.G.A. Section [48-7-103](#). Where a business

enterprise is engaged in a competitive project located in a tier 2 county, such business enterprise may elect to take the excess credit as a credit against such business enterprise's quarterly or monthly withholding payments under O.C.G.A. Section [48-7-103](#).

- (b) **Business Enterprises that Initially Claimed the Credit for Any Taxable Year Beginning Before January 1, 2009.** In tier 3 counties and tier 4 counties the job tax credit may be used, in any taxable year, to offset 50 percent of the taxpayer's Georgia income tax liability derived from operations within this state. In tier 1 counties, tier 2 counties, and in less developed census tract areas, the job tax credit may be used to offset 100 percent of the taxpayer's Georgia income tax liability derived from operations within this state. Further, in tier 1 counties and less developed census tract areas, the taxpayer may elect, in cases where the amount of such credit exceeds the business enterprise's liability for income taxes in a taxable year, to take the excess as a credit against such business enterprise's quarterly or monthly withholding payments under O.C.G.A. Section [48-7-103](#).
- (7) **Certification of Competitive Project.** Prior to making the election to use the withholding benefit, a business enterprise engaged in a competitive project located in a tier 2, tier 3 or tier 4 county must be certified by the Commissioner of the Department of Economic Development. The certification must state that but for some or all of the tax incentive provided under O.C.G.A. Section [48-7-40](#), the business enterprise would have located or expanded outside of Georgia.
- (8) **Eligibility for Credit.**

 - (a) **Net Employment Increase.** Except as otherwise provided in this paragraph, in less developed census tract areas, only those business enterprises that increase employment by 5 or more new full-time jobs for the taxable year will be eligible for the credit. For a business enterprise that initially claimed the credit for any taxable year beginning before January 1, 2012, in tier 1 counties, the business enterprise must increase employment by 5 or more new full-time jobs for the taxable year in order to be eligible for the credit. Within areas of pervasive poverty as designated under O.C.G.A. Section [48-7-40.1](#), business enterprises shall only have to increase employment by two or more jobs in order to be eligible for the credit, subject to the conditions and limitations set forth in O.C.G.A. Section [48-7-40.1](#). For a business enterprise that creates a new year one under DCA regulations for any taxable year beginning on or after January 1, 2012, in tier 1 counties, the business enterprise must increase employment by two or more new full-time jobs for the taxable year in order to be eligible for the credit. In tier 2 counties, only those business enterprises that increase employment by 10 or more new full-time jobs for the taxable year will be eligible for the credit. In tier 3 counties, only those business enterprises that increase employment by 15 or more new full-time jobs for the taxable year will be eligible for the credit. In tier 4 counties, only those business enterprises that increase employment by 25 or more new full-time jobs

for the taxable year will be eligible for the credit. A credit is not generated during a year if the net employment increase in that year falls below the number of new full-time jobs required in that tier or census tract area.

(b) Business Enterprises that Create a New Year One Under DCA Regulations for Any Taxable Year Beginning On or After January 1, 2009.

1. **Jobs Created in Year One.** A business enterprise located in a less developed county or census tract area will receive job tax credits in year one. Such business enterprise will also receive job tax credits in years two through five for each new full-time job created in year one, so long as the net employment increase required for jobs created in that particular county tier or census tract area is maintained during years two through five.
2. **Additional New Jobs Created in Years Two Through Five.** For each additional new job created in years two through five, a business enterprise will receive a job tax credit, so long as the additional new jobs are maintained. Additional new jobs means those new jobs created in years two through five that increase the monthly full-time employment average for that year above the monthly full-time employment average for year one. The average full-time monthly employment for a year will be determined by the procedure set out in Community Affairs Regulation [110-9-1-.03](#).
 - (i) The credits for additional new jobs may only be taken if the business enterprise already qualifies for the job tax credit in year one.
 - (ii) Job tax credits for additional new jobs will be based on the tier status of the county or less developed census tract area during the year in which the additional new jobs are created.

(c) Business Enterprises that Initially Claimed the Credit for Any Taxable Year Beginning Before January 1, 2009.

1. **Jobs Created in Year One.** A business enterprise located in a less developed county or census tract area will receive job tax credits in years two through six for each new full-time job created in year one, so long as the net employment increase required for jobs created in that particular county tier or census tract area is maintained during years two through six.
2. **Additional New Jobs Created in Years Two Through Six.** For each additional new job created in years two through six, a business enterprise will receive a job tax credit for a five-year period, so long as the additional new jobs are maintained. Additional new jobs means those new jobs created in years two through six that increase the monthly full-time employment average for that year above the monthly full-time employment average for year one. The average full-time monthly employment for a year will be

determined by the procedure set out in Community Affairs Regulation [110-9-1-.03](#).

- (i) The credits for additional new jobs may only be taken if the business enterprise already qualifies for the job tax credit in year one.
- (ii) Job tax credits for additional new jobs will be based on the tier status of the county or less developed census tract area during the year in which the additional new jobs are created.

(d) **Sale, Merger, Acquisition, Reorganization, or Bankruptcy of a Business Enterprise.** The sale, merger, acquisition, or transfer or liquidation or bankruptcy of a business enterprise will not create new eligibility in any succeeding taxpayer, but any unused credits may be transferred and continued by any transferee of the business enterprise. When a business enterprise merely changes its name, recapitalizes, or liquidates unrelated subsidiaries; however, no new eligibility need be established.

(9) **Claiming the Credit.** For a business enterprise to claim the job tax credit, the business enterprise must submit Form IT-CA with its Georgia income tax return for each year in which the credit is claimed. For any business enterprise that creates a new year one under DCA regulations for any taxable year beginning on or after January 1, 2009, the job tax credit must be claimed within one year of the earlier of the date the original return was filed or the date such return was due, including extensions.

(a) **Withholding Tax.** A business enterprise creating new jobs sufficient to qualify for the job tax credit authorized for jobs created in counties designated as tier 1 counties or in less developed census tract areas must notify the Commissioner each year of their irrevocable election to take all or a part of the credit against the quarterly or monthly withholding tax payment for such business enterprise. A business enterprise, which creates a new year one under DCA regulations for any taxable year beginning on or after January 1, 2009, engaged in a competitive project located in a tier 2 county, must notify the Commissioner each year of their election to take all or a part of the credit against the quarterly or monthly withholding tax payment for such business enterprise. A business enterprise, which creates a new year one under DCA regulations for any taxable year beginning on or after January 1, 2009, engaged in a competitive project located in a tier 3 county or a tier 4 county whose credit amount exceeds 50 percent of the business enterprise's income tax liability for the taxable year, must notify the Commissioner each year of their election to take all or a part of the credit against the quarterly or monthly withholding tax payment for such business enterprise. The withholding tax benefit may only be applied against the withholding tax account used by the business enterprise for payroll purposes. In the event the business enterprise is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be

applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company. When this election is made, the excess tax credit will not pass through to the shareholders, partners, or members of the business enterprise if the business enterprise is a pass-through entity. The amount per job that is eligible to be taken against the quarterly or monthly withholding tax payment for such business enterprise shall not exceed the following amounts:

1. \$3,500 for a business enterprise located in a tier 1 county or in a less developed census tract area;
2. \$2,500 for a business enterprise engaged in competitive project located in a tier 2 county;
3. \$1,250 for a business enterprise engaged in a competitive project located in a tier 3 county; or
4. \$750 for a business enterprise engaged in competitive project located in a tier 4 county.

- (b) **Notice of Intent.** To claim any excess tax credit not used on the income tax return against the business enterprise's withholding tax liability, the business enterprise must file Revenue Form IT-WH *Notice of Intent* through the Georgia Tax Center within thirty (30) days after the due date of the Georgia income tax return (including extensions) or within thirty (30) days after the filing of a timely filed Georgia income tax return, whichever occurs first. A business enterprise engaged in a competitive project in a tier 2, tier 3 or tier 4 county must attach certification from the Department of Economic Development to Revenue Form IT-WH. Failure to file this form and certification from the Department of Economic Development (if engaged in a competitive project) as provided in this subparagraph will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in more than one taxable year, the election to claim the withholding credit will be available for the credit earned in such subsequent year.
- (c) **Review Period.** The Department of Revenue has one hundred twenty (120) days from the date the applicable Form IT-WH under subparagraph (9)(b) of this regulation is received to review the credit and make a determination of the amount eligible to be used against withholding tax.
- (d) **Letter of Eligibility.** Once the review is completed, a letter will be sent to the business enterprise stating the tax credit amount which may be applied against withholding and when the taxpayer may begin to claim the tax credit against withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding tax payments and will not refund any previous withholding payments.

- (10) **Carry forward.** Any job tax credit which is claimed but not used in a taxable year may be carried forward for 10 years from the close of the taxable year in which the qualifying new jobs were created. For example, job tax credits created by an employment increase in year one, but not used in year one, may be carried forward to years two through eleven.
- (11) **Coordination with Investment Tax Credit, Optional Investment Tax Credit, the Headquarters Jobs Tax Credit, and the Quality Jobs Tax Credit.**
- (a) Taxpayers may not claim or carry forward the job tax credit for any given project for which either an investment tax credit is claimed under O.C.G.A. Sections [48-7-40.2](#), [48-7-40.3](#), or [48-7-40.4](#), or an optional investment tax credit is claimed under O.C.G.A. Sections [48-7-40.7](#), [48-7-40.8](#), or [48-7-40.9](#). Neither may taxpayers alternately elect to claim the investment tax credit or optional investment tax credit in one year and the job tax credit in the next year for a given project. These credits are not interchangeable. Taxpayers may elect to take only one of the investment, optional investment, or quality jobs tax credit for a given project.
 - (b) Taxpayers may not claim or carry forward the job tax credit for any jobs for which the headquarters job tax credit or the quality jobs tax credit is claimed under O.C.G.A. Section [48-7-40.17](#). Neither may taxpayers alternatively claim the jobs credit provided by O.C.G.A. Sections [48-7-40](#) and [48-7-40.1](#) and the headquarters job tax credit or the quality jobs tax credit with respect to such jobs. These credits are not interchangeable.
- (12) **Pass-Through Entities.** When the business enterprise is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage and the limitations of this regulation. The credit forms will initially be filed with the tax return of the business enterprise to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess tax credits against their withholding tax liabilities. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2018. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2018 tax year.
- (13) **Special Provisions.**
- (a) **Effective Date.** The provisions set forth in this regulation will apply to taxable years beginning on or after January 1, 2017. Taxable years beginning before January 1, 2017 will be governed by the regulations of Chapter 560-7 as they

exist before January 1, 2017 in the same manner as if the amendments set forth in this regulation had not been promulgated.

- (b) **Overlap.** Where the boundaries of a less developed census tract area and a less developed county overlap, Community Affairs Regulations [110-9-1-.02](#) and [110-9-1-.03](#) shall apply.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.36

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40](#), [48-7-40.1](#).

History. Original Rule entitled "Job Tax Credit" adopted. F. Sept. 9, 1994; eff. Sept. 29, 1994.

Repealed: New Rule, same title, adopted. F. Feb. 23, 1996; eff. Mar. 14, 1996.

Repealed: New Rule entitled "Job Tax Credit, Description and Definitions" adopted. F. Dec. 21, 2000; eff. Jan. 10, 2001.

Amended: F. Feb. 8, 2005; eff. Feb. 28, 2005.

Amended: F. Mar. 29, 2005; eff. Apr. 18, 2005.

Amended: F. Dec. 18, 2009; eff. Jan. 7, 2010.

Amended: F. Aug. 22, 2012; eff. Sept. 11, 2012.

Amended: F. Dec. 5, 2016; eff. Dec. 25, 2016.

Amended: F. Feb. 2, 2018; eff. Feb. 22, 2018.

Rule 560-7-8-.37. Manufacturer's and Telecommunications Investment Tax Credit.

(1) **Definitions.** As used in this regulation:

- (a) **Manufacturing.** The term "manufacturing" means those establishments classified by the North American Industry Classification System (NAICS) Codes, published by the United States Office of Management and Budget, 2017 edition, that belong to Sectors 31-33.
- (b) **Manufacturing Facility.** The term "manufacturing facility" means a single facility, including contiguous parcels of land, improvements to such land, buildings, building improvements, and any machinery or equipment used in manufacturing described by NAICS Sectors 31-33.
- (c) **Telecommunications.** The term "telecommunications" means those establishments primarily engaged in providing telecommunications services described by NAICS Codes, 2017 edition, as:
1. NAICS Code 517312 for establishments primarily engaged in operating and maintaining switching and transmission facilities to provide communications via the airwaves. Establishments in this industry have spectrum licenses and provide services using that spectrum, such as cellular phone services, paging services, wireless Internet access, and wireless video services;

2. NAICS Code 517311 for establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using telecommunications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services; wired (cable) audio and video programming distribution; and wired broadband Internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry;
 3. NAICS Code 517911 for establishments primarily engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. Mobile virtual network operators (MVNOs) are included in this industry; and
 4. NAICS Code 517410 for establishments primarily engaged in providing telecommunications services to other establishments in the telecommunications and broadcasting industries by forwarding and receiving communications signals via a system of satellites or reselling satellite telecommunications.
 5. NAICS Code 517919 for establishments primarily engaged in providing specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation. This industry also includes establishments primarily engaged in providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems. Establishments providing Internet services or voice over Internet protocol (VoIP) services via client-supplied telecommunications connections are also included in this industry.
- (d) **Telecommunications Facility.** The term "telecommunications facility" means a single facility, including contiguous parcels of land, improvements to such land, buildings, building improvements, and any machinery or equipment used in providing the telecommunications services described by NAICS Codes 517312, 517311, 517911, 517410, and 517919.
- (e) **Support Facility.** The term "support facility" refers to any establishment involved in the performance of activities designed primarily to support a manufacturing facility or a telecommunications facility, such as corporate offices, sales offices,

computer operations facilities, warehouses, distribution centers, storage facilities, research and development facilities, laboratories, repair and maintenance facilities, telecommunications centers, regional or district administrative offices, and other related manufacturing or telecommunications support activities.

- (f) **Qualified Investment Property.** The term "qualified investment property" means all property described in O.C.G.A. Sections [48-7-40.2\(a\)\(2\)](#), [48-7-40.3\(a\)\(2\)](#), and [48-7-40.4\(a\)\(2\)](#) which is reasonably related or necessary to the manufacturing process or to providing telecommunications services. Qualified investment property also includes recycling machinery or equipment, recycling manufacturing facility, pollution control or prevention machinery or equipment, pollution control or prevention facility, and conversion from defense to domestic production. The Commissioner reserves the right to review each purchase or acquisition of property by a taxpayer for which the taxpayer intends to claim a credit.
- (g) **Expansion of an Existing Manufacturing or Telecommunications Facility.** The term "expansion of an existing manufacturing or telecommunications facility" means the capitalized purchase or acquisition of qualified investment property by a taxpayer for use in a manufacturing or telecommunications facility already existing in this state when the purchase or acquisition of such qualified investment property expands the taxpayer's asset base and is directly related to the taxpayer's manufacturing process or to providing telecommunications services. It does not mean the purchase or acquisition of qualified investment property for the purpose of repairing existing property.
- (h) **Project.** The term "project" means a planned undertaking involving the capitalized purchase or acquisition of qualified investment property for the construction of an additional manufacturing or telecommunications facility or the expansion of an existing manufacturing or telecommunications facility. A project which is a planned expansion of an existing manufacturing or telecommunications facility must result in an expansion of the taxpayer's asset base and be directly related to the taxpayer's manufacturing process or to providing telecommunications services. For purposes of qualifying for this credit in conjunction with either the job tax credit, the headquarters job tax credit, the quality jobs tax credit, or the optional investment tax credit, a taxpayer may not undertake more than one project at the same time within a single facility, and each project must be confined to a single facility. Generally it is the same project if it is in the same building, provided that there can be separate projects in the same building if the employees that will be using the equipment that is the subject of the investment tax credit will not be or have not been claimed or included in any calculations for the jobs tax credit; the headquarters jobs tax credit, or the quality jobs tax credit.
- (i) **Pollution Control or Prevention Machinery or Equipment.** The term "pollution control or prevention machinery or equipment" means all tangible personal

property, used in whole or in part, to reduce or eliminate air and water pollution by removing, altering, disposing, or storing pollutants, contaminants, waste or heat.

- (j) **Pollution Control or Prevention Facility.** The term "pollution control or prevention facility" means any facility, including land, improvements to land, buildings, building improvements, and any pollution control or prevention machinery or equipment whose primary purpose is to reduce air and water pollution, provided that such facility is in furtherance of applicable federal, state, or local standards for the abatement and control of air and water pollution and contamination.
- (k) **Conversion from Defense to Domestic Production.** The term "conversion from defense to domestic production" means the conversion of a manufacturing or telecommunications facility's production capabilities from those which are substantially dependent upon Department of Defense expenditures to those which have a commercial application in the private sector.
- (l) **Cost of Qualified Investment Property.** The term "cost of qualified investment property" means the taxpayer's basis in the property in the taxable year in which the credit is created.
- (m) **Rural county.** The term "rural county" means a county that has a population of less than 50,000 with 10 percent or more of such population living in poverty based upon the most recent, reliable, and applicable data published by the United States Bureau of the Census. On or before December 31 of each year, the Commissioner of the Department of Community Affairs shall publish a list of such counties.

(2) **Calculation of Credit.**

- (a) **Basic Rate of Credit.** The basic rate of credit allowed against the taxes imposed under Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia varies according to whether the facility for which the qualified investment property is purchased or acquired is located in a county designated as a tier 1, tier 2, or tier 3 or 4 less developed area under O.C.G.A. Section [48-7-40](#):
 - 1. **Tier 1 County.** If the manufacturing or telecommunications facility is located in a county designated as tier 1, then the amount of the credit is equal to 5 percent of the cost of all qualified investment property purchased or acquired by the taxpayer for that facility in that taxable year.
 - 2. **Tier 2 County.** If the manufacturing or telecommunications facility is located in a county designated as tier 2, then the amount of the credit is equal to 3 percent of the cost of all qualified investment property purchased or acquired by the taxpayer for that facility in that taxable year.

3. **Tier 3 or 4 County.** If the manufacturing or telecommunications facility is located in a county designated as tier 3 or 4, then the amount of the credit is equal to 1 percent of the cost of all qualified investment property purchased or acquired by the taxpayer for that facility in that taxable year.

(b) **Higher Rate of Credit.** In the event that the qualified investment property purchased or acquired by taxpayers consists of recycling machinery or equipment, a recycling manufacturing facility, pollution control or prevention machinery and equipment, a pollution control or prevention facility, or is used in the conversion from defense to domestic production, then the qualified investment property will be subject to a higher rate of credit. The amount of the higher rate of credit varies according to whether the qualified investment property is purchased or acquired for a facility located in a county designated as a tier 1, tier 2, or tier 3 or 4 less developed area under O.C.G.A. Section [48-7-40](#):

1. **Tier 1 County.** If the qualified investment property subject to the higher rate of credit is purchased or acquired for a facility located in a county designated as tier 1, then the amount of the credit is equal to 8 percent of the cost of such property purchased or acquired by the taxpayer in that taxable year.
2. **Tier 2 County.** If the qualified investment property subject to the higher rate of credit is purchased or acquired for a facility located in a county designated as tier 2, then the amount of the credit is equal to 5 percent of the cost of such property purchased or acquired by the taxpayer in that taxable year.
3. **Tier 3 or 4 County.** If the qualified investment property subject to the higher rate of credit is purchased or acquired for a facility located in a county designated as tier 3 or 4, then the amount of the credit is equal to 3 percent of the cost of such property purchased or acquired by the taxpayer in that taxable year.

(c) **Office Space Cap in Recycling Manufacturing Facility.** Where the office space used to house support staff in a building that is part of a recycling manufacturing facility exceeds 10 percent of the building's total space, then the building will not be considered a component of the recycling manufacturing facility. The building and any improvements to the building will be subject to the basic rate of credit for qualified investment property. Only recycling machinery or equipment located in the building will be subject to the higher rate of credit for qualified investment property.

(3) **Establishing Eligibility for the Credit.**

- (a) **Three-Year Threshold.** Taxpayers must have operated an existing manufacturing or telecommunications facility or related support facility in this state for three years (thirty-six months) and must have previously filed any required state tax returns in order to become eligible for the tax credit. Only qualified investment property which is purchased or acquired by taxpayers after the thirty-six month eligibility requirement is met may be used to compute the tax credit. Qualified investment property purchased or acquired by taxpayers in taxable years prior to establishing the thirty-six month eligibility may not be claimed for those years by filing an amended tax return.
- (b) **Eligible Taxpayer.** For the purpose of establishing eligibility, the "taxpayer" referenced is the entity that is required by law to file a return or pay tax. A partnership or business joint venture must have operated within the state for the immediately preceding thirty-six months to qualify for the credit. For example, the previous activity in Georgia of a parent, in the case of a corporation, a partner, in the case of a partnership or a business joint venture will not create eligibility for a new entity for the purposes of the thirty-six month threshold.
- (c) **Approval of Project Plan.**
1. **Eligibility and Application Procedure; General Rule.** To be eligible for the credit provided for in O.C.G.A. Sections [48-7-40.2](#), [48-7-40.3](#), and [48-7-40.4](#), a taxpayer must purchase or acquire qualified investment property pursuant to a project plan. The taxpayer must submit Form IT-APP, which is a written application requesting approval of the project plan within thirty (30) days of the completion of the project. Form IT-APP must include a written narrative describing the project and a listing of the type, quantity, and cost of all qualified investment property purchased or acquired pursuant to the project plan and for which tax credits will be claimed.
 2. **Procedure for Claiming Credit Before Completion of Project.** In the event a taxpayer elects to claim the credit before the completion of the project, but after the purchase or acquisition of qualified investment property in excess of the minimum threshold amount, the taxpayer may submit Form IT-APP for approval of the project plan along with the tax return on which the credit will be claimed. This preliminary Form IT-APP must be amended within thirty (30) days of the completion of the project.
 3. **Amendment of Application for Approval of Project Plan.** If necessary, a taxpayer may amend any Form IT-APP for approval of the project plan by submitting additional project information.
 4. **Permission to File Late Application.** In the event a taxpayer is unable to submit Form IT-APP for approval of the project plan within thirty (30) days of the completion of a project, the taxpayer shall submit the Form IT-APP as soon as practical thereafter.

5. **Duration of Project.** The duration of a project shall not exceed three years unless expressly approved in writing by the Commissioner.
6. **Electronic Submission Required for Form IT-APP.** Form IT-APP must be submitted electronically through the Georgia Tax Center. The Department will not approve any Form IT-APP that is submitted or filed in any other manner.
6. **Minimum Threshold Amount.**
 - (i) **For Projects Beginning On or After January 1, 1995 and Beginning in a Taxable Year Beginning Before January 1, 2020.** Before the credit may be claimed, the cost of all qualified investment property purchased or acquired by the taxpayer pursuant to the project plan must exceed a minimum threshold amount of \$50,000.
 - (ii) **For Projects Beginning in Taxable Years Beginning On or After January 1, 2020.** Before the credit may be claimed, the cost of all qualified investment property purchased or acquired by the taxpayer pursuant to the project plan must exceed a minimum threshold amount of \$100,000.
7. **Certificate of Approval.** If the project plan satisfies the requirements of this paragraph, the Commissioner shall issue to the taxpayer a certificate of approval.
8. **Timing.** The taxpayer shall claim the credit for qualified investment property purchased or acquired pursuant to the project plan in the year immediately following the taxable year in which the requisite minimum threshold amount is purchased or acquired by the taxpayer.
9. **Documentation.** At the time the credit is claimed, the taxpayer must submit to the Commissioner certification of the total cost of all qualified investment property purchased or acquired pursuant to the project plan. Such certification shall be done by attaching Form IT-IC and an approved Form IT-APP and any other information the Commissioner may request to the taxpayer's state tax return. A software program's Form IT-IC that is electronically filed with the Georgia income tax return in the manner specified by the Department satisfies this requirement.
- (d) **Earliest Date of Eligibility.** In order to count towards establishing the minimum threshold amount or to qualify as a basis for claiming the credit, the purchase or acquisition of qualified investment property must have occurred no sooner than January 1, 1994. Qualified investment property purchased or acquired by

taxpayers on or after January 1, 1994, will only be eligible as a basis for the credit if all of the other requirements of these regulations are met.

- (e) **Establishing New Eligibility.** The sale, merger, acquisition, reorganization or transfer in liquidation or bankruptcy of a taxpayer does not create new eligibility for any succeeding taxpayer, but any unused credits may be transferred and continued by any transferee of the taxpayer as long as the transferee meets other applicable requirements in law and regulation. If the taxpayer which earned the credits elects to transfer unused credits, such taxpayer must provide the transferee with a copy of the original approval of the credits it received from the Department, and a written statement indicating the assets transferred and the unused credit available at the time of transfer. When a taxpayer merely changes its name, recapitalizes, or liquidates subsidiaries not related to the manufacturing or telecommunications facility, however, no new eligibility need be established.
- (4) **Maximum Amount of Credit.** The investment tax credit taken by a taxpayer in any taxable year shall not exceed 50 percent of the taxpayer's Georgia state income tax liability derived from operations within this state.
- (5) **Withholding Tax for Taxpayers in Rural Counties located in Tier 1 Counties or Tier 2 Counties.** For a taxpayer with a manufacturing or telecommunications facility in a rural county located in a tier 1 county or tier 2 county that has purchased or acquired qualified investment property in a taxable year beginning on or after January 1, 2020 (which is then claimed on an income tax return in the taxable year after the purchased or acquired taxable year), the investment tax credit shall first be applied to such taxpayer's state income tax liability which is attributable to income derived from operations within this state for that taxable year, limited to 50 percent of such liability before the application of such credit. If the amount of the credit exceeds 50 percent of the taxpayer's liability or estimated tax liability before the application of the credit, the excess may be taken as provided in this regulation as a credit against such taxpayer's quarterly or monthly withholding payments under O.C.G.A. § [48-7-103](#). The taxpayer shall not be subject to any adverse consequences including penalties from the failure to estimate their tax liability correctly.
- (6) **Per Taxpayer Credit Limitation for Withholding Tax.** The amount preapproved for a taxable year for a taxpayer to be used against withholding under paragraphs (5) and (9) together shall not exceed \$1 million. This per taxpayer per taxable year \$1 million credit limitation applies to all facilities that a taxpayer has in rural counties located in both tier 1 and tier 2 counties.
- (7) **Credit Cap.** The total amount of tax credits preapproved to be used against withholding tax for taxpayers in rural counties located in tier 1 and tier 2 counties under paragraphs (5) and (9) together shall not exceed \$10 million for all taxpayers per calendar year.
- (8) **Preapproval for Withholding Tax for Taxpayers in Rural Counties located in Tier 1 Counties or Tier 2 Counties.** A taxpayer with a manufacturing or telecommunications

facility in a rural county located in a tier 1 county or tier 2 county that has received an approved Form IT-APP from the Department for qualified investment property purchased or acquired in a taxable year beginning on or after January 1, 2020 (which is then claimed on an income tax return in the taxable year after the purchased or acquired taxable year), may request preapproval to use their excess credit against withholding tax by submitting the appropriate forms to the Department as provided in this paragraph.

(a) **Mandatory Electronic Preapproval Application for Withholding Tax For Taxpayers in Rural Counties located in Tier 1 Counties or Tier 2 Counties.**

To claim any excess investment tax credit not used on the income tax return against the taxpayer's withholding tax liability, a taxpayer that has received an approved Form IT-APP from the Department shall electronically submit Form IT-WHRZ-APP through the Georgia Tax Center between April 1 and May 31 of the calendar year in which the taxable year for which they will claim the investment tax credit ends. Provided preapproval is granted as provided in paragraph (8)(b) of this regulation, the credit is then eligible to be claimed against withholding in the second month after the month the tax return claiming the investment tax credit is filed and the taxpayer reports using Form IT-WHRZ-RPT through the Georgia Tax Center that they have filed their return.

- (i) Example. Taxpayer purchases qualified investment property in a year that begins on January 1, 2020 and ends on December 31, 2020; and taxpayer submits Form IT-APP and receives an approved Form IT-APP. Taxpayer applies for preapproval to use their excess credit against withholding by submitting Form IT-WHRZ-APP through the Georgia Tax Center between April 1, 2021 and May 31, 2021. Taxpayer files their 2021 Georgia income tax return and claims the investment tax credit as provided in paragraph (3)(c)9. of this regulation on October 15, 2022 and Taxpayer submits Form IT-WHRZ-RPT through the Georgia Tax Center to report that the return has been filed on such date. The investment tax credit is eligible to be claimed against withholding beginning on December 1, 2022. Alternatively, if the Taxpayer files their 2021 Georgia income tax return and claims the investment tax credit as provided in paragraph (3)(c)9. of this regulation on September 30, 2022 and Taxpayer submits Form IT-WHRZ-RPT through the Georgia Tax Center to report that the return has been filed on such date, the investment tax credit is eligible to be claimed against withholding beginning on November 1, 2022.
- (ii) Example. Taxpayer purchases qualified investment property in a year that begins on December 1, 2020 and ends on November 30, 2021; and taxpayer submits Form IT-APP and receives an approved Form IT-APP. Taxpayer applies for preapproval to use their excess credit against withholding by submitting Form IT-WHRZ-APP through the Georgia Tax Center between April 1, 2022 and May 31, 2022. Taxpayer files their 2022 Georgia income tax return and claims the investment tax credit as provided in paragraph (3)(c)9. of this regulation on September 15, 2023 and

Taxpayer submits Form IT-WHRZ-RPT through the Georgia Tax Center to report that the return has been filed on such date. The investment tax credit is eligible to be claimed against withholding beginning on November 1, 2023.

- (iii) If the taxpayer is a disregarded entity, then Form IT-WHRZ-APP should be electronically submitted in the name of the owner of the disregarded entity.
 - (iv) The Department will not preapprove any use of the investment tax credit against withholding where the Form IT-WHRZ-APP is submitted or filed in any other manner. The filing of Form IT-WHRZ-APP is an irrevocable election and as such the amount approved by the Department for use against withholding tax can only be used against withholding tax it can never be used against income tax liability. The amount approved by the Department for use against withholding tax will not pass through to the shareholders, partners, or members of the taxpayer if the taxpayer is a pass-through entity. The Department shall treat the amount approved for use against withholding tax as a credit against future withholding tax payments and will not refund any previous withholding payments.
- (b) **Notification.** The Department will notify each taxpayer of the tax credits preapproved and allocated to such taxpayer by June 30 of the calendar year in which the application was submitted.
- (c) **Allocation of Withholding Tax Credit.** In the event the withholding tax credit amounts on applications filed with the Commissioner under paragraphs (8) and (10) of this regulation exceed the maximum aggregate withholding tax credits under paragraph (7) of this regulation, then the withholding tax credits shall be allocated among the taxpayers who filed a timely Form IT-WHRZ-APP through the Georgia Tax Center on a pro rata basis based upon the amounts otherwise allowed under O.C.G.A. §§ [48-7-40.2](#) and [48-7-40.3](#) and this regulation.
- (d) **The withholding tax benefit may only be applied against the withholding tax account used by the taxpayer for payroll.** In the event the taxpayer is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company.
- (e) In the event it is determined that the taxpayer has not met all the requirements of O.C.G.A. §§ [48-7-40.2](#) or [48-7-40.3](#) and this regulation, then the amount of credits shall not be tentatively approved or the tentatively approved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed, except as provided in paragraph (5) of this regulation.

(9) Eligibility for Investment Tax Credit Carry Forward to be used against Withholding Tax.

- (a) A taxpayer that has investment tax credit carry forward for qualified investment property that was purchased or acquired in a taxable year beginning before January 1, 2020, may request preapproval to use such investment tax credit carry forward against withholding tax, if within a single taxable year beginning on or after January 1, 2020 and before January 1, 2025 such taxpayer:
 - (i) Maintains in rural counties located in Tier 1 Counties at least 100 full-time employee jobs as such term is defined in O.C.G.A. § [48-7-40.24](#) and purchases or acquires at least \$5 million of qualified investment property for manufacturing or telecommunications facilities in rural counties located in Tier 1 Counties. The number of full-time employee jobs shall be the monthly average number of eligible full-time employees subject to Georgia income tax withholding for the taxable year; or
 - (ii) Maintains in rural counties located in Tier 2 Counties at least 100 full-time employee jobs as such term is defined in O.C.G.A. § [48-7-40.24](#) and purchases or acquires at least \$10 million of qualified investment property for manufacturing or telecommunications facilities in rural counties located in Tier 2 Counties. The number of full-time employee jobs shall be the monthly average number of eligible full-time employees subject to Georgia income tax withholding for the taxable year.
- (b) If when the qualified investment property was purchased or acquired the taxpayer was located in a Tier 1 County but that county is now designated as a Tier 2 County, the taxpayer shall be eligible to meet the requirements of subparagraph (9)(a)(i) provided in the year they meet the requirements of subparagraph (9)(a)(i) such county is a rural county located in a Tier 2 County.

(10) Preapproval for Investment Tax Credit Carry Forward to be used against Withholding Tax. A taxpayer that expects to meet the requirements in paragraph (9) of this regulation may request preapproval to use such investment tax credit carry forward against withholding tax as provided in this paragraph.

- (a) **Mandatory Electronic Preapproval Application for Investment Tax Credit Carry Forward to be used against Withholding Tax.** To claim investment tax credit carry forward, that was properly claimed and not used or expected to be used, against the taxpayer's withholding tax liability for taxable years beginning on or after January 1, 2020 and before January 1, 2025, a taxpayer shall electronically submit Form IT-WHRZ-APP through the Georgia Tax Center between April 1 and May 31 of the applicable calendar year that begins on or after January 1, 2020 and before January 1, 2025. The applicable calendar year is the calendar year in which the taxable year that the taxpayer expects to meet the requirements specified in paragraph (9) of this regulation ends. Provided

preapproval is granted, the investment tax credit carry forward is then eligible to be claimed against withholding when the taxpayer reports that the requirements of paragraph (9) have been met by submitting Form IT-WHRZ-RPT through the Georgia Tax Center.

- (i) Example. Taxpayer claimed and does not use or expects not to use the investment tax credit in a taxable year which begins on January 1, 2019 and ends on December 31, 2019. Taxpayer expects to meet the requirements in paragraph (9)(a) or (9)(b) of this regulation in the taxable year which begins on January 1, 2020 and ends on December 31, 2020. Taxpayer applies for preapproval to use their investment tax credit carry forward against withholding by submitting Form IT-WHRZ-APP through the Georgia Tax Center between April 1, 2020 and May 31, 2020.
- (ii) Example. Taxpayer claimed and does not use or expects not to use investment tax credit in a taxable year which begins on December 1, 2019 and ends on November 30, 2020. Taxpayer expects to meet the requirements in paragraph (9)(a) or ((9)(b) of this regulation in the taxable year which begins December 1, 2020 and ends on November 30, 2021. Taxpayer applies for preapproval to use their investment tax credit carry forward against withholding by submitting Form IT-WHRZ-APP through the Georgia Tax Center between April 1, 2021 and May 31, 2021.
- (iii) Example. Taxpayer claimed and does not use or expects not to use investment tax credit in a taxable year which begins on December 1, 2019 and ends on November 30, 2020. Taxpayer expects to meet the requirements in paragraph (9)(a) or (9)(b) in the taxable year which begins December 1, 2024 and ends on November 30, 2025. Taxpayer applies for preapproval to use their investment tax credit carry forward against withholding by submitting Form IT-WHRZ-APP through the Georgia Tax Center between April 1, 2025 and May 31, 2025.
- (iv) If the taxpayer is a disregarded entity, then Form IT-WHRZ-APP should be electronically submitted in the name of the owner of the disregarded entity.
- (v) The Department will not preapprove any use of the investment tax credit carry forward against withholding tax where Form IT-WHRZ-APP is submitted or filed in any other manner. The amount approved by the Department for use against withholding tax will not pass through to the shareholders, partners, or members of the taxpayer if the taxpayer is a pass-through entity. The filing of Form IT-WHRZ-APP is an irrevocable election and as such the amount approved by the Department for use against withholding tax can only be used against withholding tax it can never be used against income tax liability. The Department shall treat the

amount approved for use against withholding tax as a credit against future withholding tax payments and will not refund any previous withholding payments.

- (b) **Notification.** The Department will notify each taxpayer of the tax credits approved and allocated to such taxpayer by June 30 of the calendar year in which the application was submitted.
- (c) **Allocation of Withholding Tax Credit.** In the event the withholding tax credit amounts on applications filed with the Commissioner under paragraphs (8) and (10) of this regulation exceed the maximum aggregate withholding tax credits under paragraph (7) of this regulation, then the withholding tax credits shall be allocated among the taxpayers who filed a timely Form IT-WHRZ-APP through the Georgia Tax Center on a pro rata basis based upon the amounts otherwise allowed under O.C.G.A. §§ [48-7-40.2](#) and [48-7-40.3](#) and this regulation.
- (d) The withholding tax benefit may only be applied against the withholding tax account used by the taxpayer for payroll. In the event the taxpayer is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company.
- (e) In the event it is determined that the taxpayer has not met all the requirements of O.C.G.A. §§ [48-7-40.2](#) or [48-7-40.3](#) and this regulation, then the amount of credits shall not be tentatively approved or the tentatively approved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.
- (f) Qualified investment property purchased or acquired under paragraph (9) of this regulation may be eligible for the investment tax credit under O.C.G.A. § [48-7-40.2\(b\)](#) or O.C.G.A. § [48-7-40.3\(b\)](#), provided that the conditions for such credit are met independently of paragraphs (9) and (10) of this regulation.
- (g) For the taxable years in which the jobs that are required to be maintained under subparagraph (9)(a) of this regulation are maintained, such jobs shall not be eligible to be used or claimed as the basis for any other tax credit or benefit allowed by state law.
- (h) Paragraphs (9) and (10) of this regulation shall not extend the carry forward period for any credit.
- (i) A taxpayer is only required to meet the requirements of paragraph (9) of this regulation one time. However, the taxpayer must apply for preapproval and report each year they qualify and may only reapply for amounts where the carry forward

period has not yet expired. A taxpayer is only eligible to claim the credit for the year they meet the requirements and any eligible future years, not years before the year they meet the requirements.

1. Example. Taxpayer meets the requirements in 2020. They are eligible for years 2020 through 2024 but only need to meet the requirements one time in 2020.
2. Example. Taxpayer meets the requirements in 2022. They are eligible for years 2022 through 2024 but only need to meet the requirements one time in 2022.

(j) Required Reporting by Taxpayer.

1. Each taxpayer that receives preapproval for use of the credit under paragraph (10) of this regulation, must certify to the Department using Form IT-WHRZ-RPT that the Taxpayer:
 - (i) Maintained in rural counties located in Tier 1 Counties at least 100 full-time employee jobs and actually purchased or acquired at least \$5 million of qualified investment property for manufacturing or telecommunications facilities in rural counties located in Tier 1 Counties. For purposes of the full-time employee job requirement, the taxpayer may certify such requirement at the time it is certain the requirement will be fulfilled for the taxable year even though the taxable year has not yet been completed. For example, a taxpayer has 600 full-time employee jobs in January and 600 full-time employee jobs in February. Since the average number of jobs for the year at that time would be at least 100 (1,200/12) regardless of the number of jobs in the remaining months, the taxpayer will have met the requirement; or
 - (ii) Maintained in rural counties located in Tier 2 Counties at least 100 full-time employee jobs and actually purchased or acquired at least \$10 million of qualified investment property for manufacturing or telecommunications facilities in rural counties located in Tier 2 Counties. For purposes of the full-time employee job requirement, the taxpayer may certify such requirement at the time it is certain the requirement will be fulfilled for the taxable year even though the taxable year has not yet been completed. For example, a taxpayer has 600 full-time employee jobs in January and 600 full-time employee jobs in February. Since the average number of jobs for the year at that time would be at least 100 (1,200/12) regardless of the number of jobs in the remaining months, the taxpayer will have met the requirement.

2. Such information shall be submitted electronically through the Georgia Tax Center using Form IT-WHRZ-RPT when the taxpayer completes such requirements. Until the taxpayer submit Form IT-WHRZ-RPT through the Georgia Tax Center, the credit cannot be utilized against withholding as provided in this regulation.

(11) Carry Forward.

- (a) **Income Tax Carry Forward.** A credit which is claimed but not used in a taxable year may be carried forward for ten years from the close of the taxable year in which qualified investment property with an aggregate cost exceeding the minimum threshold amount is purchased or acquired, provided that such qualified investment property continues to be used in the manufacturing, recycling, or pollution control processes or in providing telecommunications services. As such the first year of the carry forward period is the year the credit is claimed since the credit is claimed in the year after the year the qualified investment property is purchased or acquired.

- (b) **Withholding Tax Carry Forward.**

1. With respect to the use of the credit against withholding tax as allowed by paragraph (5) of this regulation, the remainder of the carry forward period begins at the beginning of the second month after the month the tax return claiming the credit is due (including extensions) and ends nine years from such date, provided that such qualified investment property continues to be used in the manufacturing, recycling, or pollution control processes or in providing telecommunications services.
 - (i) **Example.** Taxpayer purchases qualified investment property in a year that begins on January 1, 2020 and ends on December 31, 2020; taxpayer submits Form IT-APP and receives an approved Form IT-APP. The taxpayer applies for preapproval to use their excess credit against withholding by submitting Form IT-WHRZ-APP through the Georgia Tax Center between April 1, 2021 and May 31, 2021 and is granted preapproval on June 30, 2021. Taxpayer files their Georgia income tax return and claims the investment tax credit on the October 15, 2022 due date of the return and Taxpayer submits Form IT-WHRZ-RPT through the Georgia Tax Center to report that the return has been filed on such date. Taxpayer begins claiming the credit against withholding on December 1, 2022. The taxpayer's carry forward period expires on November 30, 2031.
2. With respect to the use of the credit against withholding tax as allowed by paragraph (9) of this regulation, the remainder of the carry forward period

begins at the date the taxpayer meets the requirements of paragraph (9) of this regulation and ends based on the number of years that remain in the carry forward period, provided that such qualified investment property continues to be used in the manufacturing, recycling, or pollution control processes or in providing telecommunications services.

(i) Example. Taxpayer purchased qualified investment property in the taxable year that began on January 1, 2010 and ended on December 31, 2010. The credit was claimed on the taxable year that began on January 1, 2011 and ended on December 31, 2011. As such the taxable year that begins on January 1, 2020 and ends on December 31, 2020 is the last taxable year the credit can be claimed. For such taxable year, the taxpayer applies for preapproval to use their investment tax credit carry forward against withholding by submitting Form IT-WHRZ-APP through the Georgia Tax Center between April 1, 2020 and May 31, 2020 and is granted preapproval on June 30, 2020. Taxpayer meets the requirements of paragraph (9) of this regulation on July 1, 2020. The taxpayer's carry forward period expires on June 30, 2021.

(ii) Example. Taxpayer purchased qualified investment property in the taxable year that began on January 1, 2014 and ended on December 31, 2014. The credit was claimed on the taxable year that began on January 1, 2015 and ended on December 31, 2015. As such the taxable year that begins on January 1, 2024 and ends on December 31, 2024 is the last taxable year the credit can be claimed. For such taxable year, the taxpayer applies for preapproval to use their investment tax credit carry forward against withholding by submitting Form IT-WHRZ-APP through the Georgia Tax Center between April 1, 2024 and May 31, 2024 and is granted preapproval on June 30, 2024. Taxpayer meets the requirements of paragraph (9) of this regulation on July 1, 2024. The taxpayer's carry forward period expires on June 30, 2025.

(iii) If the taxpayer's carry forward amount includes multiple years, each year shall be given a separate carry forward period.

(12) **Sunset for Paragraphs (9) and (10) of this regulation.** Paragraphs (9) and (10) of this regulation shall be repealed on December 31, 2024; provided, however, such automatic repeal shall not impair or affect a taxpayer's ability or right to apply an unused credit for a taxable year after December 31, 2024, that such taxpayer accrued under such paragraphs under the conditions of such paragraphs prior to its automatic repeal.

(13) **Coordination with Job, Quality Jobs, Headquarters Job and Optional Investment Tax Credits.** A taxpayer may not claim or carry forward the investment tax credit for a

given project in any year in which either a job tax credit is claimed or carried forward under O.C.G.A. Sections [48-7-40](#) or [48-7-40.1](#), a quality jobs tax credit or headquarters job tax credit is claimed under O.C.G.A. Section [48-7-40.17](#), or an optional investment tax credit is claimed under O.C.G.A. Sections [48-7-40.7](#), [48-7-40.8](#), or [48-7-40.9](#).

Neither may a taxpayer alternately claim the investment tax credit in one year and either the job, quality jobs, headquarters job, or optional investment tax credit in the next year for a given project. The job, investment, and optional investment tax credits are not interchangeable. Taxpayers may elect to claim only one of the job, investment, or optional investment credits for a given project.

- (14) **Leases of Qualified Investment Property.** Any lease for a period of five years or more of any real or personal property used in the construction or expansion of a manufacturing or telecommunications facility which would otherwise constitute qualified investment property will be treated as the purchase or acquisition of qualified investment property by the lessee. Such property will be treated as having been purchased or acquired by the taxpayer in the taxable year in which the lease becomes binding on the taxpayer and the lessor. In establishing eligibility and calculating the investment credit based on such property, the taxpayer will use the fair market value of the leased property as the cost of qualified investment property.
- (15) **Schedule of Additional Information.** In addition to the information required under paragraph (c)(1) of O.C.G.A. Sections [48-7-40.2](#), [48-7-40.3](#), and [48-7-40.4](#), taxpayers must include for every year in which they claim the credit the following information:
- (a) The taxpayer's basis in all qualified investment property purchased or acquired by the taxpayer in the taxable year;
 - (b) The fair market value of all leased property which may be treated as qualified investment property for the taxable year;
 - (c) A list of which recoverable materials are being recycled, and to what extent they are components of manufactured products;
 - (d) A certification from the Department of Natural Resources that all pollution control or prevention machinery or equipment that is a basis for a credit is necessary and adequate for the purposes intended; and
 - (e) Any other information that the Commissioner may reasonably require.
- (16) **Pass-Through Entities.** When the taxpayer is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the taxpayer to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the

credit for its tax year ending January 31, 2020. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2020 tax year.

(17) **Specific Applications.**

- (a) Examples of some common items that do not qualify as an expansion for the investment tax credit include, but are not limited to, items used for safety, items and materials used in the repair, refurbishing, or reconditioning of machinery, hand tools, research and development expenditures, materials used in the repair of existing buildings, legal fees, consulting fees, expenditures for office, or office furniture, computer hardware or software which does not control manufacturing machinery or equipment, and automobiles.

- (18) **Effective Date.** Except as specifically provided in this regulation, this regulation as amended shall be applicable to qualified investment property purchased or acquired in taxable years beginning on or after January 1, 2020. Qualified investment property purchased or acquired in taxable years beginning before January 1, 2020 will be governed by the regulations of Chapter 560-7 as they exist before January 1, 2020 in the same manner as if the amendments set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.37

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.2](#), [48-7-40.3](#), [48-7-40.4](#).

History. Original Rule entitled "Manufacturer's Investment Tax Credit" adopted. F. Sept. 9, 1994; eff. Sept. 29, 1994.

Repealed: New Rule, same title adopted. F. Feb. 23, 1996; eff. Mar. 14, 1996.

Repealed: New Rule entitled "Manufacturer's and Telecommunications Investment Tax Credit" adopted. F. Dec. 9, 1997; eff. Dec. 29, 1997.

Amended: F. Oct. 21, 2010; eff. Nov. 10, 2010.

Amended: F. Sep. 26, 2013; eff. Oct. 16, 2013.

Amended: F. Jan. 25, 2019; eff. Feb. 14, 2019.

Amended: F. Dec. 30, 2019; eff. Jan. 19, 2020.

Rule 560-7-8-.38. Child Care Credit, Definitions and Description.

(1) **Definitions.** As used in this regulation:

- (a) **Child.** The term "child" means a person under the age of 13 when the child care is provided who is a dependent of an employee and for whom the employee can claim an exemption for Georgia income tax purposes.
- (b) **Cost of Operation.** The term "cost of operation" means the reasonable, direct, operational costs incurred by an employer as a result of providing employer provided or employer sponsored child care facilities for such employer's employees. Such costs include, but are not limited to, salaries, supplies, rent, food, transportation, educational and special activities, and payments made to a

qualified child care facility pursuant to a contractual arrangement. Such costs, however, do not include the cost to the employer of any property that is qualified child care property.

- (c) **Employee.** "Employee" means any person employed full-time or part-time by an employer, whose actions are directed by the employer and who is subject to the payroll tax provided for in Article 5 of Chapter 7 of Title 48.
- (d) **Employer.** "Employer" means any employer upon whom a Georgia income tax is imposed or who is otherwise required to file a Georgia income tax return.
- (e) **Employer Provided.** The term "employer provided" refers to child care provided by the employer, offered to employees of the employer, and provided on the premises of the employer. However, the term "employer provided" does not include child care provided on the premises owned by the employer which are in turn leased to a third party providing the child care.
- (f) **Employer Sponsored.** The term "employer sponsored" refers to child care provided for by the employer and offered to employees of the employer pursuant to a contractual arrangement between the employer and a party which operates a qualified child care facility in Georgia but only if the cost of the child care is paid for by the employer directly to the entity providing the child care.
- (g) **Premises of the Employer.** The term "premises of the employer" means a location in Georgia which constitutes the workplace premises of the employer providing the child care or one of the employers providing the child care in the event that the child care property is owned jointly or severally by the taxpayer employer and one or more other employers. The term may also include a facility located within a reasonable distance from the workplace premises of the employer if such workplace premises are deemed by the Commissioner after application by the employer to be impracticable or otherwise unsuitable for the on-site location of the qualified child care facility. Factors to be considered in making this determination may include, but shall not be limited to:
 - 1. The relative size of the qualified child care facility when compared to the size of the workplace premises site;
 - 2. The presence of hazardous substances or other dangerous conditions, materials or structures on or near the workplace premises; or
 - 3. Any other factor deemed relevant by the Commissioner to the safety and well-being of the children for whom the care is provided.
- (h) **Qualified Child Care Facility.** The term "qualified child care facility" means any child-caring institution as defined under O.C.G.A. Section [49-5-3](#) which is licensed or commissioned as a "child welfare agency" by the Georgia Department of

Human Services pursuant to O.C.G.A. Section [49-5-12](#), or approved by any successor agency having regulatory authority over child care services. This definition includes state regulated after school programs.

- (i) **Qualified Child Care Property.** The term "qualified child care property" means all real and tangible personal property purchased or acquired on or after July 1, 1999, or which property is first placed in service on or after July 1, 1999, for use exclusively in the construction, expansion, improvement, or operation of an employer provided child care facility and for which applicable depreciation has been claimed for federal income tax purposes (except that depreciation is not required for any land that is qualified child care property). Such property may include amounts expended on land acquisition, improvements, buildings, and building improvements and furniture, fixtures, and equipment used for such facility when the facility is either owned or leased by the employer. Where property, previously owned by the taxpayer, is converted for use as a qualified child care facility, only those costs involved in the conversion to such qualified child care use shall be included. No such property shall be considered "qualified child care property" unless:
1. The facility is licensed or commissioned by the Department of Human Services pursuant to O.C.G.A. Section [49-5-12](#), or approved by any successor agency having regulatory authority over child care services;
 2. At least 95 percent of the children who use the facility are children of the employees of the taxpayer and other employers if the child care property is owned jointly or severally by the taxpayer and one or more other employers; or a corporation that is a member of the taxpayer's "affiliated group" within the meaning of Section 1504(a) of the Internal Revenue Code. For the purposes of meeting the 95% requirement contained in this subparagraph, the number of children attending the facility should be reasonably representative of each employer's capital contribution to the facility; and
 3. The taxpayer has not previously claimed any tax credit for the cost of operation for such qualified child care property placed in service prior to taxable years beginning on or after January 1, 2000.
- (j) **Recapture Amount.** The term "recapture amount" means, with respect to property as to which a recapture event has occurred, an amount equal to the applicable recapture percentage of the aggregate credits claimed under O.C.G.A. Section [48-7-40.6\(d\)](#) for all taxable years preceding the year of recapture, whether or not such credits were used, which amount must be added back in the tax year in which the recapture event occurs.
- (k) **Recapture Event.** The term "recapture event" refers to any disposition by sale of qualified child care property by the taxpayer, or any other event or circumstance

under which property ceases to be qualified child care property with respect to the taxpayer, except for:

1. Any transfer by reason of death;
2. Any transfer between spouses or incident to divorce;
3. Any transaction to which Section 381(a) of the Internal Revenue Code applies;
4. Any change in the form of conducting the taxpayer's trade or business so long as the property is retained in such trade or business as qualified child care property and the taxpayer retains a substantial interest in such trade or business;
5. Any accident or casualty; or
6. Any instance where qualified child care property can no longer function because of its structural or mechanical failure or its obsolescence.

(2) **Tax Credit for Cost of Operation.** The credit to be claimed pursuant to O.C.G.A. Section [48-7-40.6\(b\)](#) is a tax credit against the Georgia income tax and it shall be granted to an employer who makes available employer provided or employer sponsored child care for employees of such employer.

- (a) **Calculation of Credit.** The amount of the credit granted to an employer shall equal 75 percent of the cost of operation for an employer provided or employer sponsored qualified child care facility for that taxable year less any amounts paid to the employer by the employees for the child care. (75% X (costs of operation less any reimbursements paid by employees to the employer)). Where the qualified child care facility is jointly owned by the taxpayer employer and one or more other employers, the amount of the cost incurred by the taxpayer employer and eligible for the cost of operation tax credit calculation may not exceed the taxpayer employer's pro rata share of the total cost of operation of the facility measured by the number of children served by the facility during any part of the taxable year that are children of employees of the taxpayer employer when compared to the total number of children served during any part of the taxable year by the facility.
- (b) **Limitation.** The amount of the cost of operation tax credit granted to any employer shall not exceed 50 percent of the employer's Georgia income tax liability for the taxable year as computed without regard to the application of any other credit including the cost of qualified child care property tax credit provided under paragraph (3) of this Regulation.
- (c) **When the Credit May be Taken.** The cost of operation tax credit may be claimed in the same taxable year in which the cost of operation is incurred. Any unused

credit may be carried forward for five years from the close of the taxable year in which the cost of operation was incurred.

- (d) **Certification.** Employers must maintain in their files records for certifying the cost of operation to the Department. These records must include the names and social security numbers of employees who utilize the facility; the names, ages, and social security numbers (if age 1 or older) of children of employees utilizing the facility; the name and federal identification number of the child care provider; and such other information as may be required by the Department.
 - (e) **Form IT-CCC75.** Employer Child Care Computation Form IT-CCC75 must be attached to the Georgia Income Tax Return of the employer.
- (3) **Tax Credit for Cost of Qualified Child Care Property.** The tax credit for the cost of qualified child care property, pursuant to O.C.G.A. Section [48-7-40.6\(d\)](#) is a credit against the tax imposed under Article 2 of Chapter 7 O.C.G.A. which may be claimed for the taxable year in which the taxpayer first places in service qualified child care property and for each of the next succeeding nine taxable years. The aggregate amount of the credit shall equal 100 percent of the cost of all qualified child care property purchased or acquired by the taxpayer and first placed in service during a taxable year and such credit may be claimed at a rate of 10 percent per year for the ten year period.
- (a) **Limitation.** The amount of the credit granted to any taxpayer employer may not exceed 50 percent of the employer's Georgia income tax liability for the taxable year as computed without regard to the application of any other credit including the tax credit for cost of operation provided for in paragraph (2) of this Regulation.
 - (b) **When the Credit May be Taken.** The credit may be claimed in the same year in which the qualified child care property is acquired or placed in service. Any unused credit in any taxable year may be carried forward for three years from the close of the taxable year in which the credit is claimed.
 - (c) **Required Adjustments.** If the taxpayer claims the cost of qualified child care property tax credit, Georgia taxable income shall be increased by the amount of any depreciation deductions attributable to such property to the extent that such deductions are used in determining federal taxable income or federal adjusted gross income.
 - (d) **Reporting Requirements.** For each year in which a taxpayer claims the tax credit for the cost of child care property, the taxpayer shall attach to the taxpayer's Georgia income tax return a properly completed form IT-CCC100 and a schedule setting forth the following information with respect to such tax credit:
 - 1. A description of the qualified child care facility;

2. The amount of the qualified child care property acquired during the taxable year and the cost of such property;
3. The amount of tax credit claimed for the taxable year;
4. The amount of qualified child care property acquired in prior taxable years and the cost of such property;
5. The amounts of any tax credit utilized by the taxpayer in prior taxable years;
6. The amounts of tax credit carried over from prior taxable years;
7. The amount of tax credit claimed by the taxpayer for the current taxable year;
8. The amount of tax credit to be carried forward to subsequent taxable years; and
9. A description of any recapture event occurring during the taxable year, a calculation of the resulting reduction in tax credits allowable for the recapture year and future taxable years, and a calculation of the resulting increase in tax for the recapture year.

(e) **Recapture.** When a recapture event, as defined herein, occurs with respect to any specific qualified child care property, the tax credit for such property authorized by paragraph (3) of this regulation for the recapture year and all subsequent tax years shall be eliminated. All credits previously claimed by the taxpayer with respect to such property shall be recaptured in accordance with the recapture percentages provided for in O.C.G.A. Section [48-7-40.6\(a\)\(9\)](#); and the taxpayer's tax for the recapture year shall be increased in accordance with O.C.G.A. Section [48-7-40.6\(f\)](#).

(f) **Certification.** Employers must maintain records for certifying to the Department the amount of qualified child care property acquired during any taxable year and the cost of such property. Such records include the names and social security numbers of employees utilizing the child care facility; the names, ages, and social security numbers (if age 1 or older) of all children of employees for which the child care is provided; the name and federal identification number of the child care provider, and such other information as may be required by the Department.

(4) **Pass-Through Entities.** When the employer is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the taxpayer to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be

applied against the tax liability on their income tax returns. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2009. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2009 tax year.

- (a) Shareholders, members, or partners who receive the credit from a pass-through entity under paragraph (4) of this regulation shall also be subject to any disallowance, if taken erroneously, or any recapture of those credits as provided for in this regulation.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.38

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-40.6](#).

History. Original Rule entitled "Credit to Employers for Cost of Providing or Sponsoring A Child Care Facility for Employees" adopted. F. Sept. 9, 1994; eff. Sept. 29, 1994.

Repealed: New Rule entitled "Child Care Credit, Definitions and Description" adopted. F. May 16, 2000; eff. June 5, 2000.

Amended: F. Apr. 27, 2010; eff. May 17, 2010.

Rule 560-7-8-.39. Withholding On Proceeds Paid By the Georgia Lottery Corporation.

- (1) **Definition of Resident and Nonresident.** O.C.G.A. § [48-7-1](#) provides the definition of both residents and nonresidents.
- (2) **Authority to Tax Lottery Proceeds.** O.C.G.A. § [50-27-24\(a\)](#) provides the authority to tax all proceeds of any lottery prize regardless of the amount.
- (3) **Lottery Prize Proceeds Subject to Income Tax Withholding.** Lottery prize proceeds of more than \$5,000 are subject to income tax withholding in accordance with O.C.G.A. § [48-7-101](#).
- (4) **Withholding From the Proceeds Paid to a Georgia Resident or Nonresident.** For prize proceeds of more than \$5,000 from a play with any lottery conducted by the Georgia Lottery Corporation, all such proceeds shall be subject to withholding in an amount equal to the maximum marginal rate provided in O.C.G.A. § [48-7-20](#) multiplied by the proceeds. The Georgia Lottery Corporation shall issue to the recipient of such prize a W-2G showing the amount of the lottery prize proceeds and the amount of income tax withheld. The Georgia Lottery Commission shall remit income tax withheld on the proceeds to the Commissioner of Revenue as prescribed in the State income tax laws.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.39

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-101](#).

History. Original Rule entitled "Withholding on Proceeds Paid by the Georgia Lottery Corporation" adopted. F. Oct. 7, 1994; eff. Oct. 27, 1994.

Amended: F. Nov. 29, 2018; eff. Dec. 19, 2018.

Rule 560-7-8-.40. Optional Investment Tax Credit.

(1) Definitions.

- (a) **Qualified Investment Property.** The meaning of the term "qualified investment property" as used in this Section is identical to the meaning of "qualified investment property" in O.C.G.A. Sections [48-7-40.2](#), [48-7-40.3](#), and [48-7-40.4](#), as well as Department of Revenue Regulations Section [560-7-8-.37\(1\)\(a\)](#).
- (b) **Manufacturing Facility and Manufacturing Support Facility.** The meaning of the terms "manufacturing facility" and "manufacturing support facility" as used in this Section is identical to the meaning of "manufacturing facility" and "manufacturing support facility" in Department of Revenue Regulations Sections [560-7-8-.37\(1\)\(c\)](#) and [560-7-8-.37\(1\)\(d\)](#).
- (c) **Expansion of an Existing Manufacturing Facility.** The meaning of the term "expansion of an existing manufacturing facility" as used in this Section is identical to the meaning of "expansion of an existing manufacturing facility" in the Department of Revenue Regulations Section [560-7-8-.37\(1\)\(b\)](#).
- (d) **Cost of Qualified Investment Property.** The meaning of the term "cost of qualified investment property" as used in this Section is identical to the meaning of the "cost of qualified investment property" in the Department of Revenue Regulations Section [560-7-8-.37\(1\)\(h\)](#).
- (e) **First Places in Service.** The term "first places in service" as used in this Section means the first regular placement of qualified investment property in the manufacturing process of a manufacturing facility located in a county designated as a tier 1, tier 2, or tier 3 less developed area under O.C.G.A. Section [48-7-40](#). It does not mean merely physically placing regularly inactive or surplus property on the manufacturing facility site.
- (f) **Remains in Service.** The term "remains in service" as used in this Section means the continued and regular use of qualified investment property in the manufacturing process in a manufacturing facility.
- (g) **Base Year.** The term "base year" as used in this Section means the taxable year in which qualified investment property is first placed in service by the taxpayer.
- (h) **Base Year Average.** The term "base year average" as used in this Section means the amount of state income tax owed by the taxpayer for the base year and each of the two immediately preceding taxable years (determined without regard to any credits) added together and divided by three.

- (i) **Aggregate Credit Amount Allowed.** The term "aggregate credit amount allowed" as used in this Section means 10 percent, 8 percent, or 6 percent of the cost of all qualified investment property purchased or acquired by the taxpayer and first placed in service during a taxable year, depending on whether the taxpayer first places such property in service in a tier 1, tier 2, or tier 3 county. If the taxpayer first places such property in service in a tier 1, tier 2, or tier 3 county, then the taxpayer's aggregate amount of credit allowed will be 10 percent, 8 percent, and 6 percent, respectively.
- (j) **Project.** The meaning of the term "project" as used in this Section is identical to the meaning of "project" in the Department of Revenue Regulations Section [560-7-8-.37\(1\)\(b\)](#).

(2) **Calculation of Credit.**

- (a) **Timing.** The taxpayer may begin to take the credit in the year following the year in which qualified investment property is first placed in service.
- (b) **Life of Credit.** The taxpayer may claim a credit for qualified investment property placed in service in any one of the ten years following the taxable year in which the qualified investment property is first placed in service, so long as such property remains in service.
- (c) **Annual Amount of Credit.** Against state income tax liability for a taxable year, the taxpayer will apply the lesser of the following amounts:
 - 1. Ninety percent of the excess of the taxpayer's state income tax liability for the applicable year (determined without regard to any credits) over the taxpayer's base year average tax liability, or
 - 2. The excess of the taxpayer's aggregate credit amount allowed for the applicable year over the sum of the credits under this Section already used by the taxpayer in the years following the base year.

(3) **Establishing Eligibility for the Credit.**

- (a) **Three-Year Threshold.** Taxpayers must have operated an existing manufacturing facility or related manufacturing support facility in this state for three years and must have previously filed any required state tax returns in order to become eligible for the tax credit. Only qualified investment property which is purchased or acquired by taxpayers and first placed in service after the three-year eligibility requirement is met may be used to compute the tax credit. Qualified investment property purchased or acquired or first placed in service by taxpayers in taxable years prior to establishing the three year eligibility requirement may not be claimed for those years by filing an amended tax return.

(b) **Approval of Project Plan.**

1. **Eligibility and Application Procedure; General Rule.** To be eligible for the credit provided for in O.C.G.A. Sections [48-7-40.7](#), [48-7-40.8](#), and [48-7-40.9](#), a taxpayer must purchase and acquire qualified investment property and place it in service pursuant to a project plan. The taxpayer must submit a written application requesting approval of the project plan within thirty (30) days of the completion of the project. Such application must include a written narrative describing the project and a listing of the type, quantity, and cost of all qualified investment property purchased or acquired and placed in service pursuant to the project plan and for which tax credits will be claimed.
2. **Procedure for Claiming Credit Before Completion of Project.** In the event the taxpayer elects to claim the credit before the completion of the project, but after the purchase or acquisition and placing in service of qualified investment property in excess of the minimum threshold amount, the taxpayer may submit an application for approval of the project plan along with the tax return on which the credit will be claimed. This preliminary application must be amended within thirty (30) days of the completion of the project.
3. **Amendment of Application for Approval of Project Plan.** If necessary, a taxpayer may amend any application for approval of project plan by submitting additional project information.
4. **Permission to File Late Application.** In the event a taxpayer is unable to submit an application for approval of project plan within thirty (30) days of the completion of a project, the taxpayer may petition the Commissioner for express written approval to file its application after the thirty (30) day period has passed.
5. **Certificate of Approval.** If the project plan satisfies the requirements of this subparagraph, the Commissioner shall issue to the taxpayer a certificate of approval.
6. **Minimum Threshold Amount.** Before the credit may be claimed, the cost of all qualified investment property purchased or acquired by the taxpayer and placed in service pursuant to a project plan must exceed a minimum threshold amount which varies according to whether the taxpayer's manufacturing facility is located in a county designated as a tier 1, tier 2, or tier 3 county under O.C.G.A. Section [48-7-40](#). Depending on whether the manufacturing facility is located in a tier 1, tier 2, or tier 3 county, the aggregate cost of the qualified investment property purchased or acquired by the taxpayer pursuant to the project plan must exceed \$5 million, \$10 million, and \$20 million, respectively.

7. **Timing of Eligibility.** The taxpayer shall be eligible to claim the credit for qualified investment property purchased or acquired and first placed in service pursuant to the project plan in the year immediately following the taxable year in which the requisite minimum threshold amount is reached by the taxpayer.
 8. **Duration of Project.** The duration of a project shall not exceed 3 years unless expressly approved in writing by the Commissioner.
 9. **Documentation.** At the time the credit is claimed, the taxpayer must submit to the Commissioner certification of the total cost of all qualified investment property purchased or acquired and placed in service pursuant to the project plan. Such certification shall be on forms provided by the Commissioner and shall be attached to the taxpayer's state income tax return.
- (c) **Earliest Date of Eligibility.** In order to qualify as a basis for the credit or contribute towards establishing the requisite minimum threshold amount, the qualified investment property must be purchased or acquired by the taxpayer and first placed in service no sooner than January 1, 1996.
- (4) **Coordination with the Investment Tax Credit and the Job Tax Credit.** The credit allowed under this Section is an optional investment tax credit in lieu of the regular investment tax credit allowed under O.C.G.A. Sections [48-7-40.2](#), [48-7-40.3](#), and [48-7-40.4](#). Taxpayers who elect to claim this credit for a given project make an irrevocable election and may not thereafter claim either the job tax credit or the regular investment tax credit for a given project. Taxpayers who have previously claimed credits under O.C.G.A. Sections [48-7-40](#), [48-7-40.1](#), [48-7-40.2](#), [48-7-40.3](#), or [48-7-40.4](#) for a given project in any taxable year are not eligible for the optional investment tax credit for the same project in any subsequent year.
 - (5) **Leases of Qualified Investment Property.** Any lease for a period of five years or more of any real or personal property used in the construction or expansion of a manufacturing facility which would otherwise constitute qualified investment property will be treated as the purchase or acquisition of qualified investment property by the lessee. Such property will be treated as having been purchased or acquired by the taxpayer in the taxable year in which the lease becomes binding on the taxpayer and the lessor. In establishing eligibility and calculating the credit based on such property, the taxpayer will use the fair market value of the leased property as the cost of qualified investment property.
 - (6) **Pass-Through of Credit.**
 - (a) **"S" Corporations.** Business enterprises that are "S" corporations will apply the optional investment tax credit to corporate income tax liability at the entity level if one exists. Any remaining credit will then be apportioned to shareholders based on

their percentage share of ownership of the corporation in the same manner as other pass-through items.

- (b) **Partnerships.** Where the business enterprise is a partnership, the optional investment tax credit will be apportioned to partners in the same manner as partnership income based on each partner's distributive share.
- (c) **Limited Liability Companies.** Business enterprises that are limited liability companies will apportion the optional investment tax credit to shareholders based on their percentage ownership of the limited liability company.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.40

Authority: O.C.G.A. Sec. [48-7-40.7](#).

History. Original Rule entitled "Optional Investment Tax Credit" adopted. F. Feb. 23, 1996; eff. Mar. 14, 1996.

Rule 560-7-8-.41. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.41

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Signature Requirement for Electronic Filing" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Repealed: F. July 29, 2009; eff. August 18, 2009.

Rule 560-7-8-.42. Tax Credit for Qualified Research Expenses.

- (1) **Purpose.** This rule provides guidance concerning the implementation and administration of the income tax credit under O.C.G.A. § [48-7-40.12](#).
- (2) **Definitions.** As used in this regulation:
 - (a) **Base Amount.** The term "base amount" means the product of a business enterprise's Georgia gross receipts in the current taxable year and the average of the ratios of its aggregate qualified research expenses to Georgia gross receipts for the preceding three taxable years or 0.300, whichever is less; provided, however, that a business enterprise need not have had a positive taxable net income for the preceding three taxable years in order to claim the credit. "Georgia gross receipts" shall be the numerator of the gross receipts factor provided in subsection (d) of O.C.G.A. § [48-7-31](#). If a business enterprise had no Georgia gross receipts during any one or more of the three preceding tax years, the base amount shall be the product of the current year Georgia gross receipts and 0.300.
 - (b) **Business enterprise.** The term "business enterprise" shall have the same meaning as in Revenue Regulation [560-7-8-.46](#).

- (c) **Qualified Research Expenses.** The term "qualified research expenses" means qualified research expenses for any business enterprise as that term is defined in Section 41 of the Internal Revenue Code of 1986, as amended, except that all wages paid and all purchases of services and supplies must be for research conducted within the State of Georgia.
- (3) **Establishing Eligibility for the Credit.** A business enterprise that has qualified research expenses in Georgia in a taxable year exceeding a base amount, and for the same taxable year claims and is allowed a research credit under Section 41 of the Internal Revenue Code of 1986, as amended shall be eligible for the credit.
- (4) **Credit Amount.** A business enterprise that has established eligibility for the research tax credit shall be allowed a tax credit equal to 10 percent of the excess of the qualified research expenses over the base amount. The credit taken in any one taxable year shall not exceed 50 percent of the business enterprise's remaining Georgia net income tax liability after all other credits have been applied.
- (5) **Claiming the Credit.** For a business enterprise to claim the research tax credit, the business enterprise must submit Form IT-RD and Federal Form 6765, from the entity generating the credit, with its Georgia income tax return for each tax year in which the qualified research expenses were incurred.
- (a) **Withholding tax.** A business enterprise whose credit amount exceeds 50 percent of the business enterprise's remaining Georgia net income tax liability after all other credits have been applied may elect to take the excess credit as a credit against such business enterprise's quarterly or monthly withholding payments under Code Section [48-7-103](#). The withholding tax benefit may only be applied against the withholding tax account used by the business enterprise for payroll. In the event the business enterprise is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company. A business enterprise must notify the commissioner each year of their irrevocable election to take all or a part of the credit against the quarterly or monthly withholding tax payment for such business enterprise. When this election is made, the excess research tax credit will not pass through to the shareholders, partners, or members of the business enterprise if the business enterprise is a pass-through entity.
1. **Notice of Intent.** To claim any excess tax credit not used on the income tax return against the business enterprise's withholding tax liability, the business enterprise must file Revenue Form IT-WH *Notice of Intent* through the Georgia Tax Center within thirty (30) days after the due date of the Georgia income tax return (including extensions) or within thirty (30) days after the filing of a timely filed Georgia income tax return, whichever occurs first.

Failure to file this form as provided in this subparagraph will result in disallowance of the withholding tax benefit.

2. **Review Period.** The Department of Revenue has one hundred and twenty (120) days from the date the applicable Form IT-WH under subparagraph (5)(a)1. of this regulation is received to review the credit and make a determination of the amount eligible to be used against withholding tax.
 3. **Letter of Eligibility.** Once the review is completed, a letter will be sent to the business enterprise stating the tax credit amount which may be applied against withholding and when the business enterprise may begin to claim the tax credit against withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding tax payments and will not refund any previous withholding payments.
- (6) **Carry Forward.** Any credit which is claimed but not used in a taxable year shall be allowed to be carried forward for ten years from the close of the taxable year in which the qualified research expenses were made.
- (7) **Pass-through Entities.** When the business enterprise is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage and the limitations of this regulation. The credit forms will initially be filed with the tax return of the business enterprise to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess research tax credit against their withholding tax liabilities. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2018. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2018 tax year.
- (8) **Effective Date.** This regulation as amended shall be applicable to taxable years beginning on or after January 1, 2017. Taxable years beginning before January 1, 2017 will be governed by the regulations of Chapter 560-7 as they exist before January 1, 2017 in the same manner as if the amendments set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.42

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.12](#).

History. Original Rule entitled "Tax Credit for Qualified Research Expenses" adopted. F. Apr. 24, 2001; eff. May 14, 2001.

Repealed: New Rule of same title adopted. F. Oct. 15, 2009; eff. Nov. 4, 2009.

Amended: F. June 23, 2010; eff. July 13, 2010.

Amended: F. Aug. 8, 2012; eff. Aug. 28, 2012.

Amended: F. Feb. 2, 2018; eff. Feb. 22, 2018.

Rule 560-7-8-.43. Qualified Caregiving Expense Credit.

(1) Definitions.

- (a) **Qualified Caregiving Expenses.** For purposes of this rule, Qualified Caregiving Expenses are defined as payments by the taxpayer for home health agency services, personal care services, personal care attendant services, homemaker services, adult day care, respite care, or health care equipment and supplies which equipment and supplies have been determined to be medically necessary by a physician. These services, care, or equipment and supplies must be:
 - 1. Provided to a qualifying family member; and
 - 2. Purchased or obtained from an organization or individual not related to the taxpayer or the qualifying family member.
 - (b) **Qualifying Family Member.** For purposes of this rule, qualifying family member is defined as the taxpayer or an individual who is related to the taxpayer by blood, marriage, or adoption and who is at least 62 years of age; or has been determined to be disabled by the Social Security Administration. The qualifying family member does not have to be a Georgia resident and does not have to be a dependent of the taxpayer. Additionally, the taxpayer does not have to be a Georgia resident.
 - (c) **An Individual Who is Related to the Taxpayer by Marriage.** For purposes of this rule, an individual who is related to the taxpayer by marriage is defined as follows:
 - 1. Your spouse.
 - 2. Parents and children of your spouse.
 - 3. If your previous spouse is deceased, parents and children of your deceased spouse.
- (2) **Amount of the credit.** A taxpayer shall be allowed a credit against the tax imposed by O.C.G.A. § [48-7-20](#) for qualified caregiving expenses in an amount not to exceed 10 percent of the total amount expended for qualified caregiving expenses.
- (3) **Limitations.**
- (a) No taxpayer shall be entitled to such credit with respect to the same qualified caregiving expenses claimed by another taxpayer.

- (b) In no event shall the amount of the tax credit exceed \$150.00 or the taxpayer's income tax liability, whichever is less. Any unused tax credit shall not be allowed to be carried forward to apply to the taxpayer's succeeding years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability.
- (c) No credit shall be allowed under this Code section with respect to any qualified caregiving expenses either deducted or subtracted by the taxpayer in arriving at Georgia taxable net income.
 - 1. Amounts that are included as medical itemized deductions must be treated as follows. The ratio of the medical itemized deductions that are allowed after the Federal percentage limitation to the total medical itemized deductions before the Federal percentage limitation should be applied to the qualified caregiving expenses that are included in the medical itemized deductions before the Federal percentage limitation to determine the portion of expenses that are not allowed under this subparagraph. If the taxpayer does not have enough medical itemized deductions to exceed the Federal percentage limitation, no adjustment is necessary under subparagraph (3)(c).
 - 2. No adjustment is necessary under subparagraph (3)(c) for qualified caregiving expenses that are used to compute Federal credits such as the child and dependent care credit provided the qualified caregiving expenses otherwise qualify.
- (d) No credit shall be allowed under this Code section with respect to any qualified caregiving expenses for which amounts were excluded from Georgia net taxable income. For example, medical expenses reimbursed by an insurance company would not be eligible for this credit.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.43

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-29.2](#).

History. Original Rule entitled "Qualified Caregiving Expense Credit" adopted. F. Dec. 26, 2001; eff. Jan. 15, 2002.

Rule 560-7-8-.44. Disabled Person Home Purchase or Retrofit Credit.

(1) Definitions.

- (a) **Accessibility Features.** For purposes of this rule, accessibility features are defined as:
 - 1. One no-step entrance allowing access into the residence;
 - 2. Interior passage doors providing at least a 32-inch wide clear opening;

3. Reinforcements in bathroom walls allowing later installation of grab bars around the toilet, tub, and shower, where such facilities are provided; and
4. Light switches and outlets placed in accessible locations.

(b) Taxpayer.

1. For purposes of this rule, taxpayer is defined as:
 - (i) A permanently disabled person who has been issued a permanent parking permit by the Department of Public Safety under O.C.G.A. § [40-6-222\(c\)](#); or
 - (ii) A person who has been issued a special permanent parking permit by the Department of Public Safety under O.C.G.A. § [40-6-222\(e\)](#).
 2. The disabled person must be the taxpayer or the taxpayer's spouse if a joint return is filed. If the taxpayer's dependent is disabled, they would not qualify for this credit.
- (2) **Purchase of a new single-family home.** A taxpayer shall be allowed a credit against the tax imposed by O.C.G.A. § [48-7-20](#). The credit is in the amount of \$500.00 with respect to the purchase during the taxable year of a new, single-family home containing all of the accessibility features defined under subparagraph (1)(a). New is defined for purposes of this paragraph as brand new, not just new to the owner. The home must contain all of the accessibility features in order to qualify for the credit mentioned in this paragraph. If the home does not contain all of the accessibility features, no credit is allowed under this paragraph. However, the home does not have to have all of the features throughout the entire home. At a minimum, the home has to have at least one of each of the features listed in subparagraph (1)(a).
- (3) **Retrofit of an existing single-family home.** A taxpayer shall be allowed a credit against the tax imposed by O.C.G.A. § [48-7-20](#). For qualifying expenditures made to retrofit an existing, single-family home with one or more accessibility features as defined under subparagraph (1)(a), a credit shall be allowed with respect to each such accessibility feature in the amount of \$125.00 or the actual cost of such accessibility feature, whichever is lower, provided that the aggregate amount of such credit under this paragraph for such accessibility features shall not exceed \$500.00. For purposes of this paragraph, the entire home does not have to be retrofitted with the particular accessibility feature. Part of the home could be retrofitted with one feature and the next year the other part of the home could be retrofitted with the same feature. In this case, a credit would be allowed for each year. Additionally, if the taxpayer lives in a home they rent instead of owning, they would still be allowed a credit under this paragraph provided the taxpayer pays for the expenditure.

(4) **Limitations.**

- (a) In no event shall the total amount of the tax credit under this rule for a taxable year exceed \$500.00 per residence or the taxpayer's income tax liability, whichever is less. If the taxpayer lives in more than one home, they would be allowed a credit for each home that is lived in during the year. The following example illustrates this:
 - 1. The taxpayer retrofits his existing home during the year with all of the accessibility features listed in subparagraph (1)(a) and qualifies for a \$500.00 credit. During the same year, the taxpayer purchases and moves into a new home that qualifies for the \$500.00 credit. In this situation, the taxpayer would be entitled to a \$500.00 credit for each home.
- (b) Any unused tax credit shall be allowed to be carried forward to apply to the taxpayer's next three succeeding years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.44

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-29.1](#).

History. Original Rule entitled "Disabled Person Home Purchase or Retrofit Credit" adopted. F. Dec. 26, 2001; eff. Jan. 15, 2002.

Rule 560-7-8-.45. Film Tax Credit.

- (1) **Purpose.** This rule provides guidance concerning the implementation and administration of the income tax credits contained within the Georgia Entertainment Industry Investment Act (hereinafter "Act") under O.C.G.A. § [48-7-40.26](#).
- (2) **Coordination of Agencies.** The Department of Economic Development is the state agency responsible for determining which projects qualify for the tax credits authorized under the Act and specifying which projects were approved as interactive entertainment projects.
- (3) **Definitions.**
 - (a) "Completion of the Base Investment or Excess Base Investment in this State" means the date the production company has finished qualified production activities and incurs no additional qualified production expenditures.
 - (b) "Film Tax Credit" means the credit allowed pursuant to the Georgia Entertainment Industry Investment Act, O.C.G.A. § [48-7-40.26](#).

- (c) As used in this regulation, the terms "affiliates", "base investment", "game platform", "game sequel", "multimarket commercial distribution", "prereleased interactive game", "production company", "qualified Georgia promotion", "qualified production activities", "state certified production", and "total aggregate payroll" have the same meaning as in O.C.G.A. § [48-7-40.26](#).
- (d) "Loan-out Company" means any personal service company contracted with and retained by the production company or qualified interactive entertainment production company to provide individual personnel (which are not employees of the production company or qualified interactive entertainment production company), such as artists, actors, directors, producers, writers, production designers, production managers, costume designers, directors of photography, editors, casting directors, first assistant directors, second unit directors, stunt coordinators, or similar personnel for the performance of services used directly in a qualified production activity, but not including persons retained by the production company or qualified interactive entertainment production company to provide tangible property or outside independent contractor service, such as catering, construction, trailers, equipment and transportation.
- (e) "Personal Service Company" means any personal service corporation as defined in Internal Revenue Code Section 269A(b) or any other entity, which also includes a sole proprietorship or an individual being paid as an independent contractor, meeting the principal activity and the ownership requirements of Internal Revenue Code Section 269A(b).
- (f) "Qualified Interactive Entertainment Production Company" means a company that:
1. Maintains a business location physically located in Georgia;
 2. In the calendar year directly preceding the start of the taxable year of the qualified interactive entertainment production company, had a total aggregate payroll of \$500,000 or more for employees working within the state; or in a taxable year beginning on or after January 1, 2018, had a total aggregate payroll of \$250,000 or more for employees working within the state in the taxable year the qualified interactive entertainment production company claims the film tax credit;
 3. Has gross income less than \$100 million for the taxable year; and
 4. Is primarily engaged in qualified production activities related to interactive entertainment which have been approved by the Department of Economic Development.

Any company that has gross income less than \$100 million for the taxable year and is primarily engaged in qualified production activities related to interactive entertainment must meet the requirements in subparagraphs

(3)(f)1. and (3)(f)2. of this regulation and be certified as meeting such as provided in subparagraph (5)(c) of this regulation in order to be eligible for the film tax credit.

This term shall not mean or include any form of business owned, affiliated, or controlled, in whole or in part, by any company or person which is in default on any tax obligation of the state, or a loan made by the state or a loan guaranteed by the state. For this definition, "primarily engaged" means a company whose gross income from qualified production activities related to interactive entertainment which has been approved by the Department of Economic Development exceeds 50% of their total gross income for their taxable year or whose expenses from qualified production activities related to interactive entertainment which has been approved by the Department of Economic Development exceeds 50% of their total expenses for their taxable year.

(4) Affiliates.

- (a) Threshold Determination. O.C.G.A. § [48-7-40.26\(c\) and \(d\)](#) discuss the investment of a production company or qualified interactive entertainment production company and its affiliates. The affiliates are included solely to determine whether or not the \$30 million expenditure threshold has been exceeded for the purpose of determining under which of these subsections the film tax credit will be calculated. Once that determination is made, the \$500,000 base investment threshold or excess base investment threshold is calculated for each separate production company or qualified interactive entertainment production company and the film tax credit is earned solely by the production company or qualified interactive entertainment production company which has qualified investment expenditures in a state certified production. If more than one affiliated production company or qualified interactive entertainment production company has qualifying productions in Georgia, then each production company or qualified interactive entertainment production company will calculate its film tax credit independently of its affiliates.
- (b) Assignment of Credit to Affiliates. Once the production company or qualified interactive entertainment production company establishes the amount of the film tax credit by filing the tax return for the taxable year in which the credit was earned, the credit may then be assigned to the production company's or qualified interactive entertainment production company's affiliates under the provisions of O.C.G.A. § [48-7-42](#). When a film tax credit is assigned to an affiliated entity, the affiliated entity may apply the credit solely against its own income tax liability. The affiliated entity may not sell or transfer the credit pursuant to paragraph (13) of this regulation and may not claim any excess film tax credit against its

withholding tax. Any unused credit may be carried forward by such affiliated entity until the credit is used or it expires, whichever occurs first.

- (5) **Certification of Qualified Production Activities.** Prior to claiming the film tax credit (which includes the additional tax credit for including the qualified Georgia promotion), each new film, video, or digital project must be certified by the Department of Economic Development. Production companies that are required to reduce their investment basis by the amount of expenditures in prior years, must receive certification from the Department of Economic Development for current year projects prior to claiming the film tax credit. The Department of Economic Development will provide a Credit Certificate Number to the production company or qualified interactive entertainment production company for each qualifying project which is approved. The credit certificate number(s) will be used to report any transfer or sale of film tax credit by the production company or qualified interactive entertainment production company for the qualifying project(s).
- (a) The Department of Economic Development shall electronically certify to the Department when the requirements for the additional tax credit for a qualified Georgia promotion have been met.
 - (b) The additional 10% tax credit for including a qualified Georgia promotion shall not be issued final certification by the Department under paragraph (19) of this regulation unless and until the state certificated production has been commercially distributed in multiple markets within five years of the date that the project was first certified by the Department of Economic Development. As such the additional 10% tax credit for including a qualified Georgia promotion will likely be issued final certification separately and later than the 20% base credit and therefore may be earned later and have a different three year carryover period.
 - (c) Certification for a Qualified Interactive Entertainment Production Company. Before the Department of Economic Development issues its certification under paragraph (5) of this regulation to a qualified interactive entertainment production company, the qualified interactive entertainment production company must electronically certify to the Department of Revenue through the Georgia Tax Center on Form IT-QIEPC that:
 - 1. The qualified interactive entertainment production company maintains a business location physically located in this state; and
 - 2. For taxable years beginning before January 1, 2018, the qualified interactive entertainment production company had expended a total aggregate payroll of \$500,000 or more for employees working within this state during the calendar year directly preceding the start of the taxable year of the qualified interactive entertainment production company. For taxable years beginning on or after January 1, 2018, the qualified interactive entertainment production company had expended or intends to expend a total aggregate payroll of \$250,000 or more for employees working within this state during

the taxable year the qualified interactive entertainment production company claims the tax credit.

- (d) The qualified interactive entertainment production company must attach the approved Form IT-QIEPC to their Department of Economic Development certification application. The Department of Economic Development shall not issue its certification until it receives an approved Form IT-QIEPC from the qualified interactive entertainment production company. The Department of Revenue shall not issue any Form IT-QIEPCs before July 1, 2014.
- (e) If the qualified interactive entertainment project spans more than 1 year, then the qualified interactive entertainment production company must submit a separate Form IT-QIEPC for each year. Also, any qualified expenditures, including reshoots after the principal photography or additional photography, any of which occur outside of the taxable year on the Department of Economic Development's certificate for the project, require a separate certification from the Department of Economic Development.
- (f) If the qualified interactive entertainment production company is a disregarded entity then Form IT-QIEPC should be submitted in the name of the owner of the disregarded entity.

(6) Production Expenditures.

- (a) Base Investment. For taxable years beginning before January 1, 2018, a production company or qualified interactive entertainment production company can aggregate projects over a single tax year to meet the \$500,000 investment threshold or excess base investment threshold. For taxable years beginning on or after January 1, 2018, a production company can aggregate projects over a single tax year to meet the \$500,000 investment threshold or excess base investment threshold and a qualified interactive entertainment production company can aggregate projects over a single tax year to meet the \$250,000 investment or excess base investment threshold. A television series (which can occur over two or more years), series pilot, or television movie shall each be considered a single television project. In the case of an episodic television series, an entire season of episodes is one project.
 - 1. Example 1: A production company produces 20 commercials in one calendar year, and each commercial has \$25,000 in production expenditures. The production company can aggregate their production expenditures for multiple commercials in one calendar year ($20 \times \$25,000 = \$500,000$) to meet the \$500,000 base investment threshold.
 - 2. Example 2: A production company has \$900,000 in production expenditures during two years (they spend \$300,000 in year 1 and \$600,000 in year 2)

producing one television movie. The production company may aggregate their production expenditures over the two years for this single project (one television movie) to achieve the \$500,000 base investment threshold. The production company can claim the credit in the year the \$500,000 base investment has been achieved.

3. Example 3: For taxable years beginning on or after January 1, 2018, a qualified interactive entertainment production company completes two certified projects in one tax year, and each has \$125,000 in production expenditures. The qualified interactive entertainment production company can aggregate their production expenditures for multiple projects completed in one tax year to meet the \$250,000 base investment threshold for a qualified interactive entertainment production company.
 4. Example 4: In a taxable year beginning on or after January 1, 2018, a qualified interactive entertainment production company has \$400,000 in production expenditures during two years (they spend \$100,000 in year 1 and \$300,000 in year 2) completing one certified project. The qualified interactive entertainment production company may aggregate their production expenditures over the two years for this single project to achieve the \$250,000 base investment threshold. The qualified interactive entertainment production company can claim the credit in the year the \$250,000 base investment has been achieved.
- (b) Direct use. A production company or qualified interactive entertainment production company may only claim production expenditures that are directly used in a qualified production activity. In determining whether an expenditure is directly used in a qualified production activity, the Department of Revenue will consider the proximity of the expenditure to the activity as well as the causal relationship between the expenditure and the activity.
- (c) Production expenditures include preproduction, production, and postproduction expenditures incurred in this state that are directly used in a qualified production activity, including, but not limited to, the following: set construction and operation; wardrobes, make-up, accessories, and related services; costs associated with photography and sound synchronization; expenditures (excluding license fees) incurred with Georgia companies for sound recordings and musical compositions; sound recording projects used in feature films, series, pilots, or movies; lighting and related services and materials; editing and related services; rental of facilities and equipment; leasing of vehicles; costs of food and lodging; digital or tape editing; film processing; transfers of film to tape or digital format; sound mixing; computer graphics services; special effects services; animation services; total aggregate payroll; airfare, if purchased through a Georgia travel agency or travel company, airfare is generally limited to one roundtrip per

production cycle and for this purpose a production cycle is defined as a single episode for television and as a run of show for all other productions; insurance costs and bonding, if purchased through a Georgia insurance agency; and other direct costs of producing the project in accordance with generally accepted entertainment industry practices. This term also includes payments to a loan-out company by a production company or its payroll service provider or by a qualified interactive entertainment production company or its payroll service provider that has met its withholding tax obligations in subparagraph (6)(d) of this regulation. The production company's tax basis (accrual or cash) shall be used to determine when the payment is made; provided however, prepayments for goods and services qualify in the tax year the payment applies to (the year the goods are delivered or the year the services are rendered), not the year it is prepaid. Also, any qualified expenditures, including reshoots after the principal photography or additional photography, any of which occur outside of the taxable year on the Department of Economic Development's certificate for the project, require a separate certification from the Department of Economic Development. With the exception of assets subject to depreciation under paragraph (6)(e) of this regulation, receipts for asset sales, rebates, insurance proceeds, federal government reimbursements or credits, or any other reimbursements, reduce the amount of qualified expenditures and are required to be reflected in the production cost journal.

1. This term shall not include:

- (i) Postproduction expenditures for footage shot outside of Georgia, marketing, publicity, story rights, or distribution;
- (ii) Any expenditure for work or services not conducted or rendered in Georgia. Expenditures for services not performed at the filming site shall only qualify if the vendor is a Georgia vendor. Expenditures for services conducted or rendered both in Georgia and outside Georgia shall only qualify to the extent the service is conducted or rendered in Georgia;
- (iii) Expenditures for goods that were not purchased or rented or leased in this state from a Georgia vendor. Goods are not considered purchased or rented in Georgia if the goods are shipped or delivered from the Georgia vendor's location outside of Georgia unless more than a de minimis amount of the type of goods held and shipped or delivered from outside Georgia are normally held in inventory in the ordinary course of business in Georgia by the Georgia vendor. Expenditures for goods shall only qualify to the extent such goods are used in Georgia. A vendor that acts as a conduit to enable purchases or rentals to qualify that would not otherwise qualify shall

not be considered a Georgia vendor with respect to such purchases, rentals, or leases;

- (iv) Freight or shipping charges incurred relating to a non Georgia vendor; or
 - (v) Any transaction subject to taxation under Chapter 8 or Chapter 13 of Title 48 of the Official Code of Georgia for which taxes have not been demonstrably paid. For purposes of Chapter 8, use tax paid by the production company itself will be considered to have been demonstrably paid for purposes of this subparagraph provided the other requirements of O.G.C.A § [48-7-40.26](#) and this regulation are met.
- (d) The production company or its payroll service provider or qualified interactive entertainment production company or its payroll service provider shall withhold Georgia income tax at the rate imposed by subsection (a) of O.G.C.A § [48-7-21](#) on all payments to loan-out companies for services performed in Georgia. Any amounts so withheld shall be deemed to have been withheld by the loan-out company on wages paid to its employees for services performed in Georgia pursuant to Article 5 of Chapter 7 of Title 48 notwithstanding the exclusion in Code Section [48-7-100\(10\)\(K\)](#). The amounts so withheld shall be allocated to the loan-out company's employees based on the payments made to the loan-out company's employees for services performed in Georgia. For purposes of Chapter 7 of Title 48, the loan-out company nonresident employees performing services in Georgia shall be considered taxable nonresidents and the loan-out company shall be subject to income taxation in the taxable year in which the loan-out company's employees perform services in Georgia, notwithstanding any other provisions in Chapter 7 of Title 48.
1. Registration. A production company or its payroll service provider or a qualified interactive entertainment production company or its payroll service provider that makes payments to a loan-out company must electronically register with the Department using the Georgia Tax Center to obtain a film withholding account for the production company or qualified interactive entertainment production company. The loan-out company must register for a payroll withholding account using the Georgia Tax Center if they are not already registered. The loan-out company must provide the production company or its payroll service provider or the qualified interactive entertainment production company or its payroll service provider the loan-out company's federal identification number and Georgia withholding identification number.

2. **Withholding Remittance and Filing.** The production company or its payroll service provider on behalf of the production company or the qualified interactive entertainment production company or its payroll service provider on behalf of the qualified interactive entertainment production company shall for each calendar quarter use the Georgia Tax Center to: electronically file the Form G-7 Film; provide information regarding the loan-out company (name, identification numbers, and amount of withholding); and provide any other information required by the Commissioner. Additionally, the withholding payment required by this subparagraph (6)(d) must be electronically remitted using ACH debit or ACH credit in the same manner provided in Rule [560-3-2-.26](#). The due date for such filing and remittance shall be the last day of the month following the calendar quarter in which the withholding payments were required to be made.
3. **Reporting Requirements.** The production company or its payroll service provider on behalf of the production company or the qualified interactive entertainment production company or its payroll service provider on behalf of the qualified interactive entertainment production company shall complete Form G2-FP, which requires: the production company's or qualified interactive entertainment production company's name, address, and tax identification numbers; the loan-out company's name, address and tax identification numbers; the amount of tax paid and withheld by the production company or its payroll service provider or by the qualified interactive entertainment production company or its payroll service provider; the total amount paid by the production company or its payroll service provider or by the qualified interactive entertainment production company or its payroll service provider to the loan-out company for services performed in Georgia (before considering the withholding); and any other information required by the Commissioner. Listing the date(s) of the withholding payments remitted to the Department on the Form G2-FP shall be optional. The production company or its payroll service provider on behalf of the production company or the qualified interactive entertainment production company or its payroll service provider on behalf of the qualified interactive entertainment production company must provide Form G2-FP to the loan-out company by January 31st of the year following the calendar year in which the withholding payments were made. Such G2-FP shall not be submitted to the Commissioner, except upon request.
 - (i) The loan-out company shall complete Form G2-FL, which requires: the loan out company's name, address, and identification numbers; the allocated amount withheld (see subparagraph (6)(d)5.); the employee's name, address, and tax identification number; the name and identification numbers of the production company or qualified interactive entertainment production company that paid the

withholding; and any other information required by the Commissioner. The loan-out company must provide Form G2-FL to the employee allocated the withholding amount by February 28th of the year following the calendar year in which the withholding payments were made. The loan-out company must also electronically file a copy of Form G-1003 and Form G2-FL by February 28th of the year following the calendar year in which the withholding payments were made.

4. **Loan-out Filing Requirements.** Upon completion of its tax year during which the loan-out company's employees performed services in Georgia, the loan-out company must file a Georgia income tax return (and net worth tax return if applicable) and report its income. The loan-out company must also pay its tax liability as would normally be required.
5. **Allocation of Personal Income Credit Against Taxes.** The amount deducted and withheld as tax under this subparagraph (6)(d) shall be allowed as a credit to the employee whose services were provided in the certified project against the employee's income tax. If the services of multiple employees are provided by the loan-out company, the amount deducted and withheld under this subparagraph (6)(d) shall be allocated to each employee based on the payments made to the loan-out company's employees performing services in Georgia.
 - (i) **Employee Filing Responsibility.** The employee providing services must file a Georgia income tax return attaching Form G2-FL provided by the loan-out company, and apply the credit for the withholding tax allocated to the employee against the calculated individual income tax liability for that employee.
6. **Penalties and interest** shall be imposed in the same manner as provided by Rule [560-7-8-.33](#). If the production company does not timely remit the loan out withholding for the calendar withholding quarters included in the taxable year specified on the Department of Economic Development certification, then the expenditure(s) does not qualify for the film tax credit, unless the Department determines there was reasonable cause for such delay; provided, however, the mere failure to withhold and remit the required loan out withholding would not by itself be considered reasonable cause. For example, the production period is October and November of 2020. The calendar withholding quarter runs from October through December of 2020. All amounts must be remitted no later than the January 31, 2021 due date for such quarter in order for the payment(s) to the loan out to qualify.

7. Amounts paid to a loan-out company where the loan-out company is not providing services used in a qualified production activity are not subject to the withholding required by O.C.G.A. § [48-7-40.26](#).
 8. The failure of the loan-out company or the loan-out company's employees to comply with any registration, filing, and reporting obligations imposed by Georgia law, including those imposed by O.C.G.A. § [48-7-40.26](#) and this rule, shall not affect the film tax credit claimed by the production company or qualified interactive entertainment production company.
- (e) Depreciation, amortization, or other expense on production expenditures with a useful life of more than one year. The costs of production expenditures with a useful life of more than one year are considered "other direct costs of producing the project in accordance with generally accepted entertainment industry practices." Such costs shall be included in the computation of the film tax credit for the taxable year based upon the depreciation, amortization, or other expense included in the computation of Georgia taxable income of the production company or qualified interactive entertainment production company for the applicable taxable year. Such depreciation, amortization, or other expense shall be prorated based upon the time the asset is used in qualified production activities in this state. Depreciation, amortization, or other expense on expenditures incurred before the pre-production period shall not be included in the computation of the Film Tax Credit in this state. In order to claim depreciation, amortization, or other expense, the expenditure for the asset that generated the depreciation, amortization, or other expense, must have been incurred in this State as provided in subparagraph (6)(f) of this regulation.
- (f) Production expenditures incurred in this state. In order to be considered to have been incurred in this state, the following rules shall apply:
1. Production expenditures, which are attributable to the performance of services by individuals and companies directly at the filming site in Georgia who were not employees of the production company or qualified interactive entertainment production company, shall be attributed to Georgia in the same manner as salaries as provided in subparagraph (6)(g) of this regulation.
 2. Except as otherwise provided in this regulation, expenditures for services which are not performed at the filming site (such as insurance, service fees paid to a payroll company including workers compensation if the service fees include such, editing and related services, digital or tape editing, film processing, transfers of film to tape or digital format, sound mixing, computer graphics services, special effects services, animation services, etc.) will be allowed if the vendor is a Georgia vendor and will be attributed to Georgia if and only to the extent the service is rendered in Georgia. If the

production company or qualified interactive entertainment production company is unable to track the cost of the services rendered in Georgia, then some other reasonable method which approximates the cost of the services rendered in Georgia may be used to determine the amount attributable to Georgia but such approximation will be subject to adjustment by the Department. In the event the services are subcontracted to a company that would not otherwise qualify and/or such subcontracted company renders the services outside Georgia, the expenditure for such services shall not be considered to have been incurred in this state.

3. Purchases and rentals of property. In order to include production expenditures for purchases and rentals of property, the property must have been used in Georgia and purchased or rented from a Georgia vendor. Goods are not considered purchased or rented in Georgia if the goods are shipped or delivered from the Georgia vendor's location outside of Georgia unless more than a de minimis amount of the type of goods held and shipped or delivered from outside of Georgia are normally held in inventory in the ordinary course of business in Georgia by the Georgia vendor. Purchase receipts, invoices, contracts, packing slips, or other documentation shall be used to determine this.
4. Georgia Vendor. For purposes of this rule, a Georgia vendor is a vendor that:
 - (i) Sells or rents a type of property of which more than a de minimis amount is regularly held in their inventory in the ordinary course of business in Georgia, or provides a service not performed at the filming site, which is the subject of the production expenditure, in their ordinary course of business;
 - (ii) Has a physical location in Georgia with at least one individual working at such location on a regular basis, including home-based businesses that otherwise meet the requirements of a Georgia vendor. Registering with the Georgia Secretary of State or appointing a registered agent in Georgia does not establish a physical location in Georgia.

However, a vendor that acts as a conduit to enable purchases and rentals to qualify that would not otherwise qualify shall not be considered a Georgia vendor with respect to such purchases and rentals;

- (iii) Is registered with the Department for collection of sales and use tax when required by Chapter 8 of Title 48;

- (iv) Has a local Georgia business license. The production company is required to obtain a copy of the license from any Georgia vendor where the total amount of purchases exceed \$10,000 for such vendor during the taxable year on the Department of Economic Development's certificate for the project; and
- (v) For services rendered on set, such persons or vendors providing such services, are identified on the daily production reports or other reasonable evidence that such services were rendered on set is provided;

Failure to provide documentation in this subparagraph when requested will result in the purchases from the vendor being disqualified.

- (g) Salaries. Total aggregate payroll, as such term is used in the Act, includes bonuses, incentive pay, and other compensation paid to an employee which is included in the employee's Form W-2 "Wage and Tax Statement". Reimbursed expenses, per diems, or employer paid benefits and taxes are not included in aggregate payroll unless such amounts are included as wages, tips, or other compensation in the employee's Form W-2 "Wage and Tax Statement". For purposes of this rule, the term "employee" means any officer of a corporation or any individual who, under the Internal Revenue Service rules applicable in determining the employer-employee relationship, has the status of an employee. Only amounts included in total aggregate payroll shall be subject to the \$500,000 limit provided in O.C.G.A. § [48-7-40.26\(b\)\(14\)](#). Guaranteed payments to partners do not qualify for the film tax credit and are not included in total aggregate payroll. Except as otherwise provided in this paragraph, if the production company or qualified interactive entertainment production company is unable to track the actual time spent by an employee in Georgia, the production company or qualified interactive entertainment production company may calculate the total aggregate payroll in Georgia by some other reasonable method which approximates the actual time spent in Georgia but such approximation will be subject to adjustment by the Department. For all individuals who are paid a separate amount for preproduction, for actual production, and for post production excluding publicity, the amount that is incurred in Georgia shall be based on the amount paid for each such period and prorated based on the actual time spent in Georgia by the employee in each such period. For purposes of determining the time spent in Georgia for this subparagraph the following shall apply. Travel days are considered a half day. Hold days and other service days that do not begin and end in Georgia are not included in the numerator for purposes of the calculation but are included in the denominator. Prescreening, wardrobe, and free days are included in the numerator if performed in Georgia but in all cases are included in

the denominator. Publicity and promotion days do not qualify and must be included in the denominator to the extent the services are contractually specified in the employment agreement. If the production company or qualified interactive entertainment production company is unable to track the actual time spent by the individual in Georgia, the production company or qualified interactive entertainment production company may calculate the total aggregate payroll in Georgia by some other reasonable method which approximates the actual time spent in Georgia for each such period but such approximation will be subject to adjustment by the Department.

- (h) Fringe Benefits. The following benefits are attributed to Georgia in the same manner as salaries as provided in subparagraph (6)(g) of this regulation:
 - 1. SUI (state unemployment insurance);
 - 2. FUI (federal unemployment insurance);
 - 3. FICA (employer portion);
 - 4. Pension and welfare if the amounts are paid as part of pension, health, and welfare plans (these would not be required to be paid to a Georgia vendor);
 - 5. Health insurance premiums if these amounts are paid as part of pension, health, and welfare plans (these would not be required to be paid to a Georgia vendor);
- (i) Other Fringe Benefits. The following fringe benefits are attributed to Georgia as follows:
 - 1. Meal and incidental allowance per diems, including those not taken on set, as set forth by United States General Services Administration, if incurred in Georgia;
 - 2. Hotel and other overnight living accommodations per diems, as set forth by United States General Services Administration, if incurred in Georgia;
 - 3. Any amounts that exceed the limits in subparagraph (6)(i) only qualify if either included in taxable compensation and if subject to the withholding imposed by subparagraph (6)(d) of this regulation, remitted as required by this regulation or if subject to wage withholding, remitted as required by Title 48.
- (j) For services rendered on set, such persons or vendors providing such services, must be identified on the daily production reports or the production company must provide other reasonable evidence that such services were rendered on set.

- (k) Production expenditures by a production company shall be subject to any limitations or reductions under paragraphs (17) through (24) of this regulation.

(7) Credit Amount.

- (a) Except as provided in paragraph (7)(a)1 of this regulation, a production company or qualified interactive entertainment production company, that meets or exceeds the \$500,000 base investment threshold provided in O.C.G.A. § [48-7-40.26\(c\)](#) and this regulation, shall be allowed a tax credit of 20 percent of the base investment in this state; and an additional tax credit of 10 percent of the base investment shall be allowed if the qualified production activity includes a qualified Georgia promotion approved by the Georgia Department of Economic Development or an alternative marketing opportunity approved by the Georgia Department of Economic Development.
 - 1. For taxable years beginning on or after January 1, 2018, a qualified interactive entertainment production company, that meets or exceeds the \$250,000 base investment threshold provided in O.C.G.A. § [48-7-40.26\(c\)](#) and this regulation, shall be allowed a tax credit of 20 percent of the base investment in this state; and an additional tax credit of 10 percent of the base investment shall be allowed if the qualified production activity includes a qualified Georgia promotion approved by the Georgia Department of Economic Development or an alternative marketing opportunity approved by the Georgia Department of Economic Development.
- (b) Except as provided in paragraph (7)(b)1 of this regulation, a production company or qualified interactive entertainment production company, that meets or exceeds the \$500,000 excess base investment threshold provided in O.C.G.A. § [48-7-40.26\(d\)](#) and this regulation, shall be allowed a tax credit of 20 percent of the excess base investment; and an additional tax credit of 10 percent of the excess base investment shall be allowed if the qualified production activities includes a qualified Georgia promotion approved by the Georgia Department of Economic Development or an alternative marketing opportunity approved by the Georgia Department of Economic Development.
 - 1. For taxable years beginning on or after January 1, 2018, a qualified interactive entertainment production company, that meets or exceeds the \$250,000 excess base investment threshold provided in O.C.G.A. § [48-7-40.26\(d\)](#) and this regulation, shall be allowed a tax credit of 20 percent of the excess base investment in this state; and an additional tax credit of 10 percent of the excess base investment shall be allowed if the qualified production activity includes a qualified Georgia promotion approved by the Georgia Department of Economic Development or an alternative marketing opportunity approved by the Georgia Department of Economic Development.

- (c) The base investment and the credit amount allowed under paragraph (7)(a) of this regulation for a production company and the excess base investment and the credit amount allowed under paragraph (7)(b) of this regulation for a production company shall be subject to the limitations of and reductions required by paragraphs (17) through (24) of this regulation.

(8) Credit Amount Limitation for a Qualified Interactive Entertainment Production Company.

Except as provided in paragraph (8)(a) of this regulation, a qualified interactive entertainment production company's credit amount shall not exceed the amounts in paragraph (9) of this regulation and for any single tax year shall not exceed the qualified interactive entertainment production company's total aggregate payroll expended to employees working within this state for the calendar year directly preceding the start of the taxable year the qualified interactive entertainment production company claims the film tax credit. Any amount in excess of this credit limit shall not be eligible for carry forward to succeeding years' tax liability, nor shall such excess amount be eligible for use against the qualified interactive entertainment production company's quarterly or monthly payment under O.C.G.A. § [48-7-103](#), nor shall such excess amount be assigned, sold, or transferred to any other taxpayer.

- (a) For taxable years beginning on or after January 1, 2018, a qualified interactive entertainment production company's credit amount shall not exceed the amounts in paragraph (9) of this regulation and for any single tax year shall not exceed the qualified interactive entertainment production company's total aggregate payroll expended to employees working within this state for the taxable year in which the qualified interactive entertainment production company claims the tax credits. Any amount in excess of this credit limit shall not be eligible for carry forward to succeeding years' tax liability, nor shall such excess amount be eligible for use against the qualified interactive entertainment production company's quarterly or monthly payment under O.C.G.A. § [48-7-103](#), nor shall such excess amount be assigned, sold, or transferred to any other taxpayer.
- (b) For taxable years beginning on or after January 1, 2018, qualified interactive entertainment production companies are eligible for film tax credits for prereleased interactive game production; provided such credits shall not be available for a period that exceeds three years for each such qualified interactive entertainment production company.

(9) Credit Cap for Film Tax Credit for Qualified Interactive Entertainment Production Companies and Affiliates.

In no event shall the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.26](#) for qualified interactive entertainment production companies and their affiliates which are qualified interactive entertainment production companies exceed the following amounts:

- (a) For taxable years beginning on or after January 1, 2013, and before January 1, 2014, the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.26](#) for

qualified interactive entertainment production companies and their affiliates which are qualified interactive entertainment production companies shall not exceed \$25 million. The maximum credit amount allowed for any qualified interactive entertainment production company and its affiliates which are qualified interactive entertainment production companies shall not exceed \$5 million for taxable years beginning on or after January 1, 2013 and before January 1, 2014;

- (b) For taxable years beginning on or after January 1, 2014, and before January 1, 2015, the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.26](#) for qualified interactive entertainment production companies and their affiliates which are qualified interactive entertainment production companies shall not exceed \$12.5 million. The maximum credit amount allowed for any qualified interactive entertainment production company and its affiliates which are qualified interactive entertainment production companies shall not exceed \$1.5 million for taxable years beginning on or after January 1, 2014 and before January 1, 2015;
- (c) For taxable years beginning on or after January 1, 2015, and before January 1, 2016, the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.26](#) for qualified interactive entertainment production companies and their affiliates which are qualified interactive entertainment production companies shall not exceed \$12.5 million. The maximum credit amount allowed for any qualified interactive entertainment production company and its affiliates which are qualified interactive entertainment production companies shall not exceed \$1.5 million for taxable years beginning on or after January 1, 2015 and before January 1, 2016;
- (d) For taxable years beginning on or after January 1, 2016, and before January 1, 2018, the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.26](#) for qualified interactive entertainment production companies and their affiliates which are qualified interactive entertainment production companies shall not exceed \$12.5 million for each taxable year. The maximum credit amount allowed for any qualified interactive entertainment production company and its affiliates which are qualified interactive entertainment production companies shall not exceed \$1.5 million for each taxable year beginning on or after January 1, 2016 and before January 1, 2018; and
- (e) For taxable years beginning on or after January 1, 2018, the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.26](#) for qualified interactive entertainment production companies shall not exceed \$12.5 million for each taxable year. The maximum credit amount allowed for any qualified interactive entertainment production company and its affiliates which are qualified interactive entertainment production companies shall not exceed \$1.5 million for each taxable year beginning on or after January 1, 2018.
- (f) Allocation of Film Tax Credit for Qualified Interactive Entertainment Production Company and Affiliates. For taxable years beginning on or after January 1, 2013

and before January 1, 2016, the Commissioner shall allow the film tax credit for any qualified interactive entertainment production company and affiliates on a first-come, first served basis. The paper filing date or electronic filing date of the qualified interactive entertainment production company's income tax return that claims the film tax credit as provided in paragraph (10) of this regulation shall be used to determine such first-come, first-served basis. At the time the credit is claimed, all qualified interactive entertainment production companies must also send a paper copy of the Form IT-FC "Film Tax Credit" to the address listed on such form. Failure to send such paper copy may cause the qualified interactive entertainment production company to not be allowed the film tax credit.

- (g) Income Tax Returns Claiming the Credit on the Day the Aggregate Credit Amount is Reached. For taxable years beginning on or after January 1, 2013 and before January 1, 2016, on the day credit amounts on qualified interactive entertainment production companies' income tax returns, which claim the film tax credit as provided in paragraph (10) of this regulation, are received that exceed the aggregate limits in paragraph (9) of this regulation, then the tax credits shall be allocated among such qualified interactive entertainment production companies on a pro rata basis based upon amounts otherwise allowed by O.C.G.A. § [48-7-40.26](#) and this regulation. Only credit amounts on income tax returns filed on the day the aggregate limits were exceeded will be allocated on a pro rata basis.
- (h) Preapproval for Taxable Years Beginning on or after January 1, 2016. For taxable years beginning on or after January 1, 2016, all qualified interactive entertainment production companies must be preapproved to claim the film tax credit and must submit the appropriate forms to the Department through the Georgia Tax Center as provided in this subparagraph.
 - 1. Application. A qualified interactive entertainment production company seeking preapproval to claim the film tax credit must electronically submit Form IT-QIEPC-AP through the Georgia Tax Center. A qualified interactive entertainment production company that has submitted its Form IT-QIEPC for certification by the Department or that submits Form IT-QIEPC on the same day as Form IT-QIEPC-AP is submitted may request preapproval from the Department before meeting the requirements of the film tax credit. Such qualified interactive entertainment production company must estimate their credit amounts on Form IT-QIEPC-AP. The amount of tax credit claimed by the qualified interactive entertainment production company on the qualified interactive entertainment production company's applicable Georgia income tax return must be based on the actual film tax credit earned pursuant O.C.G.A. § [48-7-40.26](#) and this regulation and cannot exceed the amount preapproved. If the qualified interactive entertainment production company is preapproved for an amount that exceeds the amount that is calculated using the actual numbers when the return is filed, the excess preapproved amount cannot be claimed by the

qualified interactive entertainment production company nor shall such excess preapproved amount be assigned, sold, or transferred to any other taxpayer.

2. Notification. The Department will notify each qualified interactive entertainment production company of the tax credits preapproved or denied to such qualified interactive entertainment production company.
3. Allocation of Tax Credit. The Commissioner shall allow the film tax credits for qualified interactive entertainment production companies on a first-come, first-served basis. The date the Form IT-QIEPC-AP is electronically submitted shall be used to determine such first-come, first-served basis.
4. Applications received on the day the maximum credit amount is reached. In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limit in subparagraph (9)(d) of this regulation, then the tax credits shall be allocated among the qualified interactive entertainment production companies who submitted Form IT-QIEPC-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-40.26](#), and this regulation. Only credit amounts on applications received on the day the maximum aggregate limit was exceeded will be allocated on a pro rata basis.
5. Once the credit cap is reached for a calendar year, qualified interactive entertainment production companies who meet the requirements of the film tax credit during such calendar year shall no longer be eligible for a credit under O.C.G.A. § [48-7-40.26](#). If any Form IT-QIEPC-AP is received after the calendar year preapproval limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
6. In the event it is determined that the qualified interactive entertainment production company has not met all the requirements of O.C.G.A. § [48-7-40.26](#) and this regulation, then the amount of credits shall not be preapproved or the preapproved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.

(10) Production Company or Qualified Interactive Entertainment Production Company Claiming Credit.

- (a) Income Tax. Except as provided in paragraphs (17) through (24) of this regulation, for a production company or qualified interactive entertainment production company to claim the film tax credit, it must attach Form IT-FC "Film Tax Credit", the Department of Economic Development credit

certification(s), and an approved Form IT-QIEPC-AP, if applicable to its Georgia income tax return for each tax year in which the qualified expenditures were incurred.

- (b) **Withholding Tax.** The production company or qualified interactive entertainment production company may claim any excess film tax credit, which has been claimed as provided in subparagraph (10)(a) or paragraph (21), against its withholding tax liability or the withholding tax liability of its payroll service providers provided such withholding tax liability is with respect to the employees of the production company and is attributable to withholding for such employees for withholding periods approved in subparagraph (10)(b)3. The withholding tax benefit may only be applied against the withholding tax account used by the production company or its payroll service provider or qualified interactive entertainment production company or its payroll service provider for payroll purposes. In the event the production company or qualified interactive entertainment production company is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company or against the withholding tax liability of its payroll service providers provided such withholding tax liability is attributable to wages paid by its payroll service provider with respect to the individuals providing services to the single member limited liability company and is attributable to withholding for such employees for withholding periods approved in subparagraph (10)(b)3. Any production company or qualified interactive entertainment production company that qualifies to take all or a part of the film tax credit against withholding tax otherwise due the Department of Revenue, must make an irrevocable election to do so as a part of its notification to the Commissioner required under this subparagraph. When this election is made, the excess film tax credit will not pass through to the shareholders, partners, or members of the production company or qualified interactive entertainment production company if the production company or qualified interactive entertainment production company is a pass-through entity.

1. **Notice of Intent.** To claim any excess film tax credit not used on the income tax return against the production company's or qualified interactive entertainment production company's withholding tax liability, the production company or qualified interactive entertainment production company must file Revenue Form IT-WH *Notice of Intent* through the Georgia Tax Center within thirty (30) days after the due date of the Georgia income tax return (including extensions) or within (30) days after the filing of a timely filed Georgia income tax return, whichever occurs first. Failure to file this form as provided in this subparagraph will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in more than one taxable year, the election to claim

the withholding credit will be available for the credit earned in such subsequent year.

2. Review Period. The Department of Revenue has one hundred twenty (120) days from the date the applicable Form IT-WH under paragraph (10)(b)1. of this regulation is received to review the credit and make a determination of the amount eligible to be used against withholding tax.
3. Letter of Eligibility. Once the review is completed, a letter will be sent to the production company or qualified interactive entertainment production company stating the film tax credit amount which may be applied against withholding and when the production company or its payroll service provider or qualified interactive entertainment production company or its payroll service provider may begin to claim the film tax credit against withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding tax payments and will not refund any previous withholding payments made by the production company or its payroll service provider or the qualified interactive entertainment production company or its payroll service provider.

- (c) Use of Other Tax Credits. Production companies or qualified interactive entertainment production companies claiming the film tax credit may not claim the job tax credit, headquarters tax credit, or quality jobs tax credit for employees whose wages are used to calculate the film tax credit.

(11) Conditions and Limitations.

- (a) A production company or qualified interactive entertainment production company must provide the Department of Revenue with sufficient detail of all qualifying expenditures used to meet the base investment and calculate the film tax credit.
- (b) Except as otherwise provided, a taxpayer may utilize the film tax credit only to the extent of the taxpayer's income tax liability in a given tax year.
- (c) Except as provided in paragraph (22) of this regulation, there is a five-year carry forward period from the end of the tax year in which the qualifying expenditures were made and the production company or qualified interactive entertainment production company established the amount of the film tax credit for such tax year. Any film tax credits that cannot be used against a taxpayer's income tax liability in the year established will be carried forward. For example, the amount of a film tax credit established in the calendar 2014 tax year may be carried forward until it expires on December 31, 2019.

- (d) Film tax credits may not be carried back and applied against a prior year's income tax liability.
 - (e) Except as provided in paragraphs (17) through (24) of this regulation, any Department of Revenue audit triggered by a production company's or qualified interactive entertainment production company's use or transfer of a film tax credit will require the production company or qualified interactive entertainment production company to reimburse the Department of Revenue for all costs associated with the audit. The Department of Revenue will inform the production company or qualified interactive entertainment production company that the audit is a film tax credit audit and thus subject to this clause prior to the commencement of the audit. Routine audits of the taxpayer's activity in Georgia are not subject to this provision.
- (12) **Pass-Through Entities.** When a production company or qualified interactive entertainment production company generating a film tax credit is a pass-through entity, and has no income tax liability of its own, the film tax credit will pass to its members, shareholders, or partners based on the year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the production company or qualified interactive entertainment production company that incurred the qualifying expenditures to establish the amount of the film tax credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess film tax credit against their withholding tax liabilities or against the withholding tax liabilities of their payroll service providers. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2014. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2014 tax year.
- (13) **Selling or Transferring the Film Tax Credit.** The production company or qualified interactive entertainment production company may sell or transfer in whole or in part any film tax credit, previously claimed but not used by such production company or qualified interactive entertainment production company against its income tax, to another Georgia taxpayer subject to the following conditions:
- (a) Each sale or transfer must be for a minimum of 60 percent of the credit amount being sold in each respective sale (i.e., the minimum price for each dollar of credit included in an installment must be at least 60 cents).
 - (b) The taxpayer may only make a one-time sale or transfer of film tax credits earned in each taxable year. However, the sale or transfer may involve more than one transferee and more than one sale date. The sale may occur in a year or years after the film tax credit is earned but must occur before the expiration of the

carry forward period of such credit. For example, a production company or qualified interactive entertainment production company earns a \$500,000 credit in year 1. In year 2 the production company or qualified interactive entertainment production company sells \$200,000 of the credit to taxpayer 2 and \$50,000 to taxpayer 3. In year 3 the production company or qualified interactive entertainment production company sells the remaining \$250,000 of the credit to taxpayer 4. However, taxpayer 2, taxpayer 3, and taxpayer 4 are not allowed to resell the credit since the credit can only be sold one-time.

- (c) Except as provided in paragraphs (17) through (24) of this regulation, the film tax credit may be transferred before the tax return is filed by the production company or qualified interactive entertainment production company provided the film tax credit has been earned. Preapproval for a qualified interactive entertainment production company by itself does not qualify as earning the credit. For credits subject to paragraphs (17) through (24) of this regulation, the film tax credit may be transferred before the tax return is filed by the production company provided the film tax credit has been finally certified. However, the amount transferred cannot exceed the amount of the credit which will be claimed and not used on the income tax return of the transferor.
- (d) The production company or qualified interactive entertainment production company must file Form IT-TRANS "Notice of Tax Credit Transfer" with both the Department of Economic Development and Department of Revenue within 30 days of each transfer or sale of the film tax credit. Form IT-TRANS must be submitted electronically to the Department of Revenue through the Georgia Tax Center or alternatively as provided in subparagraph (13)(d)1. With respect to such production companies and qualified interactive entertainment production companies, the Department of Revenue will not process any Form IT-TRANS submitted or filed in any other manner. Before submitting Form IT-TRANS, the production company that earned the film tax credit must have reported to the Department of Revenue the information required by paragraph (16) of this regulation or for credits subject to paragraphs (17) through (24) of this regulation, the film tax credit must have been finally certified or the qualified interactive entertainment production company that earned the film tax credit must have received preapproval from the Department of Revenue if required by subparagraph (9)(h) of this regulation. If the production company or qualified interactive entertainment production company is a disregarded entity then Form IT-TRANS should be filed in the name of the owner of the disregarded entity but the certification from the Department of Economic Development and Form IT-FC should be in the name of the disregarded entity. With respect to production companies, the requirements of this subparagraph and subparagraph (13)(d)1. are also applicable to taxable years beginning before January 1, 2016 if the credit is or will be claimed on or after June 1, 2016.

1. The web-based portal on the Georgia Tax Center. The production company or qualified interactive entertainment production company may provide selective information to a representative for the purpose of allowing the representative to submit Form IT-TRANS on their behalf on the Georgia Tax Center outside of a login. The provision of such information shall authorize the representative to submit such Form IT-TRANS. The representative must provide all information required by the web-based portal on the Georgia Tax Center to submit Form IT-TRANS.
- (e) The production company or qualified interactive entertainment production company must provide all required film tax credit detail and transfer information to the Department of Revenue. Failure to do so will result in the film tax credit being disallowed until the production company or qualified interactive entertainment production company complies with such requirements.
 - (f) The carry forward period of the film tax credit for the transferee will be the same as it was for the production company or qualified interactive entertainment production company. Except as provided in paragraph (22) of this regulation, this credit may be carried forward for five years from the end of the tax year in which the qualifying expenditures were incurred. For credits subject to paragraphs (17) through (24) of this regulation, the carryforward period is as provided in paragraph (22). For example for a credit that has a five year carryforward: The production company or qualified interactive entertainment production company sells a film tax credit on September 15, 2015. This credit is based on qualifying expenditures from the calendar 2014 tax year. The credit may be claimed by the transferee on the 2014, 2015, 2016, 2017, 2018, or 2019 return and the carry forward period for this credit will expire on December 31, 2019. This carry forward treatment applies regardless of whether it is being claimed by the production company, the qualified interactive entertainment production company or the transferee.
 - (g) A transferee shall have only such rights to claim and use the Film Tax Credit that were available to the production company or qualified interactive entertainment production company at the time of the transfer excluding the withholding tax benefit which is not available to the transferee. Thus, a transferee shall not have the right to subsequently transfer such credit since that right has been utilized by the transferor.

(14) How to Sell or Transfer the Tax Credit.

- (a) Direct Sale. The production company or qualified interactive entertainment production company may sell or transfer the film tax credit directly to a Georgia taxpayer (or multiple Georgia taxpayers as provided in subparagraph (13)(b) of this rule). A pass-through entity may make an election to sell or transfer the unused film tax credit earned in a taxable year at the entity level. If the pass-

through entity makes the election to sell the film tax credit at the entity level, the credit does not pass through to the shareholders, members, or partners. In all cases, the effect of the sale of the credit on the income of the seller and buyer of the credit will be the same as provided in the Internal Revenue Code.

- (b) **Pass-Through Entity.** The production company or qualified interactive entertainment production company may be structured as a pass-through entity. If a pass-through entity does not make an election to sell or transfer the tax credit at the entity level as provided in subparagraph (14)(a) of this rule, the tax credit will pass through to the shareholders, partners or members of the entity based on their year ending profit/loss percentage. The shareholders, members, or partners may then sell their respective film tax credit to a Georgia taxpayer.
- (c) **Transferee Pass-Through Entity.** The production company or qualified interactive entertainment production company, or its shareholders, members or partners, may sell or transfer the tax credit to a pass-through entity. The pass-through entity shall elect on behalf of its shareholders, members or partners which year the credit shall be passed through to its shareholders, members or partners (either its tax year in which the income tax year of the production company or qualified interactive entertainment production company, which claims the film tax credit for the project or project(s) associated with the credit being sold, ends; or during any later tax year before the three or five year carry forward period associated with the tax credit ends as provided in subparagraph (14)(d) of this rule). If the pass-through entity has no income tax liability of its own, the pass-through entity may then pass the credit through to its shareholders, members, or partners based on the pass-through entity's year ending profit/loss percentage for such elected year. For example, if a calendar year partnership is buying the credit earned by a production company or qualified interactive entertainment production company in the calendar 2014 tax year and elects to use the credit for such year, then all of the partners receiving the credit must have been a partner in the partnership no later than the end of the 2014 tax year in which the credit was established. Only partners who have a profit/loss percentage as of the end of the applicable tax year may receive their respective amount of the film tax credit.
- (d) The credits are available for use by the transferee, provided the time has not expired for filing a claim for refund of a tax or fee erroneously or illegally assessed and collected pursuant to O.C.G.A. § [48-2-35](#):
 - 1. In the transferee's tax year in which the income tax year of the production company or qualified interactive entertainment production company, which claims the film tax credit for the project or project(s) associated with the credit being sold, ends; or

2. During any later tax year before the five year carry forward period associated with the tax credit ends or the three year carryforward period under paragraph (22) of this regulation associated with the tax credit ends.

(i) Example: A production company or qualified interactive entertainment production company reaches the \$500,000 base investment threshold and claims the film tax credit in calendar 2014 tax year. The production company or qualified interactive entertainment production company sells the film tax credit to a calendar year Georgia taxpayer in calendar year 2015. The transferee Georgia taxpayer may claim the purchased film tax credit on either their 2014 return (transferee's tax year in which the income tax year of the production company or qualified interactive entertainment production company ends) or their 2015, 2016, 2017, 2018, or 2019 return (during any later tax year before the five year carry forward associated with the tax credit ends).

(ii) Example: A production company or qualified interactive entertainment production company reaches the \$500,000 base investment threshold and claims the film tax credit in its fiscal year end June 30, 2014. The production company or qualified interactive entertainment production company sells the film tax credit to a calendar year Georgia taxpayer in calendar year 2015. The transferee Georgia taxpayer may claim the purchased film tax credit on either their 2014 return (transferee's tax year in which the income tax year of the production company or qualified interactive entertainment production company ends) or their 2015, 2016, 2017, 2018, or 2019 return (during any later tax year before the five year carry forward associated with the tax credit ends).

(15) **Reporting Required for Qualified Interactive Entertainment Production Companies.** For taxable years beginning on or after January 1, 2016, the qualified interactive entertainment production company shall electronically report to the Department of Revenue through the Georgia Tax Center on Form IT-QIEPC-RPT the monthly average number of full-time employees subject to Georgia income tax withholding for the taxable year as provided in subparagraphs (a) and (b) of this paragraph. Such report shall be filed on the date the qualified interactive entertainment production company files its Georgia income tax return. For purposes of this paragraph, a full-time employee shall mean a person who performs a job that requires a minimum of 35 hours a week, and pays at or above the average wage earned in the county with the lowest average wage earned in this state, as reported in the most recently available annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor.

- (a) For taxable years beginning on or after January 1, 2016, and before January 1, 2017, the qualified interactive entertainment production company shall report such number for such taxable year and separately for each of the prior two taxable years.
- (b) For taxable years beginning on or after January 1, 2017, the qualified interactive entertainment production company shall report such number for each respective taxable year.
- (c) Notwithstanding Code Sections [48-2-15](#), [48-7-60](#), and [48-7-61](#), for such taxable years, the commissioner shall report yearly to the House Committee on Ways and Means and the Senate Finance Committee. The report shall include the name, tax year beginning, and monthly average number of full-time employees for each qualified interactive entertainment production company. The first report shall be submitted by June 30, 2016, and each year thereafter by June 30.

(16) Reporting Required for Production Companies (not applicable to Qualified Interactive Entertainment Production Companies).

- (a) Except with respect to projects subject to paragraphs (17) through (24) of this regulation, with respect to any film tax credit that is or will be claimed on or after June 1, 2016 (as well as credits for taxable years beginning before January 1, 2016 if the credit is or will be claimed on or after June 1, 2016), within 90 days of the completion of the base investment or excess base investment in this state, the production company that earned the film tax credit must electronically report and submit to the Department of Revenue through the Georgia Tax Center the following information:
 - 1. The estimated base investment or excess base investment in this state;
 - 2. The film tax credit percentage amount, either 20 percent or 30 percent;
 - 3. The Department of Economic Development certification number; and
 - 4. A copy of the Department of Economic Development certification.
- (b) If the production company is a disregarded entity then such information should be submitted in the name of the owner of the disregarded entity but the certification from the Department of Economic Development that is attached to such submission should be in the name of the disregarded entity.
- (c) If a project spans more than one year and the \$500,000 base investment threshold or excess base investment threshold is not met in the first year, the production company shall only be required to report such information in the year in which the credit will be claimed which is the year the \$500,000 base investment threshold or excess base investment threshold is met. In such case the

Department of Economic Development certifications for all years should be submitted through the Georgia Tax Center. The Department of Economic Development certifications should either be submitted together as one file or the additional certification should be submitted using the additional document option.

- (17) **Mandatory Film Tax Credit Audit.** For any project first certified by the Department of Economic Development on or after January 1, 2021 and on or before December 31, 2021, if the total amount of such film tax credit for the project exceeds \$2.5 million, the film tax credit shall not be claimed, assigned, sold, transferred, or utilized in any manner until the production company applies for a mandatory film tax credit audit under paragraph (18) of this regulation and the Department issues a final certification(s) of the film tax credit under paragraph (19) of this regulation.
- (a) For any project first certified by the Department of Economic Development on or after January 1, 2022 and on or before December 31, 2022, if the total amount of such film tax credit for the project exceeds \$1.25 million, the film tax credit shall not be claimed, assigned, sold, transferred, or utilized in any manner until the production company applies for a mandatory film tax credit audit under paragraph (18) of this regulation and the Department issues a final certification(s) of the film tax credit under paragraph (19) of this regulation.
 - (b) For any project first certified by the Department of Economic Development on or after January 1, 2023, the film tax credit shall not be claimed, assigned, sold, transferred, or utilized in any manner until the production company applies for a mandatory film tax credit audit under paragraph (18) of this regulation and the Department issues a final certification(s) of the film tax credit under paragraph (19) of this regulation.
 - (c) Prior to issuing a final certification to projects covered under this paragraph, the Department shall conduct or cause to be conducted an audit of each project by either the Department or an independent third party certified by the Department as an eligible auditor under paragraph (19) of this regulation.
 - (d) Only projects that meet the requirements of paragraph (17) shall receive a mandatory film tax credit audit. If the production company intends to seek and is qualified for the 10% qualified Georgia promotion credit, such credit amount shall be considered in determining if the project meets the requirements of paragraph (17). If a production company applies for a mandatory film tax credit audit for a project and the Department or an eligible auditor performs an audit and the credit amount is less than the required amount under this paragraph, the project will not receive a final certification but the production company may request that a voluntary audit be completed. If the production company does not apply for a mandatory film tax credit audit for a project that meets the requirements of this paragraph, then the credit will not be allowed to be claimed,

assigned, sold, transferred, or utilized in any manner without a mandatory film tax credit audit.

1. Example 1: On February 1, 2021 the Department of Economic Development first certifies a project for the 20% film tax credit and the 10% credit for a qualified Georgia promotion, the project has estimated expenditures of \$10 million. At the completion of the base investment the project has a credit amount of \$3 million (the estimated expenditures of \$10 million equal the expenditures at the completion of the base investment). Therefore, the production company must apply for a mandatory audit for this project as provided in paragraph (18) of this regulation.
 2. Example 2: On March 1, 2021 the Department of Economic Development first certifies a project for the 20% film tax credit, the project has \$10 million in estimated expenditures. At the completion of the base investment the project has a credit amount of \$2 million (the estimated expenditures of \$10 million equal the expenditures at the completion of the base investment). This project does not qualify for or require a mandatory film tax credit audit.
 3. Example 3: On January 31, 2021, the Department of Economic Development first certifies a project for the 20% film tax credit, the project has \$10 million in estimated expenditures. At the completion of the base investment the project has a credit amount of \$3 million (the expenditures at the completion of the base investment were \$15 million instead of \$10 million). Therefore, the production company must apply for a mandatory film tax credit audit for this project as provided in paragraph (18) of this regulation.
 4. Example 4: On December 20, 2020, the Department of Economic Development first certifies a project for the 20% film tax credit, the project has \$15 million in estimated expenditures. On January 3, 2022 the Department of Economic Development certifies the same project for reshoots. This project does not qualify for or require a mandatory film tax credit audit.
- (e) For projects that do not qualify for or require a mandatory film tax credit audit, the production company may request a voluntary film tax credit audit. Voluntary film tax credit audits for projects that do not qualify for or require a mandatory film tax credit audit are accepted based on availability and the procedures established by the Department. Voluntary film tax credit audits are not subject to paragraphs (17) through (24) of this regulation.

- (f) If a production company is issued final certification of a tax credit pursuant to paragraphs (17) through (24) of this regulation, such tax credit shall be considered earned in the taxable year in which it is issued final certification.
- (18) **Application for Mandatory Audit.** A production company seeking to claim the film tax credit for projects covered under paragraph (17) of this regulation, must apply for an audit of the film tax credit in the manner provided by the Department within one year from the date of the completion of the state certified production where such date is defined as the date of the completion of principal photography.
- (a) The following information shall be submitted with the application or prior to the commencement of the audit required under paragraph (17) of this regulation:
1. A description of the state certified production, along with its certification as a state certified production from the Department of Economic Development;
 2. A detailed accounting of all qualified production activities and the attendant production expenditures included in the base investment for the state certified production;
 3. A detailed listing of the employee names, social security numbers, and Georgia wages when salaries are included in the base investment;
 4. Vendor invoices for goods or services included in the base investment as requested by the Department or the eligible auditor hired to conduct the audit for the state certified production;
 5. Contracts for goods or services included in the base investment as requested by the Department or the eligible auditor hired to conduct the audit for the state certified production;
 6. An Internal Revenue Service Form W-9 completed and issued by each vendor for which expenditures are included in the base investment as requested by the Department or the eligible auditor hired to conduct the audit for the state certified production. The Department or the eligible auditor shall not request a Form W-9 from any Georgia vendor where the total amount of purchases does not exceed \$10,000 for such vendor during the taxable year on the Department of Economic Development's certificate for the project;
 7. Notification of any intent to utilize an auditor other than the Department;
 8. A description of the status of the distribution of the state certified production and information related to any qualified Georgia promotion connected with such production;

9. The total amount of the tax credit sought for the state certified production;
10. A statement affirming that the contents of the application are true and correct;
11. Production payroll information (summary of payroll and loan out payments by person, W-2s, 1099s, etc.) issued by the payroll company must be submitted directly by the payroll company to the Department or the eligible auditor;
12. Disclosure of related persons or related members as such terms are defined in O.C.G.A. § [48-7-28.3](#). Disclosure of the total value of goods and services provided by related parties to the production company for the project as well as a breakdown of all such related party transactions. All transactions with related persons or related members must be in accordance with an "arm's length" standard and a minimum of 3 comparison bids and/or studio rate cards will be requested;
13. Disclosure of contracts, agreements, purchase orders or other financially binding instruments with all related persons or related members as such terms are defined in O.C.G.A. § [48-7-28.3](#);
14. Fees for the audit or the portion of the audit that will be completed by the Department; and
15. Any other information requested by the Department.

(19) Certification and Decertification of Auditors and Issuing of the Final Certification.

- (a) The Department shall provide for certification and decertification of certified public accountants as eligible auditors. For purposes of this regulation, the Department will certify the accounting firm. One or more persons of such accounting firm must meet the requirements of this regulation in order for the accounting firm to be certified. When the audit is submitted to the Department, one of such persons must certify on behalf of the accounting firm that the requirements of O.C.G.A. § [48-7-40.26](#), this regulation, and procedures developed by the Department were completed or met. To obtain certification as an eligible auditor, an eligible certified public accounting firm shall:
 1. Register with the Department and be accepted by the Department on an annual basis;
 2. Maintain its registration with the Georgia State Board of Accountancy and provide documentation of such when it registers and when otherwise requested by the Department;

3. Agree to and be capable of completing audits related to O.C.G.A. § [48-7-40.26](#) in accordance with O.C.G.A. § [48-7-40.26](#) and this regulation and procedures developed by the Department;
 4. Pay the Department a registration fee that the Department shall set in an amount that reflects the expenses incurred by the Department for registration, etc;
 5. Post and maintain any bond that the Department establishes for each eligible auditor;
 6. Successfully complete all training required by the Department and pay any applicable training fees;
 7. In order to be an eligible auditor in 2021 and 2022, have at least two years experience in auditing ten productions certified by the Department of Economic Development with a minimum base investment of at least \$5 million for each production; and in order to be an eligible auditor for 2023 and later years, have completed all requirements in O.C.G.A. § [48-7-40.26](#) and this regulation; provided however, if for 2023 and later years, an auditor has not previously been certified by the Department or does not have at least two years experience in auditing ten productions certified by Department of Economic Development with a minimum base investment of at least \$5 million for each production, such auditor will only be eligible to work on film tax credit audits where the base investment is less than \$5 million until the auditor has completed ten audits; and
 8. Have an office in Georgia and, based on hours worked, perform at least 90 percent of the work for the audit in Georgia.
- (b) The Department shall decertify an eligible auditor, if such auditor fails to meet the conditions or comply with the provisions of subparagraph (a) of this paragraph.
- (c) The Department may decertify an eligible auditor if such auditor fails to complete an audit in accordance with O.C.G.A. § [48-7-40.26](#) and this regulation.
- (d) A certified eligible auditor shall at no cost to the Department:
1. Notify the Department of the commencement of the mandatory film tax credit audit for each audit assigned to it and complete the audit in a timely manner;
 2. Submit audit workpapers and supporting documentation in the format required by the Department and provide copies of written correspondence

and conversation memos with the production company in the format required by the Department;

3. Submit an affidavit of independence with each audit in the format required by the Department;
4. Maintain for a period of seven years after completion of each mandatory film tax credit audit copies of all records pertaining to the mandatory film tax credit audit; and shall make the records available upon request from the Department;
5. Participate in periodic compliance discussion group meetings with eligible auditors and the Department;
6. Participate in administrative proceeding or legal proceedings or inquiries as required regarding the mandatory film tax credit audit;
7. Present and conduct themselves as a credible representative of the Department and the state to maintain the public's trust; and
8. Maintain taxpayer information and confidentiality as set forth in the American Institute of Certified Public Accountant's Code of Professional Conduct.

(e) Each audit shall:

1. Be completed in accordance with O.C.G.A. § [48-7-40.26](#) and this regulation and procedures developed by the Department;
2. Utilize sampling methods that the Department adopts;
3. Follow guidance published by the Department regarding expenditures incurred with related persons or related members as such terms are defined in O.C.G.A. § [48-7-28.3](#);
4. Verify each reported expenditure that is included in the audit and identify and exclude each such expenditure that does not fully meet the requirements of O.C.G.A. § [48-7-40.26](#) and this regulation;
5. Exclude any expenditure:
 - (i) Not submitted with the application required under paragraph (18) or with respect to any expenditure required to be submitted when requested by the Department or the eligible auditor, not submitted within 60 days of such request; or

(ii) That was incurred after the application required under paragraph (18) of this regulation was submitted;

6. Not be performed by an eligible accounting entity that is not determined to be independent as provided in the American Institute of Certified Public Accountants Code of Professional Conduct with respect to the production company or any of its related persons or related members as such terms are defined in O.C.G.A. § [48-7-28.3](#) or as otherwise provided by the Department; and
7. Be submitted to the Department which shall review the audit, make adjustments as necessary, and issue a final certification to the production company.

(f) The Department shall:

1. Publish and regularly update a list of all eligible auditors that the Department will select to conduct the audit required under paragraph (17) of this regulation. The production company may not choose its own auditor;
2. Publish on its website the application to be certified as an eligible auditor as well as all requirements related to certification and conducting an audit under this paragraph. Publish on its website the auditor registration fee and any auditor bond requirements;
3. Prepare periodic training for approving eligible auditors and conduct annual review of certification of eligible auditors;
4. Review protests of disqualified or decertified auditors;
5. Develop standardized work papers for use by the production company and eligible auditors;
6. Develop secure data file transfer protocol for the Department and eligible auditors;
7. Determine whether and when sampling methods shall be used for the audits required under paragraph (17) of this regulation, the appropriate sample method and size, and if a sampling method is used, ensure that it accurately captures a truly representative sample of all ineligible expenditures across all submitted expenditures and projects the type, rate, and amount of ineligible expenditures across all submitted expenditures;

8. Notify the production company through the production company's designee, that the audit was received from the eligible auditor;
9. Perform the audit of expenditures when, due to confidentiality of information, the eligible auditor is unable to access necessary information that the Department is able to access;
10. Review each audit conducted by an eligible auditor, conduct the portions of the audit described in subparagraph (f)9. of this paragraph, perform additional auditing as necessary, adjust the value of the tax credit as necessary, finalize the audit, and issue the final certification of the tax credit to the production company;
11. For an audit it conducts without an eligible auditor, complete the audit, adjust the value of the tax credit as necessary, and issue the final certification of the tax credit to the production company.
12. Issue final list of exceptions to the eligible auditor, if applicable, and the production company's designee; and
13. Review, evaluate, and respond to a protest by the production company.

(20) **Reimbursement Costs for Audit.** The production company applying for a final certification of the tax credit shall agree and be required to reimburse the Department for all costs incurred by the Department for the performance of a related audit, or any portion thereof, including for review of an audit conducted by an eligible auditor, at the time of application.

(a) The cost of any such audit whether conducted in whole or in part by the Department, an eligible auditor, or a combination of the two shall be borne by the production company and shall not be included as an expenditure claimed under the film tax credit.

1. The cost of the audit depends on the production company's audit selection of either an audit performed by the Department or an audit performed in part by an eligible auditor selected by the Department. The cost for a mandatory film tax credit audit performed by the Department will be as published on the Department's website. If a portion of the film tax credit audit is performed by an eligible auditor selected by the Department, the Department fees will be reduced. Once the eligible auditor is selected, such auditor shall contract directly with the production company and as such any fees that are paid for services rendered by an eligible auditor are paid directly to such eligible auditor. The Department may at its discretion establish fees that an eligible auditor may charge.

- (21) **Claiming the film tax credit for projects that receive a final certification.** If the production company is issued final certification of the film tax credit under paragraph (19) of this regulation such film tax credit shall be considered earned in the taxable year in which it is issued final certification. For a production company to claim the film tax credit for a project that has received a final certification, the production company must complete the appropriate income tax credit schedule on their Georgia income tax return even if the film tax credit is sold or transferred. No Form IT-FC "Film Tax Credit" is required. The production company may elect to use their excess film tax credit against withholding as provided in subparagraph (10)(b) of this regulation.
- (22) **Carry forward for projects that receive a final certification.** In no event shall the amount of film tax credit for a taxable year exceed the production company's income tax liability. For a project that has been issued a final certification under paragraph (19) of this regulation any unused film tax credit, for the production company or any transferees, shall be allowed to be carried forward for three years from the close of the taxable year in which the film tax credit was issued its final certification. Film tax credits may not be carried back and applied against prior year's income tax liability.
- (23) **No Recapture for Transferee.** The Department shall not recapture the film tax credit from the transferee if the film tax credit was issued a valid final certification under paragraph (19) of this regulation.
- (24) **Mandatory Film Tax Credit Audit Due Process.** The production company must protest under O.C.G.A. § [48-2-46](#) or file an appeal with the tribunal or superior court within 30 days of the issuance of the final certification. If protested under O.C.G.A. § [48-2-46](#), any final determination can be appealed with the tribunal or superior court.
- (25) **Not applicable to Qualified Interactive Entertainment Production Companies.** Paragraphs (17) through (24) of this regulation shall not apply to qualified interactive entertainment production companies.
- (26) **Effective Date.** This regulation as amended shall become effective on January 1, 2021.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.45

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.26](#).

History. Original Rule entitled "Film Tax Credit" adopted. F. Mar. 6, 2006; eff. Mar. 26, 2006.

Amended: F. Nov. 19, 2008; eff. Dec. 9, 2008.

Amended: F. Dec. 18, 2009; eff. Jan. 7, 2010.

Amended: F. May 23, 2011; eff. June 12, 2011.

Amended: F. Dec. 5, 2012; eff. Dec. 25, 2012.

Amended: F. Feb. 11, 2013; eff. Mar. 3, 2013.

Amended: F. Apr. 2, 2013; eff. Apr. 22, 2013.

Amended: F. Sep. 10, 2014; eff. Sept. 30, 2014.

Amended: F. Nov. 17, 2015; eff. Dec. 7, 2015.

Amended: F. May 20, 2016; eff. June 9, 2016.

Amended: F. Oct. 5, 2017; eff. Oct. 25, 2017.

Amended: F. Feb. 23, 2021; eff. Mar. 15, 2021.

Rule 560-7-8-.46. Definition of Business Enterprise.

- (1) **Purpose.** This regulation identifies the North American Industry Classification System (NAICS) Codes that are assigned to the industries that qualify as a business enterprise under O.C.G.A. §§ [48-7-40.12](#) and [48-7-40.22](#).
- (2) **Business Enterprise Defined.** The term "business enterprise" means any corporation, partnership, limited liability company, sole proprietorship, or other business entity or the headquarters of such business entity that is engaged in manufacturing, warehousing and distribution, processing, telecommunications, broadcasting, tourism, or research and development industries. The term "business enterprise" excludes all child care businesses and retail businesses, except as referenced in O.C.G.A. § [48-7-40.22](#). The Department of Revenue will use the North American Industry Classification System (NAICS) published by the United States Office of Management and Budget, 2017 edition, to determine whether an entity is engaged in any of the qualifying industries listed in this paragraph (2). Taxpayers self-select their NAICS Codes. However, upon review the Department may determine that the self-selected NAICS code does not match the taxpayer's primary activity. The NAICS website is located at the following address: <http://www.census.gov/epcd/www/naics.html>
 - (a) Manufacturing means those establishments classified by the NAICS Codes that belong to Sectors 31-33.
 - (b) Warehousing and distribution means a warehouse, facility, structure, or enclosed area which is used primarily for the storage, shipment, preparation for shipment, or any combination of such activities, of goods, wares, merchandise, raw materials, or other tangible personal property, and those establishments classified by the NAICS Codes that belong to Subsectors 423, 424 and 493. Warehousing and distribution shall also include the following:
 1. Establishments that are both primarily engaged in scheduled freight air transportation, and included in NAICS U.S. Industry 481112;
 2. Establishments that are both primarily engaged in nonscheduled chartered freight air transportation, and included in NAICS U.S. Industry 481212;
 3. Establishments that are both primarily engaged in line-haul railroads, and included in NAICS U.S. Industry 482111;
 4. Establishments that are both primarily engaged in short line railroads, and included in NAICS U.S. Industry 482112;
 5. Establishments that are both primarily engaged in deep sea freight transportation, and included in NAICS U.S. Industry 483111;
 6. Establishments that are both primarily engaged in inland water freight transportation, and included in NAICS U.S. Industry 483211;

7. Establishments that are both primarily engaged in general freight trucking, local, and included in NAICS U.S. Industry 484110;
8. Establishments that are both primarily engaged in general freight trucking, long-distance, truckload, and included in NAICS U.S. Industry 484121;
9. Establishments that are both primarily engaged in general freight trucking, long-distance, less than truckload, and included in NAICS U.S. Industry 484122;
10. Establishments that are both primarily engaged in specialized freight (except used goods) trucking, local, and included in NAICS U.S. Industry 484220;
11. Establishments that are both primarily engaged in specialized freight (except used goods) trucking, long-distance, and included in NAICS U.S. Industry 484230;
12. Establishments that are both primarily engaged in mixed mode transit systems and included in NAICS U.S. Industry 485111;
13. Establishments that are both primarily engaged in pipeline transportation of crude oil, and included in NAICS U.S. Industry 486110;
14. Establishments that are both primarily engaged in pipeline transportation of natural gas, and included in NAICS U.S. Industry 486210;
15. Establishments that are both primarily engaged in pipeline transportation of refined petroleum products, and included in NAICS U.S. Industry 486910;
16. Establishments that are both primarily engaged in all other pipeline transportation, and included in NAICS U.S. Industry 486990;
17. Establishments that are both primarily engaged in marine cargo handling, and included in NAICS U.S. Industry 488320;
18. Establishments that are both primarily engaged in freight transportation arrangement, and included in NAICS U.S. Industry 488510; and
19. Establishments that are both primarily engaged in providing consulting services to clients relating to physical distribution of goods and services and included in NAICS U.S. Industry 541611.

- (c) Processing includes manufacturing establishments classified in NAICS Sectors 31-33; and those establishments primarily engaged in providing data processing services, which shall consist of only the following:
1. Establishments that are both primarily engaged in providing data processing services, and included in NAICS U.S. Industry 518210;
 2. Establishments that are both primarily engaged in providing third party administration services of insurance and pension funds, and included in NAICS U.S. Industry 524292;
 3. Establishments that are both primarily engaged in providing either:
 - (i) automated clearinghouses, check clearinghouse associations; or
 - (ii) financial transaction or credit card processing services, and included in NAICS U.S. Industry 522320;
 4. Establishments that are both primarily engaged in furnishing physical or electronic marketplaces for the purpose of facilitating the buying and selling of stocks, stock options, bonds or commodity contracts and included in NAICS U.S. Industry 523210;
 5. Establishments that are both primarily engaged in producing and distributing computer software, and included in NAICS U.S. Industry 511210;
 6. Establishments that are both primarily engaged in providing computer systems design and related services, and included in NAICS Industry Group 5415;
 7. Establishments that are both primarily engaged in providing payroll services, and included in NAICS U.S. Industry 541214; and
 8. Establishments that are both primarily engaged in providing telephone call center services, and included in NAICS Industry 56142.
- (d) Telecommunications means those establishments that are primarily engaged in operating, maintaining and/or providing access to facilities for the transmission of voice, data, text, sound and video and classified within NAICS U.S. Industries 517311, 517312, 517410, 517911 and 517919.
- (e) Broadcasting means those establishments that are primarily engaged in the transmission or licensing of audio, video, text, or other programming content to the general public, subscribers, or to third parties via radio, television, cable, satellite, or the Internet or Internet Protocol, including motion picture and sound

recording, editing, production, post production, and distribution, and which are included in NAICS Subsectors 512, 515, 517 and 519.

(f) Tourism means only the following establishments:

1. Establishments that are both primarily engaged in providing lodging for the public, and included in NAICS Industry Group 7211; however, establishments offering lodging for more than 30 consecutive days to the same customer are not deemed a business enterprise under this regulation;
2. Establishments that are both primarily engaged in providing overnight or short term sites for recreational vehicles, trailers, campers or tents, and included in NAICS U.S. Industry 721211; however, establishments primarily engaged in the operation of residential trailer parks or primarily engaged in providing accommodations for more than 30 consecutive days to the same customer are not deemed a business enterprise under this regulation;
3. Establishments that are both primarily engaged in the operation of recreational camps, and included in NAICS U.S. Industry 721214; however, establishments primarily engaged in the operation of summer camps are not deemed a business enterprise under this regulation;
4. Establishments that are both primarily engaged in the operation of either:
 - (i) convention centers;
 - (ii) sports stadiums or arenas; or
 - (iii) sports complexes open to the general public on a contractor fee basis, and included in NAICS U.S. Industry 711310;
5. Establishments that are both primarily engaged in the operation of golf courses open to the general public on a contract or fee basis, which are associated with a resort development, and included in NAICS U.S. Industry 713910; however, establishments engaged in the operation of golf courses associated with housing developments are not deemed a business enterprise under this regulation;
6. Establishments that are both primarily engaged in the operation of professional or semi-professional sport clubs, and included in NAICS U.S. Industry 711211; however, for the purposes of this provision professional and semi-professional sport clubs include only those clubs that compensate athletes for their services as players and does not include amateur sport clubs, amateur sport leagues, or amateur sport associations;

7. Establishments that are both primarily engaged in the operation of racing facilities, including drag-strips, motorcycle race tracks, auto or stock car race tracks or speedways, and included in NAICS U.S. Industry 711212;
8. Establishments that are both primarily engaged in the operation of amusement centers, amusement parks, theme parks, or amusement piers, and included in NAICS U.S. Industry 713110;
9. Establishments that are both primarily engaged in the operation of tours within the State of Georgia, and included in NAICS U.S. Industry 561520;
10. Establishments that are both primarily engaged in the operation of airplanes, helicopters, buses, trolleys, vans, scenic railroads, aerial tramways, or boats for excursion or sightseeing purposes within the State of Georgia, and included in NAICS Subsector 487;
11. Establishments that are both primarily engaged in the operation of hunting preserves, trapping preserves, or fishing preserves or lakes which are open to the general public on a contract or fee basis for finfish, shellfish, or other marine fishing, and included in NAICS U.S. Industries 114111, 114112, 114119, or 114210;
12. Establishments that are both primarily engaged in the operation of museums, planetariums, art galleries, botanical gardens, aquariums, or zoological gardens, and included in NAICS Subsector 712; however, establishments that derive 50 percent or more of their gross revenue from the sale of goods or merchandise are not deemed a business enterprise under this regulation.

(g) Research and development means only the following establishments: establishments primarily engaged in conducting research and experimental development in biotechnology and the physical, engineering and life sciences and classified in NAICS U.S. Industry 54171; and establishments primarily engaged in conducting research and analysis in cognitive development, sociology, psychology, language, behavior, economic, and other social science and humanities research and classified in NAICS US Industry 541720.

- (3) **"Retail businesses" defined.** The term "retail businesses" as used in paragraph (2) of this regulation means: any establishment that is primarily engaged in retailing merchandise and rendering services incidental to the sale of merchandise and included in NAICS Sector 44-45; any establishment that is primarily engaged in providing professional services and included in NAICS Industry Groups 5411, 5412 and 5413; and establishments that are primarily engaged in banking, savings and lending functions and included in NAICS Industry Groups 5211, 5221, 5222, 5231, and 5239, and NAICS Industries 52231 and 52239.

- (4) **Request for Determination.** In the event that a business believes that it qualifies as a business enterprise for a tax credit governed by this regulation, but is unsure if it meets the eligibility requirements outlined in the relevant Code and this regulation, a Request for Determination may be requested from the Department of Revenue. The business should provide a detailed explanation of the activity for which the tax credits are being requested, along with any documentation to support the request. The Department shall have 30 days from receipt of all necessary information to complete the review and issue a determination regarding the eligibility of the business for the tax credit.
- (5) **Effective Date.** This regulation as amended shall be applicable to tax credits earned in taxable years beginning on or after January 1, 2018. Taxable years beginning before January 1, 2018 will be governed by the regulations of Chapter 560-7 as they exist before January 1, 2018 in the same manner as if the amendments set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.46

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.12](#), [48-7-40.22](#).

History. Original Rule entitled "Definition of Business Enterprise" adopted. F. Nov. 24, 2008; eff. Dec. 14, 2008.

Amended: F. Sep. 19, 2012; eff. Oct. 9, 2012.

Amended: F. Oct. 27, 2015; eff. Nov. 16, 2015.

Amended: F. Jan. 25, 2019; eff. Feb. 14, 2019.

Rule 560-7-8-.47. Qualified Education Expense Credit.

- (1) **Purpose.** The purpose of this regulation is to provide guidance concerning the administration of O.C.G.A. § [48-7-29.16](#), which provides a credit for qualified education expenses. Other provisions and conditions regarding student scholarship organizations and the qualified education expense credit are set forth in O.C.G.A. § [48-7-29.16](#) and Chapter 2A of Title 20.
- (2) **Definitions.**
- (a) "Qualified Education Expense Credit" means the credit allowed pursuant to O.C.G.A. § [48-7-29.16](#).
 - (b) "Fiscal Year" means the taxable year of the SSO.
 - (c) "Calendar Year Report" means the annual informational report that must be prepared on a calendar year basis and submitted to the Department of Revenue.
 - (d) "Audit Report" means the annual audit report that is prepared by an independent certified public accountant after completing the annual audit that is required by O.C.G.A. § [20-2A-2](#).

- (e) "SSO" means a student scholarship organization as defined in O.C.G.A. § [20-2A-1](#).
- (f) "Expenditure of Funds" means the expenditure of lawful money of the United States and does not include other intangible assets such as stocks, bonds, etc.
- (g) "Federal Poverty Level" means the poverty guidelines issued each year in the Federal Register by the Department of Health and Human Services.
- (h) "Form 990" means the annual information returns and electronic notices of the Federal Form 990 series filed with the Internal Revenue Service including Form 990, Form 990-EZ, and Form 990-N.
- (i) "Business Enterprise" means an insurance company or the headquarters of an insurance company as defined in O.C.G.A. § [48-7-29.16](#).

(3) Coordination of Agencies.

- (a) Each SSO must annually submit notice to the Department of Education, in accordance with the Department of Education's guidelines, concerning their participation as an SSO.
- (b) The Department of Education will maintain on its website a current list of all SSOs that have provided notice.
- (c) The Office of Commissioner of Insurance and Safety Fire is the state agency that administers the gross premium tax.

(4) Audit Report.

- (a) O.C.G.A. § [20-2A-2](#) requires that an audit be conducted annually by an independent certified public accountant in accordance with generally accepted auditing standards. The audit shall be completed and the audit report issued within 120 days after the end of the SSO's fiscal year.
- (b) The audit report must verify that the SSO has complied with all requirements of O.C.G.A. § [20-2A-2](#).
- (c) As is required by O.C.G.A. § [20-2A-3](#), the audit report shall be submitted to the Department of Revenue within sixty days following completion of the audit report.
- (d) Each SSO shall submit with the audit report a signed declaration certifying that it has complied with and is in compliance with all legal and regulatory requirements imposed by state or federal law. The signed declaration shall be signed by the SSO's president, chief executive officer, or authorized representative.

(5) **Form 990.** Each SSO must submit a copy of its most recent Form 990 to the Department of Revenue through the Georgia Tax Center.

(6) **Calendar Year Report.**

(a) The calendar year report shall be submitted by the SSO by January 12 of the year following the immediately preceding calendar year, subject to the time limits provided for in O.C.G.A. § [20-2A-2](#) and paragraph (4) of this regulation. See paragraph (7) for examples on the timing of reports. Form "IT-QEE-SSO2" shall be used to submit the report. The report shall be submitted electronically in the manner specified by the Department.

(b) The calendar year report shall be prepared on a calendar-year basis, regardless of the fiscal year of the SSO.

(c) The calendar year report shall include the following:

1. The total number and dollar value of individual contributions and qualified education expense credits preapproved - individual contributions include contributions made by those filing income tax returns as single, head of household, married filing separate, and married filing joint;
2. The total number and dollar value of corporate, trust, S-corporation, and partnership contributions and qualified education expense credits preapproved;
3. The total number and dollar value of scholarships awarded to eligible students;
4. The total number of scholarship recipients whose families' adjusted gross income falls:
 - (i) Under 125% of the federal poverty level;
 - (ii) At or above 125% and below or at 250% of the federal poverty level;
 - (iii) Above 250% and below or at 400% of the federal poverty level; and
 - (iv) Above 400% of the federal poverty level;
5. The total number of scholarship recipients and the average scholarship dollar amount by each county within which any scholarship recipient resides;
6. The average scholarship dollar amount by adjusted gross income category as provided in subparagraph (c)4. of this paragraph. For scholarships awarded in a particular calendar year, the SSO shall use that calendar year's federal

poverty level. The SSO shall consider the number of persons in the scholarship recipient's family when making the determination under subparagraph (c)4. of this paragraph;

7. A list of donors (which includes each donor's name and address), including the dollar value of each donation and the dollar value of each preapproved qualified education expense credit;
 8. A copy of the last audit report as required under subparagraph (4)(c); and
 9. The amount of the fees or assessments retained by the SSO during the calendar year.
- (d) The Department of Revenue shall post on its website the information received from each SSO under subparagraphs (c)1. through (c)6. and (c)8. of this paragraph, except for any confidential taxpayer information received pursuant to subparagraph (c)8. of this paragraph and paragraph (4) of this regulation.

(7) Examples of the Timing of Reports.

- (a) An SSO's first year begins on January 1, 2023, and ends on December 31, 2023. By January 12, 2024, the SSO must submit the required calendar year report for the calendar year that ended December 31, 2023. No audit report will need to be submitted for this first year since the due date for completing the audit report falls after the deadline of January 12, 2024. The SSO must complete the audit by April 29, 2024 and submit the audit report and signed declaration within sixty days of completion of the audit. The audit report submitted on or before January 12, 2025, will include the results of the audit for the year ending December 31, 2023.
- (b) An SSO's first fiscal year begins on May 1, 2023, and ends on April 30, 2024. By January 12, 2024, the SSO must submit the required calendar year report for the calendar year that ended December 31, 2023. No audit report will need to be submitted for this first year since the due date for completing the audit report falls after the deadline of January 12, 2024. The SSO must complete the audit by August 28, 2024 and submit the audit report and signed declaration within sixty days of completion of the audit. The audit report submitted on or before January 12, 2025, will include the results of the audit for the fiscal year ending April 30, 2024.
- (c) An SSO's first fiscal year begins on December 1, 2023, and ends on November 30, 2024. By January 12, 2024, the SSO must submit the required calendar year report for the calendar year that ended December 31, 2023. No audit report will need to be submitted for this first year since the due date for completing the audit report falls after the deadline of January 12, 2024. By January 12, 2025, they must submit the required calendar year report for the calendar year that ended

December 31, 2024. No audit report will need to be submitted for this second year since the due date for completing the audit report falls after the deadline of January 12, 2025. The SSO must complete the audit by March 30, 2025 and submit the audit report and signed declaration within sixty days of completion of the audit. The audit report submitted on or before January 12, 2026, will include the results of the audit for the fiscal year ending November 30, 2024.

- (8) **Failure of the Audit Report to Verify or Failure to Submit the Audit Report as Required under O.C.G.A. § [20-2A-2](#).** Notwithstanding O.C.G.A. §§ [20-2A-7](#), [48-2-15](#), [48-7-60](#), [48-7-61](#) and paragraph (9) of this regulation, if the audit report submitted by the SSO fails to verify: that the SSO obligated its annual revenue received from donations for scholarships or tuition grants, including any interest earned on deposits and investments of such funds, as required under O.C.G.A. § [20-2A-2](#); that obligated revenues were designated for specific student recipients within the time frame required under O.C.G.A. § [20-2A-2](#); and that all obligated and designated revenue distributed to a qualified school or program for the funding of multiyear scholarships or tuition grants complied with this regulation; then the Department shall post on its website the details of such failure to verify. If the audit report is not submitted by the required time, the SSO shall be deemed to have failed all three requirements. Until the noncompliant SSO submits an amended audit (or the required audit report in the case of a failure to submit the audit report by the required time), which to the satisfaction of the Department contains the verifications required under O.C.G.A. § [20-2A-2](#), the Department shall not preapprove any contributions to the noncompliant SSO.
- (9) **Failure to Report and Confidentiality.** Any SSO that does not submit the audit report or calendar year report as required under this regulation or receives a qualified opinion or a disclaimer on their audit report from an independent certified public accountant or otherwise fails to comply with the requirements of Chapter 2A of Title 20 shall be given written notice of their failure and shall have ninety days from receipt of such notice to correct all deficiencies.
- (a) If the SSO fails to correct all deficiencies within ninety days of receipt of notice from the Department, such SSO shall:
1. Be immediately removed from the Department of Education's list of approved SSOs.
 2. Be required to cease all operations as an SSO and transfer all scholarship account funds to a properly operating SSO within thirty calendar days of receipt of notice from the Department of removal from the approved list; and
 3. Have all applications for preapproval of tax credits under O.C.G.A. § [48-7-29.16](#) rejected by the Department on or after the date that the Department of Education removes the SSO from its list of approved SSOs.

- (b) Except for the audit report information posted under subparagraph (d) of paragraph (6), information reported under subparagraphs (c)1. through (c)6. of paragraph (6) of this regulation, and details of any failure to report and verify under paragraph (8) of this regulation, all information or reports provided by SSOs to the Department shall be confidential taxpayer information, governed by O.C.G.A. §§ [48-2-15](#), [48-7-60](#), and [48-7-61](#).

(10) **Credit Limitations for Individuals and Corporations.** The amount of qualified education expense credit granted to a taxpayer shall not exceed:

- (a) For an individual taxpayer, except as otherwise provided in this paragraph, the credit is limited to the lesser of the actual amount expended or the dollar amount provided in O.C.G.A. § [48-7-29.16](#).
- (b) For an individual taxpayer filing a married filing separate return, the credit is limited to the lesser of the actual amount expended or \$2,500.00 per tax year.
- (c) For an individual taxpayer who is a member of a limited liability company duly formed under state law (including a member who owns a single-member limited liability company that is disregarded for income tax purposes), a shareholder of a Subchapter 'S' corporation, or a partner in a partnership, the credit is limited to the lesser of the actual amount expended or \$25,000 per tax year, whichever is less; provided, however, that the tax credits shall only be allowed for the Georgia income on which such tax was actually paid by such member of a limited liability company, shareholder of a Subchapter 'S' corporation, or partner of a partnership. In determining such Georgia income, the shareholder, partner, or member shall exclude any income that was subtracted on their individual Georgia return because the entity paid tax at the pass-through entity level in Georgia as provided in Regulation [560-7-3-.03](#). If the individual taxpayer is a member, partner, or shareholder in more than one pass-through entity, the total credit allowed cannot exceed \$25,000; the individual taxpayer decides which pass-through entities to include when computing Georgia income for purposes of the qualified education expense credit. All Georgia income, loss, and expense from the taxpayer's selected pass-through entities will be combined to determine Georgia income for purposes of the qualified education expense credit. Such combined Georgia income shall be multiplied by the applicable marginal tax rate to determine the tax that was actually paid. If the taxpayer is filing a joint return, the taxpayer's spouse may also claim a credit for their ownership interests and shall separately be eligible for a credit as provided in this subparagraph. If the taxpayer(s) chooses to be preapproved pursuant to this subparagraph, for all purposes of claiming the credit, they shall be subject to the provisions of this subparagraph and shall not be entitled to claim any other amounts provided in O.C.G.A. § [48-7-29.16](#) and this regulation. If the taxpayer is preapproved for an amount that exceeds the amount that is calculated as allowed when the return is filed, the excess amount cannot be claimed by the taxpayer and cannot be carried forward.

1. Example: Taxpayer, an individual taxpayer, is the sole shareholder of A, Inc., an S corporation. Taxpayer is also a 50% partner in BC Company, a partnership, and Taxpayer is also a 20% member of a limited liability company, XYZ Company, which is taxed as a partnership. Taxpayer requests preapproval for the qualified education expense credit for calendar year 2023 by submitting Form IT-QEE-TP1. On Form IT-QEE-TP1, Taxpayer estimates that Taxpayer's Georgia income from A, Inc. is \$300,000, and that Taxpayer's share of Georgia income from BC Company is \$150,000. Taxpayer chooses not to include any income from XYZ Company when estimating Georgia income for purposes of the qualified education expense credit; therefore, the Department preapproves Taxpayer for \$25,000 qualified education expense credit (since \$25,000 is less than \$25,875 (5.75% of \$450,000)). The applicable marginal tax rate for 2023 is 5.75%. Taxpayer makes a \$25,000 donation to the SSO within sixty days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files Taxpayer's 2023 Georgia income tax return, Taxpayer received a salary from A, Inc. of \$100,000 and A, Inc.'s actual Georgia income is \$100,000. Taxpayer's actual share of Georgia income from BC Company is \$100,000 and Taxpayer received a guaranteed payment from BC Company of \$45,000. Taxpayer's actual share of Georgia income from XYZ Company is \$5,000 (Taxpayer can choose to include this company even though it was not considered at the time of preapproval). Taxpayer can only claim \$20,125 qualified education expense credit (which is 5.75% of the \$350,000 actual income from Taxpayer's selected pass-through entities), and the extra \$4,875 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$20,125 qualified education expense credit claimed but not used on the taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to Taxpayer's succeeding five years' tax liability.

(d) For a corporate taxpayer, fiduciary taxpayer, an S corporation that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-21](#), or a partnership that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-23](#), the credit is limited to the lesser of the actual amount expended or 75 percent of the corporation's, fiduciary's, electing S corporation's, or electing partnership's income tax liability. S corporations and partnerships that elect to pay taxes at the entity level cannot pass the credit through to their shareholders or partners. Fiduciary entities cannot pass the credit through to their beneficiaries.

1. Example: Taxpayer, a Corporation, requests preapproval for the qualified education expense credit for calendar year 2023 by submitting Form IT-QEE-TP1. On Form IT-QEE-TP1, Taxpayer estimates its income tax liability for the 2023 tax year to be \$100,000; therefore, the Department preapproves Taxpayer for \$75,000 qualified education expense credit for

calendar year 2023. Taxpayer makes a \$75,000 donation to the SSO within sixty days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files its 2023 Georgia income tax return, Taxpayer's income tax liability for tax year 2023 is \$80,000. Taxpayer can only claim \$60,000 of qualified education expense credit (which is 75% of its actual income tax liability for tax year 2023), and the extra \$15,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$60,000 qualified education expense credit claimed but not used on the taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability.

2. Example: Taxpayer, a S Corporation electing to pay tax at the entity level, requests preapproval for the qualified education expense credit for calendar year 2023 by submitting Form IT-QEE-TP1. On Form IT-QEE-TP1, Taxpayer estimates its income tax liability for the 2023 tax year to be \$100,000; therefore, the Department preapproves Taxpayer for \$75,000 qualified education expense credit for calendar year 2023. Taxpayer makes a \$75,000 donation to the SSO within sixty days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files its 2023 Georgia income tax return, Taxpayer's income tax liability for tax year 2023 is \$80,000. Taxpayer can only claim \$60,000 of qualified education expense credit (which is 75% of its actual income tax liability for tax year 2023), and the extra \$15,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$60,000 qualified education expense credit claimed but not used on the taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability but shall not be allowed to be passed through to and used by the shareholders.

- (e) Except as provided in subparagraph (10)(d) of this regulation, when the taxpayer is a pass-through entity which has no income tax liability of its own, the tax credits will be considered earned by its members, shareholders, or partners based on their profit/loss percentage at the end of the year and the limitations of subparagraph (10)(c) of this regulation. The expenditure is made by the pass-through entity but all credit forms (preapproval, claiming, and reporting) will be filed in the name of its members, shareholders, or partners and the credit can only be applied against the shareholders', members', or partners' tax liability on their income tax returns. The pass-through entity shall provide all necessary information to the student scholarship organization so that the preapproval, claiming, and reporting forms can be filed in the name of its members, shareholders, or partners.

- (11) **Credit and Credit Limitations Specific to Business Enterprises.** The amount of qualified education expense credit granted to a business enterprise against its gross premium tax liability owed pursuant to O.C.G.A. § [33-8-4](#) is limited to the lesser of the actual amount expended or 75 percent of the business enterprise's gross premium tax liability. Such credit shall not exceed one million dollars.
- (12) **Credit Cap.** In no event shall the total amount of tax credits allowed under O.C.G.A. § [48-7-29.16](#) exceed:
- (a) One hundred million dollars per year for calendar years beginning on or after January 1, 2019, and ending on or before December 31, 2022; and
 - (b) One hundred twenty million dollars per year for calendar years beginning on or after January 1, 2023.
 - (c) In no event shall the aggregate amount of tax credits allowed under this paragraph to all business enterprises for gross premium tax liability owed exceed six million dollars.
- (13) **Reporting the Availability of the Credit.** The Department shall post on its website the current amount of qualified education expense credits available.
- (14) **Preapproval of the Contribution.**
- (a) The taxpayer must electronically submit Form IT-QEE-TP1 through the Georgia Tax Center to request preapproval of the qualified education expense credit from the Department of Revenue. The Department will not preapprove any qualified education expense credit where the Form IT-QEE-TP1 is submitted or filed in any other manner. Each SSO shall be registered with the Department to facilitate the web-based preapproval process for Form IT-QEE-TP1.
 - (b) The contributor should not submit Form IT-QEE-TP1 to the Department of Revenue until the contributor's recipient SSO is listed on the Department of Education's website. If the contributor's recipient SSO is not listed on the website at the time that the Department of Revenue attempts to verify the SSO's listing, the Department of Revenue shall deny the request. If at a later date the contributor's recipient SSO becomes listed, it will be necessary for a new Form IT-QEE-TP1 to be submitted by the contributor to the Department of Revenue.
 - (c) The electronic Form "IT-QEE-TP1" shall include the following information:
 - 1. The name of the SSO listed on the Department of Education's website to which the contribution will be made. The SSO should be listed on the Department of Education's website before the Form "IT-QEE-TP1" is filed with the Department of Revenue;

2. The taxpayer identification number of the SSO to which the contribution will be made;
 3. The name, address and taxpayer identification number of the contributor;
 4. The type of taxpayer;
 5. If the contributor is an individual, the filing status;
 6. If the contributor is an individual filing a joint return, the name and identification number of the joint filer;
 7. The intended contribution amount;
 8. If the contributor is a corporation, fiduciary, electing S corporation, or electing partnership, 75% of the estimated income tax liability the corporation, fiduciary, electing S corporation, or electing partnership expects for the tax year of the corporation, fiduciary, S corporation, or partnership in which the contribution will be made;
 9. If the contributor is a business enterprise requesting preapproval for credit against its gross premium tax liability, 75% of the estimated gross premium tax liability the business enterprise expects for the tax year of the business enterprise in which the contribution will be made;
 10. Tax year end of the contributor;
 11. Calendar year in which the contribution will be made;
 12. Any other information the Commissioner of the Department of Revenue may require; and
 13. Certification that all information contained on the Form "IT-QEE-TP1" is true to his/her best knowledge and belief and is submitted for the purpose of obtaining preapproval from the Commissioner.
- (d) The qualified education expense credit shall be allowed on a first-come, first-served basis. The date the Form IT-QEE-TP1 is electronically submitted shall be used to determine such first-come, first-served basis.
- (e) The Department will notify each taxpayer and the taxpayer's selected SSO of the tax credits preapproved and allocated to such taxpayer within thirty days from the date the Form IT-QEE-TP1 was received.
- (f) On the day any Form IT-QEE-TP1 is received for a calendar year that causes the calendar year limit in paragraph (12) of this regulation to be reached, the

remaining tax credits shall be allocated among the applicants who submitted the Form IT-QEE-TP1 on the day the calendar year limit was exceeded on a pro rata basis based upon the amounts otherwise allowed by O.C.G.A. § [48-7-29.16](#) and this regulation. Only credit amounts on Form IT-QEE-TP1(s) received on the day the calendar year limit was exceeded shall be allocated on a pro rata basis.

- (g) The contribution must be made by the taxpayer within sixty days of the date of the preapproval notice received from the Department and within the calendar year in which it was preapproved.
 - (h) In the event it is determined that the contributor has not met all the requirements of O.C.G.A. § [48-7-29.16](#), then the amount of the qualified education expense credit shall not be preapproved or the preapproved qualified education expense credit shall be retroactively denied. With respect to such denied credit, tax, interest, and penalties shall be due if the qualified education expense credit has already been claimed.
 - (i) Notwithstanding any laws to the contrary, the Department shall not take any adverse action against donors to SSOs if the Commissioner preapproved a donation for a tax credit prior to the date the SSO is removed from the Department of Education list pursuant to O.C.G.A. § [20-2A-7](#), and all such donations shall remain as preapproved tax credits subject only to the donor's compliance with O.C.G.A. § [48-7-29.16\(f\)\(3\)](#).
 - (j) Once the calendar year limit is reached for a calendar year, taxpayers shall no longer be eligible for a credit pursuant to O.C.G.A. § [48-7-29.16](#) for such calendar year. If any Form IT-QEE-TP1 is received after the calendar year limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
- (15) **Letter of Confirmation.** Form IT-QEE-SSO1 shall be provided by the SSO to the taxpayer to confirm the contribution.
- (16) **Claiming the Credit.** A taxpayer claiming the qualified education expense credit, unless indicated otherwise by the Commissioner, must submit Form IT-QEE-TP2 with the taxpayer's Georgia tax return when the qualified education expense credit is claimed. A software program's Form IT-QEE-TP2 that is electronically filed with the Georgia income tax return in the manner specified by the Department satisfies this requirement.
- (a) A business enterprise claiming the qualified education expense credit against its gross premium tax liability must claim the credit in the manner required by the Office of Commissioner of Insurance and Safety Fire.
- (17) **E-filing Attachment Requirements.** If a taxpayer claiming the credit electronically files their tax return, the Form IT-QEE-SSO1 shall be required to be attached to the return only if the Internal Revenue Service allows such attachments when the data is

transmitted to the Department. In the event the taxpayer files an electronic return and such information is not attached because the Internal Revenue Service does not, at the time of such electronic filing, allow electronic attachments to the Georgia return, such information shall be maintained by the taxpayer and made available upon request by the Commissioner.

- (18) **Carry Forward.** Any credit which is claimed but not used in a taxable year shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability. However, any amount in excess of the credit amount limits in paragraphs (10) and (11) of this regulation shall not be eligible for carryforward to the taxpayer's succeeding years' tax liability nor shall such excess amount be claimed by or reallocated to any other taxpayer.
- (19) **Taxpayer Must Add Back Portion of Federal Deduction on State Return if Taxpayer Takes State Credit.** O.C.G.A. § [48-7-29.16\(h\)\(1\)](#) provides that no qualified education expense credit shall be allowed under O.C.G.A. § [48-7-29.16](#) with respect to any amount deducted from taxable net income by the taxpayer as a charitable contribution to a bona fide charitable organization qualified under Section 501(c)(3) of the Internal Revenue Code. If the taxpayer is allowed the state income tax deduction in place of the charitable contribution deduction as allowed by the Internal Revenue Service, for purposes of this paragraph such deduction shall be considered a charitable contribution to the extent such deduction is allowed federally. Accordingly, the taxpayer must add back to Georgia taxable income that part of any federal deduction taken on a federal return for which a Georgia qualified education expense credit is allowed under O.C.G.A. § [48-7-29.16](#).
- (a) If a taxpayer's itemized deductions are limited federally (and therefore limited for Georgia purposes) because their Federal Adjusted Gross Income exceeds a certain amount, the taxpayer is only required to add back to Georgia taxable income that portion of the federal charitable deduction that was actually deducted pursuant to the following formula. The federal charitable deduction that must be added back to Georgia taxable income shall be the amount of the federal charitable contribution relating to the qualified education expense credit multiplied by the following ratio. The numerator is the amount of the itemized deductions subject to limitation and allowed as itemized deductions after the limitation is applied. The denominator is the total itemized deductions that are subject to limitation before the limitation is applied.
1. For example. A taxpayer has a \$2,500 charitable contribution relating to the qualified education expense credit and has property taxes of \$1,500 both of which are subject to limitation. The taxpayer also has mortgage interest expense of \$10,000 (which is not limited). Accordingly, the taxpayer's total itemized deductions before limitation are \$14,000. After applying the federal limitation, the taxpayer is allowed \$13,000 in itemized deductions. As such only \$3,000 (\$13,000 less the \$10,000 mortgage interest expense which is not limited) of the original \$4,000 charitable

deduction and property taxes are allowed to be deducted. Applying the ratio from the subparagraph above, the taxpayer must add back \$1,875 of the charitable contribution to their Georgia taxable income (\$2,500) X (\$3,000 / \$4,000)).

(20) Scholarships.

- (a) For all scholarships, including multi-year scholarships, the SSO shall either:
 - 1. Deliver the scholarship check directly to the qualified school or program selected as a result of the private choice of the parent or guardian of the child to whom the scholarship was awarded. The parent or guardian shall come to such qualified school or program and restrictively endorse the check to such qualified school or program; or
 - 2. Cause such scholarship to be restrictively endorsed electronically in a secure manner by the parent or guardian to the school or program. The applicable financial institution providing for the secure electronic endorsement and transfer of funds shall provide a signed statement to the SSO attesting to the fact that the electronic restrictive endorsement has the same legal effect as a physically endorsed check.
- (b) The qualified school or program shall not be allowed to endorse the scholarship award over to a different qualified school or program.
- (c) In the event an SSO awards a multi-year scholarship, the SSO may disburse the entire scholarship at the time the scholarship is awarded.
- (d) For all scholarships, including multi-year scholarships, the qualified school or program shall separately account for each scholarship awarded. Additionally, the income earned on the portion of the scholarship which has not yet been applied to tuition shall be separately accounted for and used to provide tuition for such eligible student. The scholarship shall be applied to tuition on the same due dates as the general population of students of such school.
- (e) In making a multi-year distribution to a qualified school or program, the SSO shall require that if the designated student becomes ineligible or for any other reason the qualified school or program elects not to continue disbursement of the multi-year scholarship or tuition grant to the designated student for all the projected years, then the qualified school or program shall immediately return the remaining funds and the income earned on such portion to the SSO. Upon receipt of such returned scholarship, such SSO shall allocate and obligate such money for scholarships or tuition grants on or before the end of the following calendar year; 100% of such returned money (including the remaining funds and the income earned on such portion) shall be allocated and obligated. Once a qualified

school or program receives such returned money and such income earned on such returned money, 100% of such amounts received shall be used for an eligible student.

1. Once the student scholarship organization designates obligated revenues for specific student recipients, in the case of multiyear scholarships or tuition grants for which the student scholarship organization distributes the obligated and designated revenues to a qualified school or program annually rather than the entire amount, if the designated student becomes ineligible or for any other reason the student scholarship organization elects not to continue disbursement for all years, then the student scholarship organization shall designate any remaining previously obligated revenues for a new specific student recipient on or before the end of the following calendar year.

(21) **Designation of Contributions.** The tax credit shall not be allowed if the taxpayer directly or indirectly designates the taxpayer's qualified education expense for the direct benefit of any particular individual, whether or not such individual is a dependent of the taxpayer.

- (a) In soliciting contributions, an SSO shall not represent, or direct a qualified school or program to represent, that in exchange for contributing to the SSO, a taxpayer shall receive a scholarship for the direct benefit of any particular individual, whether or not such individual is a dependent of the taxpayer. Their status as an SSO shall be revoked for any such organization which violates this subparagraph and as such the SSO shall be removed from the Department of Education's list of approved SSOs. The Department shall not preapprove any contributions to such SSO.

(22) **Effective Date.** This rule is applicable to years beginning on or after January 1, 2023. Years beginning before January 1, 2023 will be governed by the regulations of Chapter 560-7 as they existed before January 1, 2023 in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.47

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-29.16](#).

History. Original Rule entitled "Qualified Education Expense Credit" adopted. F. Sept. 4, 2009; eff. Sept. 24, 2009.

Amended: F. Apr. 27, 2010; eff. May 17, 2010.

Amended: F. Dec. 14, 2011; eff. Jan. 3, 2012.

Amended: F. Sep. 23, 2013; eff. Oct. 13, 2013.

Amended: F. Nov. 8, 2013; eff. Nov. 28, 2013.

Amended: F. Nov. 6, 2018; eff. Nov. 26, 2018.

Amended: F. Nov. 21, 2019; eff. Dec. 11, 2019.

Note: Correction of non-substantive typographical errors in subparagraph (10)(c)1., "Inc" and "Inc's" corrected to "Inc." and "Inc.'s" respectively. Effective December 11, 2019.

Amended: F. Dec. 7, 2021; eff. Dec. 27, 2021.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-7-8-.48. Clean Energy Property and Wood Residuals Tax Credits.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credits under O.C.G.A. § [48-7-29.14](#).
- (2) **Coordination of Agencies.** The Georgia Environmental Finance Authority and the Department of Revenue have been designated as the primary agencies responsible within Georgia to administer the program. Additionally, the Georgia Forestry Commission is the state agency responsible for certifying the dollar amount of wood residuals transported or diverted to a renewable biomass qualified facility. The Office of Insurance and Safety Fire Commissioner is the state agency that administers the gross premium tax.
- (3) **Tax Credits for the Construction, Purchase, or Lease of Clean Energy Property.** The tax credit under O.C.G.A. § [48-7-29.14\(b\)\(1\)](#) is a tax credit against Georgia income tax, or if the taxpayer is an insurance company, against Georgia premium tax. It shall be granted to a taxpayer for the construction, purchase, or lease of clean energy property that is placed into service in this state between July 1, 2008 and December 31, 2014.
 - (a) **Confirmation.** Prior to submitting an application for approval to claim the clean energy property tax credit (Form IT-CEP-AP), the taxpayer must complete a pre-application through the Georgia Environmental Finance Authority. After completing this form, the taxpayer will receive a confirmation. Such confirmation must be attached to Form IT-CEP-AP.
 - (b) **Credit limitations.** The amount of the clean energy property tax credit granted to a taxpayer shall not exceed:
 1. For all types of clean energy property placed into service for any purpose other than single family residential, the credit allowed may not exceed the lesser of 35 percent of the cost of the clean energy property described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(A\)](#) through O.C.G.A. § [48-7-29.14\(a\)\(3\)\(C\)](#), or the following credit amounts for any clean energy property:
 - (i) For solar energy equipment for solar electric (photovoltaic), other solar thermal electric applications, and active space heating as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(A\)](#) the credit amount shall not exceed \$500,000.00 per installation;
 - (ii) For clean energy property related to solar energy equipment for domestic water heating as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(A\)](#), which is certified for performance by the Solar Rating Certification Corporation, Florida Solar Energy Center, or by a comparable entity approved by the Georgia Environmental Finance

Authority to have met the certification of Solar Rating Certification Corporation OG-100 or Florida Solar Energy Center-GO-80 for solar thermal collectors, the credit amount shall not exceed \$100,000.00 per installation;

- (iii) For Energy Star certified geothermal heat pump systems as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(B\)](#), the credit amount shall not exceed \$100,000.00;
 - (iv) For a lighting retrofit project as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(C\)\(i\)](#), the credit amount shall not exceed \$0.60 per square foot of the building with a maximum credit amount of \$100,000; and
 - (v) For an energy efficient building as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(C\)\(ii\)](#), the credit amount for all energy efficient products installed during construction shall not exceed \$1.80 per square foot of the building, with a maximum credit amount of \$100,000.00.
 - (I) Example of credit limit in subparagraph 3(b)1. (iv) of this regulation. Taxpayer installs a lighting retrofit project described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(C\)\(i\)](#) into a 1,500 square foot building. The lighting retrofit project costs \$1,000. Since 35% of the cost of the lighting retrofit project (equals \$350) is less than \$.60 per square foot of the building (equals \$900), the taxpayer would request a credit amount of \$350 on Form IT-CEP-AP for preapproval.
 - (II) Example of the credit limit in subparagraph 3(b)1. (v) of this regulation. Taxpayer installs energy efficient products in an energy efficient building, which is 15,000 square feet, as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(C\)\(ii\)](#). The cost of all energy efficient products installed in the building is \$12,000. Since 35% of the cost of all energy efficient products (equals \$4,200) is less than \$1.80 per square foot of the building (equals \$27,000), the taxpayer would request a credit amount of \$4,200 on Form IT-CEP-AP for preapproval.
2. For wind equipment as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(D\)](#) the credit amount shall not exceed \$500,000.00 per installation.

- (i) For biomass equipment as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(E\)](#) the credit amount shall not exceed \$500,000.00 per installation.
- 3. The following credit limits apply to clean energy property placed in service for single family residential purposes, the lesser of 35 percent of the cost or:
 - (i) For clean energy property related to solar energy equipment for domestic water heating as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(A\)](#), which is certified for performance by the Solar Rating Certification Corporation, Florida Solar Energy Center, or by a comparable entity approved by the Georgia Environmental Finance Authority to have met the certification of Solar Rating Certification Corporation OG-100 or Florida Solar Energy Center-GO-80 for solar thermal collectors, Solar Rating Certification Corporation certification OG-300 or Florida Solar Energy Center-GP-5-80 for solar thermal residential systems, or both, the credit amount shall not exceed \$2,500.00 per dwelling unit;
 - (ii) For clean energy property related to solar energy equipment for solar electric (photovoltaic), other solar thermal electric applications, and active space heating as described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(A\)](#), the credit amount shall not exceed \$10,500.00 per dwelling unit; and
 - (iii) For Energy Star certified geothermal heat pump systems described in O.C.G.A. § [48-7-29.14\(a\)\(3\)\(B\)](#), the credit amount shall not exceed \$2,000.00 per installation.
- (c) Credit amount. Any credit allowed under O.C.G.A. § [48-7-29.14\(b\)\(1\)](#) for calendar year 2012, 2013, or 2014 must be taken in four equal installments over four successive taxable years beginning with the taxable year in which the credit is allowed.
- (d) Carry forward. Any unused credit or unused installment credit amount in a taxable year may be carried forward for five years from the close of the taxable year in which the installation of the clean energy property occurred.
- (4) **Tax Credit for Transporting or Diverting Wood Residuals.** The tax credit under O.C.G.A. § [48-7-29.14\(b\)\(2\)](#) is a tax credit against Georgia income tax and shall be granted to a taxpayer who transports or diverts wood residuals to a renewable biomass qualified facility on or after July 1, 2008. The taxpayer eligible to claim this credit shall be the taxpayer that received certification from the Georgia Forestry Commission for transporting or diverting wood residuals.

- (a) Certification. Prior to submitting an application for approval (Form IT-WR-AP) to claim the tax credit for transporting or diverting wood residuals, the taxpayer must receive certification, which attributes a dollar value to such transported or diverted wood residuals, from the Georgia Forestry Commission. Such certification must be attached to Form IT-WR-AP.
 - (b) Credit limitation. The amount of wood residual tax credit granted to a taxpayer shall not exceed the actual amount certified by the Georgia Forestry Commission to the taxpayer.
 - (c) Carry forward. Any unused credit for transporting or diverting wood residuals shall be allowed against succeeding years' tax liability.
- (5) **Credit Cap.** In no event shall the total amount of tax credits allowed under both O.C.G.A. § [48-7-29.14\(b\)\(1\)and\(b\)\(2\)](#) exceed the following amounts:
- (a) For calendar year 2008, \$2,500,000;
 - (b) For calendar year 2009, \$2,500,000;
 - (c) For calendar year 2010, \$2,500,000;
 - (d) For calendar year 2011, \$2,500,000;
 - (e) For calendar year 2012, \$5,000,000;
 - (f) For calendar year 2013, \$5,000,000; and
 - (g) For calendar year 2014, \$5,000,000.
- (6) **Denial of Credit.** In the event it is determined that the taxpayer has not met all the requirements of O.C.G.A. § [48-7-29.14](#) and this regulation, then the amount of the credits shall not be tentatively approved or the tentatively approved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.
- (7) **Claiming tax credits under O.C.G.A. § [48-7-29.14\(b\)\(1\)and\(b\)\(2\)](#).** Any taxpayer seeking to claim tax credits under O.C.G.A. § [48-7-29.14\(b\)\(1\)or\(b\)\(2\)](#), must submit the appropriate forms to the Department of Revenue as provided in this paragraph.
- (a) Application. A taxpayer seeking to claim tax credits under O.C.G.A. § [48-7-29.14\(b\)\(1\)](#), whether utilizing the credit against income tax or premium tax, must submit Form IT-CEP-AP and a confirmation from the Georgia Environmental Finance Authority to the Commissioner for tentative approval.

1. A taxpayer seeking to claim tax credits under O.C.G.A. § [48-7-29.14\(b\)\(2\)](#), must submit Form IT-WR-AP, and a certification from the Georgia Forestry Commission, to the Commissioner for tentative approval.
- (b) Notification. The Department will notify each taxpayer of the tax credits, tentatively approved and allocated to such taxpayer, within sixty (60) days from the date the application was received.
- (c) Allocation of tax credits. The Commissioner shall allow tax credits under O.C.G.A. § [48-7-29.14\(b\)\(1\)and\(b\)\(2\)](#) on a first-come, first-served basis. The postmark of Form IT-CEP-AP and Form IT-WR-AP shall be used to determine such first-come, first-served basis.
- (d) Applications received on the day the maximum credit amount is reached. In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limits in paragraph (5) of this regulation, then the tax credits shall be allocated among the taxpayers whose applications were received by the Commissioner on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-29.14](#) and this regulation. Only credit amounts on applications received on the day the maximum aggregate limits were exceeded will be allocated on a pro rata basis.
- (e) Waiting list. If a taxpayer is denied all or part of the tax credit under O.C.G.A. § [48-7-29.14\(b\)\(1\)](#), because the credit cap in paragraph (5) of this regulation has been reached, the Commissioner shall add such taxpayer to a waiting list prioritized by the postmark of the taxpayer's first application. For the credit allocation in subsequent years, taxpayers on the waiting list shall have priority over other taxpayers with a later postmark regardless of the year the clean energy property was installed. A taxpayer that is allowed the credit pursuant to this subparagraph in calendar year 2012, 2013, or 2014 must take the credit in four equal installments over four successive taxable years beginning with the taxable year in which the credit is allowed.
- (f) Income or Premium tax. A taxpayer claiming income or premium tax credits under O.C.G.A. § [48-7-29.14\(b\)\(1\)](#) must attach an approved Form IT-CEP-AP and Form IT-CEP to its Georgia income or premium tax return for each tax year in which income or premium tax credits are claimed.
1. A taxpayer claiming income tax credits under O.C.G.A. § [48-7-29.14\(b\)\(2\)](#) must attach an approved Form IT-WR-AP and Form IT-WR to its Georgia income tax return each year in which income tax credits are claimed.

(g) Withholding tax. A taxpayer may claim any excess tax credit from O.C.G.A. § [48-7-29.14\(b\)\(1\)](#), the clean energy property tax credit, against its withholding tax liability. For taxpayers preapproved to claim the clean energy property tax credit in calendar year 2012, 2013, or 2014, the excess tax credit amount cannot exceed the limit in paragraph (3)(c) of this regulation. The withholding tax benefit may only be applied against the withholding tax account used by the taxpayer for payroll purposes.

1. Notice of Intent. To claim any excess tax credit not used on the income tax return against the taxpayer's withholding tax liability, the taxpayer must file Revenue Form IT-WH at least thirty (30) days prior to the due date of the Georgia income tax return (including extensions) or at least thirty (30) days prior to the filing of the income tax return, whichever occurs first. Failure to file this form as indicated will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in more than one taxable year, the election to claim the withholding credit will be available for the credit earned in such subsequent year.

- (i) If the taxpayer is an insurance company, to claim any excess tax credit not used on the premium tax return against the taxpayer's withholding tax liability, the taxpayer must file Revenue Form IT-WH-CEP with both the Department of Revenue and the Office of Insurance and Safety Fire Commissioner at least thirty (30) days prior to the due date of the Georgia premium tax return (including extensions) or at least thirty (30) days prior to the filing of the premium tax return, whichever occurs first. Failure to file this form as indicated will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in more than one taxable year, the election to claim the withholding credit will be available for the credit earned in such subsequent year.

2. Review Period. The Department of Revenue has ninety (90) days from the date the income tax return claiming the tax credit is received to review the credit and make a determination of the amount eligible to be used against withholding tax.

- (i) The Department of Revenue has ninety (90) days from the date the premium tax return claiming the tax credit is received by the Office of Insurance and Safety Fire Commissioner to review the credit and make a determination of the amount eligible to be used against withholding tax.

3. Letter of Eligibility. Once the review is completed, a letter will be sent to the taxpayer stating the tax credit amount which may be applied against withholding and when the taxpayer may begin to claim the tax credit against

withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding tax payments and will not refund any previous withholding payments.

- (8) **Pass-Through Entities.** When the taxpayer is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the taxpayer to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess clean energy property tax credit against their withholding tax liabilities. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2009. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2009 tax year.
- (9) **Annual Reports.** The Georgia Environmental Finance Authority shall provide an annual report of a determination of associated energy and economic benefits to the state.
- (a) The Department of Revenue shall provide an annual report consisting of:
1. The number of taxpayers that claimed the credits allowed under O.C.G.A. § [48-7-29.14](#);
 2. The cost of business property and clean energy property with respect to which credits were claimed;
 3. The location and type of clean energy property installed; and
 4. The total amount of credits allowed.
- (10) **Tracking and Reporting the Status and Availability of Credits.** By the end of the month following the end of each calendar year quarter, the Department of Revenue shall post on its website the amount of credits preapproved through the end of such quarter, the amount preapproved year to date, and the amount of credits that are available to be claimed.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.48

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-29.14](#).

History. Original Rule entitled "Clean Energy Property and Wood Residuals Tax Credits" adopted as ER. 560-7-8-0.34-.48. F. and eff. June 27, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 19, 2008; eff. Sept. 8, 2008.

Amended: F. Oct. 14, 2010; eff. Nov. 3, 2010.

Amended: Sep. 16, 2011; eff. October 6, 2011.

Rule 560-7-8-.49. Seed-Capital Fund Tax Credits.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of tax credits under O.C.G.A. §§ [48-7-40.27](#) and [48-7-40.28](#).
- (2) **Research Fund.** O.C.G.A. §§ [48-7-40.27](#) and [48-7-40.28](#) to gether create a maximum of one research fund which is used for purposes of both O.C.G.A. §§ [48-7-40.27](#) and [48-7-40.28](#).
- (3) **Tax Credits for Qualified Investments under O.C.G.A. § [48-7-40.27](#).** The tax credit under O.C.G.A. § [48-7-40.27](#) shall be granted to a taxpayer for any qualified investment in the research fund made on or after July 1, 2008.
 - (a) Credit amount. The amount of the tax credit granted to a taxpayer shall be equal to 25 percent of the taxpayer's qualified investment.
 - (b) Certification. Prior to claiming the seed-capital fund tax credit for any qualified investment in the research fund, the qualified investment must be certified by the research fund. This certification must be attached to Form IT-SCF when claiming the credit.
 - (c) Credit limitation. Once qualified investments in the research fund reach \$30 million in private investments, private investments will no longer be eligible for the credit.
 - (d) Qualified Investment. No taxpayer shall be eligible to claim the tax credits under O.C.G.A. § [48-7-40.27](#) for a cash investment if they claim the tax credit provided in O.C.G.A. § [48-7-40.28](#) for such cash investment.
 - (e) Annual Report. The research fund shall provide the Department, at least on an annual basis, a report that includes the taxpayer's name, the last four digits of the taxpayer's social security number or the employer identification number, as appropriate, and the amount of the taxpayer's qualified investment for which the research fund has issued to such taxpayer the certification pursuant to O.C.G.A. § [48-7-40.27](#). Such report shall also include copies of each certification issued during the reporting year. The research fund shall file this report with the Department no later than January 31 of the year following the end of the reporting year.
- (4) **Tax Credits for Qualified Investments under O.C.G.A. § [48-7-40.28](#).** The tax credit under O.C.G.A. § [48-7-40.28](#) shall be granted to a taxpayer for any qualified investment made on or after July 1, 2008, in a legal entity in which the research fund has invested.
 - (a) Credit Amount. The amount of the tax credit granted to a taxpayer shall be equal to 10 percent of the taxpayer's qualified investment.

- (b) **Certification.** Prior to claiming the seed-capital fund tax credit for any qualified investment in a legal entity in which the research fund has invested, the qualified investment must be certified by the research fund. This certification must be attached to Form IT-SCF when claiming the credit.
 - (c) **Credit limitation.** Once the total amount of qualified investments in legal entities that the research fund has invested in reaches \$75 million, investments will no longer be eligible for the credit.
 - (d) **Qualified Investment.** A taxpayer cannot claim the tax credit provided under O.C.G.A. § [48-7-40.28](#) for a cash investment into the research fund.
 - (e) **Annual Report.** The research fund shall provide the Department, at least on an annual basis, a report that includes the taxpayer's name, the last four digits of the taxpayer's social security number or the employer identification number, as appropriate, and the amount of the taxpayer's qualified investment for which the research fund has issued to such taxpayer the certification pursuant to O.C.G.A. § [48-7-40.28](#). Such report shall also include copies of each certification issued during the reporting year. The research fund shall file this report with the Department no later than January 31 of the year following the end of the reporting year.
- (5) **Claiming tax credits under O.C.G.A. §§ [48-7-40.27](#) and [48-7-40.28](#).** Any taxpayer seeking to claim tax credits under O.C.G.A. § [48-7-40.27](#) and /or § [48-7-40.28](#) must submit Form IT-SCF and certification(s) issued by the research fund with the taxpayer's Georgia income tax return each year in which tax credits are claimed.
- (6) **Carry Forward.** Any credit which is claimed under O.C.G.A. § [48-7-40.27](#) or § [48-7-40.28](#) but not used in a taxable year may be carried forward for a maximum of ten years.
- (7) **Pass-Through Entities.** When the taxpayer is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners in the same manner as they would account for their proportionate shares of income or loss from such entities. The credit forms will initially be filed with the tax return of the taxpayer to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2009. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2009 tax year.
- (8) **Effective Date.** The effective date for this regulation is July 1, 2008.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.49

Authority: O.C.G.A. Secs. [48-2-12](#), [48-7-40.27](#), [48-7-40.28](#).

History. Original Rule entitled "Seed-Capital Fund Tax Credits" adopted. F. Aug. 20, 2009; eff. Sept. 9, 2009.

Rule 560-7-8-.50. Conservation Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credit under O.C.G.A. § [48-7-29.12](#).
- (2) **Coordination of Agencies.** The Department of Natural Resources (DNR) is the state agency responsible for determining that the qualified donation under O.C.G.A. § [48-7-29.12](#) is suitable for two conservation purposes and meets the additional requirements provided by O.C.G.A. § [48-7-29.12\(c\)](#). The State Properties Commission is the state agency responsible for approving the appraisal amount submitted or for recommending a lower appraisal amount based on its review.
- (3) **Definition.** "Tax parcel" means adjacent or contiguous real property with common ownership valued as a unit by the county tax assessor.
- (4) **Credit Amount.** Except as otherwise provided in this regulation, a taxpayer shall be granted a tax credit for each qualified donation under O.C.G.A. § [48-7-29.12](#) in an amount not to exceed the lesser of: \$500,000, or 25 percent of the fair market value of the donated real property as fair market value is established for the year in which the donation occurred, or 25 percent of the difference between the fair market value and the amount paid to the donor if the donation is effected by a sale of property for less than fair market value as established for the year in which the donation occurred.
 - (a) **Credit Amount for a Partnership.** If the taxpayer is a partnership, the partnership shall be granted a tax credit for each qualified donation of real property for conservation purposes in an amount not to exceed the lesser of: \$500,000, or 25 percent of the fair market value of the donated real property as fair market value is established for the year in which the donation occurred, or 25 percent of the difference between the fair market value and the amount paid to the donor if the donation is effected by a sale of property for less than fair market value as established for the year in which the donation occurred.
- (5) **Per Taxpayer Credit Limitation.** The credit amount allowed under paragraph (4) of this regulation shall be further limited for each taxpayer for a taxable year and shall not exceed the following amounts:
 - (a) **Entity Limit.** \$500,000 for an entity with respect to tax liability determined under O.C.G.A. § [48-7-21](#). This limit applies to a return filed by a C-Corporation, S-Corporation with an entity level income tax liability, and to each return filed by partners in a partnership where such partners are C-Corporations or S-Corporations with an entity level income tax liability.

- (b) **Other Limit.** \$250,000 with respect to tax liability determined under O.C.G.A. § [48-7-20](#). This limit applies to a return filed by an individual or a married couple filing a joint return, a return filed by a trust or an estate, and each return filed by partners in a partnership, members of a limited liability company, and shareholders of an S-Corporation where such partners, members, or shareholders are individuals, trusts, or estates.
1. **Example 1 of Credit Amount and Per Taxpayer Credit Limitations.** A taxpayer donates real property for conservation purposes. The taxpayer is a partnership composed of two partners: Partner A owns 60% and is an S-Corporation (with no entity level income tax liability) composed of one individual shareholder, shareholder C; Partner B owns 40% and is an individual taxpayer. The fair market value of the donated property, which is not effected by a sale of property for less than fair market value, is \$5 million. The credit amount for the partnership is \$500,000 (because \$500,000 is less than \$1,250,000, which is 25 percent of the fair market value). Partner A's (an S-Corporation) credit amount is \$300,000. Shareholder C's credit amount is \$250,000 (due to an individual credit limit of \$250,000). Partner B's (individual taxpayer) credit amount is \$200,000.
 2. **Example 2 of Credit Amount and Per Taxpayer Credit Limitations.** A taxpayer donates real property for conservation purposes. The taxpayer is a limited liability company treated as a partnership for tax purposes, composed of three individual members: Member A owns 80 percent, members B and C each own 10 percent. The fair market value of the donated property, which is not effected by a sale of property for less than fair market value, is \$3 million. The credit amount for the limited liability company is \$500,000 (because \$500,000 is less than \$750,000, which is 25 percent of the fair market value). Member A's credit amount is \$250,000 (due to an individual credit limit of \$250,000). The credit amount for Members B and C is \$50,000.
- (6) **Qualified Donation Limitation.** Only one qualified donation may be made with respect to any real property that was, in the five years prior to the year of the donation, within the same tax parcel of record, except that a subsequent donation may be made by a person who is not a related person with respect to any prior eligible donors of any portion of such tax parcel. There must be five years between each donation year in the case of a phased easement. For example, a donation is made in year 1. The five intervening years are years two through six. A donation would be allowed in year seven. This is allowed even when the evidence of the easement might remain as part of the same deed filing because once the easement is contributed its value is removed and it then is not part of the same tax parcel of record.
- (7) **Credit Cap.** Beginning with qualified donations occurring on or after January 1, 2016, the total amount of tax credits preapproved under O.C.G.A. § [48-7-29.12](#) and this

regulation shall not exceed \$30 million per calendar year. Beginning with qualified donations occurring on or after June 1, 2022, and ending on December 31, 2026, the total amount of tax credits preapproved under O.C.G.A. § [48-7-29.12](#) and this regulation shall not exceed \$4 million per calendar year.

- (8) **Preapproval of the Credit.** Any taxpayer seeking preapproval to claim a tax credit under O.C.G.A. § [48-7-29.12](#) for a qualified donation that occurs on or after January 1, 2016, must submit the appropriate forms to the Department through the Georgia Tax Center as provided in this paragraph. Before submitting an application to the Department of Revenue, the taxpayer shall have completed the donation, received the State Property Commission's determination, and certification from DNR. The taxpayer must apply for preapproval for the calendar year for which the qualified donation occurred.
- (a) **Application.** A taxpayer seeking preapproval to claim the tax credit under O.C.G.A. § [48-7-29.12](#) must electronically submit Form IT-CONSV-AP, the appraisal of the donated property, certification from DNR, and the State Property Commission's determination for approval through the Georgia Tax Center.
 - (b) **Notification.** The Department will notify each taxpayer of the tax credits preapproved and allocated to such taxpayer.
 - (c) **Allocation of Tax Credit.** The Commissioner shall allow the tax credit under O.C.G.A. § [48-7-29.12](#) on a first-come, first-served basis. The date the Form IT-CONSV-AP is electronically submitted shall be used to determine such first-come, first-served basis.
 - (d) **Applications received on the day the maximum credit amount is reached.** In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limit in paragraph (7) of this regulation, then the tax credits shall be allocated among the taxpayers who submitted Form IT-CONSV-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-29.12](#) and this regulation. Only credit amounts on applications received on the day the maximum aggregate limit was exceeded will be allocated on a pro rata basis.
 - (e) **Once the calendar year preapproval limit is reached for a calendar year,** taxpayers shall no longer be eligible for a credit under O.C.G.A. § [48-7-29.12](#) for a qualified donation that occurred during such calendar year. If any Form IT-CONSV-AP is received after the calendar year limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
 - (f) **Any amount preapproved under this paragraph is subject to the limitations of** paragraph (5) of this regulation.
 - (g) **In the event it is determined that the taxpayer has not met all the requirements of** O.C.G.A. § [48-7-29.12](#) and this regulation, then the amount of credits shall not be preapproved or the preapproved credits shall be retroactively denied. With respect

to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.

- (9) **Claiming the conservation tax credit.** Any taxpayer claiming the conservation tax credit for a qualified donation that occurred before January 1, 2016, must submit Form IT-CONSV, certification(s) from DNR, the State Property Commission's determination, and the appraisal of the donated property with the taxpayer's Georgia income tax return in the tax year in which the qualified donation occurred; Form IT-CONSV must be submitted with the Georgia income tax return each year the credit is claimed. Any taxpayer claiming the conservation tax credit for a qualified donation that occurs on or after January 1, 2016, must submit Form IT-CONSV with the taxpayer's Georgia income tax return each year the conservation tax credit is claimed.
- (10) **Carry Forward.** Any credit which is claimed but not used in a taxable year shall be allowed to be carried forward to apply to the taxpayer's succeeding ten years' tax liability (five years' tax liability for credits earned in taxable years beginning before January 1, 2008). However, the amount in excess of the annual dollar limits specified in paragraph (5) of this regulation shall not be eligible for carryover to the taxpayer's succeeding years' tax liability nor shall such excess amount be claimed by, reallocated to, or transferred or sold to any other taxpayer.
- (11) **Joint Tenancy, Tenancy in Common, and Similar Groups.** When owners of real property included in a joint tenancy, tenancy in common, or similar group make a qualified donation, the tax credits will be allocated to each owner based on that owner's ownership percentage of the donated real property.
- (12) **Add Back Federal Deduction.** For qualified donations made in taxable years beginning on or after January 1, 2013, no credit shall be allowed under O.C.G.A. § [48-7-29.12](#) with respect to any amount deducted from taxable net income by the taxpayer as a charitable contribution.
 - (a) Example 1. A taxpayer claims a \$100,000 charitable deduction on their federal return. The taxpayer is allowed a \$25,000 state tax credit ($\$100,000 \times 25\%$). The taxpayer must add back \$100,000 of the charitable contribution deduction on their Georgia return.
 - (b) Example 2. A taxpayer claims a \$100,000 charitable deduction on their federal return in year 1 but due to federal limitations is only allowed to deduct \$25,000 in year 1 and \$75,000 in year 2. The taxpayer is allowed a \$25,000 state tax credit ($\$100,000 \times 25\%$). The taxpayer must add back \$25,000 in year 1 and \$75,000 in year 2 of the charitable contribution deduction on their Georgia returns.
 - (c) Example 3. A taxpayer claims a \$2,000,000 charitable deduction on their federal return. The taxpayer computes a \$500,000 state tax credit ($\$2,000,000 \times 25\%$) before considering the per taxpayer credit limitation. After considering the per

taxpayer credit limitation, the taxpayer is allowed a \$250,000 state tax credit. The taxpayer must add back \$1,000,000 of the charitable contribution deduction on their Georgia return ($\$250,000 / 25\%$).

- (d) Example 4. A taxpayer claims a \$2,000,000 charitable deduction on their federal return in year 1 but due to federal limitations is allowed to deduct \$750,000 in year 1 and \$1,250,000 in year 2. The taxpayer computes a \$500,000 state tax credit ($\$2,000,000 \times 25\%$) before considering the per taxpayer credit limitation. After considering the per taxpayer credit limitation, the taxpayer is allowed a \$250,000 state tax credit. The taxpayer must add back a total of \$1,000,000 of the charitable contribution deduction on their Georgia returns ($\$250,000 / 25\%$). The taxpayer must add back \$750,000 in year 1 and \$250,000 in year 2 on their Georgia returns.
- (13) **Pass-Through Entities.** When the taxpayer is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage and the limitations of this regulation. The credit forms will initially be filed with the tax return of the taxpayer to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2014. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2014 tax year.
- (14) **Selling or Transferring the Conservation Tax Credit.** Beginning on January 1, 2012, a taxpayer may sell or transfer in whole or in part any conservation tax credit, previously claimed but not used by such taxpayer against its income tax, to another Georgia taxpayer subject to the following conditions:
- (a) For qualified donations made in taxable years beginning on or after January 1, 2013, the taxpayer may only make a one-time sale or transfer of conservation tax credits earned in each taxable year. However, the sale or transfer may involve more than one transferee. For example, taxpayer 1 earns a \$50,000 credit in year 1. In year 2 they sell \$20,000 of the credit to taxpayer 2. In year 3 they are allowed to sell the remaining \$30,000 of the credit to taxpayer 3. However, both taxpayer 2 and taxpayer 3 are not allowed to resell the credit since the credit can only be sold one-time.
 - (b) The conservation tax credit may be transferred before the tax return is filed by the taxpayer. However, the amount transferred cannot exceed the amount of the credit which will be claimed and not used on the income tax return of the transferor.

- (c) The taxpayer must file Form IT-TRANS "Notice of Tax Credit Transfer" with the Department of Revenue within 30 days of the transfer or sale of the conservation tax credit. With respect to any taxpayer which sells the credit on or after January 1, 2017, Form IT-TRANS must be submitted electronically to the Department of Revenue through the Georgia Tax Center or alternatively as provided in subparagraph (14)(c)1. With respect to such taxpayer, the Department of Revenue will not process any Form IT-TRANS submitted or filed in any other manner. If the taxpayer is a disregarded entity then Form IT-TRANS should be filed in the name of the owner of the disregarded entity but the certification from the Department of Natural Resources and Form IT-CONSV should be in the name of the disregarded entity.
 - 1. The web-based portal on the Georgia Tax Center. The taxpayer may provide selective information to a representative for the purpose of allowing the representative to submit Form IT-TRANS on their behalf on the Georgia Tax Center outside of a login. The provision of such information shall authorize the representative to submit such Form IT-TRANS. The representative must provide all information required by the web-based portal on the Georgia Tax Center to submit Form IT-TRANS.
- (d) The taxpayer must provide all required conservation tax credit detail and transfer information to the Department of Revenue. Failure to do so will result in the conservation tax credit being disallowed until the taxpayer complies with such requirements.
- (e) The carry forward period of the conservation tax credit for the transferee will be the same as it was for the taxpayer. This credit may be carried forward to apply to the taxpayer's succeeding ten years' tax liability (five years' tax liability for credits earned in taxable years beginning before January 1, 2008). For example: The taxpayer sells a conservation tax credit on May 15, 2013. This credit is based on a donation from calendar 2013 tax year. The credit may be claimed by the transferee on the 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, or 2023 return and the carry forward period for this credit will expire on December 31, 2023. This carry forward treatment applies regardless of whether it is being claimed by the taxpayer or the transferee.
- (f) A transferee shall have only such rights to claim and use the conservation tax credit that were available to the taxpayer at the time of the transfer. Thus, a transferee shall not have the right to subsequently transfer such credit since that right has been utilized by the transferor.

(15) How to sell or transfer the tax credit.

- (a) The taxpayer may sell or transfer the conservation tax credit directly to a Georgia taxpayer. A pass-through entity may make an election to sell or transfer the unused conservation tax credit earned in a taxable year at the entity level.

However, the amount of the credit that may be sold by a pass-through entity cannot exceed the amount that the shareholders, members, or partners would be allowed pursuant to paragraph (5) of this regulation for the year the qualified donation is made. To the extent the pass-through entity makes the election to sell the conservation tax credit at the entity level, the credit does not pass through to the shareholders, members, or partners. The elected amount is then subtracted proportionally from the amount each shareholder, member, or partner would receive.

1. Example: A taxpayer donates real property for conservation purposes. The taxpayer is a partnership composed of two partners: Partner A owns 75% and is an S-Corporation (with no entity level income tax liability) composed of two individual shareholders, shareholder C (75% ownership) and shareholder D (25% ownership); Partner B owns 25% and is an individual taxpayer. The fair market value of the donated property, which is not effected by a sale of property for less than fair market value, is \$5 million. The credit amount for the partnership is \$500,000 (because \$500,000 is less than \$1,250,000, which is 25 percent of the fair market value). Partner A's (an S-Corporation) credit amount is \$375,000. Shareholder C's credit amount is \$250,000 (reduced from the \$281,250 by the per taxpayer credit limitation), and Shareholder D's credit amount is \$93,750. Partner B's (individual taxpayer) credit amount is \$125,000. The taxpayer sells \$225,000 of the credit at the partnership level which leaves \$243,750 that will flow through. Shareholder C's credit is reduced by \$120,000 ($\$250,000 / \$468,750 \times \$225,000$) and therefore is entitled to a credit of \$130,000. Shareholder D's credit is reduced by \$45,000 ($\$93,750 / \$468,750 \times \$225,000$) and therefore is entitled to a credit of \$48,750. Partner B's credit is reduced by \$60,000 ($\$125,000 / \$468,750 \times \$225,000$) and therefore is entitled to a credit of \$65,000.
- (b) In all cases, the effect of the sale of the credit on the income of the seller and buyer of the credit will be the same as provided in the Internal Revenue Code.
- (c) Pass-Through Entity. The taxpayer may be structured as a pass-through entity. To the extent the pass-through entity does not make an election to sell or transfer the tax credit at the entity level as provided in paragraph (15) of this regulation, the tax credit will pass through to the shareholders, partners, or members of the entity based on their year ending profit/loss percentage and as provided in this regulation. The shareholders, members, or partners may then sell their respective conservation tax credit to a Georgia taxpayer.
- (d) Transferee Pass-through Entity. The taxpayer, or its shareholders, members, or partners, may sell or transfer the credit to a pass-through entity. The pass-through entity shall elect on behalf of its shareholders, members or partners which year the credit shall be passed through to its shareholders, members or partners (as

provided in subparagraph (15)(e) of this regulation). If the pass-through entity has no income tax liability of its own, the pass-through entity may then pass the credit through to its shareholders, members, or partners based on the pass-through entity's year ending profit/loss percentage for such elected year. For example, if a calendar year partnership is buying the credit earned by a taxpayer in the calendar year 2013 tax year and elects to use the credit in such year, then all of the partners receiving the credit must have been a partner in the partnership no later than the end of the 2013 tax year in which the credit was established. Only partners who have a profit/loss percentage as of the end of the applicable tax year may receive their respective amount of the conservation tax credit.

- (e) The credits are available for use by the transferee provided the time has not expired for filing a claim for refund of a tax or fee erroneously or illegally assessed and collected pursuant to O.C.G.A. § [48-2-35](#) as provided in subparagraphs 1. through 3. below, and provided that unused conservation tax credits earned in taxable years beginning before January 1, 2012 can only be claimed by the transferee in a taxable year beginning on or after January 1, 2012:
 - 1. In the transferee's tax year in which the income tax year of the taxpayer, which generates and claims the conservation tax credit for the qualified donation associated with the credit being sold, ends; or
 - 2. During any later tax year before the ten year carry forward period (five year carry forward period for credits earned in taxable years beginning before January 1, 2008) associated with the tax credit ends.
 - (i) Example: A taxpayer makes a qualified donation and claims the conservation tax credit in calendar year 2013. The taxpayer sells the conservation tax credit to a Georgia taxpayer in calendar 2014 tax year. The transferee Georgia taxpayer may claim the purchased conservation tax credit on either their 2013 return (transferee's tax year in which the income tax year of the taxpayer transferor ends) or their 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, or 2023 return (during any later tax year before the ten year carry forward associated with the tax credit ends).
 - 3. The transferee's tax credit amount cannot exceed the limits in paragraph (5) of this regulation in the year in which the qualified donation was made. Any tax credit amount that exceeds the limits in paragraph (5) of this regulation for the year in which the qualified donation was made cannot be claimed or transferred by the transferee in any tax year.
 - (i) Example: In 2013, an individual taxpayer makes a qualified donation, after applying the limits in paragraph (5) of this regulation the taxpayer claims the conservation tax credit for \$250,000 on their joint tax return. In 2015, this taxpayer purchases \$100,000

conservation tax credit from a qualified donation made in 2013. Since this taxpayer has already met the limits in paragraph (5) of this regulation for 2013, the taxpayer cannot claim the \$100,000 conservation tax credit in any tax year.

- (16) **Sunset Date.** The Department of Natural Resources shall accept no new applications for tax credits after December 31, 2026.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.50

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-29.12](#).

History. Original Rule entitled "Conservation Tax Credit" adopted. F. Jan. 26, 2009; eff. Feb. 15, 2009.

Amended: F. Dec. 14, 2011; eff. Jan. 3, 2012.

Amended: F. Oct. 12, 2012; eff. Nov. 1, 2012.

Amended: F. Nov. 17, 2015; eff. Dec. 7, 2015.

Amended: F. Nov. 1, 2016; eff. Nov. 21, 2016.

Amended: F. July 29, 2022; eff. Aug. 18, 2022.

Rule 560-7-8-.51. Quality Jobs Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the quality jobs tax credit under O.C.G.A. § [48-7-40.17](#).
- (2) **Definitions.** As used in this regulation:
- (a) **County average wage.** The term "county average wage" means the average wage of the county in which a new quality job is located as reported in the most recent annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor as specified in this regulation. For purposes of this definition, wages means the total dollars paid during the year to an employee, including but not limited to bonuses, incentive pay, and deductions from gross pay. As such, contributions by an employee to 401(k) plans, cafeteria plans, etc. shall be included in determining the wages. Wages does not mean contributions made by employers on behalf of employees to health insurance, retirement, or any other benefit program.
1. For all purposes of this regulation, bonuses shall be treated as being paid ratably during the months for which the job existed during the taxable year in which the bonus was paid.
- (b) **New quality job.** The term "new quality job" means employment for an individual located in this state which:
1. Has a regular work week of thirty (30) hours or more;

2. Is not a job that is or was already located in Georgia regardless of which taxpayer the individual performed services for;
 3. Pays at or above 110 percent of the county average wage. For purposes of determining the 110% requirement in years one through seven, the job must pay at or above 110% of the county average wage as reported in the most recent annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor that is available as of the last day of the tax year in which the taxpayer first elected jobs to qualify as new quality jobs; thus the 110% county average wage threshold remains constant over the life of the credit; and
 4. For a taxpayer that initially claimed the credit in a taxable year beginning before January 1, 2012, the job has no predetermined end date.
- (c) **Qualified investment property.** The term "qualified investment property" means all real and personal property purchased or acquired by a taxpayer for use in a qualified project, including, but not limited to, amounts expended on land acquisition, improvements, buildings, building improvements, and any personal property to be used in the facility or facilities. Any lease for a period of three years or longer of any real or personal property used in a new or expanded facility or facilities which would otherwise constitute qualified investment property shall be treated as the purchase or acquisition thereof by the lessee. The taxpayer may treat the full value of the leased property as qualified investment property in the year in which the lease becomes binding on the lessor and the taxpayer.
- (d) **Qualified investment property requirement.** The term "qualified investment property requirement" means the requirement that a minimum of \$2.5 million in qualified investment property will have been purchased or acquired by the taxpayer to be used with respect to a qualified project. Such qualified investment property must be placed in service by the end of the two-year period specified in subparagraph (4)(b) of this regulation.
- (e) **Qualified project.** The term "qualified project" means a project which meets the qualified investment property requirement and which involves the lease or construction of one or more new facilities in this state or the expansion of one or more existing facilities in this state. For purposes of this definition, the term "facilities" means all facilities comprising a single project, including noncontiguous parcels of land, improvements to such land, buildings, building improvements, and any personal property that is used in the facility or facilities.
- (f) **Project.** The term "project" is defined in Department of Revenue Regulation [560-7-8-.37](#).

- (g) **Rural County.** The term "rural county" means a county that has a population of less than 50,000 with 10 percent or more of such population living in poverty based upon the most recent, reliable, and applicable data published by the United States Bureau of the Census. On or before December 31, of each year, the Commissioner of the Department of Community Affairs shall publish a list of such counties.
 - (h) **Taxpayer.** For a taxpayer that initially qualifies to claim the credit in a taxable year beginning on or after January 1, 2016, the term "taxpayer" means any person required by law to file a return or to pay taxes, except that any taxpayer may elect to consider the jobs within its disregarded entities, as defined in the Internal Revenue Code, for purposes of calculating the number of new quality jobs created by the taxpayer. Such election shall be irrevocable and must be made on the initial qualifying return (on Form IT-QJ) or within one year of the earlier of the date the initial qualifying return was filed or the date such return was due, including extensions. In the event such election is made, such disregarded entities shall not be separately eligible for the credit.
- (3) **Transferred jobs do not qualify.** New quality jobs must be new to the state of Georgia. Jobs that are transferred from other Georgia locations of the taxpayer, or from other Georgia locations of an affiliate of the taxpayer, would not be jobs that are new to the state of Georgia. However, an employee in a new quality job may be employed at a temporary location in this state pending completion of construction or renovation work.
- (4) **Establishing eligibility for the credit.**
- (a) A taxpayer must establish new quality jobs or relocate new quality jobs in a taxable year that begins on or after January 1, 2009. If the taxpayer first withholds wages for new quality jobs in this state (pursuant to Code Section [48-7-101](#)) on a date in a taxable year beginning before January 1, 2017, the taxpayer is required to employ at least fifty (50) persons in new quality jobs within one year from the first date on which the taxpayer withholds wages for new quality jobs in this state (pursuant to Code Section [48-7-101](#)). For purposes of determining the start of such one year period, the taxpayer shall elect the month in which they want jobs to qualify as new quality jobs. When the number of new quality jobs in a particular month, during such one year period, exceeds the monthly average of new quality jobs that existed in the prior twelve month period by fifty (50), such requirement shall be met. Taxpayers who were not located in Georgia during the prior twelve month period shall use a prior twelve month period average of zero.
 - 1. For purposes of such prior twelve month determination:
 - (i) The number of new quality jobs for each month in such period shall be computed by determining the number of jobs that would have met the definition of new quality jobs (except for the requirement that the job be new to Georgia) even if a portion of such prior twelve month

period occurs before the tax year that begins on or after January 1, 2009; and

- (ii) For purposes of determining the 110% requirement for any months that occurred in the prior taxable year, the job must have paid at or above 110% of the county average wage as reported in the most recent annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor that is available as of the last day of the prior taxable year.

- 2. Example: A calendar year taxpayer elects to have jobs qualify as new quality jobs in July of 2009. The average number of new quality jobs from July 2008 until June 2009 is 89. In August of 2009 the taxpayer has 140 new quality jobs and therefore meets the 50 new quality jobs requirement ($140 - 89 = 51$). Accordingly, the taxpayer may claim the credit in the tax year ending 12/31/09.

- (b) Except as provided in subparagraphs (4)(c) and (4)(d) of this regulation if the taxpayer first withholds wages for new quality jobs on a date in a taxable year beginning on or after January 1, 2017, the taxpayer is required to employ at least fifty (50) persons in new quality jobs within two years from the first date on which the taxpayer withholds wages for new quality jobs in this state (pursuant to Code Section [48-7-101](#)). For purposes of determining the start of such two year period, the taxpayer shall elect the month in which they want jobs to qualify as new quality jobs. When the number of new quality jobs in a particular month, during such two year period, exceeds the monthly average of new quality jobs that existed in the prior twelve month period prior to the start of the two year period by fifty (50), such requirement shall be met. Taxpayers who were not located in Georgia during the prior twelve month period shall use a prior twelve month period average of zero.

- 1. For purposes of such prior twelve month determination:

- (i) The number of new quality jobs for each month in such period shall be computed by determining the number of jobs that would have met the definition of new quality jobs (except for the requirement that the job be new to Georgia) even if a portion of such prior twelve month period occurs before the tax year that begins on or after January 1, 2017; and
- (ii) For purposes of determining the 110% requirement for any months that occurred in the prior taxable year, the job must have paid at or above 110% of the county average wage as reported in the most recent annual issue of the Georgia Employment and Wages

Averages Report of the Department of Labor that is available as of the last day of the prior taxable year.

2. Example: A calendar year taxpayer elects to have jobs qualify as new quality jobs in January of 2017. The average number of new quality jobs from January 2016 until December 2016 is 109. In August of 2018 the taxpayer has 160 new quality jobs and therefore meets the 50 new quality jobs requirement ($160-109=51$). Accordingly, the taxpayer may claim the credit in the tax year ending 12/31/2018.
- (c) If the taxpayer first withholds wages for new quality jobs on a date in a taxable year beginning on or after January 1, 2020, the taxpayer is only required to employ at least ten (10) persons in new quality jobs within a single rural county within one year from the first date on which the taxpayer withholds wages for new quality jobs in this state (pursuant to Code Section [48-7-101](#)), provided that such county is designated as a tier 1 county by the Commissioner of Community Affairs in accordance with Code Section [48-7-40](#). For purposes of determining the start of such one year period, the taxpayer shall elect the month in which they want jobs to qualify as new quality jobs. When the number of new quality jobs in a particular month, during such one year period, exceeds the monthly average of new quality jobs that existed in the prior twelve month period by ten (10), such requirement shall be met. Taxpayers who were not located in Georgia during the prior twelve month period shall use a prior twelve month period average of zero.
1. For purposes of such prior twelve month determination:
 - (i) The number of new quality jobs for each month in such period shall be computed by determining the number of jobs that would have met the definition of new quality jobs (except for the requirement that the job be new to Georgia) even if a portion of such prior twelve month period occurs before the tax year that begins on or after January 1, 2020; and
 - (ii) For purposes of determining the 110% requirement for any months that occurred in the prior taxable year, the job must have paid at or above 110% of the county average wage as reported in the most recent annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor that is available as of the last day of the prior taxable year.
 2. Example: A calendar year taxpayer elects to have jobs qualify as new quality jobs in July of 2020. The average number of new quality jobs from July 2019 until June 2020 is 60. In August of 2020 the taxpayer has 71 new quality jobs in a rural county that is in a tier 1 county and therefore meets

the 10 new quality jobs requirement ($71-60=11$) for a rural county located in a tier 1 county. Accordingly, the taxpayer may claim the credit in the tax year ending 12/31/2020.

- (d) If the taxpayer first withholds wages for new quality jobs on a date in a taxable year beginning on or after January 1, 2020, the taxpayer is only required to employ at least twenty-five (25) persons in new quality jobs within a single rural county within one year from the first date on which the taxpayer withholds wages for new quality jobs in this state (pursuant to Code Section [48-7-101](#)), provided that such county is designated as a tier 2 county by the Commissioner of Community Affairs in accordance with Code Section [48-7-40](#). For purposes of determining the start of such one year period, the taxpayer shall elect the month in which they want jobs to qualify as new quality jobs. When the number of new quality jobs in a particular month, during such one year period, exceeds the monthly average of new quality jobs that existed in the prior twelve month period by twenty-five (25), such requirement shall be met. Taxpayers who were not located in Georgia during the prior twelve month period shall use a prior twelve month period average of zero.

1. For purposes of such prior twelve month determination:

- (i) The number of new quality jobs for each month in such period shall be computed by determining the number of jobs that would have met the definition of new quality jobs (except for the requirement that the job be new to Georgia) even if a portion of such prior twelve month period occurs before the tax year that begins on or after January 1, 2020; and
- (ii) For purposes of determining the 110% requirement for any months that occurred in the prior taxable year, the job must have paid at or above 110% of the county average wage as reported in the most recent annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor that is available as of the last day of the prior taxable year.

2. Example: A calendar year taxpayer elects to have jobs qualify as new quality jobs in July of 2020. The average number of new quality jobs from July 2019 until June 2020 is 50. In August of 2020 the taxpayer has 76 new quality jobs in a rural county located in a tier 2 county and therefore meets the 25 new quality jobs requirement ($76-50=26$) in a rural county located in a tier 2 county. Accordingly, the taxpayer may claim the credit in the tax year ending 12/31/2020.

- (e) In the taxable year in which the taxpayer first employs the required number of persons in new quality jobs under this paragraph, the taxpayer shall be entitled to

claim the quality jobs tax credit even if the average number of new quality jobs is less than the required number of new quality jobs under this paragraph for such taxable year. However, in subsequent taxable years the average number of new quality jobs must be at least the required number of new quality jobs under this paragraph for a taxable year in order for the new quality jobs to be claimed. If such required average number of new quality jobs requirement is not met, the taxpayer shall forfeit the right to claim the credit for such jobs in such taxable year. However, if in a subsequent taxable year such required average number of new quality jobs requirement is met, the taxpayer may continue taking the credit and shall resume the credit schedule from when the credit was initially claimed.

- (f) Once the taxpayer has determined under subparagraph (4)(a), (4)(b), (4)(c), or (4)(d) of this regulation that they qualify for the credit, the new quality jobs are determined for a taxable year by computing the average number of new quality jobs subject to Georgia income tax withholding for the taxable year and subtracting from this number the average number of new quality jobs in the prior taxable year.
 - 1. These averages shall be determined by the following method:
 - (i) For each month of the taxable year, count the total number of new quality jobs that are subject to Georgia income tax withholding as of the last payroll period of the month (each job must individually meet the definition of new quality job as provided in subparagraphs (2)(b)1., 3., and 4. of this regulation and cannot have been, for any time before the taxpayer first elects to have jobs qualify as new quality jobs, a job that is or was already located in Georgia regardless of which taxpayer the individual performed services for).
 - (ii) Add the monthly totals of new quality jobs (each job must individually meet the definition of new quality job as provided in subparagraphs (2)(b)1., 3., and 4. of this regulation and cannot have been, for any time before the taxpayer first elects to have jobs qualify as new quality jobs, a job that is or was already located in Georgia regardless of which taxpayer the individual performed services for).
 - (iii) Divide the results by the number of months in the taxable year.
 - 2. However, for the initial year the new quality jobs credit is claimed (year one) the increase in new quality jobs is determined for such taxable year by computing the average number of new quality jobs subject to Georgia income tax withholding for the taxable year in the manner specified above and subtracting from this number the average number of new quality jobs in the prior twelve month period as determined in subparagraph (4)(a), (4)(b), (4)(c), or (4)(d) of this regulation.

3. Example: Taxpayer elects to have jobs qualify as new quality jobs in July of 2009. The prior twelve month period average number of jobs from July 2008 until June 2009 is 89. In August of 2009 the taxpayer meets the 50 new quality jobs requirement because they have 140 jobs ($140-89=51$) so the tax year ending 12/31/09 will be the taxpayer's year one. Assume the average number of new quality jobs from January 2009 to December 2009 is 132. The taxpayer is eligible to claim credits for 43 new quality jobs ($132-89$) in year one. Assume the average number of new quality jobs from January 2010 to December 2010 is 180. The taxpayer is eligible to claim 48 new quality jobs in year two ($180-132$) and the 43 new quality jobs maintained from year one.
4. Example: Taxpayer elects to have jobs qualify as new quality jobs in January of 2017. The prior twelve month period average number of jobs from January 2016 until December 2016 is 109. In August of 2018 the taxpayer meets the 50 new quality jobs requirement because they have 160 jobs ($160-109=51$) so the tax year ending 12/31/2018 will be the taxpayer's year one. Assume the average number of new quality jobs from January 2018 to December 2018 is 158. The taxpayer is eligible to claim credits for 49 new quality jobs ($158-109$) in year one. Assume the average number of new quality jobs from January 2019 to December 2019 is 240. The taxpayer is eligible to claim 82 new quality jobs in year two ($240-158$) and 49 new quality jobs maintained from year one.

(g) Other credits.

1. The taxpayer must elect not to receive the tax credits provided for by Code Sections [48-7-40](#) and [48-7-40.1](#) for such jobs. This election is deemed to have been made when the taxpayer claims the quality jobs tax credit on its state income tax return. Taxpayers may not alternatively claim the jobs credit provided by Code Sections [48-7-40](#) and [48-7-40.1](#) and the quality jobs tax credit with respect to such jobs. These credits are not interchangeable. Jobs for which the job tax credit is claimed under Code Sections [48-7-40](#) and [48-7-40.1](#) shall be excluded from all calculations for the quality jobs tax credit under this regulation.
2. The taxpayer must elect not to receive the tax credits provided for by Code Sections [48-7-40.2](#), [48-7-40.3](#), [48-7-40.4](#), [48-7-40.7](#), [48-7-40.8](#), and [48-7-40.9](#) for such project. This election is deemed to have been made when the taxpayer claims the quality jobs tax credit on its state income tax return. Taxpayers cannot alternatively elect to claim the investment tax credit or the optional investment tax credit in one year and the quality jobs tax credit in the next year for a given project. These credits are not interchangeable.

Taxpayers may elect to take only one of the investment, optional investment, or quality jobs tax credit for a given project.

- (5) **Credit amount per new quality job created in the same tax year.** A taxpayer that has established eligibility for the quality jobs tax credit shall receive the same credit amount for each new quality job created in the same tax year. The credit amount is as follows and is based on a comparison of the average weekly wage for all new quality jobs in both prior and subsequent seven-year periods (determined below in subparagraph (5)(c) of this regulation) with the county average wage, as reported in the most recent annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor that is available as of the last day of the taxable year in which the new quality jobs were created:

Average Weekly Wage/County Average Wage Credit Amount

110% but less than 120%	\$2,500
120% but less than 150%	\$3,000
150% but less than 175%	\$4,000
175% but less than 200%	\$4,500
200% or more	\$5,000

- (a) Credit for new quality jobs created in year one may be claimed in year one and may also be claimed for each of the four immediately succeeding taxable years, provided the new quality jobs are maintained in each year, and provided that the average number of new quality jobs required in subparagraph (4)(e) of this regulation are maintained in each year. The credit amount for new quality jobs created in the same tax year must be recalculated each year for the four immediately succeeding taxable years using the applicable county average wage (from the year in which the new quality jobs were created).
- (b) **Credit amount for additional new quality jobs created in years two through seven.** Additional new quality jobs means those new quality jobs created in years two through seven that increase the monthly full-time employment average for such years above the monthly full-time employment average for year one. The credit amount for additional new quality jobs created in years two through seven shall be determined by using the applicable county average wage from the year in which the additional new quality jobs are created.
- (c) The average weekly wage for all new quality jobs in a taxable year shall be calculated using the following method:
1. Aggregate the actual wages paid for all new quality jobs in that taxable year.
 2. Divide the result by the average number of all new quality jobs.

3. Divide the result by 52 to arrive at the average weekly wage paid to each new quality job.
- (d) The average weekly wage shall then be compared to the county average wage from the year in which the new quality jobs were deemed created.
 - (e) Example: Taxpayer creates 50 new quality jobs in year one. The average weekly wage paid for each of these 50 jobs is \$725. The county average wage is \$652. Taxpayer creates 20 additional new quality jobs in year two which results in 70 new quality jobs that are eligible for the credit. The average weekly wage paid for each of these 70 jobs is \$785. The county average wage for year two is \$660.
 1. Year One: Since the taxpayer's "average weekly wage/county average wage" for year one is 111% ($\$725/\652), which is between 110% and 120% of the county average wage, the taxpayer will be eligible to claim a credit of \$2,500 for each of the 50 new quality jobs. The taxpayer's credit amount for year one is \$125,000.
 2. Year Two:
 - (i) Jobs created in year one: The taxpayer will be eligible to claim a credit amount of \$3,000 for the year one 50 new quality jobs deemed maintained in year two since the "average weekly wage/county average wage" is 120% ($\$785/\652) ($\text{credit}=\$3,000 \times 50 \text{ new quality jobs}=\$150,000$).
 - (ii) Jobs created in year two: Since the taxpayer's "average weekly wage/county average wage" for year two is 119% ($\$785/\660), which is between 110% and 120% of the county average wage, the taxpayer will be eligible to claim a credit of \$2,500 for each of the 20 new quality jobs deemed created in year two ($\text{credit}=\$2,500 \times 20 \text{ new quality jobs}=\$50,000$).
 - (iii) The taxpayer's total credit amount for year two is $\$150,000 + \$50,000=\$200,000$.
 - (f) **Credit amount for a taxpayer with new quality jobs in more than one county.** If a taxpayer qualifies for the quality jobs tax credit and has new quality jobs located in different counties, for each year jobs are created, a weighted county average wage for the counties must be computed to calculate the credit amount. If a taxpayer creates a subsequent seven-year job creation period under paragraph (8) of this regulation and the new qualified project is located in a different county than the previous seven-year job creation period counties, all new quality jobs created in such subsequent seven-year job creation period shall be treated as being created in such different county and as such this subparagraph shall not apply. First, the

average wage for each county, as reported in the most recent annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor that is available as of the last day of the taxable year in which the new quality jobs were deemed created, must be multiplied by a ratio. The numerator of the ratio consists of the total new quality jobs in the county created in such year and the denominator of the ratio consists of the total new quality jobs created in such year in all counties. Once this multiplication is done for all counties, the resulting amounts should be added together to arrive at the weighted county average wage for the counties. The weighted county average wage for each year jobs are created is compared to the average weekly wage for all new quality jobs to determine the taxpayer's credit amount in the same manner as provided in paragraph (5) of this regulation. Such weighted county average wage is not used to determine if the job is a new quality job.

- (6) **Computation of the quality jobs tax credit based on twelve month periods only.** In years two through seven, a taxpayer must compute increases and decreases in full-time jobs on the basis of twelve month periods only, even when the taxpayer has taxable years that are not equal to twelve months. This may cause the quality jobs tax credit calculation period to be different from the tax year of the taxpayer.
- (7) **Claiming the credit.** The quality jobs tax credit shall be claimed on an income tax return for the first taxable year in which the taxpayer first becomes eligible for the credit. The quality jobs tax credit must be claimed within one year of the earlier of the date the original return was filed or the date such return was due, including extensions.
 - (a) **Income tax.** For a taxpayer to claim the quality jobs tax credit, the taxpayer must submit Form IT-QJ and a listing of new quality jobs employees, which includes the name of the employee, the last four digits of the employee's social security number, wages, and any other information that the Commissioner may request, with the taxpayer's Georgia income tax return. A software program's Form IT-QJ that is electronically filed with the Georgia income tax return in the manner specified by the Department satisfies this requirement.
 - (b) **Withholding tax.** A taxpayer may claim any excess quality jobs tax credit against its withholding tax liability. The withholding tax benefit may only be applied against the withholding tax account used by the taxpayer for payroll purposes. Unless an election is made pursuant to subparagraph (2)(h) of this regulation, in the event the entity that earned the credit is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company. A taxpayer must notify the commissioner each year of their irrevocable election to take all or a part of the credit against the quarterly or monthly withholding tax payments for such taxpayer. When this election is made, the excess quality jobs tax credit will not

pass through to the shareholders, partners, or members of the taxpayer if the taxpayer is a pass-through entity.

1. Notice of Intent. To claim any excess tax credit not used on the income tax return against the taxpayer's withholding tax liability, the taxpayer must file Revenue Form IT-WH through the Georgia Tax Center within thirty (30) days after the due date of the Georgia income tax return (including extensions) or within thirty (30) days after the filing of a timely filed Georgia income tax return, whichever occurs first. Failure to file this form as provided in this subparagraph will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in more than one taxable year, the election to claim the withholding credit will be available for the credit earned in such subsequent year. If an election is made pursuant to subparagraph (2)(h) of this regulation, the taxpayer shall each year include an attachment showing the amounts they want to use against the withholding liabilities of the taxpayer and each of its qualifying disregarded entities.
 2. Review Period. The Department of Revenue has one hundred twenty (120) days from the date the applicable Form IT-WH under subparagraph (7)(b)1. of this regulation is received to review the credit and make a determination of the amount eligible to be used against withholding tax.
 3. Letter of Eligibility. Once the review is completed, a letter will be sent to the taxpayer stating the tax credit amount which may be applied against withholding and when the taxpayer may begin to claim the tax credit against withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding tax payments and will not refund any previous withholding payments.
- (8) **Subsequent seven-year job creation period.** For taxable years beginning on or after January 1, 2017, a taxpayer may create a subsequent seven-year job creation period for a new qualified project in Georgia. In order to create the subsequent seven-year job creation period, the taxpayer must complete the creation of a qualified project in a taxable year beginning on or after January 1, 2017 and create 50 or more new quality jobs above its single previous high yearly average number of new quality jobs during any prior seven-year job creation period, at the site or sites of the qualified project or the facility or facilities resulting therefrom. A subsequent seven-year job creation period is subject to all the requirements of O.C.G.A. § [48-7-40.17](#) and this regulation.
- (a) A taxpayer that begins a subsequent seven-year job creation period must notify the Department by completing the applicable sections regarding a subsequent seven-year job creation period on Form IT-QJ.
 - (b) If a taxpayer begins a subsequent seven-year job creation period, existing new quality jobs generated under previous seven-year job creation periods shall

continue to be eligible for the quality jobs tax credit. New quality jobs created under a subsequent seven-year job creation period shall count toward the subsequent period. No new quality jobs may be created under previous periods of eligibility after a subsequent seven-year job creation period of eligibility has begun. New quality jobs created in a subsequent seven-year job creation period shall not be counted as additional new quality jobs under a previous seven-year job creation period. A taxpayer must maintain the number of new quality jobs created in previous seven-year job creation periods in order to claim new quality jobs in subsequent seven-year job creation periods. Therefore, to determine the number of new quality jobs in a particular year that are attributable to each seven-year job creation period, the taxpayer shall begin with the first seven-year job creation period and attribute to it new quality jobs up to the single high yearly average number of new quality jobs for that seven-year job creation period. Continue in that manner by attributing the remainder of new quality jobs to each subsequent seven-year job creation period from the oldest to the newest seven-year job creation period, up to the single high yearly average number of new quality jobs for each seven-year job creation period. The remainder of new quality jobs after all previous seven-year creation periods have been thus attributed shall be attributed to the most recent seven-year job creation period.

- (c) A taxpayer may create more than one subsequent seven-year job creation period.
- (d) If at the time a taxpayer begins a subsequent seven-year job creation period, the taxpayer had a year or years in the prior seven-year job creation period where the number of new quality jobs were below the single high yearly average number of new quality jobs, the taxpayer shall be allowed to make an irrevocable election to use the average number of new quality jobs for the completed years in the prior seven-year job creation period instead of the single high yearly average number of new quality jobs for all purposes under paragraph (8) of this regulation. Such election must be made on the initial qualifying return (on Form IT-QJ) or within one year of the earlier of the date the initial qualifying return was filed or the date such return was due, including extensions. If such election is made, the number of new quality jobs in the years subsequent to the completed years for the prior seven-year job creation period shall be deemed to not exceed the average number of new quality jobs for the completed years in the prior seven-year job creation period. New quality jobs over such average number shall be attributed to the subsequent seven-year job creation period as provided in paragraph (8) of this regulation.
- (e) For purposes of computing the credit amount per new quality job as provided in paragraph (5) of this regulation, the taxpayer shall compute the average weekly wage for all new quality jobs including those in any prior seven-year job creation period.

- (f) Form IT-QJ includes an example of how to attribute new quality jobs when a taxpayer begins a subsequent seven-year job creation period.
- (9) **Carry forward.** Any quality jobs tax credit which is claimed but not used in a taxable year may be carried forward for 10 years from the close of the taxable year in which the new quality jobs were created. For example, quality job tax credits created by an employment increase in year one, but not used in year one, may be carried forward to years two through eleven.
- (10) **Pass-through entities.** When the taxpayer is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage and the limitations of this regulation. The credit forms will initially be filed with the tax return of the taxpayer to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess quality jobs tax credit against their withholding tax liabilities. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2010. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2010 tax year.
- (11) **No waiver for a job already located in Georgia.** Since the definition of new quality job in O.C.G.A. § [48-7-40.17](#) requires that the job not be a job that is or was already located in Georgia, regardless of which taxpayer the individual performed services for, the Commissioner has no authority to grant a waiver of this requirement.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.51

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.17](#).

History. Original Rule entitled "Quality Jobs Tax Credit" adopted. F. Apr. 27, 2010; eff. May 17, 2010.

Amended: F. Aug. 21, 2012; eff. Sept. 10, 2012.

Amended: F. Oct. 11, 2016; eff. Oct. 31, 2016.

Amended: F. Oct. 5, 2017; eff. Oct. 25, 2017.

Amended: F. Dec. 13, 2019; eff. Jan. 2, 2020.

Rule 560-7-8-.52. Qualified Investor Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credit under O.C.G.A. § [48-7-40.30](#).
- (2) **Definitions.** As used in this regulation:

- (a) Headquarters. The term "headquarters" means the principal central administrative office of a business located in this state which conducts significant operations of such business.
- (b) Pass-Through Entity. The term "pass-through entity" means a partnership, an S-corporation, or a limited liability company taxed as a partnership.
- (c) Professional Services. The term "professional services" means those services specified in paragraph (2) of O.C.G.A. § [14-7-2](#) or any service which requires as a condition precedent to the rendering of such service the obtaining of a license from a state licensing board under Title 43 of the O.C.G.A.
- (d) Qualified Business. The term "qualified business" means a business that:
 - 1. Is either a corporation, limited liability company, or a general or limited partnership located in this state;
 - 2. Was organized no more than three years before the qualified investment was made;
 - 3. Has its headquarters located in this state at the time the investment was made and has maintained such headquarters for the entire time the qualified business benefited from the tax credit under O.C.G.A. § [48-7-40.30](#).
 - 4. Employs 20 or fewer people in this state at the time it is registered as a qualified business;
 - 5. Has had in any complete fiscal year before registration gross annual revenue as determined in accordance with the Internal Revenue Code of \$500,000.00 or less on a consolidated basis;
 - 6. Has not obtained during its existence more than \$1 million in aggregate gross cash proceeds from the issuance of its equity or debt investments, not including commercial loans from chartered banking or savings and loan institutions;
 - 7. Has not utilized the tax credit under O.C.G.A. § [48-7-40.26](#);
 - 8. Is primarily engaged in manufacturing, processing, online and digital warehousing, online and digital wholesaling, software development, information technology services, or research and development or is a business providing services other than those described in subparagraph (2)(d)9. of this regulation; and
 - 9. Does not substantially engage in any of the following:

- (i) Retail sales;
 - (ii) Real estate or construction;
 - (iii) Professional services;
 - (iv) Gambling;
 - (v) Natural resource extraction;
 - (vi) Financial, brokerage, or investment activities or insurance; or
 - (vii) Entertainment, amusement, recreation, or athletic or fitness activity for which an admission or membership is charged.
 - (viii) A business shall be substantially engaged in one of the above activities if its gross revenue from such activity exceeds 25 percent of its gross revenues in any fiscal year or it is established pursuant to its articles of incorporation, articles of organization, operating agreement or similar organizational documents to engage in such activity as one of its primary purposes.
- (e) **Qualified Investment.** The term "qualified investment" means an investment by a qualified investor of cash in a qualified business for common or preferred stock or an equity interest or a purchase for cash of qualified subordinated debt in a qualified business; provided, however, that funds constituting a qualified investment cannot have been raised or be raised as a result of other tax incentive programs. Furthermore, no investment of common or preferred stock or an equity interest or purchase of subordinated debt shall qualify as a qualified investment if a broker fee or commission or a similar remuneration is paid or given directly or indirectly for soliciting such investment or purchase.
- (f) **Qualified Investor.** The term "qualified investor" means an accredited investor as that term is defined by the United States Securities and Exchange Commission who is:
1. An individual person who is a resident of this state or a nonresident who is obligated to pay taxes imposed by O.C.G.A. § [48-7-20](#); or
 2. A pass-through entity, owned by individual persons, which is formed for investment purposes, has no business operations, has committed capital under management of equal to or less than \$5 million, and is not capitalized with funds raised or pooled through private placement memoranda directed to institutional investors. A venture capital fund or commodity fund with

institutional investors or a hedge fund shall not qualify as a qualified investor.

- (g) **Qualified Subordinated Debt.** The term "qualified subordinated debt" means indebtedness that is not secured, that may or may not be convertible into common or preferred stock or other equity interest, and that is subordinated in payment to all other indebtedness of the qualified business issued or to be issued for money borrowed and no part of which has a maturity date less than five years after the date such indebtedness was purchased.
- (3) **Registration.** A qualified business must electronically register with the Commissioner by electronically submitting Form IT-QBR through the Georgia Tax Center; registration shall constitute certification by the Commissioner for 12 months beginning on the date of the Commissioner's approval. The Department will not process any Form IT-QBR for registration that is submitted or filed in any other manner. A business shall be permitted to renew its registration with the Commissioner so long as at the time of renewal, the business remains a qualified business. In order to be certified, the qualified business shall provide the Commissioner any information required by the Commissioner.
- (a) **Registration Conditions and Limitations.** The registration of a business as a qualified business shall be subject to the following:
 - 1. If the Commissioner finds that any of the information contained in Form IT-QBR is false, the Commissioner shall revoke the registration of such business. The Commissioner shall not revoke the registration of a business solely because it ceases business operations for an indefinite period of time, as long as the business renews its registration;
 - 2. Registration as a qualified business may not be sold or otherwise transferred, except that, if a qualified business enters into a merger, conversion, consolidation or other similar transaction with another business and the surviving company would otherwise meet the criteria for being a qualified business, the surviving company retains the registration for the 12 month registration period without further application to the Commissioner. In such a case, the surviving company which constitutes the qualified business must provide the Commissioner with written notice of the merger, conversion, consolidation, or similar transaction and such other information as required by the Commissioner.
- (4) **Credit Amount.** A qualified investor that makes a qualified investment directly in a qualified business in calendar year 2011, 2012, 2013, 2014, 2015, 2016, 2017, or 2018 shall be allowed a tax credit of 35 percent of the amount invested commencing on January 1 of the second year following the year in which the qualified investment was made.

- (5) **Per Individual Credit Limitation.** The credit amount allowed under paragraph (4) of this regulation shall be further limited for each individual, for one or more qualified investments whether made directly or by a pass-through entity, for a taxable year and shall not exceed \$50,000.00.
- (6) **Credit Cap.** In no event shall the total amount of tax credits allowed under O.C.G.A. § [48-7-40.30](#) exceed the following amounts:
- (a) For investments made in calendar year 2011 and claimed and allowed in taxable year 2013, \$10 million;
 - (b) For investments made in calendar year 2012 and claimed and allowed in taxable year 2014, \$10 million;
 - (c) For investments made in calendar year 2013 and claimed and allowed in taxable year 2015, \$10 million;
 - (d) For investments made in calendar year 2014 and claimed and allowed in taxable year 2016, \$5 million;
 - (e) For investments made in calendar year 2015 and claimed and allowed in taxable year 2017, \$5 million;
 - (f) For investments made in calendar year 2016 and claimed and allowed in taxable year 2018, \$5 million;
 - (g) For investments made in calendar year 2017 and claimed and allowed in taxable year 2019, \$5 million; and
 - (h) For investments made in calendar year 2018 and claimed and allowed in taxable year 2020, \$5 million.
- (7) **Claiming the Credit.** Any qualified investor seeking to claim the tax credit under O.C.G.A. § [48-7-40.30](#), must submit the appropriate forms to the Department as provided in this paragraph.
- (a) **Application.** A qualified investor seeking to claim the tax credit under O.C.G.A. § [48-7-40.30](#) shall electronically submit Form IT-QI-AP for tentative approval through the Georgia Tax Center between September 1 and October 31 of the year for which the tax credit is claimed and allowed. The Department will not preapprove any qualified investor tax credit where Form IT-QI-AP is submitted or filed in any other manner.
 - (b) **Notification.** The Department will notify each qualified investor of the tax credits, tentatively approved and allocated to such qualified investor by December 31 of the year in which the application was submitted.

- (c) **Allocation of Tax Credit.** In the event the credit amounts on applications filed with the Commissioner exceed the maximum aggregate limit of tax credits under paragraph (6) of this regulation, then the tax credits shall be allocated among the qualified investors who filed a timely application through the Georgia Tax Center on a pro rata basis based upon the amounts otherwise allowed under O.C.G.A. § [48-7-40.30](#) and this regulation.
1. A qualified investor claiming the tax credit under O.C.G.A. § [48-7-40.30](#) must attach an approved Form IT-QI-AP and Form IT-QI to its Georgia income tax return for each year in which the credit is claimed.
 2. In no event shall the amount of credit claimed by an individual for a taxable year exceed such individual's Georgia net income tax liability after all other credits have been applied.
 3. In the event it is determined that the qualified investor has not met all the requirements of O.C.G.A. § [48-7-40.30](#) and this regulation, then the amount of credits shall not be tentatively approved or the tentatively approved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.
- (8) **E-Filing Attachment Requirements.** If a taxpayer claiming the credit electronically files their tax return, the approved Form IT-QI-AP shall be required to be attached to the return only if the Internal Revenue Service allows such attachments when the data is transmitted to the Department. In the event the taxpayer files an electronic return and such information is not attached because the Internal Revenue Service does not, at the time of such electronic filing, allow electronic attachments to the Georgia return, such information shall be maintained by the taxpayer and made available upon request by the Commissioner.
- (9) **Carry Forward.** Any credit which is claimed but not used in a taxable year shall be allowed to be carried forward for five years from the close of the taxable year in which the qualified investment was made. However, any amount in excess of the credit amount limits in paragraphs (4) and (5) of this regulation shall not be eligible for carryover to the qualified investor's succeeding years' tax liability nor shall such excess amount be claimed by or reallocated to any other taxpayer.
- (10) **Pass-Through Entities.** When the qualified investor is a pass-through entity, and has no income tax liability of its own, the tax credit will pass to its individual members, shareholders, or partners in the same manner as they would account for their proportionate shares of income or loss from such entities. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its individual shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the individual shareholders, members, or partners for their tax year in which the income tax year of the pass-through

entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2013. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the calendar 2013 tax year.

- (11) **Qualified Investor's Basis.** The qualified investor's basis in the common or preferred stock, equity interest, or subordinated debt acquired as a result of the qualified investment shall be reduced by the amount of credit claimed by the qualified investor.
- (12) **Qualified Investor Tax Credit Not Transferrable.** The tax credit under O.C.G.A. § [48-7-40.30](#) is not transferrable by the qualified investor except to the heirs and legatees of the qualified investor upon his or her death and to his or her spouse upon incident of divorce.
- (13) **Recapture.** Any credit claimed under O.C.G.A. § [48-7-40.30](#) shall be recaptured if any of the following occur:
 - (a) Within two years after the qualified investment was made, the qualified investor transfers any of the securities or subordinated debt received in the qualified investment to another person or entity, other than a transfer resulting from one of the following:
 - 1. The death of the qualified investor;
 - 2. A transfer to the spouse of the qualified investor upon incident of divorce; or
 - 3. A merger, conversion, consolidation, sale of the qualified business' assets, or similar transaction requiring approval by the owners of the qualified business under applicable law, to the extent the qualified investor does not receive cash or tangible property in such merger, conversion, consolidation, sale, or other similar transaction;
 - (b) Except as provided in subparagraph (13)(a) of this regulation, within five years after the qualified investment was made, the qualified business makes a redemption with respect to the securities received or pays any principal of the subordinated debt; or
 - (c) Within two years after the qualified investment was made, the qualified investor participates in the operation of a qualified business, or the qualified investor's spouse, parent, sibling, or child, or a business controlled by any of these individuals, provides services of any nature to the qualified business for compensation, whether as an employee, a contractor, or otherwise. However, a person who provides uncompensated professional advice to a qualified business whether as an officer, a member of the board of directors or managers or otherwise or participates in a stock or membership option or stock or membership plan, or both, shall be eligible for the credit;

- (14) **Recapture Amount.** The amount of credit recaptured:
- (a) Shall apply only to the qualified investment in the particular qualified business in which the investment was made; and
 - (b) Shall be added to the qualified investor's income tax liability for the taxable year in which the recapture occurs.
- (15) **Qualified Business Ceases Business Operations, Dissolves, or Liquidates.** In the event the qualified business ceases business operations, dissolves, or liquidates, the qualified investor may claim either the credit authorized under O.C.G.A. § [48-7-40.30](#) or any capital loss the qualified investor otherwise would be able to claim regarding that qualified business, but shall not be authorized to claim and be allowed both. If the qualified investor claims a capital loss and has already utilized the credit, the credit shall be recaptured.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.52

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.30](#).

History. Original Rule entitled "Qualified Investor Tax Credit" adopted. F. Dec. 3, 2010; eff. Dec. 23, 2010.

Amended: F. Aug. 20, 2013; eff. Sept. 9, 2013.

Amended: F. June 16, 2016; eff. July 6, 2016.

Rule 560-7-8-.53. Alternative Fuel Heavy-Duty Vehicle and Alternative Fuel Medium-Duty Vehicle Tax Credits.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credits under O.C.G.A. §§ [48-7-29.18](#) and [48-7-29.19](#).
- (2) **Coordination of Agencies.** The Georgia Department of Natural Resources is the state agency responsible for certifying that a vehicle is an alternative fuel heavy-duty vehicle, or an alternative fuel medium-duty vehicle.
- (3) **Definitions.** As used in this regulation, the terms "affiliated entity", "alternative fuel", "alternative fuel heavy-duty vehicle", "alternative fuel medium-duty vehicle", "new commercial vehicle", and "taxpayer" shall have the same meaning as in O.C.G.A. § [48-7-29.18](#).
- (4) **Credit Amount for Alternative Fuel Heavy-Duty Vehicle.** A taxpayer shall be allowed a tax credit for the amount expended on or after July 1, 2015, and before June 30, 2017, to purchase an alternative fuel heavy-duty vehicle not to exceed \$20,000.00 per vehicle.
- (5) **Credit Amount for Alternative Fuel Medium-Duty Vehicle.** A taxpayer shall be allowed a tax credit for the amount expended on or after July 1, 2015, and before June 30, 2017, to purchase an alternative fuel medium-duty vehicle not to exceed \$12,000.00 per vehicle.

- (6) **Per Taxpayer or Affiliated Entity of the Taxpayer Credit Limitation and No Carry Forward.** The credit amounts allowed under paragraphs (4) and (5) of this regulation shall be further limited for each taxpayer or affiliated entity of the taxpayer for a taxable year and shall not exceed the taxpayer's or affiliated entity's income tax liability or \$250,000.00, whichever is less. The amount preapproved for a taxable year for the taxpayer and all of its affiliated entities shall not exceed \$250,000.00. No unused portion of the tax credits shall be allowed the taxpayer or an affiliated entity of the taxpayer against succeeding years' tax liability.
- (7) **Credit Cap.** The total amount of tax credits preapproved under both paragraph (4) and (5) of this regulation are limited to the following amounts:
- (a) For fiscal year 2016 (July 1, 2015 through June 30, 2016), \$2.5 million; and
 - (b) For fiscal year 2017 (July 1, 2016 through June 30, 2017), \$2.5 million.
- (8) **Preapproval and Claiming the Credit.** Any taxpayer seeking preapproval to claim tax credits under paragraphs (4) and (5) of this regulation, must submit the appropriate forms to the Department through the Georgia Tax Center as provided in this paragraph. Before submitting an application to the Department of Revenue, the taxpayer shall have completed the purchase and shall have registered the qualified vehicle or vehicles in Georgia. The taxpayer must apply for preapproval for the fiscal year in which the purchase of the qualified vehicle is completed.
- (a) **Application.** A taxpayer seeking preapproval to claim the tax credits under paragraphs (4) and (5) of this regulation must electronically submit Form IT-AFV-AP and certification from the Department of Natural Resources for approval through the Georgia Tax Center. The required sworn affidavit under O.C.G.A. § [48-7-29.19\(a\)\(2\)](#) is a part of Form IT-AFV-AP and therefore is not submitted separately.
 - (b) **Notification.** The Department will notify each taxpayer of the tax credits preapproved and allocated to such taxpayer, within sixty (60) days from the date the Form IT-AFV-AP was submitted through the Georgia Tax Center.
 - (c) **Allocation of Tax Credit.** The Commissioner shall allow the tax credits under paragraphs (4) and (5) of this regulation on a first-come, first-served basis. The date the Form IT-AFV-AP is electronically submitted shall be used to determine such first-come, first-served basis.
 - (d) **Applications received on the day the maximum credit amount is reached.** In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limits in paragraph (7) of this regulation, then the tax credits shall be allocated among the taxpayers who submitted Form IT-AFV-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. §§ [48-7-29.18](#), [48-7-29.19](#), and this regulation. Only credit amounts on applications received on the

day the maximum aggregate limits were exceeded will be allocated on a pro rata basis.

- (e) Once the fiscal year preapproval limit is reached for a fiscal year, taxpayers shall no longer be eligible for a credit under O.C.G.A. §§ [48-7-29.18](#) and [48-7-29.19](#), for any qualified vehicle(s) for which the purchase was completed during such fiscal year. If any Form IT-AFV-AP is received after the fiscal year limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
 - (f) Example. A taxpayer makes a payment in April of 2015 on an alternative fuel heavy-duty vehicle or an alternative fuel medium-duty vehicle. On July 3, 2015, the taxpayer makes the final payment and completes the purchase of the vehicle. The taxpayer registers the vehicle in Georgia and receives a certification from the Georgia Department of Natural Resources. The taxpayer can apply for preapproval for this qualified vehicle for fiscal year 2016 and the entire cost of the vehicle is eligible for the tax credit for fiscal year 2016. This vehicle is not eligible for the tax credit for fiscal year 2017.
 - (g) A taxpayer claiming the tax credits under paragraphs (4) and (5) of this regulation must attach an approved Form IT-AFV-AP and Form IT-AFV to its Georgia income tax return for each year in which the credit is claimed.
 - (h) The tax credits under paragraphs (4) and (5) of this regulation shall not apply to any vehicle for which the taxpayer or an affiliated entity of the taxpayer has applied for and received a tax credit under O.C.G.A. § [48-7-40.16](#).
 - (i) In the event it is determined that the taxpayer has not met all the requirements of O.C.G.A. §§ [48-7-29.18](#) and [48-7-29.19](#) and this regulation, then the amount of credits shall not be approved or the approved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.
- (9) **E-Filing Attachment Requirements.** If a taxpayer claiming the credit electronically files their tax return, the Form IT-AFV-AP shall be required to be attached to the return only if the Internal Revenue Service allows such attachments when the data is transmitted to the Department. In the event the taxpayer files an electronic return and such information is not attached because the Internal Revenue Service does not, at the time of such electronic filing, allow electronic attachments to the Georgia return, such information shall be maintained by the taxpayer and made available upon request by the Commissioner.
- (10) **Pass-Through Entities.** When the taxpayer is a pass-through entity, and has no income tax liability of its own, the tax credit will pass to its individual members, shareholders, or partners based on their year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its individual

shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the individual shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2016. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the calendar 2016 tax year.

- (11) **Recapture.** Any credit claimed under O.C.G.A. §§ [48-7-29.18](#) and [48-7-29.19](#) shall be recaptured if any of the following occur during the five-year period following the application date of Form IT-AFV-AP:
 - (a) Within each year of the five-year period, the vehicle does not accumulate at least 75 percent of its mileage in Georgia; or
 - (b) The vehicle does not remain registered in Georgia during the five-year period.
- (12) **Recapture Amount.** The amount of credit recaptured shall be added to the taxpayer's income tax liability for the taxable year in which the recapture event occurs even if the statute of limitations of O.C.G.A. § [48-7-82](#) has expired for the year the credit was claimed.
- (13) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2015.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.53

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-29.18](#) and [48-7-29.19](#).

History. Original Rule entitled "Alternative Fuel Heavy-Duty Vehicle and Alternative Fuel Medium-Duty Vehicle Tax Credits" adopted, F. May 12, 2015; eff. June 1, 2015.

Amended: F. June 24, 2015; eff. July 14, 2015.

Rule 560-7-8-.54. Income Tax Credit Cap Approval or Preapproval Periods.

- (1) **Purpose.** This regulation provides guidance concerning the approval or preapproval periods for income tax credits under Chapter 7 of Title 48 of the Georgia Code.
- (2) **Beginning of an Approval or Preapproval Period.** Pursuant to O.C.G.A. § [48-2-39](#), when the approval or preapproval period for an income tax credit under Chapter 7 of Title 48 of the Georgia Code begins on a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed, such beginning date shall be postponed until the first day following which is not a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed. When an approval or preapproval is requested through the Department's Georgia Tax Center, the request may be submitted beginning at 8:00AM on such following day.

- (3) **First-Come, First-Served Basis.** When an income tax credit statute or regulation provides that an income tax credit shall be allowed on a first-come, first-served basis, any returns or applications submitted on a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed, shall be considered to have been submitted on the first day following which is not a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed. This paragraph shall only apply to a return or application submitted on a day following the beginning date of the approval or preapproval period as provided by paragraph (2) of this regulation.
- (4) **Proration on the Day the Credit Cap is Reached.** When an income tax credit statute or regulation provides that returns or applications received on the day that an income tax credit cap is reached shall be prorated based on the returns or applications received on such day, any returns or applications submitted on a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed, shall be considered to have been submitted on the first day following which is not a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed. This paragraph shall only apply to a return or application submitted on a day following the beginning date of the approval or preapproval period as provided by paragraph (2) of this regulation.
- (5) **Effective Date.** This regulation shall be applicable to any income tax credit approval or preapproval period beginning after October 31, 2015.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.54

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-39](#).

History. Original Rule entitled "Income Tax Credit Cap Approval or Preapproval Periods" adopted. F. Sep. 30, 2015; eff. Oct. 20, 2015.

Rule 560-7-8-.55. Basic Skills Education Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credit under O.C.G.A. § [48-7-41](#).
- (2) **Coordination of Agencies.** The Technical College System of Georgia, Office of Adult Education is the state agency responsible for certifying that the employer has met the requirements of O.C.G.A. § [48-7-41](#).
- (3) **Definitions.** As used in this regulation, the terms "adult basic skills education", "approved adult basic skills education program", "basic skills education test", "employee", "employer", "employer provided", and "employer sponsored" shall have the same meaning as in O.C.G.A. § [48-7-41](#).
- (4) **Credit Amount.** An employer who provides or sponsors an approved adult basic skills education program shall be allowed a tax credit in the amount of:

- (a) Four hundred dollars for each employee who passes the basic skills education test that was paid for by the employer in a taxable year; or
 - (b) Twelve hundred dollars for each employee who successfully completes an approved adult basic skills education program consisting of at least 40 hours of training while the employee is being compensated at his or her normal rate of pay, and passes the basic skills education test that was paid for by the employer in a taxable year.
 - (c) An employee can only be included in subparagraph (a) or subparagraph (b); the same employee cannot be included in both subparagraphs.
- (5) **Per Employer Credit Limitation and No Carry Forward.** The credit amounts allowed under paragraph(4) of this regulation shall be further limited for each employer and shall not exceed \$100,000.00 per calendar year. No unused portion of the tax credits shall be allowed the employer against succeeding years' tax liability.
- (6) **Credit Cap.** The total amount of tax credits preapproved under paragraph (7) of this regulation shall not exceed \$1 million per calendar year.
- (7) **Preapproval and Claiming the Credit.** Before requesting preapproval from the Department, the employer should apply for pre-certification of the employer's program from the Technical College System of Georgia, Office of Adult Education to ensure that the employer's program meets the requirements of O.C.G.A. § [48-7-41](#). Any employer seeking preapproval to claim tax credits under paragraph (4) of this regulation, must submit the appropriate forms to the Department through the Georgia Tax Center as provided in this paragraph.
- (a) **Application.** An employer seeking preapproval to claim the tax credits under paragraph (4) of this regulation must electronically submit Form IT-BE-AP through the Georgia Tax Center. An employer may request preapproval from the Department before meeting the requirements of paragraph (4) of this regulation, such employer must estimate their credit amounts on Form IT-BE-AP. The amount of tax credit claimed by the employer on the employer's applicable Georgia income tax return must be based on the actual number of employees that pass the adult basic skills education test or the actual number of employees that complete an approved adult basic skills education program and pass the basic skills education test and cannot exceed the amount preapproved. If the employer is preapproved for an amount that exceeds the amount that is calculated using the actual numbers when the return is filed, the excess preapproved amount cannot be claimed by the employer or utilized in any manner.
 - (b) **Notification.** The Department will notify each employer and the Office of Adult Education of the tax credits preapproved or denied to such employer, within forty-five (45) days from the date the Form IT-BE-AP was submitted through the Georgia Tax Center.

- (c) Allocation of Tax Credit. The Commissioner shall allow the tax credits under paragraph (4) of this regulation on a first-come, first-served basis. The date the Form IT-BE-AP is electronically submitted shall be used to determine such first-come, first-served basis.
 - (d) Applications received on the day the maximum credit amount is reached. In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limit in paragraph (6) of this regulation, then the tax credits shall be allocated among the employers who submitted Form IT-BE-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-41](#), and this regulation. Only credit amounts on applications received on the day the maximum aggregate limit was exceeded will be allocated on a pro rata basis.
 - (e) Once the credit cap is reached for a calendar year, employers who meet the requirements of paragraph (4) of this regulation during such calendar year shall no longer be eligible for a credit under O.C.G.A. § [48-7-41](#). If any Form IT-BE-AP is received after the calendar year preapproval limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
 - (f) After receiving preapproval from the Department and after the requirements of paragraph (4) of this regulation are complete, the employer must receive final certification from the Technical College System of Georgia, Office of Adult Education. An employer claiming the tax credits under paragraph (4) of this regulation must attach an approved Form IT-BE-AP, Form IT-BE, and final certification from the Technical College System of Georgia, Office of Adult Education to its Georgia income tax return for each year in which the credit is claimed.
 - (g) In the event it is determined that the employer has not met all the requirements of O.C.G.A. § [48-7-41](#) and this regulation, then the amount of credits shall not be approved or the approved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.
 - (h) No employer shall receive a credit if the employer requires that the employee reimburse or pay the employer for the cost of attending the adult basic skills education program or taking the basic skills education test.
- (8) **E-Filing Attachment Requirements.** If an employer claiming the credit electronically files their tax return, the Form IT-BE-AP and final certification from the Technical College System of Georgia shall be required to be attached to the return only if the Internal Revenue Service allows such attachments when the data is transmitted to the Department. In the event the employer files an electronic return and such information is not attached because the Internal Revenue Service does not, at the time of such electronic

filing, allow electronic attachments to the Georgia return, such information shall be maintained by the employer and made available upon request by the Commissioner.

- (9) **Pass-Through Entities.** When the employer is a pass-through entity, and has no income tax liability of its own, the tax credit will pass to its individual members, shareholders, or partners based on their year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its individual shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the individual shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2016. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the calendar 2016 tax year.
- (10) **Sunset Date.** O.C.G.A. § [48-7-41](#), the basic skills education tax credit, shall be repealed on January 1, 2020.
- (11) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2016.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.55

Authority: O.C.G.A. §§ [48-2-12](#) and [48-7-41](#).

History. Original Rule entitled "Basic Skills Education Tax Credit" adopted. F. Oct. 9, 2015; eff. Oct. 29, 2015.

Rule 560-7-8-.56. Historic Rehabilitation Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credits under O.C.G.A. § [48-7-29.8](#).
- (2) **Coordination of Agencies.** The Georgia Department of Community Affairs is the state agency responsible for certifying that the rehabilitation meets the requirements of O.C.G.A. § [48-7-29.8](#).
- (3) **Definitions.** As used in this regulation, the terms "certified rehabilitation", "certified structure", "historic home", "qualified rehabilitation expenditure", "substantial rehabilitation", and "target area" shall have the same meaning as in O.C.G.A. § [48-7-29.8](#). As used in this regulation, the terms "full-time employee" and "full-time permanent job" means a person who works a job that requires 30 or more hours per week.
- (4) **Historic Rehabilitation Tax Credit for a Historic Home.** A taxpayer shall be allowed a tax credit equal to 25 percent of the qualified rehabilitation expenditures for the certified rehabilitation of a historic home in the taxable year in which the certified rehabilitation is placed in service; except that in the case of a historic home located within a target area,

an additional credit equal to 5 percent of the qualified rehabilitation expenditures shall be allowed.

- (a) Credit cap. In no event shall the aggregate amount allowed for historic homes exceed the maximum aggregate limit in paragraph (5) for calendar year 2022 and \$5 million per year for calendar years 2023 and 2024. No credit shall be issued for historic homes completed on or after January 1, 2025.
- (b) Credit limitation. The amount of historic rehabilitation tax credit for a historic home shall not exceed \$100,000 in any 120-month period.
- (c) Preapproval for Historic Homes. Any taxpayer seeking preapproval to claim the historic rehabilitation tax credit for a historic home completed on or after January 1, 2022 must electronically submit Form IT-RHC-AP and their precertification from the Georgia Department of Community Affairs through the Georgia Tax Center. The taxpayer must estimate their credit amounts on Form IT-RHC-AP if the certified rehabilitation has not been completed. The amount of tax credit claimed on the taxpayer's applicable Georgia income tax return must be based on the actual amount of the qualified rehabilitation expenditures. If the taxpayer is preapproved for an amount that exceeds the amount that is calculated using the actual amount of the qualified rehabilitation expenditures when the return is filed, the excess preapproved amount cannot be claimed by the taxpayer, nor shall the excess preapproved amount be claimed by, reallocated to, assigned to, transferred to, or sold to any other taxpayer. If the taxpayer is a disregarded entity, then such information should be submitted in the name of the owner of the disregarded entity.
- (d) Notification. The Department will notify each taxpayer of the tax credits preapproved and allocated to such taxpayer within thirty (30) days from the date the fully completed Form IT-RHC-AP and all required supporting documentation were submitted through the Georgia Tax Center.
- (e) Allocation of Tax Credit. For any taxpayer seeking preapproval to claim the tax credits for a historic home completed on or after January 1, 2022, the Commissioner shall allow the tax credit on a first-come, first-served basis. The date the fully completed Form IT-RHC-AP is electronically submitted shall be used to determine such first-come, first-served basis.
- (f) Applications received on the day the maximum credit amount is reached. In the event that the credit amounts on applications received by the Commissioner for historic homes completed on or after January 1, 2022 exceed the maximum aggregate limit in paragraphs (4) and (5) of this regulation, then the tax credits shall be allocated among the taxpayers who submitted Form IT-RHC-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-29.8](#) and this regulation. Such proration shall include all applications received on the day the maximum aggregate

limit was exceeded, regardless of whether it is for the credit cap year at issue or for an earlier year where the credit cap has been reached. Only credit amounts for applications received on the day the maximum aggregate limit was exceeded will be allocated on a pro rata basis.

- (g) For historic homes, priority for prorated applications and applications submitted after a calendar year cap is reached. Any application for the 2022 calendar year credit that is prorated because the 2022 calendar year credit cap is reached and any application for the 2022 calendar year credit that is submitted after the 2022 calendar year credit cap is reached shall not be approved for a subsequent calendar year whose credit cap has not been reached and shall not have priority over any applications with a later submission date. Any other application that is prorated because a calendar-year credit cap is reached and any other application that is submitted after a calendar-year credit cap is reached shall be approved for a subsequent calendar year whose credit cap has not been reached and shall have priority over any applications with a later submission date. In such cases, the taxpayer shall claim the credit in the taxable year that begins in such subsequent preapproved calendar year or as provided in paragraph (7) of this regulation. If the calendar-year credit cap for all subsequent calendar years has been reached, then the application shall be denied.

1. Example: Taxpayer submits the electronic Form IT-RHC-AP through the Georgia Tax Center on April 25, 2022 seeking preapproval to claim the 2022 historic rehabilitation tax credit for a historic home. On April 25, 2022, the 2022 calendar-year credit cap for historic homes was reached, and Taxpayer received an allocation of the 2022 historic rehabilitation tax credit on a pro rata basis. Taxpayer's preapproval application will not be approved for a subsequent calendar year and will not receive priority over applications with a later submission date.
2. Example: Taxpayer submits the electronic Form IT-RHC-AP through the Georgia Tax Center in 2023 seeking preapproval to claim the 2023 historic rehabilitation tax credit for a historic home. On the day that Taxpayer submits Form IT-RHC-AP, the 2023 calendar-year credit cap for historic homes was reached, and Taxpayer received an allocation of the 2023 historic rehabilitation tax credit on a pro rata basis. Taxpayer's preapproval application will be approved for the 2024 calendar year if the 2024 credit cap has not been reached and will receive priority over applications with a later submission date.

- (h) Claiming the Historic Rehabilitation Tax Credit for a Historic Home. For a taxpayer to claim the historic rehabilitation tax credit for a historic home, the taxpayer must submit with the taxpayer's Georgia income tax return Form IT-RHC, the property tax bill for the year immediately before the beginning of the 24 month (or 60 month) period, the property tax bill for the year immediately after

the beginning of the 24 month (or 60 month) period, and their completed final certification from the Georgia Department of Community Affairs.

- (i) In the event it is determined that a taxpayer has not met all the requirements of O.C.G.A. § [48-7-29.8](#) and this regulation, then the credits shall not be approved or the approved credits shall be retroactively denied. The taxpayer shall file amended returns for the taxable year the credit was claimed, reducing the credit. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been used by the taxpayer or have been sold or transferred, regardless of whether the transferee has used the credit or not.
- (j) Carry Forward. Any unused historic rehabilitation tax credit for a historic home may be carried forward for ten years after the close of the taxable year in which the certified rehabilitation was completed.
- (k) Sale of the Historic Home. Except as provided in subparagraph (4)(l) of this regulation, in the event a historic rehabilitation tax credit for a historic home is claimed and allowed to the taxpayer, upon the sale or transfer of the historic home, the taxpayer shall be authorized to transfer the remaining unused amount of such historic rehabilitation tax credit to the purchaser of such historic home. If a historic home for which a certified rehabilitation has been completed by a nonprofit corporation is sold or transferred, the full amount of the credit to which the nonprofit corporation would be entitled if taxable shall be transferred to the purchaser or transferee at the time of the sale or transfer.
 - 1. Such purchaser shall be subject to the limitations of this paragraph and O.C.G.A. § [48-7-29.8](#) and shall file with the purchaser's tax return a copy of the final certification from the Georgia Department of Community Affairs and a copy of the form evidencing the transfer of the tax credit.
 - 2. Such purchaser shall be entitled to rely in good faith on the information contained in and used in connection with obtaining the final certification of the credit including, without limitation, the amount of the qualified rehabilitation expenditures.
- (l) Recapture of the Historic Rehabilitation Tax Credit for a Historic Home. If an owner other than a nonprofit corporation sells a historic home within three years of receiving the credit, the seller shall recapture the credit to the Department as follows:
 - 1. If the property is sold within one year of receiving the credit, the recapture amount will equal the lesser of the credit or the net profit of the sale;
 - 2. If the property is sold within two years of receiving the credit, the recapture amount will equal the lesser of two-thirds of the credit or the net profit of the sale; or

3. If the property is sold within three years of receiving the credit, the recapture amount will equal the lesser of one-third of the credit or the net profit of the sale.
- (m) Exception to Recapture Provision. The recapture provisions in subparagraph (4)(l) of this regulation shall not apply to a sale resulting from the death of the owner.
- (5) **Credit cap for 2022 for Historic Homes and for Any Other Certified Structure earning \$300,000 or less.** In no event shall the aggregate amount allowed for historic homes completed on or after January 1, 2022 and any other certified structures earning \$300,000 or less, together, exceed \$5 million for calendar year 2022.
- (6) **Historic Rehabilitation Tax Credit for Any Other Certified Structure.** A taxpayer shall be allowed a tax credit equal to 25 percent of the qualified rehabilitation expenditures for the certified rehabilitation of any other certified structure, other than a historic home, in the taxable year in which the certified rehabilitation is placed in service, except as provided in subparagraph (6)(j) of this regulation and paragraph (7) of this regulation.
 - (a) Credit limitations. For certified rehabilitations completed before January 1, 2017, the historic rehabilitation tax credit for any other certified structure shall not exceed \$300,000 in any 120-month period.
 - (b) For certified rehabilitations completed on or after January 1, 2017, the maximum credit for any other individual certified structure shall be \$5 million per taxable year; except that in the case of a project that creates 200 or more full-time permanent jobs or \$5 million in annual payroll within two years of the placed in service date, the maximum credit amount is \$10 million for any other individual certified structure. For purposes of this regulation, a full-time permanent job means a person who works a job that requires 30 or more hours per week.
 - (c) For certified rehabilitations completed on or after January 1, 2017, in no event shall more than one application for any individual certified structure be approved in any 120-month period, but a taxpayer is allowed to submit an additional electronic Form IT-RHC-AP if it is the same project. Such additional electronic Form IT-RHC-AP is subject to the requirements of this regulation and shall not be given priority over applications with an application date that is earlier than the additional preapproval application date.
 - (d) Credit Carry Forward. For certified rehabilitations completed before January 1, 2017, any unused historic rehabilitation tax credit for any other certified structure may be carried forward for ten years after the close of the taxable year in which the certified rehabilitation was completed. For certified rehabilitations completed on or after January 1, 2017, no unused historic rehabilitation tax credit for any

other certified structure shall be allowed to the taxpayer or the transferee against succeeding years' tax liability.

- (e) Credit cap for any other certified structure. For certified rehabilitations completed on or after January 1, 2017, in no event shall historic rehabilitation tax credits for any other certified structure earning more than \$300,000 in historic rehabilitation tax credits under subparagraph (6)(b) of this regulation exceed \$25 million per calendar year for calendar years ending on or before December 31, 2022. For calendar year 2022, in no event shall historic rehabilitation tax credits for any other certified structure earning \$300,000 or less in historic rehabilitation tax credits exceed the maximum aggregate limit in paragraph (5). For calendar years beginning on or after January 1, 2023, and ending on or before December 31, 2027, in no event shall historic rehabilitation tax credits issued for any other certified structure other than a historic home, regardless of the amount of credits earned, exceed \$30 million per calendar year.
- (f) Preapproval. For certified rehabilitations earning \$300,000 or less that were completed on or after January 1, 2022 and for all other certified rehabilitations completed on or after January 1, 2017, any taxpayer seeking preapproval to claim the tax credits must electronically submit Form IT-RHC-AP, including the information required by subparagraph (6)(f)1. of this regulation, and their precertification from the Georgia Department of Community Affairs through the Georgia Tax Center. For a certified rehabilitation earning \$300,000 or less that was expected to be completed in 2021 or before and that has preapproval for such year, the taxpayer is not required to request another preapproval but must complete the project within the two-year period as provided in paragraph (7) of this regulation. The taxpayer must estimate their credit amounts on Form IT-RHC-AP if the certified rehabilitation has not been completed. The amount of tax credit claimed on the taxpayer's applicable Georgia income tax return must be based on the actual amount of the qualified rehabilitation expenditures. If the taxpayer is preapproved for an amount that exceeds the amount that is calculated using the actual amount of the qualified rehabilitation expenditures when the return is filed, the excess preapproved amount cannot be claimed by the taxpayer, nor shall the excess preapproved amount be claimed by, reallocated to, assigned to, transferred to, or sold to any other taxpayer. If the taxpayer is a disregarded entity, then such information should be submitted in the name of the owner of the disregarded entity.
 - 1. The following information must be submitted with Form IT-RHC-AP:
 - (i) Documentation to show one of the following:
 - (I) If the certified structure was purchased by the applicant, a copy of the warranty deed indicating the applicant as the owner of the property; or

- (II) If the certified structure is leased by the applicant, documentation showing that the applicant leases the property and showing that the qualified rehabilitation expenditures would not be disqualified by Internal Revenue Code Section 47(c)(2)(B), which disallows expenditures, if, on the date the rehabilitation is completed, the remaining term of the lease is less than the building's recovery period. This documentation must include a copy of the lease and documentation showing whether the property is residential rental property with a recovery period of 27.5 years or nonresidential real property with a recovery period of 39 years;
 - (ii) The ownership and/or membership of the applicant entity. This documentation must include information regarding each owner or member of the applicant and, if any owner or member is itself a pass-through entity, information regarding its ownership and/or membership. Such information must include the name, federal identification number, ownership percentage, whether or not they are a tax-exempt entity, and whether they control the applicant entity;
 - (iii) Which entities or members of a pass-through entity intend to claim the credit and in what percentage(s);
 - (iv) The percentage of the subject property that will be used for non-profit purposes, if any;
 - (v) Whether the applicant or another entity intends to sublease the property to other entities, which entities they intend to sublease to, and if such entities are tax-exempt entities;
 - (vi) If the property is being leased, whether or not the owner of the property is a tax-exempt entity;
 - (vii) Whether or not the project qualifies for the Federal Rehabilitation Credit allowed under Internal Revenue Code Section 47; and
 - (viii) Any other information requested by the Department.
- (g) Notification. The Department will notify each taxpayer of the tax credits preapproved and allocated to such taxpayer within thirty (30) days from the date the fully completed Form IT-RHC-AP and all required supporting documentation were submitted through the Georgia Tax Center.

- (h) Allocation of Tax Credit. For any taxpayer seeking preapproval to claim the tax credits for any other certified structure, the Commissioner shall allow the tax credit on a first-come, first-served basis. The date the fully completed Form IT-RHC-AP is electronically submitted shall be used to determine such first-come, first-served basis.
- (i) Applications received on the day the maximum credit amount is reached for any other certified structure. In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limit in subparagraph (6)(e) of this regulation, then the tax credits shall be allocated among the taxpayers who submitted Form IT-RHC-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-29.8](#) and this regulation. Such proration shall include all applications received on the day the maximum aggregate limit was exceeded, regardless of whether it is for the credit cap year at issue or for an earlier year where the credit cap has been reached. Only credit amounts for applications received on the day the maximum aggregate limit was exceeded will be allocated on a pro rata basis.
- (j) For any other certified structure, priority for pro-rated applications and applications submitted after a calendar year cap is reached. Any application for the 2022 calendar year credit that is prorated because the 2022 calendar year credit cap is reached and any application for the 2022 calendar year credit that is submitted after the 2022 calendar year credit cap is reached shall not be approved for a subsequent calendar year whose credit cap has not been reached and shall not have priority over any applications with a later submission date. Any other application that is prorated because a calendar-year credit cap is reached and any application that is submitted after a calendar-year credit cap is reached shall be approved for a subsequent calendar year whose credit cap has not been reached and shall have priority over any applications with a later submission date. In such cases, the taxpayer shall claim the credit in the taxable year that begins in such subsequent preapproved calendar year or as provided in paragraph (7) of this regulation. If the calendar-year credit cap for all subsequent calendar years has been reached, then the application shall be denied.
 - 1. Example: Taxpayer submits the electronic Form IT-RHC-AP through the Georgia Tax Center on January 4, 2022 seeking preapproval to claim the 2022 historic rehabilitation tax credit for a certified structure other than a historic home. On January 4, 2022, the 2022 calendar year credit cap for certified structures other than historic homes was reached, and Taxpayer received an allocation of the 2022 historic rehabilitation tax credit on a pro rata basis. Taxpayer's preapproval application will not be approved for a subsequent calendar year and will not receive priority over applications with a later submission date.

2. Example: Taxpayer submits the electronic Form IT-RHC-AP through the Georgia Tax Center in 2023 seeking preapproval to claim the 2023 historic rehabilitation tax credit for a certified structure other than a historic home. On the day that Taxpayer submits the Form IT-RHC-AP, the 2023 calendar year credit cap for certified structures other than historic homes was reached, and Taxpayer received an allocation of the 2023 historic rehabilitation tax credit on a pro rata basis. Taxpayer's preapproval application will be approved for the 2024 calendar year if the 2024 credit cap has not been reached and will receive priority over applications with a later submission date.
- (k) Preapproval for Calendar Year 2022 for any other certified structure earning more than \$300,000 in historic rehabilitation tax credits. Taxpayers that were prorated or denied the any other certified structure credit for a project earning more than \$300,000 because the credit cap was met for 2017, 2018, 2019, 2020, or 2021 may submit the electronic Form IT-RHC-AP for 2022 for additional credit amounts so long as it is the same project, and they will have priority as provided in this regulation. Taxpayers that meet the requirements for any other certified structure for a credit amount of more than \$300,000 and choose to apply for the noncapped credit for any other certified structure (for a credit amount of \$300,000 or less) for 2017, 2018, 2019, 2020, or 2021 may submit an electronic Form IT-RHC-AP for 2022 for any other certified structure earning more than \$300,000 for additional credit amounts so long as it is the same project and they will have priority as provided in this regulation.
- (l) Change of Ownership. If ownership of the other certified structure subsequently changes after historic rehabilitation tax credits were preapproved and allocated to the initial owners and no rehabilitation has begun, then the new owners must contact the Department to request reallocation of the preapproved credits to the new owners. Along with their request, the new owners must submit the amended precertification from the Georgia Department of Community Affairs and the information required by subparagraph (6)(f)1 of this regulation. Once the credits are reallocated to the new owners, the initial owners cannot claim, sell, or transfer the credits.
- (m) Claiming the Historic Rehabilitation Tax Credit for Any Other Certified Structure. A taxpayer claiming the tax credits under subparagraph (6)(a) of this regulation shall attach to its Georgia income tax return, for each year the credit is claimed on Form IT-RHC, the property tax bill for the year immediately before the beginning of the 24 month (or 60 month) period, the property tax bill for the year immediately after the beginning of the 24 month (or 60 month) period, and their completed final certification from the Georgia Department of Community Affairs. A taxpayer claiming the tax credits under subparagraph (6)(b) of this regulation must attach to its Georgia income tax return, for each year the credit is

claimed, an approved Form IT-RHC-AP, Form IT-RHC, the property tax bill for the year immediately before the beginning of the 24 month (or 60 month) period, the property tax bill for the year immediately after the beginning of the 24 month (or 60 month) period, and their completed final certification from the Georgia Department of Community Affairs.

- (n) In the event it is determined that the taxpayer has not met all the requirements of O.C.G.A. § [48-7-29.8](#) and this regulation, then the amount of credits shall not be approved or the approved credits shall be retroactively denied. The taxpayer shall file amended returns for the taxable year the credit was claimed, reducing the credit. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been used by the taxpayer or have been sold or transferred, regardless of whether the transferee has used the credit or not.
- (o) Pass-through entities. When the taxpayer is a pass-through entity and has no income tax liability of its own, the historic rehabilitation tax credit for any other certified structure shall be allocated to the partners, members, or shareholders of that entity in accordance with the provisions of any agreement among the partners, members, or shareholders of that entity and without regard to the ownership interest of the partners, members, or shareholders in the rehabilitated certified structure, provided that the entity or person that claims the credit must be subject to Georgia tax. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2017. The partnership passes the credit to a calendar-year partner. The credit is available for use by the individual partner beginning with the calendar 2017 tax year.
- (p) Selling or Transferring the Historic Rehabilitation Tax Credit for Any Other Certified Structure. The taxpayer may sell or transfer in whole or in part any historic rehabilitation tax credit for any other certified structure earned under subparagraph (6)(b) of this regulation that was previously claimed but not used by such taxpayer against its income tax to another Georgia taxpayer subject to the following conditions:
 - 1. The taxpayer may only make a one-time sale or transfer of historic rehabilitation tax credits for any other certified structure earned in each taxable year. However, the sale or transfer may involve more than one transferee. For example, taxpayer 1 earns a \$100,000 credit in year 1. In year 2, they sell \$75,000 of the credit to taxpayer 2. In year 3, they are allowed to sell the remaining \$25,000 of the credit to taxpayer 3. However,

both taxpayer 2 and taxpayer 3 are not allowed to resell the credit since the credit can only be sold once.

2. The historic rehabilitation tax credits for any other certified structure may be transferred before the tax return is filed by the taxpayer, provided the historic rehabilitation tax credits have been earned. However, the amount transferred cannot exceed the amount of the credit which will be claimed and not used on the income tax return of the transferor. The credit is considered earned when the credit has been preapproved by the Department, the certified rehabilitation has been completed, and the taxpayer has received their completed final certification from the Georgia Department of Community Affairs. Preapproval of the credits by itself does not qualify as earning the credit.
3. The taxpayer must file Form IT-TRANS, "Notice of Tax Credit Transfer," with the Department of Revenue within 30 days of the transfer or sale of the historic rehabilitation tax credit for any other certified structure. Form IT-TRANS must be submitted electronically to the Department of Revenue through the Georgia Tax Center, or alternatively, as provided in subparagraph (6)(p)3.(i) of this regulation. The Department of Revenue will not process any Form IT-TRANS submitted or filed in any other manner. If the taxpayer is a disregarded entity, then Form IT-TRANS should be filed in the name of the owner of the disregarded entity, but Form IT-RHC should be in the name of the disregarded entity and attached to the owner's Georgia income tax return.
 - (i) The web-based portal on the Georgia Tax Center. The taxpayer may provide selective information to a representative for the purpose of allowing the representative to submit Form IT-TRANS on their behalf on the Georgia Tax Center outside of a login. The provision of such information shall authorize the representative to submit such Form IT-TRANS. The representative must provide all information required by the web-based portal on the Georgia Tax Center to submit Form IT-TRANS.
4. The taxpayer must provide all required historic rehabilitation tax credit for any other certified structure detail and transfer information to the Department of Revenue. Failure to do so will result in the historic rehabilitation tax credit for any other certified structure being disallowed until the taxpayer complies with such requirements.
5. The carryforward period of the historic rehabilitation tax credit for any other certified structure for the transferee will be the same as it was for the taxpayer. For certified rehabilitations completed on or after January 1, 2017,

no unused historic rehabilitation tax credit for any other certified structure shall be allowed to be carried forward.

- (i) Example: Taxpayer sells the historic rehabilitation tax credit for any other certified structure on March 15, 2018. This credit is from a certified rehabilitation that received preapproval from the Department for calendar year 2017 and was placed in service in the taxpayer's calendar 2017 tax year. The transferee is a calendar-year taxpayer. The credit may be claimed by the transferee on the calendar 2017 tax year return. This credit cannot be carried forward by the taxpayer or the transferee. This credit can only be utilized in tax year 2017.

- 6. A transferee shall have only such rights to claim and use the historic rehabilitation tax credit for any other certified structure that were available to the taxpayer at the time of the transfer. Thus, a transferee shall not have the right to subsequently transfer such credit since that right has been utilized by the transferor.
- 7. Only the taxpayer who earned the historic rehabilitation tax credit for any other certified structure and no subsequent good faith transferee shall be responsible in the event of a recapture, reduction, disallowance, or other failure related to such credit, provided the credit was properly claimed by the taxpayer.

- (q) How to Sell or Transfer the Historic Rehabilitation Tax Credit for Any Other Certified Structure. The taxpayer may sell or transfer the historic rehabilitation tax credit for any other certified structure directly to a Georgia taxpayer (or multiple Georgia taxpayers, as provided in subparagraph (6)(p)1. of this rule). A pass-through entity may make an election to sell or transfer the unused historic rehabilitation tax credit for any other certified structure earned in a taxable year at the entity level. If the pass-through entity makes the election to sell the historic rehabilitation tax credit for any other certified structure at the entity level, the credit does not pass through to the shareholders, members, or partners. In all cases, the effect of the sale of the credit on the income of the seller and buyer of the credit will be the same as provided in the Internal Revenue Code.

- 1. Pass-Through Entity. The taxpayer may be structured as a pass-through entity. If a pass-through entity does not make an election to sell or transfer the tax credit at the entity level as provided in subparagraph (6)(q) of this rule, the tax credit will pass through to the shareholders, partners, or members of the entity based on any agreement among the partners, members, or shareholders of that entity without regard to the ownership interest of the partners, members, or shareholders in the rehabilitated certified structure, provided that the entity or person that claims the credit must be subject to Georgia tax. The shareholders, members, or partners may

then sell their respective historic rehabilitation tax credit for any other certified structure to a Georgia taxpayer.

2. **Transferee Pass-Through Entity.** The taxpayer or its shareholders, members, or partners may sell or transfer the tax credit to a pass-through entity. If the pass-through entity has no income tax liability of its own, it may then pass the credit through to its shareholders, members, or partners based on any agreement among the partners, members, or shareholders of that entity without regard to the ownership interest of the partners, members, or shareholders in the pass-through entity, provided that the entity or person that claims the credit must be subject to Georgia tax. For example, if a calendar-year partnership buys the credit earned by a taxpayer in calendar year 2017 and the credit was preapproved by the Department for calendar year 2017, then all the partners receiving the credit must have been a partner in the partnership no later than the end of the 2017 tax year of the partnership. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example, a taxpayer that received preapproval for calendar year 2017 and placed in service the certified rehabilitation for any other certified structure in July of 2017 sells the credit to a pass-through entity in August of 2017, and the generating taxpayer claims the credit on their calendar year 2017 income tax return. The pass-through entity is entitled to use the credits on its calendar year 2017 tax return. The pass-through entity has two partners. The first partner is a calendar-year partner. This credit can only be utilized on the calendar tax year 2017 return and cannot be carried forward by the partner. The second partner is a corporation with a fiscal year ending June 30, 2018. This credit can only be utilized on the fiscal year ending June 30, 2018 and cannot be carried forward by the partner.
3. The credits are available for use by the transferee, provided the time has not expired for filing a claim for refund of a tax or fee erroneously or illegally assessed and collected under O.C.G.A. § [48-2-35](#) in the transferee's tax year in which the income tax year of the taxpayer who claims the historic rehabilitation tax credit for any other certified structure for the certified rehabilitation associated with the credit being sold ends.
 - (i) **Example:** Taxpayer sells the historic rehabilitation tax credit for any other certified structure on March 15, 2018. This credit is from a certified rehabilitation that received preapproval from the Department for calendar year 2017 and was placed in service on or after January 1, 2017 and within the generating taxpayer's fiscal tax year ending June 30, 2017. The transferee is a calendar-year taxpayer. The credit may be claimed by the transferee on the calendar 2017 tax year

return. This credit cannot be carried forward by the taxpayer or the transferee. This credit can only be utilized in tax year 2017 by the transferee.

- (ii) Example: Taxpayer sells the historic rehabilitation tax credit for any other certified structure on March 15, 2018. This credit is from a certified rehabilitation that received preapproval from the Department for calendar year 2017 (on their Form IT-RHC-AP, the completion calendar year was 2017 and the credit was awarded for such year) and was placed in service on December 31, 2019. As provided in paragraph (7), the taxpayer chooses to claim the credit on their tax year ending June 30, 2020 tax return. The transferee is a calendar-year taxpayer. The credit must be claimed by the transferee on the calendar 2020 tax year return. This credit cannot be carried forward by the taxpayer or the transferee. This credit can only be utilized on the transferee's calendar 2020 tax year return.
- (r) Required reporting. Notwithstanding Code Sections [48-2-15](#), [48-7-60](#), and [48-7-61](#), the Department shall furnish a report to the chairperson of the House Committee on Ways and Means and the chairperson of the Senate Finance Committee by June 30 of each year. Such report shall contain the total sales tax collected in the prior calendar year, the average number of full-time employees at the certified structure, and the total value of credits claimed for each taxpayer claiming credits under subparagraph (6)(b).
 - 1. For certified rehabilitations completed on or after January 1, 2017, any taxpayer that generates and claims the tax credit under subparagraph (6)(b) of this regulation must electronically report to the Department through the Georgia Tax Center, using Form IT-RHC-RPT, the monthly average full-time employees employed at the certified structure, the total sales tax collected, and the credits claimed. Such reports must be submitted to the Department for five calendar years following the calendar year in which the credit is claimed by the taxpayer. Such report shall be due by the February 28th date that follows the calendar year that is being reported.
 - 2. For purposes of this subparagraph, in the event that the taxpayer that generates and claims the tax credit under subparagraph (6)(b) of this regulation leases such other certified structure, all total sales tax receipts from the certified structure and all total full-time employees at the certified structure shall be aggregated.
 - 3. For certified rehabilitations completed on or after January 1, 2017, where the maximum credit amount exceeds \$5 million for any other individual certified structure, the taxpayer shall report using Form IT-RHC-RPT

whether or not they created 200 or more full-time permanent jobs or had \$5 million in annual payroll within two years of the placed-in-service date. Such report shall be due no later than 60 days following the end of such two-year period.

(7) Completion of the Project for Preapproved Projects.

- (a) For certified rehabilitations of any other certified structure under subparagraph (6)(b) of this regulation completed on or after January 1, 2017 and historic homes preapproved on or after January 1, 2022, the project must be placed in service within two years after the completion calendar year listed in the taxpayer's Form IT-RHC-AP (the year for which the credit was originally reserved). If the taxpayer has a fiscal year, such completion calendar year shall, for purposes of this paragraph, be the tax year that begins in such completion calendar year. If this requirement is met, the taxpayer claims the credit in the year listed in the taxpayer's preapproval letter from the Department of Revenue; or the taxpayer may claim the credit in the tax year in which the project is placed in service, provided the project is placed in service within two years after the completion calendar year listed in their Form IT-RHC-AP and provided such placed-in-service year ends later than the end of the year listed in the taxpayer's preapproval letter from the Department of Revenue. If the project is not placed in service within such time period, the credit is lost and cannot be claimed, sold, or transferred unless the taxpayer reapplies for the credit and receives preapproval for such other time period. Unless the Department has evidence to the contrary, the date of completion listed in the final certification authorized by the Georgia Department of Community Affairs shall be used to determine when the project was placed in service. This paragraph shall apply even if the taxpayer is given priority under subparagraph (6)(j) of this regulation and is preapproved for a subsequent calendar year.

1. Example 1. The taxpayer lists 2017 in their Form IT-RHC-AP as the completion calendar year and is preapproved to claim the credit for 2017. The taxpayer is a calendar-year taxpayer. The taxpayer must place the project in service on or before December 31, 2019. This taxpayer places the project in service on November 15, 2019. The taxpayer may claim the credit on their taxable year end December 31, 2017 Georgia income tax return or their taxable year end December 31, 2019 Georgia income tax return.
2. Example 2. The taxpayer lists 2018 in their Form IT-RHC-AP as the completion calendar year and is preapproved to claim the credit for 2018. The taxpayer is a fiscal year filer with a February 28 taxable year end. The taxpayer must place the project in service on or before February 28, 2021. This taxpayer places the project in service on March 31, 2019. The taxpayer may claim the credit on their taxable year end February 28, 2019 Georgia

income tax return or their taxable year end February 28, 2020 Georgia income tax return.

- (b) The following examples illustrate how the credit is claimed if the taxpayer is preapproved for the credit in a subsequent year, as provided by subparagraph (6)(j):
 - 1. Example 3. The taxpayer lists 2018 in their Form IT-RHC-AP as the completion calendar year and is preapproved to claim the credit for 2019. The taxpayer is a calendar-year taxpayer. This taxpayer places the project in service on November 15, 2020. The taxpayer may claim the credit on their taxable year end December 31, 2019 Georgia income tax return or their taxable year end December 31, 2020 Georgia income tax return.
 - 2. Example 4. The taxpayer lists 2018 in their Form IT-RHC-AP as the completion calendar year and is preapproved to claim the credit for 2019. The taxpayer is a fiscal year filer with a February 28 taxable year end. This taxpayer places the project in service on January 31, 2021. The taxpayer may claim the credit on their taxable year end February 28, 2020 Georgia income tax return or their taxable year end February 28, 2021 Georgia income tax return.
 - (c) For historic homes estimated to be completed before January 1, 2022 and which are not actually completed before January 1, 2022, the project must be placed in service within two years after the estimated completion year listed on the precertification from the Georgia Department of Community Affairs. If this two-year requirement is met, the taxpayer claims the credit in the estimated completion year listed on the precertification from the Georgia Department of Community Affairs, and the taxpayer does not need to apply for preapproval for the historic home. If the project is not placed in service within such time period, the credit is lost and cannot be claimed, sold, or transferred unless the taxpayer reapplies for the credit and receives preapproval for such other time period. Unless the Department has evidence to the contrary, the date of completion listed in the final certification authorized by the Georgia Department of Community Affairs shall be used to determine when the project was placed in service.
 - (d) A project that is delayed beyond two years may submit an application for a later year, subject to all the other requirements of this regulation.
- (8) **Qualified Rehabilitation Expenditures Only Counted Once.** Qualified rehabilitation expenditures can only be counted once in determining the amount of the tax credit available, and more than one entity may not utilize the historic rehabilitation tax credit for the same qualified expenditures.

- (9) **Sunset Date.** O.C.G.A. § [48-7-29.8](#), the historic rehabilitation tax credit, shall be repealed on December 31, 2027. As such, projects completed on or after January 1, 2028 are not eligible except as allowed by paragraph (7) of this regulation.
- (10) **Effective Date.** This regulation shall be applicable to certified rehabilitations completed on or after January 1, 2017, regardless of when the certified rehabilitation was started.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.56

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-29.8](#).

History. Original Rule entitled "Historic Rehabilitation Tax Credit" adopted. F. Dec. 8, 2015; eff. Dec. 28, 2015.

Amended: F. Sep. 19, 2016; eff. Oct. 9, 2016.

Amended: F. Dec. 13, 2019; eff. Jan. 2, 2020.

Amended: F. Apr. 13, 2021; eff. May 3, 2021.

Amended: F. Nov. 18, 2021; eff. Dec. 8, 2021.

Amended: F. Jan. 13, 2022; eff. Feb. 2, 2022.

Amended: F. May 31, 2023; eff. June 20, 2023.

Rule 560-7-8-.57. Qualified Rural Hospital Organization Expense Tax Credit.

- (1) **Purpose.** The purpose of this regulation is to provide guidance concerning the administration of the tax credit under O.C.G.A. § [48-7-29.20](#).
- (2) **Coordination of Agencies.** The Georgia Department of Community Health is the state agency responsible for approving rural hospital organizations and administering O.C.G.A. § [31-8-9.1](#). The Department of Community Health shall maintain a current list of approved rural hospital organizations on its website.
- (3) **Definitions.** As used in this regulation, the terms "qualified rural hospital organization expense" and "rural hospital organization" shall have the same meaning as in O.C.G.A. § [48-7-29.20](#).
- (4) **Credit Amount.** From January 1 to June 30 of each calendar year of the credit, the amount of qualified rural hospital organization expense tax credit allowed a taxpayer shall be as follows:
- (a) For an individual taxpayer, the credit amount shall not exceed the actual amount expended or \$5,000, whichever is less.
 - (b) For an individual taxpayer filing married filing separate, the credit amount shall not exceed the actual amount expended or \$5,000, whichever is less.
 - (c) For individual taxpayers filing married filing joint, the credit amount shall not exceed the actual amount expended or \$10,000, whichever is less.
 - 1. Example: Taxpayers, married couple filing joint, request preapproval for the qualified rural hospital organization expense tax credit for calendar year

2023 by electronically submitting Form IT-QRHOE-TP1 through the Georgia Tax Center. On Form IT-QRHOE-TP1 Taxpayers' intended contribution for 2023 is \$7,100, therefore the Department preapproves Taxpayers for \$7,100. Taxpayers make a \$3,000 donation to the rural hospital organization within 180 days of receiving preapproval from the Department and before the end of 2023 (this is the only amount contributed by taxpayers to an approved rural hospital organization in 2023). When taxpayers file their 2023 Georgia income tax return, Taxpayers can only claim \$3,000 qualified rural hospital organization expense tax credit (which is the actual amount contributed), and the extra \$4,100 that was preapproved but not contributed cannot be claimed by Taxpayers and cannot be carried forward. Any amount of the \$3,000 qualified rural hospital organization expense tax credit claimed but not used on the taxpayers' 2023 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability.

- (d) For an individual taxpayer who is a member of a limited liability company duly formed under state law (including a member who owns a single member limited liability company that is disregarded for income tax purposes), a shareholder of a Subchapter 'S' corporation, or a partner in a partnership, the credit is limited to the lesser of the actual amount expended or \$10,000 per tax year, whichever is less; provided, however, that the tax credits shall only be allowed for the Georgia income on which such tax was actually paid by such member of a limited liability company, shareholder of a Subchapter 'S' corporation, or partner in a partnership. In determining such Georgia income, the shareholder, partner, or member shall exclude any income that was subtracted on their Georgia return because the entity paid tax at the pass-through entity level in Georgia as provided in Regulation [560-7-3-.03](#). If the individual taxpayer is a member, partner, or shareholder in more than one pass-through entity, the total credit allowed cannot exceed \$10,000; the individual taxpayer decides which pass-through entities to include when computing Georgia income for purposes of the qualified rural hospital organization expense tax credit. All Georgia income, loss, and expense from the taxpayer selected pass-through entities will be combined to determine Georgia income for purposes of the qualified rural hospital organization expense tax credit. Such combined Georgia income shall be multiplied by the applicable marginal tax rate to determine the tax that was actually paid. If the taxpayer is filing a joint return, the taxpayer's spouse may also claim a credit for their ownership interests and shall separately be eligible for a credit as provided in this subparagraph. If the taxpayer is preapproved for an amount that exceeds the amount that is calculated as allowed when the return is filed, the excess amount cannot be claimed by the taxpayer and cannot be carried forward.

1. Example: Taxpayer, an individual taxpayer, is the sole shareholder of A, Inc, an S corporation, Taxpayer is also a 50% partner, in BC Company, a

partnership, and Taxpayer is also a 20% member of a limited liability company, XYZ Company, which is taxed as a partnership. Taxpayer requests preapproval for the qualified rural hospital organization expense tax credit for calendar year 2023 by submitting Form IT-QRHOE-TP1. On Form IT-QRHOE-TP1, Taxpayer estimates that the taxpayer's Georgia income from A, Inc. is \$120,000, and that Taxpayer's share of Georgia income from BC Company is \$60,000, Taxpayer chooses not to include any income from XYZ Company when estimating Georgia income for purposes of the qualified rural hospital organization expense tax credit; therefore the Department preapproves Taxpayer for \$10,000 qualified rural hospital organization expense tax credit (since \$10,000 is less than \$10,350 (5.75% of \$180,000)), the applicable marginal tax rate for 2023 is 5.75%. Taxpayer makes a \$10,000 donation to the rural hospital organization within 180 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files Taxpayer's 2023 Georgia income tax return, Taxpayer received a salary from A, Inc. of \$50,000 and A, Inc.'s actual Georgia income is \$60,000; Taxpayer's actual share of Georgia income from BC Company is \$20,000 and Taxpayer received a guaranteed payment from BC Company of \$15,000; Taxpayer's actual share of Georgia income from XYZ Company is \$5,000 (the Taxpayer can choose to include this company even though it was not considered at the time of preapproval), Taxpayer can only claim \$8,625 qualified rural hospital organization expense tax credit (which is 5.75% of the \$150,000 actual income from Taxpayer's selected pass-through entities), and the extra \$1,375 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$8,625 qualified rural hospital organization expense tax credit claimed but not used on the taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability.

- (e) For a corporation taxpayer, fiduciary taxpayer, an S corporation that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-21](#), or a partnership that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-23](#), the credit amount shall not exceed the actual amount expended or 75 percent of the corporation's, fiduciary's, electing S corporation's, or electing partnership's income tax liability, whichever is less. S corporations and partnerships that elect to pay taxes at the entity level cannot pass the credit through to their members, partners, or shareholders. Fiduciary entities cannot pass the credit through to their beneficiaries.

1. Example: Taxpayer, a corporation, requests preapproval for the qualified rural hospital organization expense tax credit for calendar year 2023 by electronically submitting Form IT-QRHOE-TP1 through the Georgia Tax Center. On Form IT-QRHOE-TP1 Taxpayer's intended contribution for 2023 is \$100,000; and Taxpayer's estimated income tax liability for the

2023 tax year is \$150,000; therefore, the Department preapproves Taxpayer for \$100,000 qualified rural hospital organization expense tax credit for calendar year 2023. Taxpayer makes a \$100,000 donation to the rural hospital organization within 180 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files its 2023 Georgia income tax return, Taxpayer's income tax liability for tax year 2023 is \$80,000, Taxpayer can only claim \$60,000 of qualified rural hospital organization expense tax credit (\$60,000 is 75% of its actual Georgia income tax liability for tax year 2023, which is less than \$100,000), and the extra \$40,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$60,000 qualified rural hospital organization expense tax credit claimed but not used on the taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability.

2. Example: Taxpayer, a S corporation electing to pay tax at the entity level, requests preapproval for the qualified rural hospital organization expense tax credit for calendar year 2023 by electronically submitting Form IT-QRHOE-TP1 through the Georgia Tax Center. On Form IT-QRHOE-TP1 Taxpayer's intended contribution for 2023 is \$100,000; and Taxpayer's estimated income tax liability for the 2023 tax year is \$150,000; therefore, the Department preapproves Taxpayer for \$100,000 qualified rural hospital organization expense tax credit for calendar year 2023. Taxpayer makes a \$100,000 donation to the rural hospital organization within 180 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files its 2023 Georgia income tax return, Taxpayer's income tax liability for tax year 2023 is \$80,000. Taxpayer can only claim \$60,000 of qualified rural hospital organization expense tax credit (\$60,000 is 75% of its actual Georgia income tax liability for tax year 2023, which is less than \$100,000), and the extra \$40,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$60,000 qualified rural hospital organization expense tax credit claimed but not used on the taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability but shall not be allowed to be passed through to and used by the shareholders.
- (f) Except as provided in subparagraph (4)(e) of this regulation, when the taxpayer is a pass-through entity which has no income tax liability of its own, the tax credits will be considered earned by its members, shareholders, or partners based on their profit/loss percentage at the end of the year and the limitations of subparagraph (4)(d) of this regulation. The expenditure is made by the pass-through entity but all credit forms (preapproval, claiming, and reporting) will be filed in the name of its members, shareholders, or partners and the credit can only be applied against the shareholders', members', or partners' tax liability on their income tax returns. The

pass-through entity shall provide all necessary information to the rural hospital organization so that the preapproval, claiming and reporting forms can be filed in the name of its members, shareholders, or partners.

(g) From July 1 to December 31 of each calendar year of the credit, the amount of qualified rural hospital organization expense tax credit allowed a taxpayer shall be as follows:

1. For an individual taxpayer, the credit amount shall not exceed the actual amount expended.
2. For an individual taxpayer filing married filing separate, the credit amount shall not exceed the actual amount expended.
3. For individual taxpayers filing married filing joint, the credit amount shall not exceed the actual amount expended.
4. For an individual taxpayer who is a member of a limited liability company duly formed under state law (including a member who owns a single member limited liability company that is disregarded for income tax purposes), a shareholder of a Subchapter 'S' corporation, or a partner in a partnership, the credit is limited to the actual amount expended per tax year; provided, however, that the tax credits shall only be allowed for the Georgia income on which such tax was actually paid by such member of a limited liability company, shareholder of a Subchapter 'S' corporation, or partner in a partnership. In determining such Georgia income, the shareholder, partner, or member shall exclude any income that was subtracted on their Georgia return because the entity paid tax at the pass-through entity level in Georgia as provided in Regulation [560-7-3-.03](#). From July 1 to December 31, the option to indicate pass-through entity ownership is not available on the Georgia Tax Center, since the credit is not limited for individual taxpayers during this time period. Regardless, such members may choose to apply the pass-through entity provisions when claiming the credit or such provisions are applied if subparagraph (4)(g)6. of this regulation applies.
5. For a corporation taxpayer, fiduciary taxpayer, an S corporation that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-21](#), or a partnership that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-23](#), the credit amount shall not exceed the actual amount expended or 75 percent of the corporation's, fiduciary's, electing S corporation's, or electing partnership's income tax liability, whichever is less. S corporations and partnerships that elect to pay taxes at the entity level cannot pass the credit through to their members, partners, or shareholders. Fiduciary entities cannot pass the credit through to their beneficiaries. See examples in subparagraph (4)(e) of this regulation.

6. Except as provided in subparagraph (4)(g)5. of this regulation, when the taxpayer is a pass-through entity which has no income tax liability of its own, the tax credits will be considered earned by its members, shareholders, or partners based on their profit/loss percentage at the end of the year and the limitations of subparagraph (4)(g)4. of this regulation. The expenditure is made by the pass-through entity but all credit forms (preapproval, claiming, and reporting) will be filed in the name of its members, shareholders, or partners and the credit can only be applied against the shareholders', members', or partners' tax liability on their income tax returns. The pass-through entity shall provide all necessary information to the rural hospital organization so that the preapproval, claiming, and reporting forms can be filed in the name of its members, shareholders, or partners.
 - (h) A taxpayer may apply to make a donation to multiple rural hospital organizations or may apply to make multiple donations to the same rural hospital organization or may apply to make a donation both before and after July 1; provided, however, each donation must be applied for separately.
 - (i) Unspecified or undesignated contributions will be treated as provided in O.C.G.A. § [48-7-29.20](#).
- (5) **Credit Cap.** In no event shall the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-29.20](#) exceed \$75 million per taxable year.
- (6) **Per Individual Rural Hospital Organization Limitation.** For each calendar year of the credit, no more than \$4 million of credit shall be preapproved for any individual rural hospital organization. On the day and time any Form IT-QRHOE-TP1 is received for a calendar year that causes the per individual rural hospital organization limitation in this paragraph to be reached, then any subsequent applicants for such individual rural hospital organization shall be denied. There shall be no proration based on the date an application is received. The Department shall notify such individual rural hospital organization if the \$4 million limitation is reached. Such rural hospital organization shall within 15 days of the date of such notification, notify the Georgia Department of Community Health that the \$4 million limitation was reached.
 - (a) If a taxpayer is denied preapproval for this tax credit by the Department due to the per individual rural hospital organization limitation in paragraph (6) of this regulation, the taxpayer may reapply for preapproval and list a rural hospital organization from the Department of Community Health's list of approved rural hospital organizations that has not reached the per individual rural hospital organization limitation. For purposes of priority in case the credit cap is reached, the taxpayer's date of re-application will govern.

(7) Individual Rural Hospital Organization Per Tax Type Preapproval Limitations.

Subject to the aggregate limit in paragraph (5) of this regulation and the per individual rural hospital organization limitation in paragraph (6) of this regulation, the Department shall only preapprove contributions for this tax credit in the following manner:

- (a) From January 1st to June 30th of each calendar year of the credit, the Department shall only preapprove credits for each rural hospital organization from individual taxpayers in an aggregate amount not to exceed \$2 million, and from corporate, fiduciary, electing S corporation, and electing partnership taxpayers in an aggregate amount not to exceed \$2 million. The Department shall notify such individual rural hospital organization if either \$2 million limit is reached; and
- (b) On the day and time any Form IT-QRHOE-TP1 is received for a calendar year that causes the per tax type preapproval limit in paragraph (7)(a) of this regulation to be reached, then any subsequent applicants for such tax type for such individual rural hospital organization shall be denied. There shall be no proration based on the date an application is received.
- (c) If an individual taxpayer, or corporate, fiduciary, electing S corporation, or electing partnership taxpayer is denied preapproval for the tax credit between January 1st and June 30th of a calendar year, due to the limitation in paragraph (7)(a) of this regulation, then the taxpayer may reapply for preapproval on or after July 1st of that calendar year for such individual rural hospital organization but will not be given any priority over other applicants. Such taxpayer may alternatively reapply for preapproval for a different individual rural hospital organization. For purposes of priority in case the credit cap is reached, the taxpayer's date of re-application will govern.
- (d) From July 1st to December 31st of each calendar year of the credit, the Department shall preapprove contributions from individual taxpayers and corporate, fiduciary, electing S corporation, and electing partnership taxpayers until the annual credit cap is reached.
- (e) For all preapprovals requested for each calendar year of the credit, the Department shall review the reports required by paragraphs (14) and (15) of this regulation. In the event preapproved contributions are not contributed or the rural hospital organization fails to timely file the report required by paragraph (14) of this regulation or the taxpayer fails to timely file the report required by paragraph (15) of this regulation for the period for which a paragraph (15) report was required, the Department shall add any such uncontributed or not timely reported amount to the amount available for each respective calendar year of the credit and adjust any used individual rural hospital organization limitation and adjust any used individual rural hospital organization per tax type preapproval limitation. Such uncontributed amount shall be added within a reasonable time of the Department's determination and until the end of the calendar year; and such amount shall be added directly to the total tax credit amount available for preapproval on the

Georgia Tax Center and to the respective individual rural hospital's Georgia Tax Center available amount for preapproval. The Department shall notify the individual rural hospital organization of such adjusted limits. If such rural hospital organization had previously met the \$4 million limitation, they shall within 15 days of the date of such notification, notify the Georgia Department of Community Health of the additional rural hospital limitation amount. Any taxpayer previously denied preapproval of the credit because the annual credit cap had previously been reached, must reapply as provided in subparagraph (7)(c) of this regulation and will not be given any priority over other applicants.

- (8) **Mandatory Electronic Preapproval Application.** The preapproval process allocates the credit caps. A taxpayer seeking preapproval to claim the tax credits under paragraph (4) of this regulation must electronically submit Form IT-QRHOE-TP1 through the Georgia Tax Center. The Department will not preapprove any qualified rural hospital organization expense tax credit where Form IT-QRHOE-TP1 is submitted or filed in any other manner. Each rural hospital organization shall be registered with the Department to facilitate the web-based preapproval process for Form IT-QRHOE-TP1.
- (a) The taxpayer should not file Form IT-QRHOE-TP1 with the Department of Revenue until the taxpayer's recipient rural hospital organization is listed on the Department of Community Health's website. If the taxpayer's recipient rural hospital organization is not listed on the Department of Community Health's website at the time that the Department of Revenue attempts to verify the rural hospital organization's listing, the Department of Revenue shall deny the preapproval request. If at a later date the taxpayer's recipient rural hospital organization becomes listed, the taxpayer will have to submit a new Form IT-QRHOE-TP1 to the Department of Revenue.
 - (b) The qualified rural hospital organization expense tax credit shall be allowed on a first-come, first-served basis. The date and time the Form IT-QRHOE-TP1 is electronically submitted shall be used to determine such first-come, first-served basis. There shall be no proration based on the date an application is received.
 - (c) The Department will notify each taxpayer and the taxpayer's selected rural hospital organization of the contribution amount, the tax credit certificate number, and the tax credits preapproved and allocated to such taxpayer within thirty days from the date the Form IT-QRHOE-TP1 was received.
 - (d) The contribution must be made by the taxpayer within 180 days of the date of the preapproval notice received from the Department and within the calendar year in which it was preapproved.
 - (e) In the event it is determined that the contributor has not met all the requirements of O.C.G.A. § [48-7-29.20](#) and this regulation, then the amount of the qualified rural hospital organization expense tax credit shall not be preapproved or, if already claimed, the preapproved qualified rural hospital organization expense tax

credit shall be disallowed. With respect to such disallowed credit, tax and interest shall be due.

- (f) Notwithstanding any laws to the contrary, the Department shall not disallow donors' credits for contributions to rural hospital organizations if the Commissioner preapproved a donation for a tax credit prior to the date the rural hospital organization is removed from the Department of Community Health list pursuant to O.C.G.A. § [31-8-9.1](#), and all such donations shall remain as preapproved tax credits subject only to the donor's compliance with O.C.G.A. § [48-7-29.20\(e\)\(3\)](#) and this regulation.
 - (g) Once the calendar year limit is reached for a calendar year, taxpayers shall no longer be eligible for a credit pursuant to O.C.G.A. § [48-7-29.20](#), for such calendar year unless subsequently uncontributed amounts result in the calendar year limit not being reached. If any Form IT-QRHOE-TP1 is received after the calendar year limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date even in the event that the calendar year limit is subsequently not reached due to uncontributed amounts.
- (9) **Letter of Confirmation.** Form IT-QRHOE-RHO1 shall be provided by the rural hospital organization to the taxpayer to confirm the contribution within 15 days of the contribution.
- (10) **Claiming the Credit.** A taxpayer claiming the qualified rural hospital organization expense tax credit, unless indicated otherwise by the Commissioner, must submit Form IT-QRHOE-TP2 with the taxpayer's Georgia tax return when the qualified rural hospital organization expense tax credit is claimed. An electronically filed Georgia income tax return that includes the software's electronic Form IT-QRHOE-TP2 satisfies this requirement.
- (11) **Carry Forward.** Any credit which is claimed but not used in a taxable year shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability. However, any amount in excess of the credit amount limits in paragraph (4) of this regulation shall not be eligible for carry forward to the taxpayer's succeeding years' tax liability nor shall such excess amount be claimed by or reallocated to any other taxpayer.
- (12) **Taxpayer Must Add Back Portion of Federal Deduction on State Return if Taxpayer Takes State Credit.** O.C.G.A. § [48-7-29.20\(g\)](#) provides that no qualified rural hospital organization expense tax credit shall be allowed under O.C.G.A. § [48-7-29.20](#), with respect to any amount deducted from taxable net income by the taxpayer as a charitable contribution to a bona fide charitable organization qualified under Section 501(c)(3) of the Internal Revenue Code. If the taxpayer is allowed the state income tax deduction in place of the charitable contribution deduction as allowed by the Internal Revenue Service, for purposes of this paragraph such deduction shall be considered a charitable contribution to the extent such deduction is allowed federally. Accordingly,

the taxpayer must add back to Georgia taxable income that part of any federal deduction taken on a federal return for which a Georgia qualified rural hospital organization expense tax credit is allowed under O.C.G.A. § [48-7-29.20](#).

- (a) If a taxpayer's itemized deductions are limited federally (and therefore for Georgia purposes) because their Federal Adjusted Gross Income exceeds a certain amount, the taxpayer is only required to add back to Georgia taxable income that portion of the federal charitable deduction that was actually deducted pursuant to the following formula. The federal charitable deduction that must be added back to Georgia taxable income shall be the amount of the federal charitable contribution relating to the qualified rural hospital organization expense tax credit multiplied by the following ratio. The numerator is the amount of the itemized deductions subject to limitation and allowed as itemized deductions after the limitation is applied. The denominator is the total itemized deductions that are subject to limitation before the limitation is applied.

1. For example. A taxpayer has a \$2,500 charitable contribution relating to the qualified rural hospital organization expense tax credit (credit amount is \$2,500) and has property taxes of \$1,500 both of which are subject to limitation. The taxpayer also has investment interest expense of \$10,000 (which is not limited). Accordingly, the taxpayer's total itemized deductions before limitation are \$14,000. After applying the federal limitation, the taxpayer is allowed \$13,000 in itemized deductions. As such only \$3,000 (\$13,000 less the \$10,000 investment interest expense which is not limited) of the original \$4,000 charitable deduction and property taxes are allowed to be deducted. Applying the ratio from the subparagraph above, the taxpayer must add back \$1,875 of the charitable contribution to their Georgia taxable income ($\$2,500 \times (\$3,000 / \$4,000)$).

- (13) **Designation of Contributions.** The tax credit shall not be allowed if the taxpayer directly or indirectly designates the taxpayer's qualified rural hospital organization expense tax credit for the direct benefit of any particular individual, whether or not such individual is a dependent of the taxpayer.
- (14) **Reports by Rural Hospital Organization.** Rural hospital organizations must submit a monthly Form IT-QRHOE-RHO2 to the Department of Revenue. The report shall be due within 90 days of the end of each respective month. The report shall be submitted electronically through the Georgia Tax Center. The report shall be prepared on a monthly basis regardless of the fiscal year of the rural hospital organization. If the rural hospital organization fails to timely file the report, the donor taxpayer shall not be allowed the credit. The taxpayer may again request preapproval for such denied donation subject to the credit caps. The report shall include the following for each respective month:
 - (a) The month and year that is being reported;

- (b) The total number and dollar value of individual contributions and qualified rural hospital organization expense tax credits preapproved. Individual contributions include contributions made by those filing income tax returns as single, head of household, married filing separate, and married filing joint;
 - (c) The total number and dollar value of corporate, fiduciary, S corporation, and partnership contributions and qualified rural hospital organization expense tax credits preapproved;
 - (d) A list of donors (which includes the donor's name, address, and identification number), including the dollar value of each donation, the dollar value of each preapproved qualified rural hospital organization expense tax credit, and each Department issued tax credit certificate number; and
 - (e) Any other information required by the Commissioner.
- (15) **Report by Donor.** Until the time the Department changed the Georgia Tax Center on June 26, 2019, each taxpayer that received preapproval of the qualified rural hospital organization expense tax credit had to report to the Department the amount of the contribution and the Department issued tax credit certificate number and had to provide a copy of the Form IT-QRHOE-RHO1 to the Department. Such information had to be submitted within 30 days of the date of the contribution and had to be submitted electronically through the Georgia Tax Center. If the taxpayer failed to timely file the report, the taxpayer shall not be allowed the credit. The taxpayer may again request preapproval for such denied donation subject to the credit caps.
- (16) **Confirmation of Donations.** Upon the rural hospital organization's confirmation to the Department, as required by paragraph (14) of this regulation, of the receipt of donations that have been preapproved by the Department, any taxpayer preapproved by the Department shall receive the full benefit of the qualified rural hospital organization expense tax credit even though the rural hospital organization to which the taxpayer made a donation does not properly comply with the reports or filings required by O.C.G.A. § [48-7-29.20](#).
- (17) **Website posting.** The Department shall post the following in a prominent location on the Department's website:
- (a) All pertinent timelines relating to the tax credit, including but not limited to:
 - 1. Beginning date when contributions can be submitted for preapproval by donors for the January 1 to June 30 period;
 - 2. Ending date when contributions can be submitted for preapproval by donors for the January 1 to June 30 period;

3. Beginning date when contributions can be submitted for preapproval by donors for the July 1 to December 31 period;
 4. Ending date when contributions can be submitted for preapproval by donors for the July 1 to December 31 period; and
 5. Date by which preapproved contributions are required to be sent to the rural hospital organization;
- (b) The list and ranking order of rural hospital organizations eligible to receive contributions under O.C.G.A. § [31-8-9.1\(b\)\(1\)](#).
- (c) A monthly progress report including:
1. Total preapproved contributions to date by rural hospital organizations;
 2. Total contributions received to date by rural hospital organizations;
 3. Total aggregate amount of preapproved contributions made to date; and
 4. Aggregate amount of tax credits available; and
- (d) A list of all preapproved contributions that were made to an unspecified or undesignated rural hospital organization and the rural hospital organizations that received such contributions.

(18) Preapproval Periods.

- (a) **Beginning of an Approval or Preapproval Period.** Pursuant to O.C.G.A. § [48-2-39](#), when the approval or preapproval period (January 1 through December 31) for the qualified rural hospital organization expense tax credit begin on a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed, such beginning dates shall be postponed until the first day following which is not a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed. Preapprovals, which must be requested through the Department's Georgia Tax Center, may be submitted beginning at 8:00AM on such following day.
- (b) **First-Come, First-Served Basis.** Any application submitted on a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed, shall be considered to have been submitted on such date and time and shall not be prorated based on the date the application is received. This paragraph shall only apply to an application submitted on a day following the beginning date of the approval or preapproval period as provided by subparagraph (18)(a) of this regulation.

- (19) **Sunset Date.** O.C.G.A. § [48-7-29.20](#), the qualified rural hospital organization expense tax credit, shall be repealed on December 31, 2024.
- (20) **Effective Date.** This regulation shall be applicable to years beginning on or after January 1, 2023. Years beginning before January 1, 2023 will be governed by the regulations of Chapter 560-7 as they existed before January 1, 2023 in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.57

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-29.20](#).

History. Original Rule entitled "Qualified Rural Hospital Organization Expense Tax Credit" adopted. F. Sep. 21, 2016; eff. Oct. 11, 2016.

Amended: F. July 13, 2017; eff. August 2, 2017.

Amended: F. Sep. 5, 2017; eff. Sept. 25, 2017.

Amended: F. Aug. 6, 2018; eff. Aug. 26, 2018.

Amended: F. Sep. 20, 2019; eff. Oct. 10, 2019.

Amended: F. Dec. 7, 2021; eff. Dec. 27, 2021.

Amended: F. Sep. 14, 2022; eff. Oct. 4, 2022.

Rule 560-7-8-.58. Qualified Parolee Jobs Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credit under O.C.G.A. § [48-7-40.31](#).
- (2) **Definitions.** As used in this regulation, the terms "employer", "full-time job", and "qualified parolee" shall have the same meaning as in O.C.G.A. § [48-7-40.31](#).
- (3) **Credit Amount.** An employer who employs a qualified parolee in a full-time job for at least 40 weeks during a twelve month period, during the period beginning on January 1, 2017 and before January 1, 2020, shall be allowed a tax credit in the amount of \$2,500 for each qualified parolee.
- (4) **Per Employer Credit Limitation.** The credit amount allowed under paragraph (3) of this regulation shall be further limited for each employer and shall not exceed \$50,000.00 per taxable year.
- (5) **Per Individual Limitation.** An employer shall only be eligible to receive this tax credit once per individual.
- (6) **Claiming the Credit.** For an employer to claim the qualified parolee jobs tax credit, the employer must submit Form IT-QPJ and a listing of the qualified parolee employees, which includes the name of the employee, social security number, the date when the 40 week requirement was met, wages paid in the taxable year, and any other information that the Commissioner may request, with the employer's Georgia income tax return each year the credit is claimed.

- (a) The credit shall be allowed in the taxable year that the 40 week requirement is met. A qualified parolee first employed in a full-time job by such employer before January 1, 2017 does not qualify for this tax credit.
- (7) **Carry Forward.** In no event shall the qualified parolee jobs tax credit for a taxable year exceed the employer's income tax liability. Any credit that is claimed but not used in a taxable year shall be allowed to be carried forward to apply to the employer's succeeding three years' tax liability.
- (8) **Pass-Through Entities.** When the employer is a pass-through entity, and has no income tax liability of its own, the tax credit will pass to its individual members, shareholders, or partners based on their year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its individual shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the individual shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2018. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the calendar 2018 tax year.
- (9) **Report.** On or before September 1st of 2018, 2019, and 2020, the Department shall issue a report to the chairpersons of the Senate Finance Committee and the House Committee on Ways and Means, which shall include the following statistics for the preceding taxable year:
 - (a) The total number of employers that claimed the credit; and
 - (b) The number and total value of all credits earned and all credits applied during such tax year.
- (10) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2017.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.58

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.31](#).

History. Original Rule entitled "Qualified Parolee Jobs Tax Credit" adopted. F. Dec. 14, 2016; eff. Jan. 3, 2017.

Rule 560-7-8-.59. Postproduction Film Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the postproduction film tax credit under O.C.G.A. § [48-7-40.26A](#).

(2) **Definitions.** As used in this regulation, the terms "affiliates", "multimarket commercial distribution", "qualified postproduction activities", "qualified production", and "total aggregate payroll" have the same meaning as in O.C.G.A. § [48-7-40.26A](#).

(a) "Postproduction Company" means a company that:

1. Maintains a business location physically located in Georgia;
2. Has total aggregate payroll of \$250,000 or more for employees working within the state in the taxable year that the postproduction company claims the postproduction film tax credit; or for a postproduction company that has incurred at least \$100,000 but less than \$500,000 in qualified postproduction expenditures, has a total aggregate payroll of at least \$100,000 but less than \$500,000 for employees working within the state in the taxable year that the postproduction company claims the postproduction film tax credit.
3. Is engaged in qualified postproduction activities; and
4. Has been certified by the Department as provided in paragraph (3) of this regulation.

This term shall not mean or include any form of business owned, affiliated, or controlled, in whole or in part, by any company or person which is in default on any tax obligation of the state, or a loan made by the state or a loan guaranteed by the state. In the instance of a work for hire in which one postproduction company hires another postproduction company to engage in qualified postproduction activities for pay, the hired postproduction company shall be considered a service provider for the hiring postproduction company and the hiring postproduction company shall be entitled to the postproduction film tax credit for postproduction expenditures related to the hired postproduction company only if the Department certifies that the hired postproduction company is a Georgia company employing workers in this state and that the work on the postproduction expenditures is solely in this state. In order to make such certification, the postproduction company must certify on Form IT-PC that the hired postproduction company is a Georgia company employing workers in this state and that the work on the postproduction expenditures is solely in this state. If the Department determines at any time that the certification is not valid, then the Department shall disallow the postproduction expenditures related to the hired postproduction company. In the event that the hiring postproduction company does not qualify for the postproduction film tax credit, because the hiring postproduction company does not meet the definition of a postproduction company under O.C.G.A. § [48-7-40.26A](#) and this paragraph, then the hired postproduction company would be entitled to the postproduction film tax credit for its qualified postproduction expenditures provided it otherwise qualifies.

- (b) "Work for hire" means an arrangement whereby one postproduction company contracts with another postproduction company to engage in qualified postproduction activities pursuant to a production services agreement. Merely financing or providing funding to a postproduction company does not make the financing/funding company the "hiring" postproduction company for purposes of the postproduction film tax credit. In the instance of co-productions, the claiming company must attach a written agreement to Form IT-PFC when the credit is claimed as to which party will be entitled to earn and claim the tax credit. Failure to execute and attach such agreement shall result in the loss of the postproduction film tax credit.

(3) Certification for a Postproduction Company.

- (a) The postproduction company must electronically certify on Form IT-PC to the Department of Revenue through the Georgia Tax Center that:
 - 1. The postproduction company maintains a business location physically located in this state; and
 - 2. The postproduction company has expended or intends to expend a total aggregate payroll of \$250,000 or more for employees working within this state in the taxable year that the postproduction company claims the postproduction film tax credit; or if the postproduction company has incurred at least \$100,000 but less than \$500,000 in qualified postproduction expenditures, that the postproduction company has expended or intends to expend a total aggregate of at least \$100,000 but less than \$500,000 for employees working within this state in the taxable year that the postproduction company claims the postproduction film tax credit.
- (b) If the postproduction company is a disregarded entity then such information should be submitted in the name of the owner of the disregarded entity.

- (4) Qualified Postproduction Expenditures.** Qualified postproduction expenditures include postproduction expenditures incurred in this state that are directly used in qualified postproduction activities, including without limitation the following: costs associated with photography and sound synchronization, expenditures (excluding license fees) incurred with Georgia companies for sound recordings and musical compositions, lighting, and related services and materials; editing and related services; rental of facilities and equipment; leasing of vehicles; costs of food and lodging; digital or tape editing, film processing, transfers of film to tape or digital format, sound mixing, computer graphics services, special effects services, and animation services; total aggregate payroll; airfare, if purchased through a Georgia travel agency or travel company; insurance costs and bonding, if purchased through a Georgia insurance agency; and other direct postproduction costs for the project in accordance with generally accepted entertainment industry practices. This term includes postproduction expenditures for footage shot inside or outside of Georgia.

- (a) Depreciation, amortization, or other expense on qualified postproduction expenditures with a useful life of more than one year. The costs of qualified postproduction expenditures with a useful life of more than one year are considered "other direct costs of the qualified postproduction activities in accordance with generally accepted entertainment industry practices." Such costs shall be included in the computation of the postproduction film tax credit for the taxable year based upon the depreciation, amortization, or other expense included in the computation of Georgia taxable income of the postproduction company for the applicable taxable year. Such depreciation, amortization, or other expense shall be prorated based upon the time the asset is used in qualified postproduction activities in this state. Depreciation, amortization, or other expense on expenditures incurred before the postproduction period shall not be included in the computation of the postproduction film tax credit. In order to claim depreciation, amortization, or other expense, the qualified postproduction expenditure for the asset that generated the depreciation, amortization, or other expense, must have been incurred in this state as provided in subparagraph (4)(b) of this regulation.
- (b) Qualified postproduction expenditures incurred in this state. In order to be considered to have been incurred in this state, the following rules shall apply:
1. Qualified postproduction expenditures, which are attributable to the performance of services by individuals and companies directly at the postproduction site in Georgia who were not employees of the postproduction company, shall be attributed to Georgia in the same manner as salaries as provided in subparagraph (4)(c) of this regulation.
 2. Except as otherwise provided in this regulation, expenditures for services which are not performed at the postproduction site (such as insurance, service fees paid to a payroll company including workers compensation if the service fees include such, editing and related services, digital or tape editing, film processing, transfers of film to tape or digital format, sound mixing, computer graphics services, special effects services, animation services, etc.) will be allowed if the vendor is a Georgia vendor and will be attributed to Georgia if and only to the extent the service is rendered in Georgia. If the postproduction company is unable to track the cost of services rendered in Georgia, then some other reasonable method which approximates the cost of services rendered in Georgia may be used to determine the amount attributable to Georgia but such approximation will be subject to adjustment by the Department. In the event the services are subcontracted to a company that would not otherwise qualify and/or such subcontracted company renders the services outside Georgia, the expenditure for such services shall not be considered to have been incurred in this state.

3. Purchases and rentals of property. In order to include qualified postproduction expenditures for purchases and rentals of property, the property must have been used in Georgia and purchased or rented from a Georgia vendor. Purchase receipts, invoices, contracts, or other documentation shall be used to determine this.
4. Georgia Vendor. For purposes of this regulation, a Georgia vendor is a vendor that:
 - (i) Sells or rents property, which is regularly kept in their inventory, or provides a service not performed at the postproduction site, which is the subject of the qualified postproduction expenditure, in their ordinary course of business; and
 - (ii) Has a physical location in Georgia with at least one individual working at such location on a regular basis. Registering with the Georgia Secretary of State or appointing a registered agent in Georgia does not establish a physical location in Georgia.

However, a vendor that acts as a conduit to enable purchases and rentals to qualify that would not otherwise qualify shall not be considered a Georgia vendor with respect to such purchases and rentals.

- (c) Salaries. Total aggregate payroll, as such term is used in this regulation, includes bonuses, incentive pay, and other compensation paid to an employee which is included in the employee's Form W-2 "Wage and Tax Statement". Reimbursed expenses, per diems, or employer paid benefits and taxes are not included in aggregate payroll unless such amounts are included as wages, tips, or other compensation in the employee's Form W-2 "Wage and Tax Statement". For purposes of this regulation, the term "employee" means any officer of a corporation or any individual who, under the Internal Revenue Service rules applicable in determining the employer-employee relationship, has the status of an employee. Guaranteed payments to partners do not qualify for the postproduction film tax credit and are not included in total aggregate payroll. Except as otherwise provided in this paragraph, if the postproduction company is unable to track the actual time spent by an employee in Georgia, the postproduction company may calculate the total aggregate payroll in Georgia by some other reasonable method which approximates the actual time spent in Georgia but such approximation will be subject to adjustment by the Department. For all individuals who are paid a separate amount for postproduction, the amount that is incurred in Georgia shall be based on the amount paid for such period and prorated based on the actual time spent in Georgia by the employee in such period. If the postproduction company is unable to track the actual time spent by the individual in Georgia, the

postproduction company may calculate the total aggregate payroll in Georgia by some other reasonable method which approximates the actual time spent in Georgia for such period but such approximation will be subject to adjustment by the Department.

- (d) **Fringe Benefits.** The following benefits are attributed to Georgia in the same manner as salaries as provided in subparagraph (4)(c) of this regulation:
 - 1. SUI (state unemployment insurance);
 - 2. FUI (federal unemployment insurance);
 - 3. FICA (employer portion);
 - 4. Pension and welfare if the amounts are paid as part of pension, health, and welfare plans (these would not be required to be paid to a Georgia vendor);
 - 5. Health insurance premiums if these amounts are paid as part of pension, health, and welfare plans (these would not be required to be paid to a Georgia vendor);
 - (i) **Other Fringe Benefits.** The following fringe benefits are attributed to Georgia as follows:
 - 1. Meal per diems, as set forth by United States General Services Administration, if incurred in Georgia; and
 - 2. Hotel per diems, as set forth by United States General Services Administration, if incurred in Georgia.
 - (e) **Direct use.** A postproduction company may only claim qualified postproduction expenditures that are directly used in a qualified postproduction activity. In determining whether a postproduction expenditure is directly used in a qualified postproduction activity, the Department of Revenue will consider the proximity of the expenditure to the activity as well as the causal relationship between the expenditure and the activity.
- (5) **Credit Amount.** Except as provided in paragraph (6) of this regulation, a postproduction company that meets or exceeds \$500,000 in qualified postproduction expenditures in a taxable year as provided in O.C.G.A. § [48-7-40.26A](#) and this regulation, shall be allowed a tax credit of 20 percent of the qualified postproduction expenditures; and an additional tax credit of 10 percent of the qualified postproduction expenditures shall be allowed if the qualified production expenditures under O.C.G.A. § [48-7-40.26](#) and upon which the qualified postproduction expenditures were incurred, were filmed in this state; an additional 5 percent of the qualified postproduction expenditures shall be allowed if the

qualified postproduction expenditures were incurred in a tier 1 or tier 2 county as designated by the Commissioner of Community Affairs under O.C.G.A. § [48-7-40](#).

- (6) **Credit amount for small postproduction companies.** A postproduction company that has incurred at least \$100,000 but less than \$500,000 in qualified postproduction expenditures and has a total aggregate payroll in this state of at least \$100,000 but less than \$500,000 in a taxable year shall be allowed a tax credit of 20 percent of the qualified postproduction expenditures in a taxable year.
- (7) **Credit Amount Limitation.** A postproduction company's credit amount shall not exceed the amounts in paragraph (5) or (6) of this regulation, and for any single tax year shall not exceed the postproduction company's total aggregate payroll expended to employees working within this state for the taxable year that the postproduction company claims the postproduction film tax credit. Any amount in excess of this credit limit shall not be eligible for carry forward to succeeding years' tax liability, nor shall such excess amount be eligible for use against the postproduction company's quarterly or monthly payment under O.C.G.A. § [48-7-103](#), nor shall such excess amount be assigned, sold, or transferred to any other taxpayer.
- (8) **Credit Cap (not applicable to small postproduction companies under paragraph (10) of this regulation).** For taxable years beginning on or after January 1, 2018 and before January 1, 2023, in no event shall the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.26A](#) for a postproduction company exceed \$10 million per tax year.
 - (a) The postproduction film tax credit shall not be available for taxable years beginning on or after January 1, 2023.
 - (b) If the aggregate amount of tax credits claimed, under paragraph (8) of this regulation, by postproduction companies during a year is less than the aggregate annual cap applicable to such year, the unclaimed portion of the aggregate annual cap shall be added to the aggregate annual cap applicable to the next succeeding year or years until it is fully claimed. Since a postproduction company can apply for preapproval and claim the credit until the end of the three year period provided in O.C.G.A. § [48-2-35](#), the Department will add the unclaimed portion after such three year period.
 - 1. For example, for the 2018 preapproval year the preapproval and claiming can occur as late as September 15, 2023 (a corporation with a taxable year that begins on December 1, 2018 and ends on November 15, 2019 with an original return due date of September 15, 2020). The Department will add the unclaimed portion to the 2019 preapproval year as soon after that date as practical.
- (9) **Maximum Credit Amount per Postproduction Company and Its Affiliates which are Postproduction Companies.** The maximum credit amount allowed under paragraph (8) of this regulation for any postproduction company and its affiliates which are postproduction companies shall not exceed 20 percent of the aggregate amount of

postproduction film tax credits available for such taxable year under paragraph (8) of this regulation.

- (10) **Credit Cap for small postproduction companies.** For taxable years beginning on or after January 1, 2018 and before January 1, 2023, in no event shall the aggregate amount of tax credits allowed for postproduction companies that have incurred at least \$100,000 but less than \$500,000 in qualified postproduction expenditures and have a total aggregate payroll in this state of at least \$100,000 but less than \$500,000 in a taxable year, exceed \$1 million per taxable year. The credit cap under this paragraph is separate from and shall not be included in the aggregate credit cap under paragraph (8) of this regulation.
- (a) The postproduction film tax credit for small postproduction companies shall not be available for taxable years beginning on or after January 1, 2023.
- (11) **Preapproval for Postproduction Companies (not applicable to Small Postproduction Companies under Paragraph (12) of this Regulation).** Any postproduction company seeking preapproval to claim tax credits under paragraph (8) of this regulation, must submit the appropriate forms to the Department through the Georgia Tax Center as provided in this subparagraph.
- (a) **Application.** A postproduction company seeking preapproval to claim the tax credits under paragraph (8) of this regulation must electronically submit Form IT-PC-AP through the Georgia Tax Center. A postproduction company that has submitted its Form IT-PC for certification by the Department or that submits Form IT-PC on the same day as Form IT-PC-AP is submitted may request preapproval from the Department before meeting the requirements of the postproduction film tax credit. Such postproduction company must estimate their credit amounts on Form IT-PC-AP. The amount of tax credit claimed by the postproduction company on the postproduction company's applicable Georgia income tax return must be based on the actual postproduction film tax credit earned under O.C.G.A. § [48-7-40.26A](#) and this regulation and cannot exceed the amount preapproved. If the postproduction company is preapproved for an amount that exceeds the amount that is calculated using the actual numbers when the return is filed, the excess preapproved amount cannot be claimed by the postproduction company nor shall such excess preapproved amount be assigned, sold, or transferred to any other taxpayer or added to the paragraph (8) credit cap. If the postproduction company is a disregarded entity then such information should be submitted in the name of the owner of the disregarded entity.
- (b) **Notification.** The Department will notify each postproduction company of the tax credits preapproved or denied to such postproduction company.
- (c) **Allocation of Tax Credit.** The Commissioner shall allow the tax credits on a first-come, first-served basis. The date the Form IT-PC-AP is electronically submitted shall be used to determine such first-come, first-served basis.

- (d) Applications received on the day the maximum credit amount is reached. In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limit in paragraph (8) of this regulation, then the tax credits shall be allocated among the postproduction companies who submitted Form IT-PC-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-40.26A](#), and this regulation. Only credit amounts on applications received on the day the aggregate credit cap was exceeded will be allocated on a pro rata basis.
 - (e) Once the credit cap is reached for a taxable year, postproduction companies who meet the requirements of the postproduction film tax credit during such taxable year shall no longer be eligible for a credit under O.C.G.A. § [48-7-40.26A](#). If any Form IT-PC-AP is received after the taxable year preapproval limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
 - (f) In the event it is determined that the postproduction company has not met all the requirements of O.C.G.A. § [48-7-40.26A](#) and this regulation, then the amount of credits shall not be preapproved or the preapproved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.
- (12) **Preapproval for Small Postproduction Companies.** Any postproduction company seeking preapproval to claim tax credits under paragraphs (10) of this regulation, must submit the appropriate forms to the Department through the Georgia Tax Center as provided in this subparagraph.
- (a) **Application.** A postproduction company seeking preapproval to claim the tax credits under paragraph (10) of this regulation must electronically submit Form IT-SPC-AP through the Georgia Tax Center. A postproduction company that has submitted its Form IT-PC for certification by the Department or that submits Form IT-PC on the same day as Form IT-SPC-AP is submitted may request preapproval from the Department before meeting the requirements of the postproduction film tax credit. Such postproduction company must estimate their credit amounts on Form IT-SPC-AP. The amount of tax credit claimed by the postproduction company on the postproduction company's applicable Georgia income tax return must be based on the actual postproduction film tax credit earned under O.C.G.A. § [48-7-40.26A](#) and this regulation and cannot exceed the amount preapproved. If the postproduction company is preapproved for an amount that exceeds the amount that is calculated using the actual numbers when the return is filed, the excess preapproved amount cannot be claimed by the postproduction company nor shall such excess preapproved amount be assigned, sold, or transferred to any other taxpayer or added to the paragraph (10) credit

cap. If the postproduction company is a disregarded entity then such information should be submitted in the name of the owner of the disregarded entity.

- (b) Notification. The Department will notify each postproduction company of the tax credits preapproved or denied to such postproduction company.
 - (c) Allocation of Tax Credit. The Commissioner shall allow the tax credits on a first-come, first-served basis. The date the Form IT-SPC-AP is electronically submitted shall be used to determine such first-come, first-served basis.
 - (d) Applications received on the day the maximum credit amount is reached. In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limit in paragraph (10) of this regulation, then the tax credits shall be allocated among the postproduction companies who submitted Form IT-SPC-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-40.26A](#), and this regulation. Only credit amounts on applications received on the day the aggregate credit cap was exceeded will be allocated on a pro rata basis.
 - (e) Once the credit cap is reached for a taxable year, postproduction companies who meet the requirements of the postproduction film tax credit during such taxable year shall no longer be eligible for a credit under O.C.G.A. § [48-7-40.26A](#). If any Form IT-SPC-AP is received after the taxable year preapproval limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
 - (f) In the event it is determined that the small postproduction company has not met all the requirements of O.C.G.A. § [48-7-40.26A](#) and this regulation, then the amount of credits shall not be preapproved or the preapproved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.
- (13) **Qualified Postproduction Expenditures Not Eligible for the Postproduction Film Tax Credit.** Any qualified postproduction expenditures for which a production company claims the tax credit under O.C.G.A. § [48-7-40.26](#) are not eligible for the postproduction film tax credit under O.C.G.A. § [48-7-40.26A](#) and this regulation.
- (14) **Claiming the Postproduction Film Tax Credit.** A postproduction company claiming tax credits under paragraph (8) or (10) of this regulation must attach Form IT-PFC to its Georgia income tax return for each tax year in which the credit is claimed.
- (a) Withholding Tax. The postproduction company may claim any excess postproduction film tax credit against its withholding tax liability or the withholding tax liability of its payroll service providers provided such withholding tax liability is with respect to the employees of the postproduction

company and is attributable to withholding for such employees for withholding periods approved in subparagraph (14)(a)3. of this regulation. The withholding tax benefit may only be applied against the withholding tax account used by the postproduction company or its payroll service provider for payroll purposes. In the event the postproduction company is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company or against the withholding tax liability of its payroll service providers provided such withholding tax liability is attributable to wages paid by its payroll service provider with respect to the individuals providing services to the single member limited liability company and is attributable to withholding for such employees for withholding periods approved in subparagraph (14)(a)3. of this regulation. Any postproduction company that qualifies to take all or a part of the postproduction film tax credit against withholding tax otherwise due the Department of Revenue, must make an irrevocable election to do so as a part of its notification to the Commissioner required under this subparagraph. When this election is made, the excess postproduction film tax credit will not pass through to the shareholders, partners, or members of the postproduction company if the postproduction company or is a pass-through entity.

1. Notice of Intent. To claim any excess postproduction film tax credit not used on the income tax return against the postproduction company's withholding tax liability, the postproduction company must file Revenue Form IT-WH *Notice of Intent* through the Georgia Tax Center within (30) days after the due date of the Georgia income tax return (including extensions) or within thirty (30) days after the filing of a timely filed Georgia income tax return, whichever occurs first. Failure to file this form as provided in this subparagraph will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in more than one taxable year, the election to claim the withholding credit will be available for the credit earned in such subsequent year.
2. Review Period. The Department of Revenue has one hundred twenty (120) days from the date the applicable Form IT-WH under subparagraph (14)(a)1. of this regulation is received to review the credit and make a determination of the amount eligible to be used against withholding tax.
3. Letter of Eligibility. Once the review is completed, a letter will be sent to the postproduction company stating the postproduction film tax credit amount which may be applied against withholding and when the postproduction company or its payroll service provider may begin to claim the postproduction film tax credit against withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding

tax payments and will not refund any previous withholding payments made by the postproduction company or its payroll service provider.

- (b) **Use of Other Tax Credits.** Postproduction companies claiming the postproduction film tax credit may not claim the job tax credit, headquarters tax credit, or quality jobs tax credit for employees whose wages are used to calculate the postproduction film tax credit.
 - (c) **Assignment of Credit to Affiliates.** Once the postproduction company establishes the amount of the postproduction film tax credit by filing the tax return for the taxable year in which the credit was earned, the credit may then be assigned to the postproduction company's affiliates under the provisions of O.C.G.A. § [48-7-42](#). When a postproduction film tax credit is assigned to an affiliated entity, the affiliated entity may apply the credit solely against its own income tax liability. The affiliated entity may not sell or transfer the credit pursuant to paragraph (18) of this regulation and may not claim any excess postproduction film tax credit against its withholding tax. Any unused credit may be carried forward by such affiliated entity until the credit is used or it expires, whichever occurs first.
- (15) **Carry Forward.** Any credit that is claimed but not used in a taxable year may be carried forward for five years from the close of the taxable year in which the qualified postproduction expenditures were made and the postproduction company established the amount of the postproduction film tax credit for that taxable year.
- (a) Postproduction film tax credits may not be carried back and applied against a prior year's income tax liability.
- (16) **Audits.** Any Department of Revenue audit triggered by a postproduction company's use or transfer of a postproduction film tax credit will require the postproduction company to reimburse the Department of Revenue for all costs associated with the audit. The Department of Revenue will inform the postproduction company that the audit is a postproduction film tax credit audit and thus subject to this clause prior to the commencement of the audit. Routine audits of the taxpayer's activity in Georgia are not subject to this provision.
- (17) **Pass-Through Entities.** When a postproduction company generating a postproduction film tax credit is a pass-through entity, and has no income tax liability of its own, the postproduction film tax credit will pass to its members, shareholders, or partners based on the year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the postproduction company that incurred the qualifying postproduction expenditures to establish the amount of the postproduction film tax credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess postproduction film tax credit against their withholding tax liabilities or against the withholding tax liabilities of their payroll

service providers. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2019. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2019 tax year.

(18) **Selling or Transferring the Postproduction Film Tax Credit.** The postproduction company may sell or transfer in whole or in part any postproduction film tax credit, previously claimed but not used by such postproduction company against its income tax, to another Georgia taxpayer subject to the following conditions:

- (a) The taxpayer may only make a one-time sale or transfer of postproduction film tax credits earned in each taxable year. However, the sale or transfer may involve more than one transferee and more than one sale date. The sale may occur in a year or years after the postproduction film tax credit is earned but must occur before the expiration of the carry forward period of such credit. For example, a postproduction company earns a \$500,000 credit in year 1. In year 2 the postproduction company sells \$200,000 of the credit to taxpayer 2 and \$50,000 to taxpayer 3. In year 3 the postproduction company sells the remaining \$250,000 of the credit to taxpayer 4. However, taxpayer 2, taxpayer 3, and taxpayer 4 are not allowed to resell the credit since the credit can only be sold one-time.
- (b) The postproduction film tax credit may be transferred before the tax return is filed by the postproduction company provided the postproduction film tax credit has been earned. Preapproval for the credit by itself does not qualify as earning the credit. The amount transferred cannot exceed the amount of the credit which will be claimed and not used on the income tax return of the postproduction company.
- (c) The postproduction company must file Form IT-TRANS "Notice of Tax Credit Transfer" with both the Department of Economic Development and Department of Revenue within 30 days after each transfer or sale of the postproduction film tax credit. Form IT-TRANS must be submitted electronically to the Department of Revenue through the Georgia Tax Center or alternatively as provided in subparagraph (18)(c)1. of this regulation. The Department of Revenue will not process any Form IT-TRANS submitted or filed in any other manner. If the postproduction company is a disregarded entity then Form IT-TRANS should be filed in the name of the owner of the disregarded entity but the Form IT-PFC should be in the name of the disregarded entity.
 - 1. The web-based portal on the Georgia Tax Center. The postproduction company may provide selective information to a representative for the purpose of allowing the representative to submit Form IT-TRANS on their behalf on the Georgia Tax Center outside of a login. The provision of such information shall authorize the representative to submit such Form IT-

TRANS. The representative must provide all information required by the web-based portal on the Georgia Tax Center to submit Form IT-TRANS.

- (d) The postproduction company must provide all required postproduction film tax credit detail and transfer information to the Department of Revenue. Failure to do so will result in the postproduction film tax credit being disallowed until the postproduction company complies with such requirements.
- (e) The carry forward period of the postproduction film tax credit for the transferee will be the same as it was for the postproduction company. This credit may be carried forward for five years from the end of the tax year in which the qualifying postproduction expenditures were incurred. For example: The postproduction company sells a postproduction film tax credit on September 15, 2019. This credit is based on qualifying expenditures from the calendar 2018 tax year. The credit may be claimed by the transferee on the 2018, 2019, 2020, 2021, 2022, or 2023 return and the carry forward period for this credit will expire on December 31, 2023. This carry forward treatment applies regardless of whether it is being claimed by the postproduction company or the transferee.
- (f) A transferee shall have only such rights to claim and use the postproduction film tax credit that were available to the postproduction company at the time of the transfer excluding the withholding tax benefit which is not available to the transferee. Thus, a transferee shall not have the right to subsequently transfer such credit since that right has been utilized by the transferor.

(19) How to Sell or Transfer the Tax Credit.

- (a) Direct Sale. The postproduction company may sell or transfer the postproduction film tax credit directly to a Georgia taxpayer (or multiple Georgia taxpayers as provided in subparagraph (18)(a) of this regulation). A pass-through entity may make an election to sell or transfer the unused postproduction film tax credit earned in a taxable year at the entity level. If the pass-through entity makes the election to sell the postproduction film tax credit at the entity level, the credit does not pass through to the shareholders, members, or partners. In all cases, the effect of the sale of the credit on the income of the seller and buyer of the credit will be the same as provided in the Internal Revenue Code.
- (b) Pass-Through Entity. The postproduction company may be structured as a pass-through entity. If a pass-through entity does not make an election to sell or transfer the tax credit at the entity level as provided in subparagraph (19)(a) of this regulation, the tax credit will pass through to the shareholders, partners or members of the entity based on their year ending profit/loss percentage. The shareholders, members, or partners may then sell their respective postproduction film tax credit to a Georgia taxpayer.

- (c) **Transferee Pass-Through Entity.** The postproduction company, or its shareholders, members or partners, may sell or transfer the tax credit to a pass-through entity. The pass-through entity shall elect on behalf of its shareholders, members or partners which year the credit shall be passed through to its shareholders, members or partners (either its tax year in which the income tax year of the postproduction company, which claims the postproduction film tax credit ends; or during any later tax year before the five year carry forward period associated with the tax credit ends as provided in subparagraph (19)(d) of this regulation). If the pass-through entity has no income tax liability of its own, the pass-through entity may then pass the credit through to its shareholders, members, or partners based on the pass-through entity's year ending profit/loss percentage for such elected year. For example, if a calendar year partnership is buying the credit earned by a postproduction company in the calendar 2019 tax year and elects to use the credit for such year, then all of the partners receiving the credit must have been a partner in the partnership no later than the end of the 2019 tax year in which the credit was established. Only partners who have a profit/loss percentage as of the end of the applicable tax year may receive their respective amount of the postproduction film tax credit.
- (d) The credits are available for use by the transferee, provided the time has not expired for filing a claim for refund of a tax or fee erroneously or illegally assessed and collected pursuant to O.C.G.A. § [48-2-35](#):
1. In the transferee's tax year in which the income tax year of the postproduction company, which claims the postproduction film tax credit ends; or
 2. During any later tax year before the five year carry forward period associated with the tax credit ends.
 - (i) Example: A postproduction company reaches the \$500,000 in qualified postproduction expenditures in a taxable year, receives preapproval, and claims the postproduction film tax credit in calendar 2019 tax year. The postproduction company sells the postproduction film tax credit to a calendar year Georgia taxpayer in calendar year 2020. The transferee Georgia taxpayer may claim the purchased postproduction film tax credit on either their 2019 return (transferee's tax year in which the income tax year of the postproduction company ends) or their 2020, 2021, 2022, 2023, or 2024 return (during any later tax year before the five year carry forward associated with the tax credit ends).
 - (ii) Example: A postproduction company reaches the \$500,000 base investment threshold and claims the postproduction film tax credit in its fiscal year end June 30, 2019. The postproduction company

sells the postproduction film tax credit to a calendar year Georgia taxpayer in calendar year 2020. The transferee Georgia taxpayer may claim the purchased postproduction film tax credit on either their 2019 return (transferee's tax year in which the income tax year of the postproduction company ends) or their 2020, 2021, 2022, 2023, or 2024 return (during any later tax year before the five year carry forward associated with the tax credit ends).

- (20) **Required Reporting.** For taxable years beginning on or after January 1, 2018, and before January 1, 2023, the postproduction company shall electronically report to the Department of Revenue through the Georgia Tax Center on Form IT-PC-RPT the monthly average number of full-time employees subject to Georgia income tax withholding for the taxable year. Such report shall be filed on the date the postproduction company files its Georgia income tax return. For purposes of this paragraph, a full-time employee shall mean a person who performs a job that requires a minimum of 35 hours a week, and pays at or above the average wage earned in the county with the lowest average wage earned in this state, as reported in the most recently available annual issue of the Georgia Employment and Wages Averages Report of the Department of Labor.
- (a) Notwithstanding Code Sections [48-2-15](#), [48-7-60](#), and [48-7-61](#), for such taxable years, the commissioner shall report yearly to the House Committee on Ways and Means and the Senate Finance Committee. The report shall include the name, tax year beginning, and monthly average number of full-time employees for each postproduction company. The first report shall be submitted by June 30, 2018, and each year thereafter by June 30.
- (21) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2018.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.59

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.26A](#).

History. Original Rule entitled "Postproduction Film Tax Credit" adopted. F. Nov. 14, 2017; eff. Dec. 4, 2017.

Amended: F. Jan. 2, 2018; eff. Jan. 22, 2018.

Rule 560-7-8-.60. Qualified Education Donation Tax Credit.

- (1) **Purpose.** The purpose of this regulation is to provide guidance concerning the administration of the tax credit under O.C.G.A. § 48-7-29.21.
- (2) **Definitions.** As used in this regulation, the terms "qualified education donation" and "recipient" shall have the same meaning as in O.C.G.A. § 48-7-29.21.

- (3) **Credit Amount.** The amount of qualified education donation tax credit allowed a taxpayer shall be as follows:
- (a) For an individual taxpayer, the credit amount shall not exceed \$1,000, or the actual amount donated, whichever is less.
 - (b) For an individual taxpayer filing married filing separate, the credit amount shall not exceed \$1,250, or the actual amount donated, whichever is less.
 - (c) For individual taxpayers filing married filing joint, the credit amount shall not exceed \$2,500, or the actual amount donated, whichever is less.
 - (d) For an individual taxpayer who is a member of a limited liability company duly formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a partnership, the credit is limited to the lesser of the actual amount donated or \$10,000 per tax year, whichever is less; provided, however, that the tax credits shall only be allowed for the Georgia income on which such tax was actually paid by such member of a limited liability company, shareholder of a Subchapter 'S' corporation, or partner in a partnership. In determining such Georgia income, the shareholder, partner, or member shall exclude any income that was subtracted on their Georgia return because the entity paid tax at the pass-through entity level in Georgia as provided in Regulation [560-7-3-.03](#). If the individual taxpayer is a member, partner, or shareholder in more than one pass-through entity, the total credit allowed cannot exceed \$10,000; the individual taxpayer decides which pass-through entities to include when computing Georgia income for purposes of the qualified education donation tax credit. All Georgia income, loss, and expense from the taxpayer selected pass-through entities will be combined to determine Georgia income for purposes of the qualified education donation tax credit. Such combined Georgia income shall be multiplied by the applicable marginal tax rate to determine the tax that was actually paid. If the taxpayer is filing a joint return, the taxpayer's spouse may also claim a credit for their ownership interests and shall separately be eligible for a credit as provided in this subparagraph. If the taxpayer(s) chooses to be preapproved pursuant to this subparagraph, for all purposes of claiming the credit they shall be subject to the provisions of this subparagraph and shall not be entitled to claim any other amounts provided in O.C.G.A. § 48-7-29.21 and this regulation. If the taxpayer is preapproved for an amount that exceeds the amount that is calculated as allowed when the return is filed, the excess amount cannot be claimed by the taxpayer and cannot be carried forward.
1. Example: Taxpayer, an individual taxpayer, is the sole shareholder of A, Inc., an S corporation, Taxpayer is also a 50% partner, in BC Company, a partnership, and Taxpayer is also a 20% member of a limited liability company, XYZ Company, which is taxed as a partnership. Taxpayer requests preapproval for the qualified education donation tax credit for calendar year 2022 by electronically submitting Form IT-QED-TP1 through

the Georgia Tax Center. On Form IT-QED-TP1, Taxpayer estimates that the taxpayer's Georgia income from A, Inc. is \$120,000, and that Taxpayer's share of Georgia income from BC Company is \$60,000, Taxpayer chooses not to include any income from XYZ Company when estimating Georgia income for purposes of the qualified education donation tax credit; therefore the Department preapproves Taxpayer for \$10,000 qualified education donation tax credit (since \$10,000 is less than \$10,350 (5.75% of \$180,000)), the applicable marginal tax rate for 2022 is 5.75%. Taxpayer makes a \$10,000 donation to the recipient within 60 days of receiving preapproval from the Department and before the end of 2022. When Taxpayer files Taxpayer's 2022 Georgia income tax return, Taxpayer received a salary from A, Inc. of \$50,000 and A, Inc.'s actual Georgia income is \$60,000; Taxpayer's actual share of Georgia income from BC Company is \$20,000 and Taxpayer received a guaranteed payment from BC Company of \$15,000; Taxpayer's actual share of Georgia income from XYZ Company is \$5,000 (the Taxpayer can choose to include this company even though it was not considered at the time of preapproval), Taxpayer can only claim \$8,625 qualified education donation tax credit (which is 5.75% of the \$150,000 actual income from Taxpayer's selected pass-through entities), and the extra \$1,375 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$8,625 qualified education donation tax credit claimed but not used on the taxpayer's 2022 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability.

- (e) For a corporation taxpayer, fiduciary taxpayer, an S corporation that makes the election to pay tax at the entity level under O.C.G.A. § 48-7-21, or a partnership that makes the election to pay tax at the entity level under O.C.G.A. § 48-7-23, the credit amount shall not exceed 75 percent of the corporation's, fiduciary's, electing S corporation's, or electing partnership's income tax liability, or the actual amount donated, whichever is less. A fiduciary cannot pass through the credit to its beneficiaries.

1. Example: Taxpayer, a corporation, requests preapproval for the qualified education donation tax credit for calendar year 2022 by electronically submitting Form IT-QED-TP1 through the Georgia Tax Center. On Form IT-QED-TP1 Taxpayer's intended contribution for 2022 is \$100,000; and Taxpayer's estimated income tax liability for the 2022 tax year is \$100,000; therefore the Department preapproves Taxpayer for \$75,000 qualified education donation tax credit for calendar year 2022. Taxpayer makes a \$75,000 donation to the recipient within 60 days of receiving preapproval from the Department and before the end of 2022. When Taxpayer files their 2022 Georgia income tax return, Taxpayer's income tax liability for tax year 2022 is \$80,000, Taxpayer can only claim \$60,000 of qualified education

donation tax credit (\$60,000 is 75% of their actual Georgia income tax liability for tax year 2022), and the extra \$15,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$60,000 qualified education donation tax credit claimed but not used on the taxpayer's 2022 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability.

2. Example: Taxpayer, a S Corporation electing to pay tax at the entity level, requests preapproval for the qualified education donation tax credit for calendar year 2022 by electronically submitting Form IT-QED-TP1 through the Georgia Tax Center. On Form IT-QED-TP1 Taxpayer's intended contribution for 2022 is \$100,000; and Taxpayer's estimated income tax liability for the 2022 tax year is \$100,000; therefore the Department preapproves Taxpayer for \$75,000 qualified education donation tax credit for calendar year 2022. Taxpayer makes a \$75,000 donation to the recipient within 60 days of receiving preapproval from the Department and before the end of 2022. When Taxpayer files their 2022 Georgia income tax return, Taxpayer's income tax liability for tax year 2022 is \$80,000, Taxpayer can only claim \$60,000 of qualified education donation tax credit (\$60,000 is 75% of their actual Georgia income tax liability for tax year 2022), and the extra \$15,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$60,000 qualified education donation tax credit claimed but not used on the taxpayer's 2022 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability but shall not be allowed to be passed through to and used by the shareholders.

- (f) Except as provided in subparagraph (3)(e) of this regulation, when the taxpayer is a pass-through entity which has no income tax liability of its own, the tax credits will be considered earned by its members, shareholders, or partners based on their profit/loss percentage at the end of the year and the limitations of subparagraph (3)(d) of this regulation. The donation is made by the pass-through entity but all credit forms (preapproval, claiming, and reporting) will be filed in the name of its members, shareholders, or partners and the credit can only be applied against the shareholders', members', or partners' tax liability on their income tax returns. The pass-through entity shall provide all necessary information to the recipient so that the preapproval, claiming and reporting forms can be filed in the name of its members, shareholders, or partners.

- (4) **Credit Cap.** In no event shall the aggregate amount of tax credits allowed under O.C.G.A. § 48-7-29.21 exceed \$5 million per calendar year.
- (5) **Mandatory Electronic Preapproval Application.** A taxpayer seeking preapproval to claim the tax credits under paragraph (3) of this regulation must electronically submit

Form IT-QED-TP1 through the Georgia Tax Center. The Department will not preapprove any qualified education donation tax credit where Form IT-QED-TP1 is submitted or filed in any other manner.

- (a) The qualified education donation tax credit shall be allowed on a first-come, first-served basis. The date the Form IT-QED-TP1 is electronically submitted shall be used to determine such first-come, first-served basis.
 - (b) The Department will notify each taxpayer and the recipient of the contribution amount, the tax credit certificate number, and the tax credits preapproved and allocated to such taxpayer within thirty days from the date the Form IT-QED-TP1 was received.
 - (c) On the day any Form IT-QED-TP1 is received for a calendar year that causes the calendar year limit in paragraph (4) of this regulation to be reached, then the remaining tax credits shall be allocated among the applicants who filed the Form IT-QED-TP1 on the day the calendar year limit was exceeded on a pro rata basis based upon the amounts otherwise allowed by O.C.G.A. § 48-7-29.21 and this regulation. Only credit amounts on Form IT-QED-TP1(s) received on the day the calendar year limit was exceeded shall be allocated on a pro rata basis.
 - (d) The contribution must be made by the taxpayer within sixty days of the date of the preapproval notice received from the Department and within the calendar year in which it was preapproved.
 - (e) In the event it is determined that the contributor has not met all the requirements of O.C.G.A. § 48-7-29.21 and this regulation, then the amount of the qualified education donation tax credit shall not be preapproved or, if already claimed, the preapproved qualified education donation tax credit shall be disallowed. With respect to such disallowed credit, tax and interest shall be due.
 - (f) Once the calendar year limit is reached for a calendar year, taxpayers shall no longer be eligible for a credit under O.C.G.A. § 48-7-29.21, for such calendar year. If any Form IT-QED-TP1 is received after the calendar year limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
- (6) **Letter of Confirmation.** Form IT-QED-FUND1 shall be provided by the recipient to the taxpayer to confirm the contribution within 15 days of the contribution.
- (7) **Claiming the Credit.** A taxpayer claiming the qualified education donation tax credit, unless indicated otherwise by the Commissioner, must submit Form IT-QED-TP2 with the taxpayer's Georgia tax return when the qualified education donation tax credit is claimed. A software program's Form IT-QED-TP2 that is electronically filed with the Georgia income tax return in the manner specified by the Department satisfies this requirement.

- (8) **Carry Forward.** Any credit which is claimed but not used in a taxable year shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability. However, any amount in excess of the credit amount limits in paragraph (3) of this regulation shall not be eligible for carry forward to the taxpayer's succeeding years' tax liability nor shall such excess amount be claimed by or reallocated to any other taxpayer.
- (9) **Taxpayer Must Add Back Portion of Federal Deduction on State Return if Taxpayer Takes State Credit.** O.C.G.A. § 48-7-29.21(h) provides that no qualified education donation tax credit shall be allowed under O.C.G.A. § 48-7-29.21, with respect to any amount deducted from taxable net income by the taxpayer as a charitable contribution to a bona fide charitable organization qualified under Section 501(c)(3) of the Internal Revenue Code. If the taxpayer is allowed the state income tax deduction in place of the charitable contribution deduction as allowed by the Internal Revenue Service, for purposes of this paragraph such deduction shall be considered a charitable contribution to the extent such deduction is allowed federally. Accordingly, the taxpayer must add back to Georgia taxable income that part of any federal deduction taken on a federal return for which a Georgia qualified education donation tax credit is allowed under O.C.G.A. § 48-7-29.21.
- (a) If a taxpayer's itemized deductions are limited federally (and therefore for Georgia purposes) because their Federal Adjusted Gross Income exceeds a certain amount, the taxpayer is only required to add back to Georgia taxable income that portion of the federal charitable deduction that was actually deducted pursuant to the following formula. The federal charitable deduction that must be added back to Georgia taxable income shall be the amount of the federal charitable contribution relating to the qualified education donation tax credit multiplied by the following ratio. The numerator is the amount of the itemized deductions subject to limitation and allowed as itemized deductions after the limitation is applied. The denominator is the total itemized deductions that are subject to limitation before the limitation is applied.
1. For example. A taxpayer has a \$2,500 charitable contribution relating to the qualified education donation tax credit and has property taxes of \$1,500 both of which are subject to limitation. The taxpayer also has mortgage interest expense of \$10,000 (which is not limited). Accordingly, the taxpayer's total itemized deductions before limitation are \$14,000. After applying the federal limitation, the taxpayer is allowed \$13,000 in itemized deductions. As such only \$3,000 (\$13,000 less the \$10,000 mortgage interest expense which is not limited) of the original \$4,000 charitable deduction and property taxes are allowed to be deducted. Applying the ratio from the subparagraph above, the taxpayer must add back \$1,875 of the charitable contribution to their Georgia taxable income ($((\$2,500) \times (\$3,000 / \$4,000))$).

- (10) **Designation of Contributions.** The tax credit shall not be allowed if the taxpayer directly or indirectly designates the taxpayer's qualified education donation for the direct benefit of any particular school, or program, which the taxpayer's child or children attend.
- (11) **Report by the Nonprofit Corporation Incorporated by the Georgia Foundation for Public Education.** The nonprofit corporation incorporated by the Georgia Foundation for Public Education shall electronically submit Form IT-QED-FUND2 to the Department through the Georgia Tax Center by January 12 each year. The report, Form IT-QED-FUND2, shall be prepared on a calendar year basis and shall include the following:
- (a) The total number and dollar value of individual contributions and qualified education donation tax credits preapproved. Individual contributions include contributions made by those filing income tax returns as single, head of household, married filing separate, and married filing joint;
 - (b) The total number and dollar value of corporate, fiduciary, S corporation, and partnership contributions and qualified education donation tax credits preapproved;
 - (c) The total number and dollar value of grants awarded to public schools;
 - (d) A list of donors (which includes the donor's name, address, and identification number), including the dollar value of each donation, the dollar value of each preapproved qualified education donation tax credit, and each Department issued tax credit certificate number; and
 - (e) Any other information required by the Commissioner.

The Department shall post on its website the information received from the nonprofit corporation incorporated by the Georgia Foundation for Public Education under subparagraph 11(a) through 11(c) of this regulation.

- (12) **Sunset Date.** O.C.G.A. § 48-7-29.21, the qualified education donation tax credit, shall be repealed on December 31, 2026.
- (13) **Effective Date.** This regulation shall be applicable to years beginning on or after January 1, 2023. Years beginning before January 1, 2023 will be governed by the regulations of Chapter 560-7 as they existed before January 1, 2023 in the same manner as if the amendments thereto set forth in this regulation had not been promulgated.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.60

Authority: O.C.G.A. §§ 48-2-12, 48-7-29.21.

History. Original Rule entitled "Qualified Education Donation Tax Credit" adopted. F. Nov. 6, 2017; eff. Nov. 26, 2017.

Amended: F. Sept. 6, 2018; eff. Sept. 26, 2018.

Amended: F. Nov. 21, 2019; eff. Dec. 11, 2019.

Note: Correction of non-substantive typographical error in subparagraph (11)(b), "fiduicary" corrected to "fiduciary." Effective December 11, 2019.

Amended: F. Dec. 7, 2021; eff. Dec. 27, 2021.

Amended: F. Apr. 8, 2024; eff. Apr. 28, 2024.

Rule 560-7-8-.61. Musical Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credit under O.C.G.A. § [48-7-40.33](#).
- (2) **Coordination of Agencies.** The Department of Economic Development is the state agency responsible for certifying which projects qualify for the tax credit under O.C.G.A. § [48-7-40.33](#).
- (3) **Definitions.**
 - (a) As used in this regulation, the terms "musical or theatrical performance", "production company", "qualified production activities", "qualified production expenditures", "recorded musical performance", "resident", "spending threshold", "state certified production", and "total aggregate payroll" have the same meaning as in O.C.G.A. § [48-7-40.33](#).
 - (b) The term "production site" means:
 1. For a musical or theatrical performance, the site or sites where the production is developed, prepared, planned, rehearsed, or performed.
 2. For a recorded musical performance, the site or sites where the production is prepared, planned, or recorded.
- (4) **Qualified Production Expenditures.** Qualified production expenditures include production expenditures incurred in this state on direct account of qualified production activities, including without limitation the following: set construction and operation; wardrobe, make-up, accessories, and related services; costs associated with photography and sound synchronization, expenditures (excluding license fees) incurred with Georgia companies for sound recordings and musical compositions, lighting, and related services and materials; editing and related services; rental of facilities and equipment; leasing of vehicles; costs of food and lodging; total aggregate payroll; talent and producer fees; technical fees; crew fees; per diem costs paid to employees; airfare, if purchased through a Georgia travel agency or travel company; insurance costs and bonding, if purchased through a Georgia insurance agency; and other direct costs of producing the project in accordance with generally accepted entertainment industry practices; and payments to a loan-out company.
 - (a) Depreciation, amortization, or other expense on qualified production expenditures with a useful life of more than one year. The costs of qualified production

expenditures with a useful life of more than one year are considered "other direct costs of the qualified production activities in accordance with generally accepted entertainment industry practices." Such costs shall be included in the computation of the musical tax credit for the taxable year based upon the depreciation, amortization, or other expense included in the computation of Georgia taxable income of the production company for the applicable taxable year. Such depreciation, amortization, or other expense shall be prorated based upon the time the asset is used in qualified production activities in this state. Depreciation, amortization, or other expense on expenditures incurred before the production period shall not be included in the computation of the musical tax credit. In order to claim depreciation, amortization, or other expense, the qualified production expenditure for the asset that generated the depreciation, amortization, or other expense, must have been incurred in this state as provided in subparagraph (4)(b) of this regulation.

- (b) Qualified production expenditures incurred in this state. In order to be considered to have been incurred in this state, the following rules shall apply:
1. Qualified production expenditures, which are attributable to the performance of services by individuals and companies directly at the production site in Georgia who were not employees of the production company, shall be attributed to Georgia in the same manner as salaries as provided in subparagraph (4)(c) of this regulation.
 2. Except as otherwise provided in this regulation, expenditures for services which are not performed at the production site (such as insurance, service fees paid to a payroll company including workers compensation if the service fees include such, editing and related services, digital or tape editing, film processing, transfers of film to tape or digital format, sound mixing, computer graphics services, special effects services, animation services, etc.) will be allowed if the vendor is a Georgia vendor and will be attributed to Georgia if and only to the extent the service is rendered in Georgia. If the production company is unable to track the cost of services rendered in Georgia, then some other reasonable method which approximates the cost of services rendered in Georgia may be used to determine the amount attributable to Georgia but such approximation will be subject to adjustment by the Department. In the event the services are subcontracted to a company that would not otherwise qualify and/or such subcontracted company renders the services outside Georgia, the expenditure for such services shall not be considered to have been incurred in this state.
 3. Purchases and rentals of property. In order to include qualified production expenditures for purchases and rentals of property, the property must have been used in Georgia and purchased or rented from a Georgia vendor.

Purchase receipts, invoices, contracts, or other documentation shall be used to determine this.

4. Georgia Vendor. For purposes of this regulation, a Georgia vendor is a vendor that:
 - (i) Sells or rents property, which is regularly kept in their inventory, or provides a service not performed at the production site, which is the subject of the qualified production expenditure, in their ordinary course of business; and
 - (ii) Has a physical location in Georgia with at least one individual working at such location on a regular basis. Registering with the Georgia Secretary of State or appointing a registered agent in Georgia does not establish a physical location in Georgia.

However, a vendor that acts as a conduit to enable purchases and rentals to qualify that would not otherwise qualify shall not be considered a Georgia vendor with respect to such purchases and rentals.

- (c) Salaries. Total aggregate payroll, as such term is used in this regulation, includes bonuses, incentive pay, and other compensation paid to an employee which is included in the employee's Form W-2 "Wage and Tax Statement". Reimbursed expenses, per diems, or employer paid benefits and taxes are not included in aggregate payroll unless such amounts are included as wages, tips, or other compensation in the employee's Form W-2 "Wage and Tax Statement". For purposes of this regulation, the term "employee" means any officer of a corporation or any individual who, under the Internal Revenue Service rules applicable in determining the employer-employee relationship, has the status of an employee. Guaranteed payments to partners do not qualify for the musical tax credit and are not included in total aggregate payroll. Except as otherwise provided in this paragraph, if the production company is unable to track the actual time spent by an employee in Georgia, the production company may calculate the total aggregate payroll in Georgia by some other reasonable method which approximates the actual time spent in Georgia but such approximation will be subject to adjustment by the Department. For all individuals who are paid a separate amount for production, the amount that is incurred in Georgia shall be based on the amount paid for such period and prorated based on the actual time spent in Georgia by the employee in such period. If the production company is unable to track the actual time spent by the individual in Georgia, the production company may calculate the total aggregate payroll in Georgia by some other reasonable method which approximates the actual time spent in Georgia for such period but such approximation will be subject to adjustment by the Department.

- (d) Fringe Benefits. The following benefits are attributed to Georgia in the same manner as salaries as provided in subparagraph (4)(c) of this regulation:
 - 1. SUI (state unemployment insurance);
 - 2. FUI (federal unemployment insurance);
 - 3. FICA (employer portion);
 - 4. Pension and welfare if the amounts are paid as part of pension, health, and welfare plans (these would not be required to be paid to a Georgia vendor);
 - 5. Health insurance premiums if these amounts are paid as part of pension, health, and welfare plans (these would not be required to be paid to a Georgia vendor);
 - (i) Other Fringe Benefits. The following fringe benefits are attributed to Georgia as follows:
 - 1. Meal per diems, as set forth by United States General Services Administration, if incurred in Georgia; and
 - 2. Hotel per diems, as set forth by United States General Services Administration, if incurred in Georgia.
 - (e) Direct account. A production company may only claim qualified production expenditures on direct account of a qualified production activity. In determining whether a production expenditure is on direct account of a qualified production activity, the Department of Revenue will consider the proximity of the expenditure to the activity as well as the causal relationship between the expenditure and the activity; and the applicable rules of the Department of Economic Development and any determination made by the Department of Economic Development regarding whether a qualified production expenditure is on direct account of a qualified production activity.
- (5) **Credit Amount.** A production company that meets or exceeds \$500,000 in qualified production expenditures in a taxable year for a musical or theatrical performance; or \$250,000 in qualified production expenditures in a taxable year for a recorded musical performance which is incorporated into or synchronized with a movie, television, or interactive entertainment production; or \$100,000 in qualified production expenditures in a taxable year for any other recorded musical performance, as provided in O.C.G.A. § [48-7-40.33](#) and this regulation, shall be allowed a tax credit of 15 percent of the qualified production expenditures; and an additional 5 percent shall be allowed for qualified production expenditures incurred in a tier 1 or tier 2 county as designated by the Commissioner of Community Affairs under O.C.G.A. § [48-7-40](#).

- (6) **Credit Cap for Production Companies and Affiliates.** In no event shall the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.33](#) for production companies and their affiliates which are production companies exceed the following amounts:
- (a) For taxable years beginning on or after January 1, 2018 and before January 1, 2019, the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.33](#) for production companies shall not exceed \$5 million. The maximum credit amount allowed for any production company and its affiliates which are production companies shall not exceed 20 percent of the aggregate amount of tax credits available for such taxable year;
 - (b) For taxable years beginning on or after January 1, 2019 and before January 1, 2020, the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.33](#) for production companies shall not exceed \$10 million. The maximum credit amount allowed for any production company and its affiliates which are production companies shall not exceed 20 percent of the aggregate amount of tax credits available for such taxable year;
 - (c) For taxable years beginning on or after January 1, 2020 and before January 1, 2023, the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-40.33](#) for production companies shall not exceed \$15 million per taxable year. The maximum credit amount allowed for any production company and its affiliates which are production companies shall not exceed 20 percent of the aggregate amount of tax credits available for such taxable years; and
 - (d) The musical tax credit shall not be available for taxable years beginning on or after January 1, 2023.
- (7) **Preapproval.** Before requesting preapproval from the Department, the production company must apply for pre-certification from the Department of Economic Development to ensure that the project meets the requirements of O.C.G.A. § [48-7-40.33](#). Any production company seeking preapproval to claim tax credits under paragraphs (6) of this regulation, must submit the appropriate forms to the Department through the Georgia Tax Center as provided in this paragraph.
- (a) **Application.** A production company seeking preapproval to claim the tax credits under paragraph (6) of this regulation must electronically submit Form IT-MC-AP and their pre-certification from the Georgia Department of Economic Development through the Georgia Tax Center. A production company may request preapproval from the Department before meeting the requirements of the musical tax credit. Such production company must estimate their credit amounts on Form IT-MC-AP. The amount of tax credit claimed by the production company on the production company's applicable Georgia income tax return must be based on the actual musical tax credit earned under O.C.G.A. § [48-7-40.33](#) and this regulation and cannot exceed the amount preapproved. If the production company is preapproved for an amount that exceeds the amount that is calculated using the

actual numbers when the return is filed, the excess preapproved amount cannot be claimed by the production company nor shall such excess preapproved amount be assigned to any other taxpayer or added to the credit cap under paragraph (6) of this regulation. If the production company is a disregarded entity then such information should be submitted in the name of the owner of the disregarded entity.

- (b) Notification. The Department will notify each production company of the tax credits preapproved or denied to such production company.
 - (c) Allocation of Tax Credit. The Commissioner shall allow the tax credits on a first-come, first-served basis. The date the Form IT-MC-AP is electronically submitted shall be used to determine such first-come, first-served basis.
 - (d) Applications received on the day the maximum credit amount is reached. In the event that the credit amounts on applications received by the Commissioner exceed the maximum aggregate limit in paragraph (6) of this regulation, then the tax credits shall be allocated among the production companies who submitted Form IT-MC-AP on the day the maximum aggregate limit was exceeded on a pro rata basis based upon amounts otherwise allowed under O.C.G.A. § [48-7-40.33](#), and this regulation. Only credit amounts on applications received on the day the aggregate credit cap was exceeded will be allocated on a pro rata basis.
 - (e) Once the credit cap is reached for a taxable year, production companies who meet the requirements of the musical tax credit during such taxable year shall no longer be eligible for a credit under O.C.G.A. § [48-7-40.33](#). If any Form IT-MC-AP is received after the taxable year preapproval limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
 - (f) In the event it is determined that the production company has not met all the requirements of O.C.G.A. § [48-7-40.33](#) and this regulation, then the amount of credits shall not be preapproved or the preapproved credits shall be retroactively denied. With respect to such denied credits, tax, interest, and penalties shall be due if the credits have already been claimed.
- (8) **Musical or Theatrical Performance or Recorded Musical Performance with Qualified Production Expenditures in More Than One Year.** A musical or theatrical performance or recorded musical performance which occurs over two or more years shall be considered a single project. The production company should request preapproval for the year the applicable spending threshold is met, and if necessary must request preapproval for any later year with qualified production expenditures.
- (a) Example 1: A production company has \$700,000 in qualified production expenditures during two years (they spend \$300,000 in year 1 and \$400,000 in year 2) producing one musical or theatrical performance. The production company may aggregate their qualified production expenditures over the two years for this

single project to achieve the \$500,000 spending threshold. The production company must request preapproval in year 2 for \$700,000 (the year the \$500,000 spending threshold is met), and if preapproved, claim the credit on their applicable year 2 Georgia income tax return.

- (b) Example 2: A production company has \$800,000 in qualified production expenditures during two years (they spend \$600,000 in year 1 and \$200,000 in year 2) producing one musical or theatrical performance. The production company may aggregate their qualified production expenditures over the two years for this single project to achieve the \$500,000 spending threshold. The production company must request preapproval in year 1 for \$600,000 (the year the \$500,000 spending threshold is met) and in year 2 the production company must request preapproval for \$200,000 of production expenditures (the later year). If preapproved for year 1, the production company must claim the \$600,000 on their applicable year 1 Georgia income tax return and if preapproved for year 2 the production company must claim \$200,000 on their applicable year 2 Georgia income tax return.
- (9) **Qualified Production Expenditures Not Eligible for the Musical Tax Credit.** Any qualified production expenditures for which a production company claims the tax credit under O.C.G.A. § [48-7-40.26](#) are not eligible for the musical tax credit under O.C.G.A. § [48-7-40.33](#) and this regulation.
- (10) **Claiming the Musical Tax Credit.** A production company claiming tax credits under paragraph (6) of this regulation must attach Form IT-MC, and their final certification from the Georgia Department of Economic Development to its Georgia income tax return for each tax year in which the credit is claimed.
- (a) **Withholding Tax.** The production company may claim any excess musical tax credit against its withholding tax liability or the withholding tax liability of its payroll service providers provided such withholding tax liability is with respect to the employees of the production company and is attributable to withholding for such employees for withholding periods approved in subparagraph (10)(a)3. of this regulation. The withholding tax benefit may only be applied against the withholding tax account used by the production company or its payroll service provider for payroll purposes. In the event the production company is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company or against the withholding tax liability of its payroll service providers provided such withholding tax liability is attributable to wages paid by its payroll service provider with respect to the individuals providing services to the single member limited liability company and is attributable to withholding for such employees for withholding periods approved in subparagraph (10)(a)3. of this regulation. Any production company that qualifies to take all or a part of the

musical tax credit against withholding tax otherwise due the Department of Revenue, must make an irrevocable election to do so as a part of its notification to the Commissioner required under this subparagraph. When this election is made, the excess musical tax credit will not pass through to the shareholders, partners, or members of the production company if the production company is a pass-through entity.

1. Notice of Intent. To claim any excess musical tax credit not used on the income tax return against the production company's withholding tax liability, the production company must file Revenue Form IT-WH *Notice of Intent* through the Georgia Tax Center within (30) days after the due date of the Georgia income tax return (including extensions) or within thirty (30) days after the filing of a timely filed Georgia income tax return, whichever occurs first. Failure to file this form as provided in this subparagraph will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in more than one taxable year, the election to claim the withholding credit will be available for the credit earned in such subsequent year.
 2. Review Period. The Department of Revenue has one hundred twenty (120) days from the date the applicable Form IT-WH under subparagraph (10)(a)1. of this regulation is received to review the credit and make a determination of the amount eligible to be used against withholding tax.
 3. Letter of Eligibility. Once the review is completed, a letter will be sent to the production company stating the musical tax credit amount which may be applied against withholding and when the production company or its payroll service provider may begin to claim the musical tax credit against withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding tax payments and will not refund any previous withholding payments made by the production company or its payroll service provider.
- (b) Use of Other Tax Credits. Production companies claiming the musical tax credit may not claim the job tax credit, headquarters tax credit, or quality jobs tax credit for employees whose wages are used to calculate the musical tax credit.
- (c) Assignment of Credit to Affiliates. Once the production company establishes the amount of the musical tax credit by filing the tax return for the taxable year in which the credit was earned, the credit may then be assigned to the production company's affiliates under the provisions of O.C.G.A. § [48-7-42](#). When a musical tax credit is assigned to an affiliated entity, the affiliated entity may apply the credit solely against its own income tax liability. The affiliated entity may not claim any excess musical tax credit against its withholding tax. Any unused

credit may be carried forward by such affiliated entity until the credit is used or it expires, whichever occurs first.

- (11) **Carry Forward.** Any credit that is claimed but not used in a taxable year may be carried forward for five years from the close of the taxable year in which the qualified production expenditures were made and the production company established the amount of the musical tax credit for that taxable year.
 - (a) Musical tax credits may not be carried back and applied against a prior year's income tax liability.
- (12) **Audits.** Any Department of Revenue audit triggered by a production company's use of a musical tax credit will require the production company to reimburse the Department of Revenue for all costs associated with the audit. The Department of Revenue will inform the production company that the audit is a musical tax credit audit and thus subject to this clause prior to the commencement of the audit. Routine audits of the taxpayer's activity in Georgia are not subject to this provision.
- (13) **Pass-Through Entities.** When a production company generating a musical tax credit is a pass-through entity, and has no income tax liability of its own, the musical tax credit will pass to its members, shareholders, or partners based on the year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the production company that incurred the qualifying production expenditures to establish the amount of the musical tax credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess musical tax credit against their withholding tax liabilities or against the withholding tax liabilities of their payroll service providers. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2019. The partnership passes the credit to a calendar year partner. The credit is available for use by the partner beginning with the calendar 2019 tax year.
- (14) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2018.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.61

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.33](#).

History. Original Rule entitled "Musical Tax Credit" adopted. F. Nov. 17, 2017; eff. Dec. 7, 2017.

Rule 560-7-8-.62. Rural Zone Tax Credits.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credits under O.C.G.A. § [48-7-40.32](#).
- (2) **Coordination of Agencies.** Under O.C.G.A. § [48-7-40.32](#), the Department of Community Affairs and the Department of Economic Development are the state agencies responsible for designating zones for the tax credits and the Department of Community Affairs is the state agency responsible for certifying taxpayers for the tax credits.
- (3) **Definitions.** The terms "certified entity", "certified investor", "eligible business", "full-time equivalent", "local government", "maintained job", "qualified rehabilitation expenditure", "rural zone", "year one", and "years one through five" as used in this regulation are defined in the Department of Community Affairs Regulation [110-34-1-.02](#).
- (4) **Rural Zone Jobs Tax Credit.** A certified entity that creates at least two new full-time equivalent jobs in a rural zone shall be allowed a tax credit in the amount of \$2,000 for each new full-time equivalent job in year one. Such certified entity shall receive rural zone jobs tax credit in years two through five for each new full-time equivalent job created in year one, provided the new full-time equivalent jobs are maintained in each year, and provided the certified entity maintains at least two new full-time equivalent jobs.
 - (a) **Additional New Full-Time Equivalent Jobs Created in Years Two Through Five.** For each additional new full-time equivalent job created in years two through five, a certified entity shall receive rural zone jobs tax credit, provided the new full-time equivalent jobs are maintained. Additional new full-time equivalent jobs means those new full-time equivalent jobs created in years two through five that increase the monthly full-time employment average for that year above the monthly full-time employment average for year one. The average full-time monthly employment for a year will be determined by the procedure in Department of Community Affairs Regulation [110-34-1-.06](#).
 - (i) The credits for additional new full-time equivalent jobs may only be taken if the certified entity already qualifies for the rural zone jobs tax credit in year one.
 - (b) **Subsequent Year One.** The certified entity may begin a subsequent year one and years two through five as provided in Department of Community Affairs Regulation [110-34-1-.06](#).
 - (c) **Per Certified Entity Credit Limitation.** The credit amount allowed under paragraph(4) of this regulation shall be further limited for each certified entity and shall not exceed \$40,000.00 per taxable year.
 - (d) **Number of Full-Time Equivalent Jobs.** The number of new full-time equivalent jobs shall be determined by comparing the monthly average of full-time equivalent jobs subject to Georgia income tax withholding for a given taxable year with the corresponding period of the prior taxable year; provided a certified entity

that begins operations during the taxable year may be certified by the Department of Community Affairs to base initial eligibility on a period of less than 12 months.

- (e) **Computation of Rural Zone Jobs Tax Credit Based on Twelve Month Periods Only.** Except as provided in subparagraph (4)(d) of this regulation, a certified entity must compute increases and decreases in full-time equivalent jobs on the basis of twelve month periods only, even when the certified entity has taxable years that are not equal to twelve months. This may cause the rural zone jobs tax credit calculation period to be different from the tax year of the certified entity.
- (5) **Rural Zone Property Tax Credit.** A certified investor that acquires and develops property in a rural zone shall be allowed a tax credit if an eligible business that claims the tax credit under paragraph (4) of this regulation is located in the investment property; or if an eligible business is located in the investment property and that eligible business maintains a minimum of two full-time equivalent jobs for each year the rural zone property tax credit is claimed.
- (a) **Credit Amount.** The credit amount for the rural zone property tax credit is 25 percent of the purchase price and shall not exceed \$125,000; provided that the entire credit shall not be taken in the year in which the property is placed in commercial service but shall be prorated equally in five installments over five taxable years, beginning with the taxable year in which the property is placed in service.
 - (b) **Certified Investor May Preserve the Rural Zone Property Tax Credit.** A certified investor shall be allowed to claim the rural zone property tax credit for up to seven years from the date of initial eligibility in the event the commercial requirement under paragraph (5) of this regulation is not satisfied in consecutive years.
- (6) **Rural Zone Qualified Rehabilitation Expenditures Tax Credit.** A certified entity or certified investor that meets the minimum historic preservation standards provided by the Department of Community Affairs, that has qualified rehabilitation expenditures, shall receive the rural zone qualified rehabilitation expenditures tax credit for three years beginning with the year the property is placed in service. The certified entity or certified investor shall maintain a minimum of two full-time equivalent jobs for each year the tax credit is claimed; or with respect to a certified investor, if an eligible business is located in the investment property, such eligible business must maintain a minimum of two full-time equivalent jobs for each year the tax credit is claimed.
- (a) **Credit Amount.** The credit amount for the rural zone qualified expenditures tax credit is 30 percent of the qualified rehabilitation expenditures and shall not exceed \$150,000 per project; provided that the entire credit shall not be taken in the year in which the property is placed in service but shall be prorated equally in three installments over three taxable years, beginning with the taxable year in which the property is placed in service.

- (7) **Claiming the Rural Zone Tax Credit(s).** For a certified entity or certified investor to claim the rural zone jobs tax credit, rural zone property tax credit or the rural zone qualified rehabilitation expenditures tax credit, the certified entity or certified investor must submit Form IT-RZ and their Department of Community Affairs certification(s), and any other information that the Commissioner may request, with the certified entity's or certified investor's Georgia income tax return each year the credit is claimed.
- (8) **Carry Forward.** In no event shall the rural zone tax credit for a taxable year exceed the certified entity's or certified investor's income tax liability. Any unused credit in a taxable year may be carried forward for ten years from the close of the taxable year in which the credit was claimed.
- (9) **Pass-Through Entities.** When the certified entity or certified investor is a pass-through entity, and has no income tax liability of its own, the tax credit will pass to its individual members, shareholders, or partners based on their year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its individual shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the individual shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2019. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the calendar 2019 tax year.
- (10) **Coordination with Other Tax Credits.** A certified entity or certified investor that claims the rural zone tax credit for a project shall not be allowed to use the same qualified rehabilitation expenditures to generate and claim any additional state income tax credits, including, but not limited to, the historic rehabilitation tax credit. Jobs created by, arising from, or connected in any way with a project claimed under the rural zone jobs tax credit are not eligible to be used toward other job related tax credits.
- (11) **Sunset Date.** O.C.G.A. § [48-7-40.32](#), the rural zone tax credits, shall be repealed on December 31, 2027.
- (12) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2018.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.62

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.32](#).

History. Original Rule entitled "Rural Zone Tax Credits" adopted. F. May 18, 2018; eff. June 7, 2018.

Rule 560-7-8-.63. Agribusiness and Rural Jobs Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the income tax credit under O.C.G.A. § [33-1-25](#).
- (2) **Coordination of Agencies.** The Department of Community Affairs is the state agency responsible for certifying taxpayers for the income tax credit under O.C.G.A. § [33-1-25](#).
- (3) **Definitions.**
 - (a) The terms "affiliate", "applicable percentage", "credit allowance date", "eligible business", "eligible distribution", "principal business operations", "purchase price", "qualified investment", "rural area", "rural fund", and "rural investor" as used in this regulation shall have the same meaning as in O.C.G.A. § [33-1-25](#).
 - (b) For purposes of Title 48 "state tax liability" means the income tax liability imposed on a taxpayer under O.C.G.A. §§ [48-7-21](#) and [48-7-20](#) (O.C.G.A. § [48-7-27](#) provides how income is computed while O.C.G.A. § [48-7-20](#) imposes the income tax). If the O.C.G.A. is ever amended such that the taxes imposed by 48-7-20 or 48-7-21 are eliminated or reduced, the term shall also mean any tax liability imposed on an entity or other person that had tax liability under the laws of this state.
- (4) **Credit Amount.** A rural investor that makes a capital investment in a rural fund, under O.C.G.A. § [33-1-25](#), may claim a tax credit in an amount equal to the applicable percentage for such credit allowance date multiplied by the purchase price paid to the rural fund for the capital investment.
- (5) **Claiming the Credit.** For a rural investor to claim the agribusiness and rural jobs tax credit against income tax liability, the rural investor must submit Form IT-ARJ and their certification(s) from the Department of Community Affairs, and any other information that the Commissioner may request, with the rural investor's Georgia income tax return each year the income tax credit is claimed.
- (6) **Carry forward.** In no event shall the agribusiness and rural jobs tax credit for a taxable year exceed the rural investor's income tax liability. Any unused income tax credit in a taxable year may be carried forward to subsequent taxable years.
- (7) **Pass-Through Entities.** When the rural investor is a pass-through entity, and has no income tax liability of its own, the income tax credit will pass to individual members, shareholders, or partners of that entity in accordance with the provisions of any agreement among the partners, members, or shareholders of that entity provided that the entity or person that claims the income tax credit must be subject to Georgia income tax. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its individual shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are initially available for use as a credit by the individual shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the

credit for its tax year ending January 31, 2019. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the calendar 2019 tax year.

- (8) **Recapture.** The Department of Community Affairs can recapture the agribusiness and rural jobs tax credit as provided in Department of Community Affairs Regulation [110-35-1-.08](#).
- (9) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2018.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.63

Authority: O.C.G.A. §§ [33-1-25](#), [48-2-12](#).

History. Original Rule entitled "Agribusiness and Rural Jobs Tax Credit" adopted. F. May 25, 2018; eff. June 14, 2018.

Rule 560-7-8-.64. Railroad Track Maintenance Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the income tax credit under O.C.G.A. § [48-7-40.34](#).
- (2) **Definitions.**
 - (a) The term "Class III railroad" means a rail carrier classified as a Class III railroad by the United States Surface Transportation Board in accordance with Section 1-1 of 49 C.F.R. 1201, as it existed on January 1, 2018.
 - (b) The term "qualified railroad track maintenance expenditures" means gross expenditures for maintaining railroad track located in Georgia, including roadbed, bridges, and related track structures located in Georgia, owned or leased as of January 1, 2018, by a Class III railroad. Such term shall also include improvement of such railroad track, roadbed, bridges, and related track structures.
- (3) **Credit Amount.** For tax years beginning on or after January 1, 2019, and ending on or before December 31, 2026, a Class III railroad shall be allowed a tax credit in the amount of 50 percent of the qualified railroad track maintenance expenditures paid or incurred by such Class III railroad during the taxable year.
- (4) **Credit Amount Limitation.** The credit amount allowed under paragraph (3) of this regulation shall be further limited for each Class III railroad and shall not exceed \$3,500 multiplied by each mile of railroad track owned or leased in Georgia as of the close of the taxable year by such Class III railroad. Double track is treated as multiple lines of railroad track, rather than as a single line of railroad track. Thus, one mile of single track is one mile, but one mile of double track is two miles.

- (5) **Per Mile Limitation.** The credit allowed under O.C.G.A. § [48-7-40.34](#) and this regulation shall only be allowed once for each mile of railroad track in each taxable year.
- (6) **Reduction of basis.** If a credit is allowed under O.C.G.A. § [48-7-40.34](#) and this regulation with respect to any railroad track, the basis of such railroad track shall be reduced by the amount of the credit allowed. Such reduction shall be treated in the same manner as provided by Section 45G of the Internal Revenue Code of 1986.
- (7) **Preapproval.** A taxpayer seeking preapproval to claim the tax credit under O.C.G.A. § [48-7-40.34](#) must electronically submit Form IT-RTM-AP through the Georgia Tax Center along with documentation that substantiates the miles of railroad track owned or leased by the taxpayer in Georgia, and any other information that the Commissioner may request. The Department will not preapprove any taxpayer where Form IT-RTM-AP is submitted or filed in any other manner. If the taxpayer is a disregarded entity then Form IT-RTM-AP should be electronically submitted in the name of the owner of the disregarded entity. If Form IT-RTM-AP is submitted before the credit is earned or before the end of the taxpayer's tax year, the taxpayer must estimate their credit amounts on Form IT-RTM-AP. The amount of tax credit claimed on the taxpayer's applicable Georgia income tax return must be based on the actual amount of qualified railroad track maintenance expenditures. If the taxpayer is preapproved for an amount that exceeds the amount that is calculated using the actual amount of the qualified railroad track maintenance expenditures when the return is filed, the excess preapproved amount cannot be claimed by the taxpayer, nor shall the excess preapproved amount be claimed by, reallocated to, assigned to, or transferred or sold to any other taxpayer.
- (a) Notification. The Department will notify each taxpayer of the tax credits preapproved to such taxpayer, within thirty (30) days from the date the completed Form IT-RTM-AP was submitted through the Georgia Tax Center.
- (8) **Claiming the Credit.** To claim the railroad track maintenance tax credit, the taxpayer must submit Form IT-RTM, and any other information that the Commissioner may request, with the taxpayer's Georgia income tax return each year the tax credit is claimed. A software program's Form IT-RTM that is electronically filed with the Georgia income tax return in the manner specified by the Department satisfies this requirement.
- (9) **No Carry forward.** No unused railroad track maintenance tax credit shall be allowed the taxpayer or the transferee against succeeding years' tax liability.
- (10) **Pass-Through Entities.** When the taxpayer is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage and the limitations of this regulation. The credit forms will initially be filed with the tax return of the taxpayer to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends.

For example: A partnership earns the credit for its tax year ending January 31, 2020. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the calendar 2020 tax year.

(11) **Selling or Transferring the Railroad Track Maintenance Tax Credit.** The taxpayer may sell or transfer in whole or in part any railroad track maintenance tax credit previously claimed but not used by such taxpayer against its income tax, to another Georgia taxpayer subject to the following conditions:

- (a) The taxpayer may only make a one-time sale or transfer of railroad track maintenance tax credits earned in each taxable year. However, the sale or transfer may involve more than one transferee. For example, taxpayer 1 earns and claims \$100,000 credit in year 1. In year 2 they sell \$75,000 of the credit to taxpayer 2. In year 3, they are allowed to sell the remaining \$25,000 of the credit to taxpayer 3. However, both taxpayer 2 and taxpayer 3 are not allowed to resell the credit since the credit can only be sold one-time.
- (b) The railroad track maintenance tax credit may be transferred before the tax return is filed by the taxpayer provided the taxpayer has received preapproval from the Department as provided in paragraph (7) of this regulation.
- (c) The taxpayer must file Form IT-TRANS "Notice of Tax Credit Transfer" with the Department of Revenue within 30 days of the transfer or sale of the railroad track maintenance tax credit. Form IT-TRANS must be submitted electronically to the Department of Revenue through the Georgia Tax Center or alternatively as provided in subparagraph (11)(c)1. of this regulation. With respect to such taxpayer, the Department of Revenue will not process any Form IT-TRANS submitted or filed in any other manner. If the taxpayer is a disregarded entity then Form IT-TRANS should be filed in the name of the owner of the disregarded entity.
 - 1. The web-based portal on the Georgia Tax Center. The taxpayer may provide selective information to a representative for the purpose of allowing the representative to submit Form IT-TRANS on their behalf on the Georgia Tax Center outside of a login. The provision of such information shall authorize the representative to submit such Form IT-TRANS. The representative must provide all information required by the web-based portal on the Georgia Tax Center to submit Form IT-TRANS.
- (d) The taxpayer must provide all required railroad track maintenance tax credit detail and transfer information to the Department of Revenue. Failure to do so will result in the railroad track maintenance tax credit being disallowed until the taxpayer complies with such requirements.
- (e) The carry forward period of the railroad track maintenance tax credit for the transferee will be the same as it was for the taxpayer. No unused railroad track maintenance tax credit shall be allowed to be carried forward.

1. Example. Taxpayer sells the railroad track maintenance tax credit on June 15, 2020. This credit is for qualified railroad track maintenance expenditures preapproved by the Department for 2019, paid or incurred in 2019 and claimed by the taxpayer on their 2019 income tax return. The transferee is a calendar year taxpayer. The credit may be claimed by the transferee on the calendar 2019 tax year return. The credit cannot be carried forward by the taxpayer or the transferee. The credit can only be utilized in tax year 2019.

- (f) A transferee shall only have such rights to claim and use the railroad track maintenance tax credit that were available to the taxpayer at the time of the transfer. Thus, a transferee shall not have the right to subsequently transfer such credit since that right has been utilized by the transferor.
- (g) In the event of recapture, reduction, disallowance, or other failure related to the railroad track maintenance tax credit, the Department may pursue the taxpayer or the transferee.

(12) **How to Sell or Transfer the Railroad Track Maintenance Tax Credit.** The taxpayer may sell or transfer the railroad track maintenance tax credit directly to a Georgia taxpayer (or multiple Georgia taxpayers as provided in subparagraph (11)(a) of this regulation). A pass-through entity may make an election to sell the railroad track maintenance tax credit preapproved in a taxable year at the entity level. If the pass-through entity makes the election to sell the railroad track maintenance tax credit at the entity level, the credit does not pass through to the shareholders, members, or partners. In all cases, the effect of the sale of the credit on the income of the seller and buyer of the credit will be the same as provided in the Internal Revenue Code.

- (a) **Pass-Through Entity.** The taxpayer may be structured as a pass-through entity. If a pass-through entity does not make the election to sell or transfer the tax credit at the entity level as provided in paragraph (12) of this regulation, the tax credit will pass through to the shareholders, partners, or members of the entity based on their year ending profit/loss percentage. The shareholders, members, or partners may then sell their respective railroad track maintenance tax credit to a Georgia taxpayer.
- (b) **Transferee Pass-Through Entity.** The taxpayer or its shareholders, members, or partners, may sell or transfer the tax credit to a pass-through entity. If the pass-through entity has no income tax liability of its own, the pass-through entity may then pass the credit through to its shareholders, members, or partners based on the pass-through entity's year ending profit/loss percentage for the year. For example, if a calendar year partnership is buying the credit preapproved by the Department for 2019, then all of the partners receiving the credit must have been a partner in the partnership no later than the end of the 2019 tax year of the partnership. Only partners who have a profit/loss percentage as of the end of the

applicable tax year may receive their respective amount of the railroad track maintenance tax credit. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example, a taxpayer received preapproval from the Department for 2019, incurred qualified railroad track maintenance expenditures in 2019, and sells the credit to a pass-through entity. The pass-through entity is entitled to use the credits on its calendar year 2019 tax return. The pass-through entity has two partners. The first partner is a calendar year partner. This credit can only be utilized on the calendar tax year 2019 return and cannot be carried forward by the partner. The second partner is a corporation with fiscal year ending June 30, 2020. This credit can only be utilized on the fiscal year ending June 30, 2020, return and cannot be carried forward by the partner.

- (c) The credits are available for use by the transferee, provided the time has not expired for filing a claim for refund of a tax or fee erroneously or illegally assessed and collected under O.C.G.A. § [48-2-35](#) in the transferee's tax year in which the income tax year of the taxpayer which claims the railroad track maintenance tax credit associated with the credit being sold, ends.
 - 1. Example. Taxpayer sells the railroad track maintenance tax credit on October 15, 2019. This credit is for qualified railroad track maintenance expenditures preapproved by the Department for 2019, incurred in 2019 and claimed by the taxpayer on their 2019 income tax return. The transferee is a calendar year taxpayer. The credit may be claimed by the transferee on the calendar 2019 tax year return. This credit cannot be carried forward by the taxpayer or the transferee. The credit can only be utilized in tax year 2019 but can be claimed on an amended tax year 2019 return within the time period provided in subparagraph (c) of this paragraph.
- (13) **Report.** On or before September 1, 2020, 2021, 2022, 2023, 2024, 2025, 2026, and 2027 the Department shall issue a report to the chairpersons of the Senate Finance Committee and the House Committee on Ways and Means, which shall include the following statistics for the preceding taxable year:
 - (a) The total number of taxpayers that claimed a credit; and
 - (b) The number and total value of all credits earned and all credits applied during such tax year.
- (14) **Sunset Date.** O.C.G.A. § [48-7-40.34](#), the railroad track maintenance tax credit, shall be repealed on January 1, 2027.
- (15) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2019.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.64

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.34](#).

History. Original Rule entitled "Railroad Track Maintenance Tax Credit" adopted. F. May 3, 2019; eff. May 23, 2019.

Amended: F. Nov. 12, 2019; eff. Dec. 2, 2019.

Amended: F. June 27, 2022; eff. July 17, 2022.

Rule 560-7-8-.65. Timber Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the income tax credit under O.C.G.A. § [48-7-40.36](#).
- (2) **Coordination of Agencies.** The Commissioner shall be authorized to consult with the Georgia Forestry Commission as necessary to administer the timber tax credit.
- (3) **Definitions.**
 - (a) The term "timber casualty loss" as used in this regulation means the amount of the diminution of value included in the computation of the casualty loss deduction for such casualty losses claimed and allowed pursuant to Section 165 of the Internal Revenue Code of 1986 as casualty losses incurred by a taxpayer between October 9, 2018, and December 31, 2018, as a result of damage to or destruction of eligible timber property caused by Hurricane Michael.
 - (b) The terms "disaster area", "eligible timber property", and "timber", as used in this regulation shall have the same meaning as in O.C.G.A. § [48-7-40.36](#).
- (4) **Credit Amount.** A taxpayer shall be allowed a tax credit in an amount equal to 100 percent of such taxpayer's timber casualty loss; provided that the credit amount shall not exceed the number of taxpayer's affected acres of eligible timber property in such disaster areas multiplied by \$400. The credit shall be computed and claimed separately for each county with eligible timber property.
- (5) **Credit Cap.** In no event shall the total amount of tax credits allowed under O.C.G.A. § [48-7-40.36](#) exceed \$200 million.
- (6) **Preapproval.** Any taxpayer seeking preapproval to claim the tax credit under O.C.G.A. § [48-7-40.36](#) must submit the appropriate forms to the Department as provided in this paragraph.
 - (a) **Mandatory Electronic Preapproval Application.** A taxpayer shall electronically submit Form IT-TIM-AP through the Georgia Tax Center between March 1, 2019, and May 31, 2019 for the first round of preapprovals. The Department will not preapprove any taxpayer where Form IT-TIM-AP is submitted or filed in any other manner. A separate Form IT-TIM-AP must be submitted for each county with eligible timber property.

- (b) Notification of Complete or Incomplete Application for First Round. Applications shall be reviewed in the order of receipt and the Department shall provide notice to each taxpayer within 30 days of receipt whether such taxpayer's electronic Form IT-TIM-AP is complete or incomplete. Such notice shall be provided by letter or through the Georgia Tax Center.
- (c) Notification for Preapproval Applications Submitted During First Round. For preapproval applications submitted during the first round, March 1, 2019 through May 31, 2019, the Department will notify each taxpayer, that submitted a properly completed and timely submitted application, of the tax credits approved and allocated to such taxpayer by June 30, 2019.
- (d) Allocation of Tax Credit for First Round. In the event the credit amounts on applications filed with the Commissioner between March 1, 2019 and May 31, 2019, exceed the maximum aggregate limit of tax credits under paragraph (5) of this regulation, then the tax credits shall be allocated among the taxpayers who filed a properly completed and timely submitted application through the Georgia Tax Center on a pro rata basis based on amounts otherwise allowable under O.C.G.A. § [48-7-40.36](#) and this regulation.
- (e) Mandatory Electronic Preapproval Applications for the Second Round, if Applicable. If on July 1, 2019, the Commissioner has not preapproved tax credits in the amount of \$200 million, the Commissioner shall accept and review a second round of electronic Form IT-TIM-APs. A taxpayer seeking to claim the tax credit under O.C.G.A. § [48-7-40.36](#) shall electronically submit Form IT-TIM-AP through the Georgia Tax Center between July 1, 2019 and December 31, 2019. A separate Form IT-TIM-AP must be submitted for each county with eligible timber property.
- (f) Notification of Complete or Incomplete Application for Second Round, if Applicable. Applications shall be reviewed in the order of receipt and the Department shall provide notice to each taxpayer within 30 days of receipt whether such taxpayer's electronic Form IT-TIM-AP is complete or incomplete. Such notice shall be provided by letter or through the Georgia Tax Center.
- (g) Notification for Preapproval Applications Submitted During Second Round, if Applicable. For preapproval applications submitted during the second round, July 1, 2019 through December 31, 2019, the Department will notify each taxpayer, that submitted a properly completed and timely submitted application, of the tax credits approved and allocated to such taxpayer by January 31, 2020.
- (h) Allocation of Tax Credit for Second Round, if Applicable. In the event the credit amounts on applications filed with the Commissioner between July 1, 2019 and December 31, 2019 when aggregated with amounts preapproved in the first round, exceed the maximum aggregate limit of tax credits under paragraph (5) of this regulation, then the tax credits preapproved in the second round shall be allocated among the taxpayers who filed a properly completed and timely submitted

application through the Georgia Tax Center in the second round on a pro rata basis based on amounts otherwise allowable under O.C.G.A. § [48-7-40.36](#) and this regulation.

- (i) In the event it is determined that taxpayer has not met all the requirements of O.C.G.A. § [48-7-40.36](#) and this regulation, then the amount of the credit shall not be approved or the approved credits shall be retroactively denied. The taxpayer shall file amended returns for the taxable year the credit was claimed reducing the credit. With respect to such denied credits, tax, interest, and penalties shall be due if the credit has already been used by the taxpayer.

(7) **Required Reporting by Taxpayer when 90 percent requirement or restoration is met.** Each taxpayer that receives preapproval for the timber tax credit, must certify to the Department:

- (a) The replanting of timber in a quantity projected to yield at maturity at least 90 percent of the value of the timber casualty loss claimed or the restoration of each acre for which timber casualty losses were incurred to a condition that has an adequately stocked stand that is expected to result in forest products or ecological services in the foreseeable future. Such 90 percent or restoration requirement shall be computed and must be met separately for all eligible timber property in a county. The taxpayer must report to the Department:
 - 1. The preapproval certificate number;
 - 2. The street address or addresses and parcel number or numbers where the replanting or restoration occurred;
 - 3. The county where the replanting or restoration occurred;
 - 4. Whether or not the taxpayer chose to restore any of the acres for which timber casualty losses were incurred to a condition that has an adequately stocked stand that is expected to result in forest products or ecological services in the foreseeable future;
 - 5. The actual diminution of value for the selected certificate;
 - 6. The actual diminution of value attributable to restored acres;
 - 7. The actual diminution of value attributable to non-restored acres;
 - 8. 90% of the diminution of value attributable to non-restored acres;
 - 9. The projected yield at maturity of the replanted timber;

10. The actual year of completion of the replanting and or restoration of timber which must occur between 2019 and 2024;
 11. The number of taxpayer's acres of eligible timber property; and
 12. Any other information that may be requested by the Commissioner.
- (b) A taxpayer can choose to replant and restore in the same county and the taxpayer must report when the acres chosen to be restored are restored and the 90% requirement is met for the diminution of value that is attributable to the timber in the remaining acres.
- (c) Such information shall be submitted electronically through the Georgia Tax Center when the taxpayer completes such replanting or restoration requirements. Until the taxpayer submits the required reporting, the credit cannot be sold by the taxpayer and cannot be utilized by anyone.
- (8) **Claiming the Credit.** A taxpayer that has received preapproval from the Department, and has submitted the required reporting under paragraph (7) of this regulation must claim the timber tax credit on their applicable Georgia income tax return even if the credit is sold or transferred.
- (a) Refundable credit for the generating taxpayer. The total amount of timber tax credit claimed in a taxable year may exceed the taxpayer's income tax liability. Such tax credits allowed in excess of a taxpayer's income tax liability shall be refundable to such taxpayer; provided that such taxpayer is the same taxpayer that incurred the timber casualty loss. If the generating taxpayer is a pass-through entity the credit is refundable for the individual partner, shareholder, or member based on the member's, shareholder's, or partner's year ending profit/loss percentage and the limitations of this regulation. The credit is not refundable to the pass-through entity. The credit forms for the pass-through entity are submitted as provided in paragraph (10) of this regulation.
- (9) **Carry forward.** Any timber tax credit that is claimed but not used or refunded in a taxable year shall be allowed to be carried forward for ten years from the close of the taxable year in which the credits are claimed.
- (10) **Pass-Through Entities.** When the taxpayer is a pass-through entity, and has no income tax liability of its own, the tax credits will pass to its members, shareholders, or partners based on the year ending profit/loss percentage and the limitations of this regulation. The credit forms will initially be filed with the tax return of the taxpayer to establish the amount of the credit available for pass through. The credit will then pass through to its shareholders, members, or partners to be applied against the tax liability on their income tax returns. The credits are available for use as a credit by the shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends.

For example: A partnership earns the credit for its tax year ending January 31, 2020. The partnership passes the credit to a calendar year partner. The credit is available for use (including refundability) by the individual partner beginning with the calendar 2020 tax year.

(11) Conditions and Limitations.

- (a) In order to be eligible for the timber tax credit the taxpayer must own or lease the eligible timber property. If the eligible timber property is leased by the taxpayer, the taxpayer must be eligible to claim the federal casualty loss deduction for the eligible timber property and the owner of the property must not claim the credit.
- (b) The credit shall be computed and claimed separately for each county with eligible timber property.
- (c) Taxpayer must use their aggregate diminution of value for all eligible timber property in a county when calculating their timber casualty loss for the timber tax credit.
- (d) The timber tax credit shall be claimed in the taxable year in which the taxpayer first completes the replanting of timber for a county in a quantity projected to yield at maturity at least 90 percent of the value of the timber casualty loss claimed or the restoration of each acre for which timber casualty losses were incurred to a condition that has an adequately stocked stand that is expected to result in forest products or ecological services in the foreseeable future. Such timber shall be planted within the same county in which the eligible timber property was being grown when the timber casualty loss was incurred but may be planted in a different location in such county. A taxpayer can choose to replant and restore in the same county and the credit is allowed when the acres chosen to be restored are restored and the projected yield at maturity of the replanted timber is equal to or greater than 90% of the diminution of value attributable to the timber in the non-restored acres. Timber market conditions as of October 8, 2018, shall be used for the purposes of establishing projected value.
- (e) The timber tax credit must be claimed in a taxable year ending on or before December 31, 2024.
- (f) Any Department of Revenue audit triggered by a taxpayer's use or transfer of the timber tax credit will require the taxpayer to reimburse the Department of Revenue for all costs associated with the audit, provided that such amount shall not exceed the value of the credits claimed by the taxpayer. The Department of Revenue will inform the taxpayer that the audit is a timber tax credit audit and thus subject to this provision prior to the commencement of the audit. Routine audits of the taxpayer's activity in Georgia are not subject to this provision.

- (g) The taxpayer decides the order in which they use their income tax credits, unless the income tax credit statute specifies an order. The timber tax credit does not specify an order in which it must be used.
 - (h) For property that is jointly owned outside of a pass-through entity, each taxpayer who applies should enter their share of the diminution of value, acres affected, etc. For example, if there are 3 owners and the property is jointly owned and there are 120 acres affected, then each should enter 40 acres.
- (12) **Selling or Transferring the Timber Tax Credit.** The taxpayer may sell or transfer in whole or in part any timber tax credit, previously claimed but not used by such taxpayer against its income tax and not refunded to such taxpayer, to a single Georgia taxpayer subject to the following conditions:
- (a) The taxpayer may only make a one-time sale or transfer of the timber tax credits earned.
 - 1. Example: Taxpayer 1 receives preapproval, Taxpayer 1 completes the replanting of timber in a quantity projected to yield at maturity at least 90 percent of the value of the timber casualty loss claimed in year 1 and submits the required reporting in year 1. Taxpayer 1 claims \$100,000 credit on Taxpayer 1's year 1 income tax return. In year 1, Taxpayer 1 sells \$100,000 of the credit to taxpayer 2. Taxpayer 2 is not allowed to resell the credit since the credit can only be sold one-time.
 - 2. Example: Taxpayer receives preapproval, Taxpayer completes the replanting of timber in a quantity projected to yield at maturity at least 90 percent of the value of the timber casualty loss claimed in 2020, and submits the required reporting in 2020. Taxpayer claims \$900,000 timber tax credit in 2020 (on Taxpayer's 2020 income tax return). In tax year 2020 taxpayer uses \$100,000 of the timber tax credit against its income tax liability. In tax year 2022, the taxpayer sells \$600,000 of the timber tax credit claimed in 2020. The remaining \$200,000 of timber tax credit claimed in tax year 2020 cannot be sold.
 - (b) The timber tax credit may be transferred before the tax return is filed by the taxpayer provided the credit has been earned. However, the amount transferred cannot exceed the amount of the credit which will be claimed and not used or refunded on the income tax return of the transferor. The credit is considered earned when the credit has been preapproved by the Department, the taxpayer completes the replanting of timber in a quantity projected to yield at maturity at least 90 percent of the value of the timber casualty loss claimed, or completes the restoration of each acre for which timber casualty losses were incurred to a condition that has an adequately stocked stand that is expected to result in forest productions or ecological services in the foreseeable future, or completes the replanting and restoration in the same county (the acres chosen to be restored are

restored and the 90% requirement is met for the diminution of value that is attributable to the timber in the remaining acres), and the taxpayer submits the required reporting under paragraph (7) of this regulation.

- (c) The timber tax credit must be sold for a minimum of 60 percent of the credit amount.
- (d) The taxpayer must file Form IT-TRANS "Notice of Tax Credit Transfer" with the Department of Revenue within 30 days of the transfer or sale of the timber tax credit. Form IT-TRANS must be submitted electronically to the Department of Revenue through the Georgia Tax Center or alternatively as provided in subparagraph (12)(d)1. of this regulation. With respect to such taxpayer, the Department of Revenue will not process any Form IT-TRANS submitted or filed in any other manner. If the taxpayer is a disregarded entity then Form IT-TRANS should be filed in the name of the owner of the disregarded entity.
 - 1. The web-based portal on the Georgia Tax Center. The taxpayer may provide selective information to a representative for the purpose of allowing the representative to submit Form IT-TRANS on their behalf on the Georgia Tax Center outside of a login. The provision of such information shall authorize the representative to submit such Form IT-TRANS. The representative must provide all information required by the web-based portal on the Georgia Tax Center to submit Form IT-TRANS.
- (e) The taxpayer must provide all required timber tax credit detail and transfer information to the Department of Revenue. Failure to do so will result in the timber tax credit being disallowed until the taxpayer complies with such requirements.
- (f) The carry forward period of the timber tax credit for the transferee will be the same as it was for the taxpayer. Any timber tax credit that is claimed but not used in a taxable year shall be allowed to be carried forward for ten years from the close of the taxable year in which the credits are claimed. For example: the taxpayer sells the timber tax credit on February 1, 2020. The taxpayer met the requirement for the credit in 2019 and claimed the credit on taxpayer's calendar year 2019 return. The credit may be claimed by the transferee on their 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028 or 2029 return. And the carry forward period for this tax credit will expire on December 31, 2029. This credit carry forward treatment applies whether the credit is being utilized by the taxpayer or the transferee.
- (g) The total amount of timber tax credit allowed in a taxable year may not exceed the transferee's income tax liability. Such tax credits allowed in excess of a transferee's income tax liability shall not be refundable to such transferee.

- (h) Except for the refundability provision, a transferee shall only have such rights to claim and use the timber tax credit that were available to the taxpayer at the time of the transfer. Thus, a transferee shall not have the right to subsequently transfer such credit since that right has been utilized by the transferor, and the credit is not refundable for the transferee.
 - (i) In the event of recapture, reduction, disallowance, or other failure related to the timber tax credit, the Department may pursue the taxpayer or the transferee. The transferee's recourse shall not be against the Department.
- (13) **How to Sell or Transfer the Timber Tax Credit.** The taxpayer may sell or transfer the timber tax credit directly to a single Georgia taxpayer. A pass-through entity may make an election to sell the timber tax credit claimed in a taxable year at the entity level. If the pass-through entity makes the election to sell the timber tax credit at the entity level, the credit does not pass through to the shareholders, members, or partners. In all cases, the effect of the sale of the credit on the income of the seller and buyer of the credit will be the same as provided in the Internal Revenue Code.
- (a) **Pass-Through Entity.** The taxpayer may be structured as a pass-through entity. If a pass-through entity does not make the election to sell or transfer the tax credit at the entity level as provided in paragraph (13) of this regulation, the tax credit will pass through to the shareholders, partners, or members of the entity based on their year ending profit/loss percentage. The shareholders, members, or partners may each then sell their respective timber tax credit to a single Georgia taxpayer.
 - (b) **Transferee Pass-Through Entity.** The taxpayer or its shareholders, members, or partners, may sell or transfer the tax credit to a pass-through entity. A pass-through entity that purchases a credit shall elect on behalf of its shareholders, members, or partners which year the credit shall be passed through to its shareholders, members, or partners (either its tax year in which the income tax year of the taxpayer, which claims the timber tax credit being sold ends; or during any later tax year before the 10 year carry forward period associated with the tax credit ends as provided in subparagraph (13)(c) of this regulation). If the pass-through entity has no income tax liability of its own, the pass-through entity may then pass the credit through to its shareholders, members, or partners based on the pass-through entity's year ending profit/loss percentage for the elected year. For example, if a calendar year partnership is buying the credit earned by a taxpayer in calendar 2019 tax year, and elects to use the credit for such year, then only partners who have a profit/loss percentage as of the end of the 2019 tax year may receive their respective amount of the timber tax credit.
 - (c) The credits are available for use by the transferee, provided the time has not expired for filing a claim for refund of a tax or fee erroneously or illegally assessed and collected under O.C.G.A. § [48-2-35](#):

1. As early as the transferee's tax year in which the income tax year of the taxpayer, which claims the timber tax credit associated with the credit being sold, ends; or
2. During any later tax year before the ten year carry forward period associated with the tax credit ends.
 - (i) . Example. Taxpayer receives preapproval in 2019 from the Department to claim the credit in 2020, and taxpayer meets the 90 percent replanting and reporting requirements of the credit in February 2020. Taxpayer sells the timber tax credit on June 15, 2020; and Taxpayer claims but does not use the credit on their calendar 2020 income tax return. The transferee is a calendar year taxpayer. The credit may be claimed by the transferee on its calendar 2020 tax year return (the transferee's tax year in which the income tax year of the selling taxpayer ends) or on the transferee's 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, or 2030 return (before the ten year carry forward associated with the tax credit ends on December 31, 2030).

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.65

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.36](#).

History. Original Rule entitled "Timber Tax Credit" adopted. F. Feb. 15, 2019; eff. Mar. 7, 2019.

Amended: F. Oct. 3, 2019; eff. Oct. 23, 2019.

Amended: F. Feb. 11, 2021; eff. Mar. 3, 2021.

Rule 560-7-8-.66. Personal Protective Equipment Manufacturer Jobs Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credit under O.C.G.A. § [48-7-40.1A](#).
- (2) **Definitions.**
 - (a) "Establishment" means an economic unit at a single physical location where business is conducted or where services or industrial operations are performed.
 - (b) "Hand sanitizer" means any hand antiseptic, hand rub, soap, or agent applied to the hands for the purpose of removing common pathogens, including, but not limited to, hand cleaners and sanitizers provided for under [7 C.F.R. Section 3201.18](#).

- (c) "Personal protective equipment" or "PPE" means any protective clothing, helmets, gloves, face shields, goggles, facemasks, hand sanitizer, and respirators or other equipment designed to protect the wearer from injury or to prevent the spread of infection, disease, virus, or other illness. Such term shall include equipment identified under [29 C.F.R. Section 1910](#), Subpart I.
 - (d) "Personal protective equipment manufacturer" or "PPE manufacturer" means any business enterprise which is engaged in the manufacturing of PPE in this state. Such term shall also include any business enterprise which, in response to COVID-19, began manufacturing PPE in this state. Such term shall not include retail businesses that sell PPE. Such term shall not include a manufacturer that manufactures the material used in the personal protective equipment but not the personal protective equipment itself. Such term shall not include a manufacturer that manufactures the equipment used to manufacture the personal protective equipment.
- (3) **Credit Amount.** A personal protective equipment manufacturer that qualifies for the jobs tax credit under O.C.G.A. § [48-7-40](#) or [48-7-40.1](#) and the applicable jobs tax credit regulations and claims the jobs tax credit as provided in Revenue Regulation [560-7-8-.36](#) shall be allowed an additional \$1,250 personal protective equipment manufacturer jobs tax credit for those qualifying jobs to the extent they are engaged in the qualifying activity of manufacturing personal protective equipment in Georgia during the taxable year.
- (4) **Maximum Amount of Credit.** The personal protective equipment manufacturer jobs tax credit may be used to offset 100% of the personal protective equipment manufacturer's Georgia income tax liability derived from operations within this state.
- (5) **Eligibility.** A personal protective equipment manufacturer shall be eligible for the additional personal protective equipment manufacturer jobs tax credit under paragraph (3) of this regulation at an individual establishment of the business. If more than one business activity is conducted at the establishment, then only those jobs engaged in the qualifying activity of manufacturing personal protective equipment in Georgia shall be eligible for the additional personal protective equipment manufacturer jobs tax credit.
- (a) The determination of whether a job is considered engaged in the qualifying activity of manufacturing personal protective equipment in Georgia shall be determined on a monthly basis. In order to qualify for the PPE tax credit, such job must first qualify for and be claimed for the jobs tax credit under O.C.G.A. § [48-7-40](#) or [48-7-40.1](#). The personal protective equipment manufacturer must compute a monthly average number of jobs engaged in the qualifying activity of manufacturing personal protective equipment in Georgia. Any job that is included in the jobs tax credit calculation (either a new or maintained job), where 50 percent or more of the time is spent on the qualifying activity of manufacturing personal protective equipment in Georgia, shall be eligible to be included in the

total for such month, but in no case can such number exceed the number of jobs that are included in the jobs tax credit computation for such month. A job should be excluded from the monthly computation for any month that it does not meet the 50 percent requirement. Once the monthly average is computed, the number that is allowed cannot exceed the number of jobs that are allowed for the jobs tax credit for such year.

- (b) For example. A taxpayer started their business in 2019 and manufactures personal protective equipment in Georgia and also has another business in Georgia. The taxpayer qualified for and claimed the jobs tax credit for jobs at both businesses. Not all the jobs included in the jobs tax credit are involved in the manufacture of personal protective equipment. The taxpayer has the following job numbers in 2020:

Month in 2020	Eligible for the Jobs Tax Credit	Allowed for the PPE Credit
January	50	25
February	52	27
March	55	30
April	60	35
May	71	46
June	68	43
July	55	30
August	52	27
September	55	30
October	66	41
November	44	19
December	60	35
Monthly Average - Number of jobs eligible for the jobs tax credit and allowed for the PPE credit	57	32

- (c) Only jobs that are involved in the qualifying activity of manufacturing personal protective equipment in Georgia are allowed to be included when claiming the personal protective equipment manufacturer jobs tax credit. This shall include managers, sales jobs, and support jobs that are involved in the qualifying activity of manufacturing personal protective equipment in Georgia provided such persons meet the other requirements including the 50% requirement.
- (6) **Conditions and Limitations.** The personal protective equipment manufacturer jobs tax credit shall be allowed subject to the conditions and limitations under O.C.G.A. §§ [48-7-40](#) or [48-7-40.1](#) and the applicable jobs tax credit regulations. The personal protective equipment manufacturer jobs tax credit shall be disallowed during any year that the

taxpayer does not qualify as a personal protective equipment manufacturer but the PPE manufacturer may requalify in a later year if they meet the requirements.

- (a) Personal protective equipment manufacturers that make the election provided in O.C.G.A. §§ [48-7-40\(m\)](#) or [48-7-40.1\(k\)](#) to use their 2019 jobs tax credit numbers for their 2020 or 2021 jobs tax credit, cannot use their 2019 jobs tax credit numbers to determine the personal protective equipment manufacturer jobs tax credit for 2020 or 2021. Only personal protective equipment manufacturing jobs actually created or maintained in each respective year can be claimed.
- (7) **Claiming the Credit.** For a personal equipment manufacturer to claim the personal protective equipment manufacturer jobs tax credit, the personal protective equipment manufacturer must submit Form IT-CA with the personal protective equipment manufacturer's Georgia income tax return each year the credit is claimed. A software program's Form IT-CA that is electronically filed with the Georgia income tax return in the manner specified by the Department satisfies this requirement.
- (a) **Withholding tax.** A personal protective equipment manufacturer may claim any excess personal protective equipment manufacturer jobs tax credit against its withholding tax liability. Except in the case of a timely assignment under O.C.G.A. § [48-7-42](#), the withholding tax benefit may only be applied against the withholding tax account used by the personal protective equipment manufacturer for payroll purposes. In the event the personal protective equipment manufacturer that earned the credit is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company, but note that such benefit may also be assigned pursuant to O.C.G.A. § [48-7-42](#). A personal protective equipment manufacturer must notify the commissioner each year of its irrevocable election to take all or a part of the credit against the quarterly or monthly withholding tax payments for such personal protective equipment manufacturer. When this election is made by a pass-through entity, the excess personal protective equipment manufacturer jobs tax credit will not pass through to the shareholders, partners, or members of the personal protective equipment manufacturer if the personal protective equipment manufacturer is a pass-through entity.
 - 1. **Notice of Intent.** To claim any excess tax credit not used on the income tax return against the personal protective equipment manufacturer's withholding tax liability, the personal protective equipment manufacturer must file Revenue Form IT-WH through the Georgia Tax Center within thirty (30) days after the due date of the Georgia income tax return (including extensions) or within thirty (30) days after the filing of a timely filed Georgia income tax return, whichever occurs first. Failure to file this form as provided in this subparagraph will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in

more than one taxable year, the election to claim the withholding credit will be available for the credit earned in such subsequent year.

2. **Review Period.** The Department of Revenue has one hundred twenty (120) days from the date the applicable Form IT-WH under subparagraph (7)(a)1. of this regulation is received to review the credit and make a determination of the amount eligible to be used against withholding tax.
 3. **Letter of Eligibility.** Once the review is completed, a letter will be sent to the personal protective equipment manufacturer stating the tax credit amount which may be applied against withholding and when the personal protective equipment manufacturer may begin to claim the tax credit against withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding tax payments and will not refund any previous withholding payments.
- (8) **Carry Forward.** Any personal protective equipment manufacturer jobs tax credit which is claimed but not used in a taxable year may be carried forward for 10 years from the close of the taxable year in which the qualifying personal protective equipment manufacturer jobs were created. For example, personal protective equipment manufacturer jobs tax credits created by an employment increase in year one, but not used in year one, may be carried forward to years two through eleven.
- (9) **Pass-Through Entities.** When the personal protective equipment manufacturer is a pass-through entity, and has no income tax liability of its own, the tax credit will pass to its individual members, shareholders, or partners based on their year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its individual shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess personal protective equipment manufacturer jobs tax credit against their withholding tax liabilities. The credits are available for use as a credit by the individual shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2021. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the calendar 2021 tax year.
- (10) **Sunset Date.** No personal protective equipment manufacturer jobs tax credit shall be claimed and allowed for any jobs created on or after January 1, 2025; provided, however, jobs created before such date are eligible for the remaining installments provided the requirements of O.C.G.A. §§ [48-7-40](#), [48-7-40.1](#), and [48-7-40.1A](#) and the related regulations are met.

- (11) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2020.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.66

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.1A](#).

History. Original Rule entitled "Personal Protective Equipment Manufacturer Jobs Tax Credit" adopted. F. Dec. 4, 2020; eff. Dec. 24, 2020.

Rule 560-7-8-.67. Life Sciences Manufacturing Job Tax Credit.

- (1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credit under O.C.G.A. § [48-7-40.1B](#).
- (2) **Definitions.**
- (a) As used in this regulation, the terms "establishment", "medical equipment and supplies manufacturer", and "pharmaceutical and medicine manufacturer" shall have the same meaning as in O.C.G.A. § [48-7-40.1B](#).
 - (b) "Life Sciences Manufacturing Job Tax Credit" is the credit established under O.C.G.A. § [48-7-40.1B](#) that is allowed to a medical equipment and supplies manufacturer and pharmaceutical and medicine manufacturer.
- (3) **Credit Amount.** A medical equipment and supplies manufacturer or a pharmaceutical and medicine manufacturer, that qualifies for the job tax credit under O.C.G.A. § [48-7-40](#) or [48-7-40.1](#) and the applicable job tax credit regulations thereunder, shall be allowed an additional \$1,250 life sciences manufacturing job tax credit for jobs created on or after July 1, 2021 that are engaged in the qualifying activity of manufacturing medical equipment or supplies or manufacturing pharmaceuticals or medicine in Georgia during the taxable year.
- (4) **Maximum Amount of Credit.** The life sciences manufacturing job tax credit may be used to offset 100% of the medical equipment and supplies manufacturer's and pharmaceutical and medicine manufacturer's Georgia income tax liability derived from operations within this state.
- (5) **Eligibility.** A medical equipment and supplies manufacturer and pharmaceutical and medicine manufacturer shall be eligible for the life sciences manufacturing job tax credit under paragraph (3) of this regulation at an individual establishment of the business. If more than one business activity is conducted at the establishment, then only those jobs engaged in the qualifying activity of manufacturing medical equipment or supplies or manufacturing pharmaceuticals or medicine in Georgia shall be eligible for the life sciences manufacturing job tax credit.

- (a) The determination of whether a job is considered engaged in the qualifying activity of manufacturing medical equipment or supplies or manufacturing pharmaceuticals or medicine in Georgia shall be determined on a monthly basis. In order to qualify for the life sciences manufacturing job tax credit, such job must first qualify for and be claimed for the job tax credit under O.C.G.A. § [48-7-40](#) or [48-7-40.1](#). The medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer must compute a monthly average number of jobs engaged in the qualifying activity of manufacturing medical equipment and supplies or manufacturing pharmaceuticals or medicine in Georgia. Any job created on or after July 1, 2021 that is included in the job tax credit calculation, where 50 percent or more of the time is spent in a month on the qualifying activity of manufacturing medical equipment or supplies or manufacturing pharmaceuticals or medicine in Georgia, shall be eligible to be included in the total for such month, but in no case can such number exceed the number of jobs that are included in the job tax credit computation for such month. A job must be excluded from the monthly computation for any month that it does not meet the 50 percent requirement. Once the monthly average is computed, the number that is allowed cannot exceed the number of jobs that are allowed for the job tax credit for such year.
- (b) For example. A taxpayer started its business in 2022 and such business manufactures medical equipment and supplies in Georgia and the taxpayer also has another business in Georgia. The taxpayer qualified for and claimed the job tax credit for jobs at both businesses. However, not all the jobs included in the job tax credit are involved in the manufacture of medical equipment and supplies. The taxpayer has the following job numbers in 2022:

Month in 2022	Eligible for the Jobs Tax Credit	Allowed for the life sciences manufacturing job tax credit
January	50	25
February	52	27
March	55	30
April	60	35
May	71	46
June	68	43
July	55	30
August	52	27
September	55	30
October	66	41
November	44	19
December	60	35

Monthly Average - Number of jobs eligible for the job tax credit and allowed for the life sciences manufacturing job tax credit	57	32
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- (c) Only jobs that are involved in the qualifying activity of manufacturing medical equipment or supplies or manufacturing pharmaceuticals or medicine in Georgia are allowed to be included when claiming the life sciences manufacturing job tax credit. This shall include managers, sales jobs, and support jobs that are involved in the qualifying activity of manufacturing medical equipment and supplies or manufacturing pharmaceuticals or medicine in Georgia provided such persons meet the other requirements including the 50% monthly requirement.
- (6) **Conditions and Limitations.** The life sciences manufacturing job tax credit shall be allowed subject to the conditions and limitations under O.C.G.A. §§ [48-7-40](#) or [48-7-40.1](#) and the applicable job tax credit regulations. The life sciences manufacturing job tax credit shall be disallowed during any year that the taxpayer does not qualify as a medical equipment and supplies manufacturer or a pharmaceutical and medicine manufacturer but the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer may requalify in a later year if they meet the requirements.
- (a) Medical equipment and supplies manufacturers and pharmaceutical and medicine manufacturers that make the election provided in O.C.G.A. §§ [48-7-40\(m\)](#) or [48-7-40.1\(k\)](#) to use their 2019 job tax credit numbers for their 2021 job tax credit, cannot use their 2019 job tax credit numbers to determine the life sciences manufacturing job tax credit for 2021.
 - (b) Only medical equipment and supplies manufacturing or pharmaceutical and medicine manufacturing jobs actually created on or after July 1, 2021 can be claimed. As such any job included in the job tax credit computation that was created before July 1, 2021 shall not be eligible for the life sciences manufacturing job tax credit. To determine the number of jobs created on or after July 1, 2021 for any year that includes July 1, 2021, the number of jobs created on or after July 1, 2021 shall be computed by subtracting the average for the months before July 1, 2021 from the average for the year.
 - 1. For example. A taxpayer was in business before July 1, 2021 and has a business that manufactures medical equipment and supplies in Georgia and also has another business in Georgia. The taxpayer qualified for and claimed the job tax credit for jobs at both businesses. However, not all the jobs included in the job tax credit are involved in the manufacture of medical equipment and supplies. The number of jobs created on or after July 1, 2021 that are eligible for the life sciences manufacturing job tax credit is computed as follows:

Month in 2021	Eligible for the Jobs Tax Credit	Allowed for the life sciences manufacturing job tax credit
January	30	25
February	32	27
March	35	30
April	40	35
May	51	46
June	58	43
Average for Jan to June	41	34
July	75	50
August	60	50
September	99	65
October	75	60
November	60	58
December	75	73
Monthly Average for Entire Year	58	47
Monthly average for entire year less Average for Jan to June and allowed for the life sciences manufacturing job tax credit	13	

2. For a fiscal year that begins on or after January 1, 2021 and which includes July 1, 2021, the same computation should be performed to determine the number of jobs created on or after July 1, 2021 but there will be different months before and different months after July 1, 2021.

- (7) **Cannot claim the Personal Protective Equipment Manufacturer Jobs Tax Credit for the Same Jobs.** Taxpayers may not claim the life sciences manufacturing job tax credit for any job for which the taxpayer claims the tax credit provided under Code Section [48-7-40.1A](#). Jobs for which the personal protective equipment manufacturer jobs tax credit is claimed under Code Section [48-7-40.1A](#) shall be excluded from all calculations for the life sciences manufacturing job tax credit under this regulation. Also, in no case can the number of jobs claimed under Code Section [48-7-40.1A](#) and Code Section [48-7-40.1B](#) together exceed the number of jobs that are included in the job tax credit computation.
- (8) **Claiming the Credit.** For a medical equipment and supplies manufacturer or pharmaceutical and medicine manufacturer to claim the life sciences manufacturing job tax credit, the medical equipment and supplies manufacturer or pharmaceutical and medicine manufacturer must submit Form IT-CA with the medical equipment and supplies manufacturer or pharmaceutical and medicine manufacturer's Georgia income

tax return each year the credit is claimed. A software program's Form IT-CA that is electronically filed with the Georgia income tax return in the manner specified by the Department satisfies this requirement.

- (a) **Withholding tax.** A medical equipment and supplies manufacturer or pharmaceutical and medicine manufacturer may claim any excess life sciences manufacturing job tax credit against its withholding tax liability. Except in the case of a timely assignment under O.C.G.A. § [48-7-42](#), the withholding tax benefit may only be applied against the withholding tax account used by the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer for payroll purposes. In the event the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer that earned the credit is a single member limited liability company that is disregarded for income tax purposes, the withholding tax benefit may only be applied against the withholding tax liability that is attributable to wages paid by the single member limited liability company, but note that such benefit may also be assigned pursuant to O.C.G.A. § [48-7-42](#). A medical equipment and supplies manufacturer or a pharmaceutical and medicine manufacturer must notify the commissioner each year of its irrevocable election to take all or a part of the credit against the quarterly or monthly withholding tax payments for such medical equipment and supplies manufacturer or pharmaceutical and medicine manufacturer. When this election is made by a pass-through entity, the excess life sciences manufacturing job tax credit will not pass through to the shareholders, partners, or members of the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer if the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer is a pass-through entity.

1. **Notice of Intent.** To claim any excess tax credit not used on the income tax return against the medical equipment and supplies manufacturer's or the pharmaceutical and medicine manufacturer's withholding tax liability, the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer must file Revenue Form IT-WH through the Georgia Tax Center within thirty (30) days after the due date of the Georgia income tax return (including extensions) or within thirty (30) days after the filing of a timely filed Georgia income tax return, whichever occurs first. Failure to file this form as provided in this subparagraph will result in disallowance of the withholding tax benefit. However, in the case of a credit which is earned in more than one taxable year, the election to claim the withholding credit will be available for the credit earned in such subsequent year.
2. **Review Period.** The Department of Revenue has one hundred twenty (120) days from the date the applicable Form IT-WH under subparagraph (8)(a)1. of this regulation is received to review the credit and make a determination of the amount eligible to be used against withholding tax.

3. Letter of Eligibility. Once the review is completed, a letter will be sent to the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer stating the tax credit amount which may be applied against withholding and when the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer may begin to claim the tax credit against withholding tax. The Department of Revenue shall treat this amount as a credit against future withholding tax payments and will not refund any previous withholding payments.
- (9) **Carry Forward.** Any life sciences manufacturing job tax credit which is claimed but not used in a taxable year may be carried forward for 10 years from the close of the taxable year in which the life sciences manufacturing job tax credit jobs were created. For example, life sciences manufacturing job tax credit created by an employment increase in year one, but not used in year one, may be carried forward to years two through eleven.
- (10) **Pass-Through Entities.** When the medical equipment and supplies manufacturer or the pharmaceutical and medicine manufacturer is a pass-through entity, and has no income tax liability of its own, the tax credit will pass to its individual members, shareholders, or partners based on their year ending profit/loss percentage. The credit forms will initially be filed with the tax return of the pass-through entity to establish the amount of the credit available for pass through. The credit will then pass through to its individual shareholders, members, or partners to be applied against the tax liability on their income tax returns. The shareholders, members, or partners may not claim any excess life sciences manufacturing job tax credit against their withholding tax liabilities. The credits are available for use as a credit by the individual shareholders, members, or partners for their tax year in which the income tax year of the pass-through entity ends. For example: A partnership earns the credit for its tax year ending January 31, 2022. The partnership passes the credit to a calendar year partner. The credit is available for use by the individual partner beginning with the 2022 calendar tax year.
- (11) **Effective Date.** This regulation shall be effective on July 1, 2021 and shall be applicable to taxable years beginning on or after January 1, 2021.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.67

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.1B](#).

History. Original Rule entitled "Life Sciences Manufacturing Job Tax Credit" adopted. F. Nov. 18, 2021; eff. Dec. 8, 2021.

Rule 560-7-8-.68. Qualified Foster Child Donation Credit.

- (1) **Purpose.** The purpose of this regulation is to provide guidance concerning the administration of the tax credit under O.C.G.A. § [48-7-29.24](#).

- (2) **Coordination of Agencies.** The Division of Family and Children Services of the Georgia Department of Human Services is the state agency responsible for certifying foster child support organizations and shall establish and maintain a web-based application process for certifying foster child support organizations as qualified organizations.
- (3) **Definitions.**
- (a) The terms "qualified contributions", "qualified expenditures", and "foster child support organization" shall have the same meaning as in O.C.G.A. § [48-7-29.24](#).
 - (b) "Form 990" means the annual information returns and electronic notices of the Federal Form 990 series filed with the Internal Revenue Service, including Form 990, Form 990-EZ, and Form 990-N.
 - (c) "Contributions Report" means the report detailing the contributions received that must be prepared on a calendar-year basis and submitted to the Department.
- (4) **Certification of Qualified Foster Child Support Organization.** The foster child support organization must apply for certification as a qualified foster child support organization using the web-based application process maintained by the Division of Family and Children Services of the Georgia Department of Human Services on its website at: <https://dfcs.georgia.gov/>
- (a) The Division of Family and Children Services of the Georgia Department of Human Services will notify the foster child support organization of the approval or denial of certification.
- (5) **Credit Cap.** In no event shall the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-29.24](#) exceed \$20 million per calendar year or as otherwise provided under O.C.G.A. § [48-7-29.24](#).
- (6) **Credit Amount.** From January 1 to June 30 of each calendar year, the amount of qualified foster child donation credit allowed to a taxpayer shall be as follows:
- (a) For an individual taxpayer or head of household, the credit amount shall not exceed the actual amount of qualified contributions made or \$2,500, whichever is less.
 - (b) For an individual taxpayer filing a married-filing-separate return, the credit amount shall not exceed the actual amount of qualified contributions made or \$2,500, whichever is less.
 - (c) For individual taxpayers filing a married-filing-joint return, the credit amount shall not exceed the actual amount of qualified contributions made or \$5,000, whichever is less.

1. Example: Taxpayers, a married couple filing jointly, request preapproval for the qualified foster child donation credit for calendar year 2023 by electronically submitting Form IT-QFCD-TP1 through the Georgia Tax Center. On Form IT-QFCD-TP1, Taxpayers' intended 2023 contribution is \$4,000; therefore, the Department preapproves Taxpayers for a qualified foster child donation credit of \$4,000. Taxpayers make a \$3,000 donation to the foster child support organization within 60 days of receiving preapproval from the Department and before the end of 2023 (this is the only amount of qualified contributions made by Taxpayers to a qualified foster child support organization in 2023). When Taxpayers file their 2023 Georgia income tax return, they can only claim a qualified foster child donation credit of \$3,000 (which is the actual amount of qualified contributions made), and the extra \$1,000 that was preapproved but not contributed cannot be claimed by Taxpayers and cannot be carried forward. Any amount of the \$3,000 qualified foster child donation credit claimed but not used on Taxpayers' 2023 Georgia income tax return shall be allowed to be carried forward to apply to their succeeding five years' tax liability.
- (d) For an individual taxpayer who is a member of a limited liability company duly formed under state law (including a member who owns a single-member limited liability company that is disregarded for income tax purposes), a shareholder of a S corporation, or a partner in a partnership, the credit is limited to the actual amount of qualified contributions made or \$5,000 per tax year, whichever is less; provided, however, that the tax credits shall only be allowed for the Georgia income on which such tax was actually paid by such member of a limited liability company, shareholder of a S corporation, or partner in a partnership. In determining such Georgia income, the shareholder, partner, or member shall exclude any income that was subtracted on their Georgia return because the entity paid tax at the pass-through entity level in Georgia as provided in Regulation [560-7-3-.03](#). If the individual taxpayer is a member, partner, or shareholder in more than one pass-through entity, the total credit allowed cannot exceed \$5,000; the individual taxpayer decides which pass-through entities to include when computing Georgia income for purposes of the qualified foster child donation credit. All Georgia income, loss, and expense from the taxpayer-selected pass-through entities will be combined to determine Georgia income for purposes of the qualified foster child donation credit. Such combined Georgia income shall be multiplied by the applicable marginal tax rate to determine the tax that was actually paid. If the taxpayer is filing a joint return, the taxpayer's spouse may also claim a credit for their ownership interests and shall separately be eligible for a credit as provided in this subparagraph. If the taxpayer is preapproved for an amount that exceeds the amount that is calculated as allowed when the return is filed, the excess amount cannot be claimed by the taxpayer and cannot be carried forward.

1. Example: Taxpayer, an individual taxpayer, is the sole shareholder of A, Inc., an S corporation. Taxpayer is also a 50% partner in BC Company, a partnership, and is also a 20% member of a limited liability company, XYZ Company, which is taxed as a partnership. Taxpayer requests preapproval for the qualified foster child donation credit for calendar year 2023 by submitting Form IT-QFCD-TP1. On Form IT-QFCD-TP1, Taxpayer estimates that the Georgia income from A, Inc. is \$60,000 and that the share of Georgia income from BC Company is \$30,000. Taxpayer chooses not to include any income from XYZ Company when estimating Georgia income for purposes of the qualified foster child donation credit; therefore, the Department preapproves Taxpayer for a qualified foster child donation credit of \$5,000 (since \$5,000 is less than \$5,175 (5.75% of \$90,000) and the applicable marginal tax rate for 2023 is 5.75%). Taxpayer makes a \$5,000 donation to the foster child support organization within 60 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files the 2023 Georgia income tax return, Taxpayer received a salary from A, Inc. of \$20,000, and A, Inc.'s actual Georgia income is \$30,000. Taxpayer's actual share of Georgia income from BC Company is \$10,000, and Taxpayer received a guaranteed payment from BC Company of \$7,500. Taxpayer's actual share of Georgia income from XYZ Company is \$2,500 (Taxpayer can choose to include this company even though it was not considered at the time of preapproval), Taxpayer can only claim a qualified foster child donation credit of \$4,025 (which is 5.75% of the \$70,000 actual income from Taxpayer's selected pass-through entities), and the extra \$975 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$4,025 qualified foster child donation credit claimed but not used on Taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to Taxpayer's succeeding five years' tax liability.
- (e) For a corporation taxpayer, fiduciary taxpayer, an S corporation that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-21](#), or a partnership that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-23](#), the credit amount shall not exceed the actual amount of qualified contributions made or 10 percent of the corporation's, fiduciary's, electing S corporation's, or electing partnership's income tax liability, whichever is less. Fiduciary entities cannot pass the credit through to their beneficiaries. S corporations and partnerships that elect to pay taxes at the entity level may make an irrevocable election to pass all or part of the credit through to their members, partners, or shareholders by completing the "credit allocation to owners" schedule on an original or amended Form 600S or Form 700.
1. Example: Taxpayer, a corporation, requests preapproval for the qualified foster child donation credit for calendar year 2023 by electronically

submitting Form IT-QFCD-TP1 through the Georgia Tax Center. On Form IT-QFCD-TP1, Taxpayer's intended 2023 contribution is \$15,000, and Taxpayer's estimated 2023 income tax liability is \$150,000. Therefore, the Department preapproves Taxpayer for a qualified foster child donation credit of \$15,000 for 2023. Taxpayer makes a \$15,000 donation to the foster child support organization within 60 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files its 2023 Georgia income tax return, Taxpayer's 2023 income tax liability is \$80,000. Taxpayer can only claim a qualified foster child donation credit of \$8,000 (\$8,000 is 10% of the actual 2023 Georgia income tax liability), and the extra \$7,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$8,000 qualified foster child donation credit claimed but not used on Taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to its succeeding five years' tax liability.

2. Example: Taxpayer, a S corporation electing to pay tax at the entity level, requests preapproval for the qualified foster child donation credit for calendar year 2023 by electronically submitting Form IT-QFCD-TP1 through the Georgia Tax Center. On Form IT-QFCD-TP1, Taxpayer's intended 2023 contribution is \$15,000, and Taxpayer's estimated 2023 income tax liability is \$150,000. Therefore, the Department preapproves Taxpayer for a qualified foster child donation credit of \$15,000 for 2023. Taxpayer makes a \$15,000 donation to the foster child support organization within 60 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files its 2023 Georgia income tax return, Taxpayer's 2023 income tax liability is \$80,000. Taxpayer can only claim a qualified foster child donation credit of \$8,000 (\$8,000 is 10% of its actual Georgia income tax liability for tax year 2023), and the extra \$7,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$8,000 qualified foster child donation credit claimed but not used on Taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability but shall not be allowed to be passed through to and used by the shareholders unless an election is made to pass the credit through to the shareholders.

- (f) Except as provided in subparagraph (6)(e) of this regulation, when the taxpayer is a pass-through entity that has no income tax liability of its own, the tax credits will be considered earned by its members, shareholders, or partners based on their profit/loss percentage at the end of the year and the limitations of subparagraph (6)(d) of this regulation. The expenditure is made by the pass-through entity, but all credit forms (preapproval, claiming, and reporting) will be filed in the name of its members, shareholders, or partners. The credit can only be applied against the shareholders', members', or partners' tax liabilities on their income tax returns. The pass-through entity shall provide all necessary information to the foster child

support organization so that the preapproval, claiming, and reporting forms can be filed in the name of its members, shareholders, or partners.

- (g) From July 1 to December 31 of each calendar year of the credit, the amount of qualified foster child donation credit allowed to a taxpayer shall be as follows:
1. For an individual taxpayer or head of household, the credit amount shall not exceed the actual amount of qualified contributions made.
 2. For an individual taxpayer filing a married-filing-separate return, the credit amount shall not exceed the actual amount of qualified contributions made.
 3. For individual taxpayers filing a married-filing-joint return, the credit amount shall not exceed the actual amount of qualified contributions made.
 4. For an individual taxpayer who is a member of a limited liability company duly formed under state law (including a member who owns a single-member limited liability company that is disregarded for income tax purposes), a shareholder of a S corporation, or a partner in a partnership, the credit is limited to the actual amount of qualified contributions made per tax year; provided, however, that the tax credits shall only be allowed for the Georgia income on which such tax was actually paid by such member of a limited liability company, shareholder of a S corporation, or partner in a partnership. In determining such Georgia income, the shareholder, partner, or member shall exclude any income that was subtracted on their Georgia return because the entity paid tax at the pass-through entity level in Georgia as provided in Regulation [560-7-3-.03](#). From July 1 to December 31, the option to indicate pass-through entity ownership is not available on the Georgia Tax Center since the credit is not limited for individual taxpayers during this time period. Regardless, such members may choose to apply the pass-through entity provisions when claiming the credit, or such provisions will be applied if subparagraph (6)(g)6. of this regulation applies.
 5. For a corporation taxpayer, fiduciary taxpayer, an S corporation that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-21](#), or a partnership that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-23](#), the credit amount shall not exceed the actual amount of qualified contributions made. Fiduciary entities cannot pass the credit through to their beneficiaries. S corporations and partnerships that elect to pay taxes at the entity level may make an irrevocable election to pass all or part of the credit through to their members, partners, or shareholders by completing the "credit allocation to owners" schedule on an original or amended Form 600S or Form 700. See examples in subparagraph (6)(e) of this regulation.

6. Except as provided in subparagraph (6)(g)5. of this regulation, when the taxpayer is a pass-through entity that has no income tax liability of its own, the tax credits will be considered earned by its members, shareholders, or partners based on their profit/loss percentage at the end of the year and the limitations of subparagraph (6)(g)4. of this regulation. The expenditure is made by the pass-through entity, but all credit forms (preapproval, claiming, and reporting) will be filed in the name of its members, shareholders, or partners. The credit can only be applied against the shareholders', members', or partners' tax liabilities on their income tax returns. The pass-through entity shall provide all necessary information to the foster child support organization so that the preapproval, claiming, and reporting forms can be filed in the name of its members, shareholders, or partners.
- (h) A taxpayer may apply to make a donation to multiple foster child support organizations, apply to make multiple donations to the same foster child support organization, or apply to make a donation both before and after July 1; provided, however, that each donation must be applied for separately.
- (7) **Form 990.** Each qualified foster child support organization must submit a copy of its most recent Form 990 to the Department through the Georgia Tax Center by May 15. If the qualified foster child support organization filed the Form 990-N, then it must submit a copy of the filing confirmation or the listing by the United States Internal Revenue Service of the Form 990-N filing to the Department. If the qualified foster child support organization is not required by federal law to file a Form 990, then the organization must submit the Form 990 Proxy Spreadsheet found on the Department's website through the Georgia Tax Center by May 15.
- (8) **Contributions Report.**
 - (a) The contributions report detailing the contributions received for the prior calendar year shall be submitted by each qualified foster child support organization by May 15. Form IT-QFCD-FUND2 shall be the form used to submit the report. The report shall be submitted electronically through the Georgia Tax Center.
 - (b) The contributions report shall be prepared on a calendar-year basis, regardless of the fiscal year of the qualified foster child support organization.
 - (c) The contributions report shall include the following:
 1. The total number and dollar value of individual contributions and qualified foster child donation credits preapproved. Individual contributions shall include contributions made by those filing income tax returns as single, head of household, married filing separately, and married filing jointly;

2. The total number and dollar value of corporation, trust, S corporation, and partnership contributions and qualified foster child donation credits preapproved;
3. The total number and dollar value of all qualified expenditures made;
4. A list of contributors, including the dollar value of each contribution and the dollar value of each preapproved tax credit; and
5. Any other information required by the Commissioner.

(9) **Website Posting by the Department.** The following shall be posted on the Department's website:

- (a) The link to the web-based application for certification as a qualified organization by the Division of Family and Children Services of the Georgia Department of Human Services;
- (b) The list of all qualified foster child support organizations;
- (c) The aggregate amount of tax credits remaining and available for preapproval for each year;
- (d) The web-based method for taxpayers seeking preapproval status for contributions; and
- (e) The Form 990 and contributions report received from each qualified foster child support organization, except for the information in subparagraph (c)4. of paragraph (8).

(10) **Confidential Taxpayer Information.** Except for the information published under paragraph (9), all information or reports relative to O.C.G.A. § [48-7-29.24](#) and this regulation that were provided by qualified foster child support organizations to the Department shall be confidential taxpayer information, governed by O.C.G.A. §§ [48-2-15](#), [48-7-60](#), and [48-7-61](#), whether such information relates to the contributing taxpayer or the qualified foster child support organization.

(11) **Mandatory Electronic Preapproval of the Contribution.**

- (a) The taxpayer must electronically submit Form IT-QFCD-TP1 through the Georgia Tax Center to request preapproval of the qualified foster child donation credit from the Department. The Department will not preapprove any qualified foster child donation credit where the Form IT-QFCD-TP1 is submitted or filed in any other manner. Each qualified foster child support organization shall be

registered with the Department to facilitate the web-based preapproval process for Form IT-QFCD-TP1.

- (b) The taxpayer should not submit Form IT-QFCD-TP1 to the Department until the taxpayer's recipient foster child support organization is listed on the Department's website. If the taxpayer's recipient foster child support organization is not listed on the website at the time that the Department attempts to verify the organization's listing, the Department shall deny the preapproval request. If, at a later date, the taxpayer's recipient foster child support organization becomes listed, the taxpayer will have to submit a new Form IT-QFCD-TP1 to the Department.
- (c) The electronic Form IT-QFCD-TP1 shall include the following information:
 - 1. The name of the qualified foster child support organization listed on the Department's website to which the contribution will be made;
 - 2. The taxpayer identification number of the qualified foster child support organization to which the contribution will be made;
 - 3. The name, address, and taxpayer identification number of the taxpayer;
 - 4. The type of taxpayer;
 - 5. If the taxpayer is an individual, the filing status;
 - 6. If the taxpayer is an individual filing a joint return, the name and taxpayer identification number of the joint filer;
 - 7. The intended contribution amount;
 - 8. If the taxpayer is a corporation, fiduciary, electing S corporation, or electing partnership, 10% of the estimated income tax liability the corporation, fiduciary, electing S corporation, or electing partnership expects for the tax year of the corporation, fiduciary, S corporation, or partnership in which the contribution will be made;
 - 9. Tax year end of the taxpayer;
 - 10. Calendar year in which the contribution will be made;
 - 11. Any other information the Commissioner may require; and
 - 12. Certification that all information contained on the Form IT-QFCD-TP1 is true to his/her best knowledge and belief and is submitted for the purpose of obtaining preapproval from the Commissioner.

- (d) The qualified foster child donation credit shall be allowed on a first-come, first-served basis. The date the Form IT-QFCD-TP1 is electronically submitted shall be used to determine such first-come, first-served basis.
 - (e) The Department will notify each taxpayer and the taxpayer's selected qualified foster child support organization of the tax credits preapproved, denied, or prorated to such taxpayer within 30 days from the date the Form IT-QFCD-TP1 was received.
 - (f) On the day any Form IT-QFCD-TP1 is received for a calendar year that causes the calendar-year limit in paragraph (5) of this regulation to be reached, the remaining tax credits shall be allocated among the applicants who submitted the Form IT-QFCD-TP1 on the day the calendar-year limit was exceeded on a pro rata basis based upon the amounts otherwise allowed by O.C.G.A. § [48-7-29.24](#) and this regulation. Only credit amounts on Form IT-QFCD-TP1(s) received on the day the calendar-year limit was exceeded shall be allocated on a pro rata basis.
 - (g) The contribution must be made by the taxpayer within 60 days of the date of the preapproval notice received from the Department and within the calendar year in which it was preapproved.
 - (h) In the event it is determined that the taxpayer has not met all the requirements of O.C.G.A. § [48-7-29.24](#), then the amount of the qualified foster child donation credit shall not be preapproved or the preapproved qualified foster child donation credit shall be retroactively denied. With respect to such denied credit, tax, interest, and penalties shall be due if the qualified foster child donation credit has already been claimed.
 - (i) If the Commissioner preapproved a donation for a tax credit prior to the date the qualified foster child support organization is removed from the Department's list pursuant to O.C.G.A. § [48-7-29.24\(j\)](#) and paragraph (21) of this regulation, notwithstanding any laws to the contrary, the Department shall not take any adverse action against preapproved donors, and all such donations shall remain as preapproved tax credits subject only to the donor's compliance with O.C.G.A. § [48-7-29.24\(e\)](#) and this paragraph.
 - (j) Once the calendar-year limit is reached for a calendar year, taxpayers shall no longer be eligible for a credit pursuant to O.C.G.A. § [48-7-29.24](#) for such calendar year. If any Form IT-QFCD-TP1 is received after the calendar-year limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
- (12) **Letter of Confirmation.** Form IT-QFCD-FUND1 shall be provided by the foster child support organization to the taxpayer to confirm the contribution within 15 days of the contribution.

- (13) **Claiming the Credit.** A taxpayer claiming the qualified foster child donation credit, unless indicated otherwise by the Commissioner, must submit Form IT-QFCD-TP2 with the taxpayer's Georgia tax return when the qualified foster child donation credit is claimed. An electronically filed Georgia income tax return that includes the software's electronic Form IT-QFCD-TP2 satisfies this requirement.
- (14) **E-filing Attachment Requirements.** If a taxpayer claiming the credit electronically files their tax return, the Form IT-QFCD-FUND1 shall be required to be attached to the return only if the Internal Revenue Service allows such attachments when the data is transmitted to the Department. In the event the taxpayer files an electronic return and such information is not attached because the Internal Revenue Service does not, at the time of such electronic filing, allow electronic attachments to the Georgia return, such information shall be maintained by the taxpayer and made available upon request by the Commissioner.
- (15) **Carry Forward.** Any credit that is claimed but not used in a taxable year shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability. However, any amount in excess of the credit amount limits in paragraph (6) of this regulation shall not be eligible for carry forward to the taxpayer's succeeding years' tax liability, nor shall such excess amount be claimed by or reallocated to any other taxpayer.
- (16) **Taxpayer Must Add Back Portion of Federal Deduction on State Return if Taxpayer Takes State Credit.** O.C.G.A. § [48-7-29.24\(k\)](#) provides that no qualified foster child donation credit shall be allowed under O.C.G.A. § [48-7-29.24](#) with respect to any amount deducted from taxable net income by the taxpayer. If the taxpayer is allowed the state income tax deduction as allowed by the Internal Revenue Service, for purposes of this paragraph, such deduction shall be considered a charitable contribution to the extent such deduction is allowed federally. Accordingly, the taxpayer must add back to Georgia taxable income that part of any federal deduction taken on a federal return for which a Georgia qualified foster child donation credit is allowed under O.C.G.A. § [48-7-29.24](#).
- (a) If a taxpayer's itemized deductions are limited federally (and therefore limited for Georgia purposes) because their Federal Adjusted Gross Income exceeds a certain amount, the taxpayer is only required to add back to Georgia taxable income that portion of the federal charitable deduction that was actually deducted pursuant to the following formula. The federal charitable deduction that must be added back to Georgia taxable income shall be the amount of the federal charitable contribution relating to the qualified foster child donation credit multiplied by the following ratio: The numerator is the amount of the itemized deductions subject to limitation and allowed as itemized deductions after the limitation is applied. The denominator is the total itemized deductions that are subject to limitation before the limitation is applied.

1. For example. A taxpayer has a charitable contribution of \$2,500 relating to the qualified foster child donation credit of \$2,500 and has property taxes of \$1,500, both of which are subject to limitation. The taxpayer also has mortgage interest expense of \$10,000 (which is not limited). Accordingly, the taxpayer's total itemized deductions before limitation are \$14,000. After applying the federal limitation, the taxpayer is allowed \$13,000 in itemized deductions. As such, only \$3,000 (\$13,000 less the \$10,000 mortgage interest expense, which is not limited) of the original \$4,000 charitable deduction and property taxes are allowed to be deducted. Applying the ratio from the subparagraph above, the taxpayer must add back \$1,875 of the charitable contribution to their Georgia taxable income $((\$2,500) \times (\$3,000 / \$4,000))$.

- (17) **Website Posting by Qualified Foster Child Support Organization.** By April 1 of each year, each qualified foster child support organization shall post on its website in a prominent place a copy of its prior year's annual budget.
 - (a) The annual budget shall include the following:
 1. The total number and dollar value of funds received from all sources;
 2. The total number and dollar value of qualified contributions received; and
 3. The total number and dollar value of qualified expenditures made, with a description of each qualified expenditure.
- (18) **Designation of Contributions.** The tax credit shall not be allowed if the taxpayer directly or indirectly designates the taxpayer's qualified contributions to any particular purpose or for the direct benefit of any particular individual, whether or not such individual is a dependent of the taxpayer.
- (19) **Direct Contracts.** The tax credit shall not be allowed for contributions made to a qualified foster child support organization if the taxpayer directly or indirectly operates, owns, or is a subsidiary of an association, organization, or other entity that contracts directly with such qualified foster child support organization.
- (20) **Soliciting Contributions.** In soliciting contributions, a foster child support organization shall not represent that in exchange for contributing to the foster child support organization, a taxpayer shall receive a direct or particular benefit.
- (21) **Failure to Comply and Revocation of Qualified Status.**
 - (a) Any qualified foster child support organization that fails to comply with the requirements under O.C.G.A. §§ [48-7-29.24](#) shall be given written notice of their failure and have 90 days from receipt of such notice to correct all deficiencies.

- (b) If the qualified foster child support organization fails to correct all deficiencies within 90 days of receipt of notice from the Department, such qualified foster child support organization shall:
1. Have its status as a qualified foster child support organization revoked and be immediately removed from the Department's list of approved qualified foster child support organizations;
 2. Have all applications for preapproval of tax credits under O.C.G.A. § [48-7-29.24](#) rejected by the Department on or after the date that the Department removes the qualified foster child support organization from its list of approved qualified foster child support organizations; and
 3. Be required to cease all operations as a qualified foster child support organization and transfer all contribution funds that are not yet expended to a properly operating qualified foster child support organization within 30 calendar days of receipt of notice from the Department of removal from the approved list.
- (c) Notwithstanding subparagraphs (a) and (b), any qualified foster child support organization that fails to comply with the requirements under O.C.G.A. §§ [48-7-29.24\(i\)\(3\)](#) and paragraph (20) of this regulation shall have its status as a qualified foster child support organization revoked and shall not be renewed as a qualified foster child support organization for at least two years from the date of the revocation.
1. The foster child support organization shall be removed from the Department's list of approved qualified foster child support organizations, and the Department shall not preapprove any contributions to such foster child support organization.

(22) **Effective Date.** This regulation shall be applicable to years beginning on or after January 1, 2023.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.68

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-29.24](#).

History. Original Rule entitled "Qualified Foster Child Donation Credit" adopted. F. June 1, 2023; eff. June 21, 2023.

Rule 560-7-8-.69. Qualified Law Enforcement Donation Credit.

- (1) **Purpose.** The purpose of this regulation is to provide guidance concerning the administration of the tax credit under O.C.G.A. § [48-7-29.25](#).

(2) **Definitions.**

- (a) The terms "qualified contributions", "qualified expenditures", and "local law enforcement unit" shall have the same meaning as in O.C.G.A. § [48-7-29.25](#).
- (b) "Law enforcement foundation" means any domestic nonprofit corporation with the sole function of supporting one local law enforcement unit through a formal relationship recognized by such local law enforcement unit and which maintains nonprofit status under Section 501(c)(3) of the Internal Revenue Code and tax-exempt status under O.C.G.A. § [48-7-25](#). A law enforcement foundation may conduct additional activities that support firefighters and first responders but cannot use qualified contributions for such additional activities.
- (c) "Letter of authorization" means the letter from a local law enforcement unit that designates a law enforcement foundation as its sole and exclusive law enforcement foundation and that is signed by the chief of police, law enforcement head, or sheriff of the local law enforcement unit.
- (d) "Form 990" means the annual information returns and electronic notices of the Federal Form 990 series filed with the Internal Revenue Service, including Form 990, Form 990-EZ, and Form 990-N.
- (e) "Contributions Report" means the report detailing the contributions received that must be prepared on a calendar-year basis and submitted to the Department.

(3) **Certification of Qualified Law Enforcement Foundation.** The law enforcement foundation must apply for certification as a qualified law enforcement foundation and submit Form IT-LEF to the Department through the Georgia Tax Center. The Department will not process any Form IT-LEF that is submitted or filed in any other manner.

- (a) Application. The law enforcement foundation must electronically attest on Form IT-LEF to the Department through the Georgia Tax Center that:
 - 1. An authorized person is submitting Form IT-LEF on behalf of the law enforcement foundation;
 - 2. A single local law enforcement unit has designated the applicant as its sole and exclusive qualified law enforcement foundation;
 - 3. The law enforcement foundation agrees to fully comply with the terms and conditions under O.C.G.A. § [48-7-29.25](#); and
 - 4. The law enforcement foundation understands that to knowingly prepare or present a document that is false, fictitious, or fraudulent in any matter within the jurisdiction of the Department is a felony under O.C.G.A. § [16-10-20](#).

(b) Letter of Authorization. The law enforcement foundation must submit the letter of authorization along with Form IT-LEF to the Department through the Georgia Tax Center. The letter of authorization must state:

1. The name of the local law enforcement unit;
2. The type of agency, office, or department of the local law enforcement unit;
3. The address of the local law enforcement unit;
4. The federal employer identification number of the local law enforcement unit;
5. The name of the law enforcement foundation that is designated by the local law enforcement unit to be its sole and exclusive law enforcement foundation;
6. The federal employer identification number of the law enforcement foundation that is designated by the local law enforcement unit to be its sole and exclusive law enforcement foundation;
7. The address of the law enforcement foundation that is designated by the local law enforcement unit to be its sole and exclusive law enforcement foundation;
8. The name of the previous law enforcement foundation that was designated by the local law enforcement unit to be its sole and exclusive law enforcement foundation (if applicable); and
9. The federal employer identification number of the previous law enforcement foundation that was designated by the local law enforcement unit to be its sole and exclusive law enforcement foundation (if applicable).

(c) Letter of Determination Recognizing Nonprofit Status under Section 501(c)(3) of the Internal Revenue Code. The law enforcement foundation must submit a copy of the letter of determination recognizing nonprofit status under Section 501(c)(3) of the Internal Revenue Code along with Form IT-LEF to the Department through the Georgia Tax Center.

1. If the law enforcement foundation has a pending application for nonprofit status filed with the Internal Revenue Service, it must submit copies of official correspondence from the Internal Revenue Service relating to the pending application, such as receipt acknowledgement letters or requests for additional information letters, along with Form IT-LEF to the Department through the Georgia Tax Center.

2. When the pending application is later processed by the Internal Revenue Service, the law enforcement foundation is not required to later submit a copy of the letter of determination recognizing nonprofit status under Section 501(c)(3) of the Internal Revenue Code to the Department.
 3. If the law enforcement foundation has a pending protest after receiving a proposed adverse determination letter denying nonprofit status under Section 501(c)(3) of the Internal Revenue Code, the foundation must submit copies of official correspondence from the Internal Revenue Service Appeals Office, such as an acknowledgment and conference letter, along with Form IT-LEF to the Department through the Georgia Tax Center.
 4. If the law enforcement foundation has a pending action for declaratory judgment after receiving a final adverse determination letter denying nonprofit status under Section 501(c)(3) of the Internal Revenue Code, the foundation must submit copies of court documents relating to the pending action, such as a notice of receipt of petition or a court order, along with Form IT-LEF to the Department through the Georgia Tax Center.
- (d) The Department shall have rolling applications and certifications for qualified law enforcement foundations.
- (e) Notice. The Department will notify the law enforcement foundation of the approval or denial of certification within thirty (30) days from the date the Form IT-LEF was submitted through the Georgia Tax Center.
- (4) **Law Enforcement Foundation Designation Change.** If a qualified law enforcement foundation that was designated by a local law enforcement unit as the sole and exclusive foundation for the local law enforcement unit is no longer designated as such, then the qualified law enforcement foundation or the local law enforcement unit shall notify the Department in writing. The law enforcement foundation shall be removed from the Department's list of approved qualified law enforcement foundations, and the Department shall not preapprove any future contributions to such law enforcement foundation. If a new law enforcement foundation is designated by the local law enforcement unit as the new sole and exclusive foundation for the local law enforcement unit, then the new law enforcement foundation shall apply for certification as a qualified law enforcement foundation.
- (5) **Credit Cap.** In no event shall the aggregate amount of tax credits allowed under O.C.G.A. § [48-7-29.25](#) exceed \$75 million per calendar year for years beginning on or after January 1, 2023 and ending on or before December 31, 2027, unless otherwise provided by law.
- (6) **Individual Law Enforcement Foundation Limitation.** For each calendar year of the credit, no more than \$3 million of credit shall be preapproved for qualified contributions

to any individual law enforcement foundation. On the day and time any Form IT-QLED-TP1 is received during a calendar year that causes the individual law enforcement foundation limitation in this paragraph to be reached, then any subsequent credit preapproval applications for qualified contributions to such individual law enforcement foundation shall be denied. There shall be no proration based on the date an application is received. The Department shall notify such individual law enforcement foundation if the \$3 million limitation is reached.

- (a) If a taxpayer is denied preapproval for this tax credit by the Department due to the individual law enforcement foundation limitation in this paragraph, the taxpayer may reapply for preapproval and list a law enforcement foundation from the Department's list of approved law enforcement foundations that has not reached the individual law enforcement foundation limitation. For purposes of priority, in the event the credit cap is reached, the taxpayer's date of reapplication will govern.
 - (b) No provision in O.C.G.A. § [48-7-29.25](#) or in this regulation shall be construed to limit the ability of a local law enforcement unit to receive gifts, grants, and other benefits from any source allowed by law; provided, however, that no local law enforcement unit shall accept or receive more than \$3 million in contributions made under O.C.G.A. § [48-7-29.25](#) and this regulation in any calendar year.
- (7) **Credit Amount.** Subject to the aggregate limit provided in paragraph (5) and the individual law enforcement foundation limitation provided in paragraph (6), for calendar years beginning on January 1, 2023, and ending on or before December 31, 2027, the amount of qualified law enforcement donation credit allowed to a taxpayer shall be as follows:
- (a) For an individual taxpayer or head of household, the credit amount shall not exceed the actual amount of qualified contributions made or \$5,000, whichever is less.
 - (b) For an individual taxpayer filing a married-filing-separate return, the credit amount shall not exceed the actual amount of qualified contributions made or \$5,000, whichever is less.
 - (c) For individual taxpayers filing a married-filing-joint return, the credit amount shall not exceed the actual amount of qualified contributions made or \$10,000, whichever is less.
 - 1. Example: Taxpayers, a married couple filing jointly, request preapproval for the qualified law enforcement donation credit for calendar year 2023 by electronically submitting Form IT-QLED-TP1 through the Georgia Tax Center. On Form IT-QLED-TP1, Taxpayers' intended 2023 contribution is \$7,100; therefore, the Department preapproves Taxpayers for a qualified law enforcement donation credit of \$7,100. Taxpayers make a \$3,000 donation to the qualified law enforcement foundation within 60 days of receiving preapproval from the Department and before the end of 2023 (this

is the only amount of qualified contributions made by Taxpayers to a qualified law enforcement foundation in 2023). When Taxpayers file their 2023 Georgia income tax return, they can only claim a qualified law enforcement donation credit of \$3,000 (which is the actual amount of qualified contributions made), and the extra \$4,100 that was preapproved but not contributed cannot be claimed by Taxpayers and cannot be carried forward. Any amount of the \$3,000 qualified law enforcement donation credit claimed but not used on Taxpayers' 2023 Georgia income tax return shall be allowed to be carried forward to apply to their succeeding five years' tax liability.

- (d) For an individual taxpayer who is a member of a limited liability company duly formed under state law (including a member who owns a single-member limited liability company that is disregarded for income tax purposes), a shareholder of a S corporation, or a partner in a partnership, the credit is limited to the actual amount of qualified contributions made or \$10,000 per year, whichever is less; provided, however, that the tax credits shall only be allowed for the Georgia income on which such tax was actually paid by such member of a limited liability company, shareholder of a S corporation, or partner in a partnership. In determining such Georgia income, the shareholder, partner, or member shall exclude any income that was subtracted on their Georgia return because the entity paid tax at the pass-through entity level in Georgia as provided in Regulation [560-7-3-.03](#). If the individual taxpayer is a member, partner, or shareholder in more than one pass-through entity, the total credit allowed cannot exceed \$10,000; the individual taxpayer decides which pass-through entities to include when computing Georgia income for purposes of the qualified law enforcement donation credit. All Georgia income, loss, and expense from the taxpayer-selected pass-through entities will be combined to determine Georgia income for purposes of the qualified law enforcement donation credit. Such combined Georgia income shall be multiplied by the applicable marginal tax rate to determine the tax that was actually paid. If the taxpayer is filing a joint return, the taxpayer's spouse may also claim a credit for the spouse's ownership interests and shall separately be eligible for a credit as provided in this subparagraph. If the taxpayer is preapproved for an amount that exceeds the amount that is calculated as allowed when the return is filed, the excess amount cannot be claimed by the taxpayer and cannot be carried forward.

1. Example: Taxpayer, an individual taxpayer, is the sole shareholder of A, Inc., an S corporation. Taxpayer is also a 50% partner in BC Company, a partnership, and is also a 20% member of a limited liability company, XYZ Company, which is taxed as a partnership. Taxpayer requests preapproval for the qualified law enforcement donation credit for calendar year 2023 by submitting Form IT-QLED-TP1. On Form IT-QLED-TP1, Taxpayer estimates that the Georgia income from A, Inc. is \$120,000 and that the

share of Georgia income from BC Company is \$60,000. Taxpayer chooses not to include any income from XYZ Company when estimating Georgia income for purposes of the qualified law enforcement donation credit; therefore, the Department preapproves Taxpayer for a qualified law enforcement donation credit of \$10,000 (since \$10,000 is less than \$10,350 (5.75% of \$180,000) and the applicable marginal tax rate for 2023 is 5.75%). Taxpayer makes a \$10,000 donation to the law enforcement foundation within 60 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files the 2023 Georgia income tax return, Taxpayer received a salary from A, Inc. of \$50,000, and A, Inc.'s actual Georgia income is \$60,000. Taxpayer's actual share of Georgia income from BC Company is \$20,000, and Taxpayer received a guaranteed payment from BC Company of \$15,000. Taxpayer's actual share of Georgia income from XYZ Company is \$5,000 (Taxpayer can choose to include this company even though it was not considered at the time of preapproval). Taxpayer can only claim a qualified law enforcement donation credit of \$8,625 (which is 5.75% of the \$150,000 actual income from Taxpayer's selected pass-through entities), and the extra \$1,375 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$8,625 qualified law enforcement donation credit claimed but not used on Taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to Taxpayer's succeeding five years' tax liability.

- (e) For a corporation, fiduciary, an S corporation that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-21](#), or a partnership that makes the election to pay tax at the entity level under O.C.G.A. § [48-7-23](#), the credit amount shall not exceed the actual amount of qualified contributions made or 75 percent of the corporation's, fiduciary's, electing S corporation's, or electing partnership's income tax liability, whichever is less. Fiduciary entities cannot pass the credit through to their beneficiaries. S corporations and partnerships that elect to pay taxes at the entity level may make an irrevocable election to pass all or part of the credit through to their members, partners, or shareholders by completing the "credit allocation to owners" schedule on an original or amended Form 600S or Form 700.

1. Example: Taxpayer, a corporation, requests preapproval for the qualified law enforcement donation credit for calendar year 2023 by electronically submitting Form IT-QLED-TP1 through the Georgia Tax Center. On Form IT-QLED-TP1, Taxpayer's intended 2023 contribution is \$75,000, and Taxpayer's estimated 2023 income tax liability is \$100,000. Therefore, the Department preapproves Taxpayer for a qualified law enforcement donation credit of \$75,000 for 2023. Taxpayer makes a \$75,000 donation to the law enforcement foundation within 60 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files its 2023

Georgia income tax return, Taxpayer's 2023 income tax liability is \$80,000. Taxpayer can only claim a qualified law enforcement donation credit of \$60,000 (\$60,000 is 75% of the actual 2023 Georgia income tax liability), and the extra \$15,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$60,000 qualified law enforcement donation credit claimed but not used on Taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to its succeeding five years' tax liability.

2. Example: Taxpayer, a S corporation electing to pay tax at the entity level, requests preapproval for the qualified law enforcement donation credit for calendar year 2023 by electronically submitting Form IT-QLED-TP1 through the Georgia Tax Center. On Form IT-QLED-TP1, Taxpayer's intended 2023 contribution is \$75,000, and Taxpayer's estimated 2023 income tax liability is \$100,000. Therefore, the Department preapproves Taxpayer for a qualified law enforcement donation credit of \$75,000 for 2023. Taxpayer makes a \$75,000 donation to the law enforcement foundation within 60 days of receiving preapproval from the Department and before the end of 2023. When Taxpayer files its 2023 Georgia income tax return, Taxpayer's 2023 income tax liability is \$80,000. Taxpayer can only claim a qualified law enforcement donation credit of \$60,000 (\$60,000 is 75% of the actual 2023 Georgia income tax liability), and the extra \$15,000 cannot be claimed by Taxpayer and cannot be carried forward. Any amount of the \$60,000 qualified law enforcement donation credit claimed but not used on Taxpayer's 2023 Georgia income tax return shall be allowed to be carried forward to apply to its succeeding five years' tax liability but shall not be allowed to be passed through to and used by the shareholders unless an election is made to pass the credit through to the shareholders.
- (f) Except as provided in subparagraph (7)(e) of this regulation, when the taxpayer is a pass-through entity that has no income tax liability of its own, the tax credits will be considered earned by its members, shareholders, or partners based on their profit/loss percentage at the end of the year and the limitations of subparagraph (7)(d) of this regulation. The expenditure is made by the pass-through entity, but all credit forms (preapproval, claiming, and reporting) will be filed in the name of its members, shareholders, or partners. The credit can only be applied against the shareholders', members', or partners' tax liabilities on their income tax returns. The pass-through entity shall provide all necessary information to the law enforcement foundation so that the preapproval, claiming, and reporting forms can be filed in the name of its members, shareholders, or partners.
- (g) A taxpayer may apply to make a donation to multiple law enforcement foundations or may apply to make multiple donations to the same law enforcement foundation; provided, however, that each donation must be applied for separately.

(8) **Form 990.** Each qualified law enforcement foundation must submit a copy of its most recent Form 990 to the Department by May 15. If the qualified law enforcement foundation filed the Form 990-N, then it must submit a copy of the filing confirmation or the listing by the Internal Revenue Service of the Form 990-N filing to the Department. If the qualified law enforcement foundation is not required by federal law to file a Form 990, then the foundation must submit the Form 990 Proxy Spreadsheet found on the Department's website through the Georgia Tax Center by May 15.

(9) **Contributions Report.**

- (a) The contributions report detailing the contributions received for the prior calendar year shall be submitted by each qualified law enforcement foundation by May 15. Form IT-QLED-LEF2 shall be the form used to submit the report. The report shall be submitted electronically through the Georgia Tax Center.
- (b) The report shall be prepared on a calendar-year basis, regardless of the fiscal year of the qualified law enforcement foundation.
- (c) The report shall include the following:
 - 1. The total number and dollar value of individual contributions and qualified law enforcement donation credits preapproved. Individual contributions shall include contributions made by those filing income tax returns as single, head of household, married filing separately, and married filing jointly;
 - 2. The total number and dollar value of corporation, trust, S corporation, and partnership contributions and qualified law enforcement donation credits preapproved;
 - 3. The total number and dollar value of all qualified expenditures made;
 - 4. A list of contributors, including the dollar value of each contribution and the dollar value of each preapproved tax credit; and
 - 5. Any other information required by the Commissioner.

(10) **Website Posting by the Department.** The following shall be posted on the Department's website:

- (a) The application and requirements to be certified as a qualified law enforcement foundation;
- (b) The list of all qualified law enforcement foundations and their affiliate local law enforcement units;
- (c) The aggregate amount of tax credits remaining and available for preapproval for each year;

- (d) The method for taxpayers seeking preapproval status for contributions through the Georgia Tax Center; and
 - (e) The Form 990 and contributions report received from each qualified law enforcement foundation, except for the information in subparagraph (c)4. of paragraph (9).
- (11) **Confidential Taxpayer Information.** Except for the information published under paragraph (10), all information or reports relative to O.C.G.A. § [48-7-29.25](#) and this regulation that were provided by qualified law enforcement foundations to the Department shall be confidential taxpayer information, governed by O.C.G.A. §§ [48-2-15](#), [48-7-60](#), and [48-7-61](#), whether such information relates to the contributing taxpayer or the qualified law enforcement foundation.
- (12) **Mandatory Electronic Preapproval of the Contribution.**
- (a) The taxpayer must electronically submit Form IT-QLED-TP1 through the Georgia Tax Center to request preapproval of the qualified law enforcement donation credit from the Department. The Department will not preapprove any qualified law enforcement donation credit where the Form IT-QLED-TP1 is submitted or filed in any other manner. Each qualified law enforcement foundation shall be registered with the Department to facilitate the preapproval process for Form IT-QLED-TP1.
 - (b) The taxpayer should not submit Form IT-QLED-TP1 to the Department until the taxpayer's recipient law enforcement foundation is listed on the Department's website. If the taxpayer's recipient law enforcement foundation is not listed on the website at the time that the Department attempts to verify the organization's listing, the Department shall deny the preapproval request. If, at a later date, the taxpayer's recipient law enforcement foundation becomes listed, it will be necessary for the taxpayer to submit a new Form IT-QLED-TP1 to the Department.
 - (c) The electronic Form IT-QLED-TP1 shall include the following information:
 - 1. The name of the qualified law enforcement foundation listed on the Department's website to which the contribution will be made;
 - 2. The taxpayer identification number of the qualified law enforcement foundation to which the contribution will be made;
 - 3. The name, address, and taxpayer identification number of the taxpayer;
 - 4. The type of taxpayer;
 - 5. If the taxpayer is an individual, the filing status;

6. If the taxpayer is an individual filing a joint return, the name and taxpayer identification number of the joint filer;
 7. The intended contribution amount;
 8. If the contributor is a corporation, fiduciary, electing S corporation, or electing partnership, 75% of the estimated income tax liability the corporation, fiduciary, electing S corporation, or electing partnership expects for the tax year of the corporation, fiduciary, S corporation, or partnership in which the contribution will be made;
 9. Tax year end of the taxpayer;
 10. Calendar year in which the contribution will be made;
 11. Any other information the Commissioner may require;
 12. Certification that all information contained on the Form IT-QLED-TP1 is true to his/her best knowledge and belief and is submitted for the purpose of obtaining preapproval from the Commissioner.
- (d) The qualified law enforcement donation credit shall be allowed on a first-come, first-served basis. The date and time the Form IT-QLED-TP1 is electronically submitted shall be used to determine such first-come, first-served basis.
- (e) The Department will notify each taxpayer and the taxpayer's selected qualified law enforcement foundation of the tax credits preapproved, denied, or prorated to such taxpayer within 30 days from the date the Form IT-QLED-TP1 was received.
- (f) On the day any Form IT-QLED-TP1 is received for a calendar year that causes the calendar-year limit in paragraph (5) of this regulation to be reached, the remaining tax credits shall be allocated among the applicants who submitted the Form IT-QLED-TP1 on the day the calendar-year limit was exceeded on a pro rata basis based upon the amounts otherwise allowed by O.C.G.A. § [48-7-29.25](#) and this regulation. Only credit amounts on Form IT-QLED-TP1(s) received on the day the calendar-year limit was exceeded shall be allocated on a pro rata basis.
- (g) The contribution must be made by the taxpayer within 60 days of the date of the preapproval notice received from the Department and within the calendar year in which it was preapproved.
- (h) In the event it is determined that a taxpayer has not met all the requirements of O.C.G.A. § [48-7-29.25](#), then the qualified law enforcement donation credit shall

not be preapproved or the preapproved qualified law enforcement donation credit shall be retroactively denied. With respect to such denied credit, any applicable tax, interest, and penalties shall be due if the qualified law enforcement donation credit has already been claimed.

- (i) If the Commissioner preapproved a donation for a tax credit prior to the date the qualified law enforcement foundation is removed from the Department's list pursuant to O.C.G.A. § [48-7-29.25\(j\)](#) and paragraph (22) of this regulation, notwithstanding any laws to the contrary, the Department shall not take any adverse action against preapproved donors, and all such donations shall remain as preapproved tax credits subject only to the donor's compliance with O.C.G.A. § [48-7-29.25\(e\)](#) and this paragraph.
 - (j) Once the calendar-year limit is reached for a calendar year, taxpayers shall no longer be eligible for a credit pursuant to O.C.G.A. § [48-7-29.25](#) for such calendar year. If any Form IT-QLED-TP1 is received after the calendar-year limit has been reached, then it shall be denied and not be reconsidered for preapproval at any later date.
- (13) **Letter of Confirmation.** Form IT-QLED-LEF1 shall be provided by the law enforcement foundation to the taxpayer to confirm the contribution within 15 days of the contribution.
- (14) **Claiming the Credit.** A taxpayer claiming the qualified law enforcement donation credit, unless indicated otherwise by the Commissioner, must submit Form IT-QLED-TP2 with the taxpayer's Georgia tax return when the qualified law enforcement donation credit is claimed. An electronically filed Georgia income tax return that includes the software's electronic Form IT-QLED-TP2 satisfies this requirement.
- (15) **E-filing Attachment Requirements.** If a taxpayer claiming the credit electronically files their tax return, the Form IT-QLED-LEF1 shall be required to be attached to the return only if the Internal Revenue Service allows such attachments when the data is transmitted to the Department. In the event the taxpayer files an electronic return and such information is not attached because the Internal Revenue Service does not, at the time of such electronic filing, allow electronic attachments to the Georgia return, such information shall be maintained by the taxpayer and made available upon request by the Commissioner.
- (16) **Carry Forward.** Any credit that is claimed but not used in a taxable year shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability. However, any amount in excess of the credit amount limits in paragraph (7) of this regulation shall not be eligible for carryforward to the taxpayer's succeeding years' tax liability, nor shall such excess amount be claimed by or reallocated to any other taxpayer.

- (17) **Taxpayer Must Add Back Portion of Federal Deduction on State Return if Taxpayer Takes State Credit.** O.C.G.A. § [48-7-29.25\(k\)](#) provides that no qualified law enforcement donation credit shall be allowed under O.C.G.A. § [48-7-29.25](#) with respect to any amount deducted from taxable net income by the taxpayer. If the taxpayer is allowed the state income tax deduction as allowed by the Internal Revenue Service, for purposes of this paragraph, such deduction shall be considered a charitable contribution to the extent such deduction is allowed federally. Accordingly, the taxpayer must add back to Georgia taxable income that part of any federal deduction taken on a federal return for which a Georgia qualified law enforcement donation credit is allowed under O.C.G.A. § [48-7-29.25](#).
- (a) If a taxpayer's itemized deductions are limited federally (and therefore limited for Georgia purposes) because their Federal Adjusted Gross Income exceeds a certain amount, the taxpayer is only required to add back to Georgia taxable income that portion of the federal charitable deduction that was deducted. The federal charitable deduction that must be added back to Georgia taxable income shall be the amount of the federal charitable contribution relating to the qualified law enforcement donation credit multiplied by the following ratio: The numerator is the amount of the itemized deductions subject to limitation and allowed as itemized deductions after the limitation is applied. The denominator is the total itemized deductions that are subject to limitation before the limitation is applied.
1. For example. A taxpayer has a charitable contribution of \$2,500 relating to the qualified law enforcement donation credit of \$2,500 and has property taxes of \$1,500, both of which are subject to limitation. The taxpayer also has mortgage interest expense of \$10,000 (which is not limited). Accordingly, the taxpayer's total itemized deductions before limitation are \$14,000. After applying the federal limitation, the taxpayer is allowed \$13,000 in itemized deductions. As such, only \$3,000 (\$13,000 less the \$10,000 mortgage interest expense, which is not limited) of the original \$4,000 charitable deduction and property taxes are allowed to be deducted. Applying the ratio from the subparagraph above, the taxpayer must add back \$1,875 of the charitable contribution to their Georgia taxable income $((\$2,500) \times (\$3,000 / \$4,000))$.
- (18) **Website Posting by Qualified Law Enforcement Foundation.** By April 1st of each year, each qualified law enforcement foundation shall post on its website in a prominent place a copy of its affiliated local law enforcement unit's prior year's annual budget containing the total amount of funds received from the local law enforcement unit's local governing body. If a qualified law enforcement foundation does not maintain a public website, such information shall be otherwise made available by the foundation to the public upon request.
- (19) **Designation of Contributions.** The tax credit shall not be allowed if the taxpayer directly or indirectly designates the taxpayer's qualified contributions to any particular purpose or for the direct benefit of any particular individual.

- (20) **Direct Contracts.** The tax credit shall not be allowed for contributions made to a qualified law enforcement foundation if the taxpayer directly or indirectly operates, owns, or is a subsidiary of an association, organization, or other entity that contracts directly with such qualified law enforcement foundation or its affiliated local law enforcement unit.
- (21) **Soliciting Contributions.** In soliciting contributions, a law enforcement foundation shall not represent or direct a local law enforcement unit to represent that, in exchange for contributing to the law enforcement foundation, a taxpayer shall receive a direct or particular benefit.
- (22) **Failure to Comply and Revocation of Qualified Status.**
- (a) Any qualified law enforcement foundation that fails to comply with the requirements under O.C.G.A. § [48-7-29.25](#) shall be given written notice of its failure and have 90 days from receipt of such notice to correct all deficiencies.
 - (b) If the qualified law enforcement foundation fails to correct all deficiencies within 90 days of receipt of notice from the Department, such qualified law enforcement foundation shall:
 - 1. Have its status as a qualified law enforcement foundation revoked and be immediately removed from the Department's list of approved qualified law enforcement foundations;
 - 2. Have all applications for preapproval of tax credits under O.C.G.A. § [48-7-29.25](#) rejected by the Department on or after the date that the Department removes the qualified law enforcement foundation from its list of approved qualified law enforcement foundations; and
 - 3. Be required to cease all operations as a qualified law enforcement foundation and transfer all contribution funds that are not yet expended to a properly operating qualified law enforcement foundation within 30 days of receipt of notice from the Department of removal from the approved list.
 - (c) Notwithstanding subparagraphs (a) and (b), any qualified law enforcement foundation that fails to comply with the requirements under O.C.G.A. § [48-7-29.25\(i\)\(3\)](#) and paragraph (21) of this regulation shall have its status as a qualified law enforcement foundation revoked and shall not be renewed as a qualified law enforcement foundation for at least two years from the date of the revocation.
 - 1. The law enforcement foundation shall be removed from the Department's list of approved qualified law enforcement foundations, and the Department shall not preapprove any contributions to such law enforcement foundation.

- (23) **Effective Date.** This regulation shall be applicable to years beginning on or after January 1, 2023.

Cite as Ga. Comp. R. & Regs. R. 560-7-8-.69

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-29.25](#).

History. Original Rule entitled "Qualified Law Enforcement Donation Credit" adopted. F. July 10, 2023; eff. July 30, 2023.

Chapter 560-8. ALCOHOL AND TOBACCO DIVISION (TOBACCO).

Subject 560-8-1. GENERAL PROVISIONS.

Rule 560-8-1-.01. Definitions - General.

- (1) As used in these rules:

- (a) **"Carrier"** shall mean any person whose business is to transport goods or people while acting in the capacity as common, private or contract transporter of a product or service using its facilities or those of other carriers.
- (b) **"Cigar"** means any roll for smoking made wholly or in part of tobacco when the cover of the roll is also tobacco.
- (c) **"Cigarette"** means any roll for smoking made wholly or in part of tobacco when the cover of the roll is paper or any substance other than tobacco.
- (d) **"Code"** shall mean the "Official Code of Georgia Annotated."
- (e) **"Commissioner"** shall mean the state revenue commissioner or the commissioner's designated representative.
- (f) **"Consumer Promotion"** shall mean:
 - 1. A manufacturer's promotion of cigars, loose tobacco, or smokeless tobacco that:
 - (i) Is only for use by the consumer;
 - (ii) Is designed and intended to induce the consumer to purchase a specified cigar, loose tobacco or smokeless tobacco product;
 - (iii) Features cigars, loose tobacco, or smokeless tobacco product packaged with distinct promotional labeling from the manufacturer.

2. The promotional component of consumer promotions for cigars, little cigars, loose tobacco, or smokeless tobacco is excluded from payment of excise tax.
- (g) **"Counterfeit cigarette"** means cigarettes that are manufactured, fabricated, assembled, processed, packaged, or labeled by any person other than the trademark owner of a cigarette brand or the owner's designated agent.
- (h) **"Dealer"** means any person located within the borders of this state that sells or distributes cigarettes, cigars, little cigars, loose tobacco, or smokeless tobacco to a consumer in this state.
- (i) **"Department"** means the Georgia Department of Revenue.
- (j) **"Distributor"** means any person, other than a dealer, importer, or manufacturer:
1. Who sells or distributes any or all of the following tobacco product in this state:
 - (i) cigarettes;
 - (ii) cigars, little cigars;
 - (iii) loose tobacco or smokeless tobacco.
 2. Who maintains a warehouse, warehouse personnel, and salespeople who regularly contact and call on dealers.
 3. Who is engaged in the business of importing any or all cigarettes, cigars, little cigars, loose tobacco, or smokeless tobacco into this state or who purchases any or all cigarettes, cigars, loose tobacco, or smokeless tobacco from other manufacturers or distributors.
 4. Who sells the cigarettes, cigars, loose tobacco or smokeless tobacco to dealers for resale in this state but is not in the business of selling the cigarettes, cigars, little cigars loose tobacco or smokeless tobacco directly to the ultimate consumer.
 5. Such term shall not include any cigarette manufacturer, export warehouse proprietor, or cigarette importer with a valid permit under [26 U.S.C. Section 5712](#), if such person sells or distributes cigarettes in this state to cigarette distributors who hold valid and current licenses under Code Section [48-11-4](#), or to an export warehouse proprietor or another cigarette manufacturer with a valid permit under [26 U.S.C. Section 5712](#).
- (k) **"Distributor Promotion"** shall mean:

1. A manufacturer's promotion for cigars, little cigars, loose tobacco or smokeless tobacco that:
 - (i) Is only for use by a distributor who is licensed by this State.
 - (ii) Is intended to induce a distributor to purchase a specific cigar, loose tobacco or smokeless tobacco product for resale to the retailer.
 2. Distributor promotions for cigars, little cigars, loose tobacco, or smokeless tobacco are:
 - (i) Monetary discounts offered directly to a distributor for the purchase of cigars, little cigars, loose tobacco, or smokeless tobacco.
 - (ii) Free product offered to a distributor to induce it to purchase a specified cigar, loose tobacco or smokeless tobacco product.
 - (iii) Monetary discounts to pay within a certain time or purchase a large quantity of cigars, little cigars, loose tobacco, or smokeless tobacco product.
 3. All such discounts and allowances are included in the computation of the wholesale cost price and subject to state excise tax.
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- (l) **"Export cigarettes a/k/a Gray cigarettes"** shall mean any finished cigarette packaged and marked for export and not for consumption in the United States.
 - (m) **"First taxable transaction"** means the first sale, receipt, purchase, possession, consumption, handling, distribution, or use of cigars, little cigars, cigarettes, loose tobacco, or smokeless tobacco within this state.
 - (n) **"Importer"** means any person who imports into this state from a foreign country, or who brokers in the United States, either directly or indirectly, a finished cigarette, finished cigar, little cigars, finished loose tobacco or finished smokeless tobacco for sale or distribution.
 - (o) **"Individual"** shall mean a natural person.
 - (p) **"Licensee"** shall mean any person who has been granted a license or permit by the Department concerning the manufacturing, importing, wholesaling, shipping, distribution, sale, or who deals in tobacco products.
 - (q) **"Little cigars"** means cigars not weighing more than three pounds per thousand.
 - (r) **"Loose tobacco or smokeless tobacco"** means granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff or snuff flour; cavendish; plug and

twist tobacco; fine-cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings, and sweepings of tobacco; and other kinds and forms of tobacco prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking, but does not include cigarettes or cigars, little cigars, or tobacco purchased for the manufacture of cigarettes, cigars, or little cigars by cigarette manufacturers or cigar manufacturers.

- (s) "**Manufacturer**" shall mean any person who manufactures, fabricates, assembles, processes, or labels a finished cigar, little cigar, finished cigarette, finished loose tobacco, or finished smokeless tobacco product.
- (t) "**Package**" shall mean a pack, carton, or container of any kind in which cigarettes, cigars, little cigars, loose tobacco or smokeless tobacco is offered for sale, sold, otherwise distributed, or intended for distribution to consumers.
- (u) "**Person**" shall mean any individual, firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision whether public, private, or quasi-public.
- (v) "**Place of business**" shall mean the premises of a licensed manufacturer, importer, wholesaler or dealer described in the license application.
- (w) "**Promotional activities**" shall mean any activity other than those set forth in "Consumer Promotion" and "Distributor Promotion" directed to the consumer by the manufacturer or importer, including solicitation of orders, demonstration and sampling, arranging of displays, distribution of literature, posting of advertising, exchange of fresh stock, and similar activities for promoting the sale or use of loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes.
- (x) "**Regulations**" shall mean regulations promulgated by the commissioner pursuant to the Code.
- (y) "**Related machinery**" means any item, device, conveyance, or vessel of any kind or character used in manufacturing, packaging, labeling, stamping, transporting, distributing, selling, or possessing counterfeit cigarettes.
- (z) "**Representative**" shall mean a person, employee, agent, independent contractor, or salesperson acting on behalf of or at the direction of the licensee, with or without compensation, represents the licensee to a third party.
- (aa) "**Sale**" means any sale, transfer, exchange, theft, barter, gift, or offer for sale and distribution, in any manner or by any means.

- (bb) **"Stamp"** means any impression, device, stamp, label, or print manufactured, printed, made, or affixed, as provided by the commissioner.
- (cc) **"State"** shall mean the State of Georgia.
- (dd) **"Tobacco product"** means cigars, cigarettes, little cigars, loose tobacco, smokeless tobacco, or any product derived either from tobacco or any of its derivatives.
- (ee) **"Tobacco-related objects"** means the same as set forth under O.C.G.A. § [16-12-170\(1\)](#).
- (ff) **"Unregistered nonparticipating manufacturer"** shall mean a manufacturer of cigarettes that:
 - 1. Is not a signatory to the Master Settlement Agreement (MSA) with the state.
 - 2. Is not registered with the Attorney General of the State of Georgia.
- (gg) **"Vending machine"** means any coin, currency, or electronic-operated device used for the automatic merchandising of cigars, little cigars, cigarettes, loose tobacco, or smokeless tobacco.
- (hh) **"Vending machine operator"** means the person responsible for supplying product, operation, or maintenance of the vending machine.
- (ii) **"Warehouse"** means any premises of a wholesaler, manufacturer, importer, or shipper other than its registered place of business which is used to store tobacco products in accordance with the express written approval of the commissioner.
- (jj) **"Wholesale cost price"** concerns cigars, little cigars, loose tobacco or smokeless tobacco. It shall be computed as follows:
 - 1. If a manufacturer is shipping to a state licensee untaxed cigars, little cigars, loose tobacco, or smokeless tobacco product, the wholesale cost price shall be the manufacturer's invoice price at the time of sale, including the cost of shipping and handling, if not itemized, together with any "distributor promotions" but exclusive of any "consumer promotions."
 - 2. If a distributor sells to another distributor untaxed cigars, little cigars, loose tobacco, or smokeless tobacco product, the wholesale list price shall be the selling distributor's sales price, including the cost of shipping together with any "distributor promotions" but exclusive of any "consumer promotions."

3. If a distributor sells to a dealer untaxed cigars, little cigars, loose tobacco, or smokeless tobacco product, the wholesale list price shall be the selling distributor's sales price, including the cost of shipping and handling together with any "distributor promotions" but exclusive of any "consumer promotions."

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-1](#).

History. Original Rule entitled "Functions" adopted. F. and eff. June 30, 1965.

Amended: F. Aug. 5, 1970; eff. Aug. 25, 1970.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Definitions - General" adopted as ER. 560-8-1-0.22-.01. F. and eff. May 10, 2007, the date of adoption.

Amended: ER. 560-8-1-0.25-.01 adopted. F. and eff. September 7, 2007, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.02. Licensing - General.

- (1) No person shall engage in or conduct the business of manufacturing, purchasing, selling, consigning, vending, dealing in, or distributing cigarettes, cigars, little cigars, loose tobacco, or smokeless tobacco in this State without first obtaining a license from the commissioner.
- (2) The license issued by the commissioner shall apply only to the premises for which it is issued. A separate license shall be required for each place of business.
- (3) No person shall store any loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes at any location other than that for which a license is issued except upon the written approval of the commissioner.
- (4) Every person applying for a state license, permit, or registration shall make application on forms furnished and in a manner and format reasonably prescribed by the commissioner and shall under oath answer all questions, supply all information, personnel statements, information regarding an applicant's employees, and if requested, furnish all certificates, affidavits, bonds, and other supporting data or documents, as reasonably required by the commissioner. All license applications under these regulations shall be a permanent record. Willful failure to furnish the commissioner with any of the required information shall constitute grounds for denial or revocation of a license.
- (5) Applications for a state license, permit, or registration shall specify the premises of the licensee's place of business and such location shall not be changed without the express written approval of the commissioner during the term of the license.

- (6) Any legal entity, including but not limited to all partnerships, limited liability companies, domestic corporations, or foreign corporations that are lawfully registered and doing business under the laws of this state, or the laws of another state, and authorized by the Georgia Secretary of State to conduct business in Georgia, which seeks to obtain a license for tobacco products shall apply for such license in the name of the legal entity as registered in the Office of Secretary of Georgia. Provided:
- (a) In its application such legal entity shall provide the commissioner with the name of its agent authorized to receive service of process under the laws of this state, and also provide the commissioner with the address of its registered office together with a listing of current officers and their respective addresses.
 - (b) Any legal entity including a sole proprietorship, partnership, limited liability company, trust, domestic or foreign corporation that is not required to register with the Office of the Secretary of State of Georgia, shall provide the commissioner with the relevant information, including the name and address of a designated responsible corporate officer or partner.
 - (c) Any change in the status of a licensee's registered agent, sole proprietorship or responsible corporate officer including but not limited to change of address, or name, shall be reported to the commissioner within five days of such occurrence.
 - (d) In the event that a legal entity shall fail to appoint or maintain a registered agent in this State as required by law, or whenever its registered agent cannot with due diligence be found at the registered office of the entity as designated in its license application, the commissioner shall be appointed as agent or designee to receive any citation for violation of these regulations.
 - (e) Process may be served upon the commissioner by leaving with the commissioner duplicate copies of such citations.
 - (f) In the event that such notice of citation is served upon the commissioner or one of the commissioner's designated agents, the commissioner shall immediately cause one of the copies thereof to be forwarded to the corporation at its registered office. Any service, so had on the commissioner, shall be answerable no later than thirty (30) days from date of receipt by the commissioner.
 - (g) The commissioner shall keep a record of all citations of service received under this regulation for three years, and shall record therein the time of receipt and disposition of that service.
- (7) The state license shall be valid for the fiscal year indicated (July 1 through June 30) provided the licensee is actively engaged in such business. A dealer license shall be permanent as long as a licensee is actively engaged in such business.

- (8) In the event a licensee ceases to be actively engaged in such business, the state license shall become invalid and the licensee shall immediately notify and return the state license to the Department.
- (9) A licensee, other than a dealer, that desires to continue in business during the following calendar year must make a new application on or before July 1 of the preceding year.
- (10) No state license may be transferred from one person to another person. At the commissioner's discretion a transfer of license from one location to another location may be granted.
- (11) Any untrue, misleading, or omitted statement or information contained in such application shall be cause for the denial thereof and, if any license has been granted, shall constitute cause for revocation.
- (12) The failure of any applicant, or any person, firm, corporation, legal entity, or organization having any interest in any operation for which an application has been submitted, to meet any obligations imposed by the tax laws or any other law or regulation of this state shall constitute grounds for denial of the license, permit, or registration for which application is made.
- (13) When contrary to the public interest and welfare, the commissioner may decline to issue a tobacco license to:
 - (a) Any person determined by the commissioner, by reason of such person's business experience, financial standing, trade associations, personal associations, records of arrests, or reputation in any community in which he has resided, to be unlikely to maintain the operation for which he is seeking a license in conformity with federal, state, or local laws.
 - (b) Any person convicted of a felony within ten (10) years immediately preceding the date of receipt of the license or renewal application.
 - (c) Any person convicted of a misdemeanor within **two years** immediately preceding an application for a license or a license renewal and whose misdemeanor conviction is the result of a tobacco-related citation in the operation of a business licensed to sell tobacco products.
- (14) The commissioner may decline to issue a state license for the operation of a place of business when any person having any interest in the operation of such place of business or control over such place of business does not meet the same requirements as herein set forth for the licensee.
- (15) If the commissioner has reason to believe that the applicant is not entitled to the license for which the applicant has applied, the commissioner shall notify the applicant. The applicant shall have thirty (30) days from the date of the notice to request in writing a hearing on the application. Upon receipt of an applicant's written request the

commissioner shall provide the applicant with due notice and opportunity for hearing on the application conducted by the commissioner or his or her duly appointed hearing officer pursuant to Regulation 560-8-6 *et seq.* If the commissioner, after providing notice and opportunity for a hearing, determines that the applicant is not entitled to a license, the applicant shall be advised in writing of the findings upon which such denial is based.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.02

Authority: O.C.G.A. Secs. [48-11-4](#), [48-11-6](#).

History. Original Rule entitled "Organization" adopted. F. and eff. June 30, 1965.

Repealed: F. Aug. 5, 1970; eff. Aug. 25, 1970.

Amended: New Rule entitled "Licensing - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Rule 560-8-1-.03. Failure to Comply with Tax Laws - General.

- (1) No application for any license pursuant to the Code and these regulations will be considered as long as the applicant, or any person or entity holding an interest in a business for which application is made, has failed to meet any obligations imposed by any tax law or regulation of this state.
- (2) The failure of any licensee, or any person or entity holding an interest in a business for which a license has been issued, to meet any obligations imposed by any tax law of this State shall constitute grounds for suspension or revocation of the license.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#), [48-11-6](#).

History. Original Rule entitled "Failure to Comply with Tax Laws - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.04. Violations: Unlawful Activities - General.

- (1) Any person holding any license, permit, or registration issued pursuant to the Code and these regulations who violates any provision of the Code or these Regulations, or directs, consents to, permits, or acquiesces in such violation, either directly or indirectly, shall by such conduct, subject the license to suspension, revocation, or cancellation.
 - a. For purposes of administering and enforcing this Act, any act committed by an employee, representative, or agent or Representative of a Licensee shall be deemed to be an act of the Licensee.
- (2) It shall be a violation of this Act and these regulations for any Licensee, permittee, or registrant to permit any person to engage in any activity on the premises for which the

license is issued or within the Place of Business, which is in violation of the laws or regulations of any federal, state, county or municipal governing authority or regulatory agency.

- a. With respect to any such activity, it shall be rebuttably presumed that the act was done with the knowledge or the consent of the Licensee; provided however, that this presumption may be rebutted only by evidence which precludes every other reasonable hypothesis such that such Licensee did not know, assist or aid in such occurrence, or in the exercise of full diligence could not have discovered or prevented such activity.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.04

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Violations; Unlawful Activities - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. May 20, 2013; eff. June 9, 2013.

Rule 560-8-1-.05. Inspection of Licensed Premises and Records - General.

- (1) The commissioner and/or the commissioner's agents may enter the licensed premises of any person engaged in the manufacture, transportation, distribution, sale, storage, or possession of any loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes at any time for the purpose of inspecting the premises and enforcing the Code and regulations, and shall have access during the inspection to all areas of the premises and to all books, records, and supplies relating to the manufacture, transportation, distribution, sale, storage, or possession of loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes.
- (2) Failure to cooperate with all aspects of an inspection or to hinder or interfere with an agent in the performance of the agent's duties shall be a violation of these regulations by any licensee, its employee, or anyone acting on behalf of or with the approval of the licensee, compensated or otherwise. Interference or hindrance of an agent shall include, but not be limited to the following:
 - (a) Disorderly conduct including be having in any manner that tends to threaten, or to appear to threaten, the agent or members of the public during an inspection or performance of the agent's duty.
 - (b) Disturbing the peace including, but not limited to, exhibiting loud, boisterous, threatening, abusive, insulting, or indecent language during an inspection or performance of the agent's duty.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#), [48-11-11](#), [48-11-19](#).

History. Original Rule entitled "Inspection of Licensed Premises and Records - General" adopted. F. Sept. 26, 2007;

eff. Oct. 16, 2007.

Rule 560-8-1-.06. Records - General.

- (1) Each manufacturer, importer, distributor, or dealer shall retain for three years from date of receipt by the commissioner, complete and accurate records of all loose tobacco, smokeless tobacco, cigars, little cigars, and cigarettes manufactured, produced, purchased, and sold.
- (2) The records shall be of a kind and in a form prescribed by the commissioner.
- (3) No manufacturer, importer, distributor, or dealer shall store any record concerning the shipping, invoicing, sale, payment, or storage of tobacco products at any other location than that for which a license has been issued except upon the written approval of the commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.06

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-2](#), [48-11-11](#), [48-11-14](#).

History. Original Rule entitled "Records - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.07. Computation of Tax for Loose Tobacco, Smokeless Tobacco, Cigars - General.

In using the alternate method for computing the tax on loose tobacco, smokeless tobacco, and cigars, any costs incurred for "consumer promotions" shall not be included in the calculation of the wholesale cost price. Wholesale Cost Price shall include all "distributor promotions."

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-2](#), [48-11-3](#).

History. Original Rule entitled "Computation of Tax for Loose Tobacco, Smokeless Tobacco, Cigars, Little Cigars" adopted as ER. 560-8-1-0.22-.07. F. and eff. May 10, 2007, the date of adoption.

Amended: ER. 560-8-1-0.25-.07 entitled "Computation of Tax for Loose Tobacco, Smokeless Tobacco, Cigars" adopted. F. and eff. September 7, 2007, the date of adoption.

Amended: Permanent Rule entitled "Computation of Tax for Loose Tobacco, Smokeless Tobacco, Cigars - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.08. Monthly Report of Shipments; Invoices - General.

Every manufacturer or importer, distributor, and dealer of loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes who ships any loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes from a location outside this state to any distributor or dealer located within this state shall, on or before the tenth day of the month following such shipments, make a report of all such shipments to the commissioner on a form provided by the commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.08

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-10](#).

History. Original Rule entitled "Monthly Report of Shipments; Invoices - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.09. Warehouse Monthly Reports - General.

- (1) All warehouse operators shall make monthly reports on forms provided by the commissioner. The reports shall disclose:
 - (a) The number of loose tobacco, smokeless tobacco, cigars, little cigars and cigarettes on hand for both the first and last days of the calendar month;
 - (b) The number of loose tobacco, smokeless tobacco, cigars, little cigars, and cigarettes received, the number shipped into this State, the number shipped out of this state, and to whom all shipments were delivered.
- (2) The reports shall be made on or before the tenth day of each month and shall cover the preceding calendar month.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-10](#).

History. Original Rule entitled "Warehouse Monthly Reports - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.10. Carrier's Monthly Reports - General.

- (1) All carriers transporting loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes into this state for delivery to distributors and retailers located within this state shall make monthly reports on forms provided by the commissioner.
- (2) The reports shall disclose:
 - (a) The number of loose tobacco, smokeless tobacco, cigars, little cigars, and cigarettes transported, from whom the contents were shipped, and to whom such shipments were delivered.
 - (b) The number of non-tax paid loose tobacco, smokeless tobacco, cigars, little cigars, and cigarettes lost, stolen, or damaged in transit.
 - (c) The number of all non-tax paid loose tobacco, smokeless tobacco, cigars, little cigars, and cigarettes refused or returned to the carrier.
- (3) The reports shall be made on or before the tenth day of each month and shall cover the preceding calendar month.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.10

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-10](#), [48-11-11](#).

History. Original Rule entitled "Carrier's Monthly Reports - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.11. Sales to Minors - General.

No licensee, employee of such licensee, representative, or any person acting on behalf of such licensee shall sell or barter, directly or indirectly, tobacco products, tobacco-related objects, alternative nicotine products, or vapor products to any person who is under 21 years of age. Any act committed by an employee, representative, or agent of a licensee shall be deemed to be an act of such licensee.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.11

Authority: O.C.G.A. §§ [16-12-176](#), [48-2-12](#).

History. Original Rule entitled "Sales to Minors - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. Feb. 10, 2022; eff. Mar. 2, 2022.

Rule 560-8-1-.12. Export Cigarettes - General.

- (1) No licensee shall buy, sell, store, or distribute cigarettes that are packaged with a label that state "For Export Only, U.S. Tax Exempt, For Use Outside U.S." or similar wording, indicating that the manufacturer did not intend for the product to be sold in the United States.
- (2) The purchase and sale of such cigarettes will result in the revocation or suspension of license or other disciplinary action.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.12

Authority: O.C.G.A. Sec. [48-11-23.1](#).

History. Original Rule entitled "Export Cigarettes - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.13. Criminal Penalties - General.

- (1) Superior Courts of the state have jurisdiction over certain offenses set forth in Chapter 11 of Title 48, O.C.G.A., that are punishable by fine or imprisonment or both.
- (2) Penalties for the following offenses are set forth in O.C.G.A. §§ [48-11-22](#) et. seq.
 - (a) Transportation of unstamped cigarettes and non-tax-paid cigars.
 - (b) Possession of unstamped cigarettes or non-tax-paid cigars.
 - (c) Operation of unlicensed business or activity.

- (d) Failure to file a report or filing false report.
- (e) False entries or invoices.
- (f) Possession, use, manufacture or other unlawful activities involving counterfeited stamps or tampering with metering machines.
- (g) Swearing and testifying falsely with respect to matters governed by Chapter 11 of Title 48.
- (h) Possession or sale of counterfeit cigarettes.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.13

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-21](#) to [48-11-30](#).

History. Original Rule entitled "Criminal Penalties - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.14. Civil Penalties - General.

- (1) The Commissioner may assess the following civil penalties or assessments as set forth in O.C.G.A. §§ [48-11-12](#), [48-11-14](#), and [48-11-17](#):
 - (a) Assessment of deficiencies and penalties for incorrect reports, nonpayment of taxes; penalty for deficiency due to fraud.
 - (b) Assessment of tax due from person failing to file or filing an incorrect report; hearing; penalties.
 - (c) Amount of unpaid tax as lien against property; seizure and sale.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.14

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-12](#), [48-11-14](#), [48-11-17](#).

History. Original Rule entitled "Civil Penalties - General" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-1-.15. Manufacturer, Distributor, and Dealer to Make Accurate Invoice.

- (1) The sale or delivery of any Tobacco Product by a Manufacturer, Distributor, or Dealer or its agents, or employees, shall include a written invoice delivered contemporaneously with the sale or delivery to any Manufacturer, Distributor, or Dealer.
- (2) Each sales invoice shall have printed or clearly written thereon:

- (a) Name, address, and tobacco license number of the purchaser and the seller;
 - (b) Date of delivery or shipment and invoice number;
 - (c) Brand, type, and quantity of Tobacco Product received;
 - (d) The place from which the Tobacco Product was shipped.
- (3) A Manufacturer, Distributor, or Dealer, or its agents, or employees shall not, in a sale to a Manufacturer, Distributor, or Dealer:
- (a) Create or knowingly accept an invoice which falsely states prices or any terms of any sale;
 - (b) Issue an invoice which does not clearly specify the sum of Georgia excise tax.
- (4) All invoices shall:
- (a) If excise tax has been paid, be boldly marked either "GEORGIA EXCISE TAX PAID" or similar language indicating state excise tax has been paid.
 - (b) If excise tax has not been paid, be boldly marked "PURCHASER RESPONSIBLE FOR EXCISE TAX" or "NO GEORGIA EXCISE TAX PAID - PURCHASER RESPONSIBLE."
 - (c) If an invoice is only for the sale of tax stamped cigarettes, then subsection (4) of this Regulation shall not apply.
- (5) The Commissioner may suspend the tobacco license of any person or entity found to be in violation of this Regulation.
- (6) The Commissioner may revoke such tobacco license after a hearing pursuant to O.C.G.A. § [48-11-6](#).

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.15

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-2](#), [48-11-6](#).

History. Original Rule entitled "Manufacturer, Distributor, and Dealer to Make Accurate Invoice" adopted. F. Jan. 11, 2010; eff. Jan. 31, 2010.

Rule 560-8-1-.16. Invalid Checks.

- (a) Dealers offering checks in payment for purchases of merchandise from a Distributor, whether the Dealer is the maker or endorser of such checks shall, upon notification that any such check has been dishonored, make immediate payment for same. Dealers failing to comply with this Regulation may be subject to a citation.

- (b) Distributors who receive a dishonored check from a Dealer and secure a criminal warrant against the Dealer must notify the Commissioner, in writing, within ten (10) days of the date of issuance of the warrant. Such notification shall include all pertinent information associated with the criminal warrant including the county where the warrant was secured, the warrant number, docket number, and/or a copy of the warrant.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.16

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-3](#).

History. Original Rule entitled "Invalid Checks" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-8-1-.17. Notification of Disciplinary Action.

- (1) Any licensee who has any disciplinary action taken against him or his employees by any authority, either municipal, county, state, or federal for tobacco offenses, and any felony convictions, shall notify the Commissioner or the Commissioner's agents within fifteen (15) days of such action.
 - (a) The notification must include the complete details of the action taken;
 - (b) Any licensee who fails to notify the Commissioner or the Commissioner's agents of such action within the prescribed time may be cited and required to appear before the Commissioner to show cause as to why his license should not be suspended, revoked, or cancelled.
- (2) Disciplinary action as used in this Regulation means any action taken by any municipal, county, state, or federal agency against the Licensee, its employees, or its place of business including but not limited to:
 - (a) Arrests by local, state, or federal authorities of the licensee or any of its employees;
 - (b) Citations issued by local, state, or federal authorities, to the licensee or any of its employees;
 - (c) Indictments, presentments, or accusations in any local, state, or federal courts against the licensee or any of its employees;
 - (d) Convictions of, or penalties imposed pursuant to a plea of nolo contendere or non vult against the licensee or any of its employees in any local, state, or federal court;
 - (e) Penalties imposed by any regulatory agency against the licensee or any of its employees; or
 - (f) Any other written charges or reprimand by local, state, or federal authorities.

- (3) Traffic citations written to the licensee or any of its employees need not be reported to the Commissioner or the Commissioner's agents.
- (4) Civil actions or accusations against the licensee, or any person, firm or corporation holding a financial interest in the license shall be reported in accordance with paragraph (1) of this Regulation.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.17

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Notification of Disciplinary Action" adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-8-1-.18. Subterfuge - General Provisions.

Any act which may be construed as subterfuge in an effort to circumvent any of these regulations shall be deemed a violation of the regulation attempted to be circumvented.

Cite as Ga. Comp. R. & Regs. R. 560-8-1-.18

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Subterfuge - General Provisions" adopted. F. May 20, 2013; eff. June 9, 2013.

Subject 560-8-2. DEALER PROVISIONS.

Rule 560-8-2-.01. Application for License - Dealer.

- (1) To be licensed as a dealer of tobacco products each person shall apply to the commissioner.
 - a. Using the Georgia Tax Center, accessible through the Department's website at extax.dor.ga.gov, an individual must apply for a tobacco license. Each dealer's license shall be valid for 12 months beginning the date of issue for the initial license, and the first day of the month of issue for subsequent licenses, and shall expire on the last day of the month preceding the month in which the initial license was issued.
- (2) A dealer's license shall not be issued to:
 - a. A person who maintains a warehouse, warehouse personnel, and salespersons who regularly contact and calls on dealers.
 - b. A vending machine operator or a vending machine owner of loose tobacco, smokeless tobacco, cigar, little cigar, or cigarette vending machines.
 - c. A person who is licensed as a distributor.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.01

Authority: O.C.G.A. §§ [42-2-12](#), [48-11-4](#).

History. Original Rule entitled "Brewers Registration" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Registration Requirements; Labels; Bond" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Application for License - Dealer" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. May 20, 2013; eff. June 9, 2013.

Rule 560-8-2-.02. Reporting of Shipment by Nonresident of Untaxed Loose Tobacco, Smokeless Tobacco, Cigars, Little Cigars and Cigarettes and Payment of Tax - Dealer.

Dealers in this state who purchase and receive any shipment of loose tobacco, smokeless tobacco, cigars, little cigars or cigarettes from any nonresident who is not licensed in this state are deemed a distributor and shall:

- (1) File a report of the shipment within twenty-four (24) hours of receipt of such tobacco products with the commissioner on forms provided by the commissioner.
- (2) Register with the commissioner that purchases are being made from a nonresident who is not a manufacturer or distributor.
- (3) Maintain books and records to account for all untaxed products received.
- (4) Report monthly the receipt of such untaxed loose tobacco, smokeless tobacco, cigars, little cigars or cigarettes.
- (5) Remit appropriate tax to the department for the purchase price of such products no later than the tenth day of the month following the month of purchase.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-2](#) to [48-11-5](#), [48-11-8](#), [48-11-11](#), [48-11-12](#).

History. Original Rule entitled "Approved Size and Rates; Forfeiture" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Shipper's Monthly Report" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Reporting of Shipment by Nonresident of Untaxed Loose Tobacco, Smokeless Tobacco, Cigars, Little Cigars and Cigarettes and Payment of Tax - Dealer" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-2-.03. Tax Stamps - Dealer.

- (1) Any dealer coming into possession, or who expects to come in possession, of any loose tobacco, smokeless tobacco, cigars, or little cigars for which the tax has not been paid under the alternate method, or cigarettes not bearing the required tax stamps shall, within

twenty-four (24) hours, exclusive of weekends and state and federal holidays, report same to the commissioner on a form furnished by the commissioner.

- (2) Any dealer coming into possession of any untaxed loose tobacco, smokeless tobacco, cigars, or little cigars for which the tax has not been paid, shall pay the tax due under the alternate method before selling, using, or otherwise disposing of same.
- (3) All invoices covering the purchase of loose tobacco, smokeless tobacco, cigars, or little cigars shall note the payment of tax.
- (4) Any dealer within twenty-four (24) hours, exclusive of weekends and state holidays, who comes into possession of any cigarettes not bearing the proper tax stamps shall either:
 - (a) Before selling or using, deliver all untaxed product to a licensed distributor who, at its option, may affix the appropriate tax stamps and invoice the dealer at licensed distributor's cost to affix same.
 - (b) Return the cigarettes to the seller of such cigarettes and retain proof of their return.
 - (c) At no cost to the Department, deliver and relinquish ownership of all untaxed cigarettes to the Department for disposal.
- (5) If a licensed distributor agrees to affix the tax stamps, such distributor shall affix to each individual package of cigarettes the stamps necessary to evidence payment of the tax.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-3](#), [48-11-4](#), [48-11-8](#).

History. Original Rule entitled "Rate of Taxation" adopted. F. and eff. June 30, 1965.

Amended: F. Sept. 19, 1966; eff. Oct. 8, 1966.

Amended: F. and eff. September 5, 1968, as specified by the Agency.

Repealed: New Rule entitled "Shipper's Failure to Report" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Tax Stamps - Dealer" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-2-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.04

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Refunds for Breakage During Bottling" adopted. F. and eff. June 30, 1965.

Amended: F. Aug. 17, 1972; eff. Sept. 6, 1972.

Repealed: New Rule entitled "Registration of Representatives" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.05

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Sales in Barrels; Tax Rate" adopted. F. and eff. June 30, 1965.
Amended: F. Aug. 13, 1965; eff. Aug. 10, 1965, as specified by the Agency.
Amended: F. Sept. 7, 1965; eff. Aug. 18, 1965, as specified by the Agency.
Repealed: New Rule entitled "Limitation Upon Interest" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.
Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.06
Authority: Ga. Code Ann. Sec. 58-703.
History. Original Rule entitled "Tax Stamps for Barrels" adopted. F. and eff. June 30, 1965.
Repealed: New Rule entitled "Unlawful Shipments; Seizure" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.
Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.07
Authority: Authority Ga. Code Ann. Sec. 58-703.
History. Original Rule entitled "Brewer's Monthly Report" adopted. F. and eff. June 30, 1965.
Repealed: New Rule entitled "Approval to Sell" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.
Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.08
Authority: Ga. Code Ann. Sec. 58-703.
History. Original Rule entitled "Brewer's Bond" adopted. F. and eff. June 30, 1965.
Repealed: New Rule entitled "Identification Required" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.
Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.09
Authority: Ga. Code Ann. Sec. 58-703.
History. Original Rule entitled "Shipment Without Tax Payment; Seizure" adopted. F. and eff. June 30, 1965.
Repealed: New Rule entitled "Identification; Exception" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.
Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.10
Authority: Ga. Code Ann. Sec. 58-703.
History. Original Rule entitled "Expiration of License" adopted. F. and eff. June 30, 1965.
Repealed: New Rule entitled "Inspection by Auditor; Expenses" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.11

Authority: Authority Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Requirements for Waiving Penalty" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Unlawful Sales; Payment of Tax; Suspension" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.12

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Inspection by Auditor; Expenses" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Designation of Sales Territories" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: New Rule of same title adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-2-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.13

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Unlawful Sales; Payment of Tax; Suspension" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Rule 560-8-2-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.14

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Dispute Over Assessment" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Rule 560-8-2-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.15

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Brewery Registration and Approval to Sell" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Rule 560-8-2-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.16

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Designation of Wholesaler; Territory; Change of Designations; Notice of Intent" adopted. F. Aug. 17, 1972; eff. Sept. 6, 1972.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Rule 560-8-2-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-2-.17

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Prerequisite to Notice of Intent; Complaint of Dissatisfaction" adopted. F. Aug. 17, 1972; eff. Sept. 6, 1972.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Subject 560-8-3. DISTRIBUTOR PROVISIONS.

Rule 560-8-3-.01. Application for License - Distributor.

- (1) To be licensed as a distributor of loose tobacco, smokeless tobacco, cigars, little cigars or cigarettes each person shall apply to the commissioner.
 - a. Such application shall be submitted before July 1 on forms provided for that purpose by the commissioner. Using the Georgia Tax Center, accessible through the Department's website at extax.dor.ga.gov, an individual must apply for a tobacco license for the fiscal year and annually renew the license.
 - b. An application for an initial license shall include:
 - i. An application fee of \$250.00.
 - ii. Payment of the licensing fee and a bond, on a form provided by the commissioner, in an amount equal to \$5,000.00.
 - c. The license for a distributor shall be for the date of issuance until following June 30.
 - d. A renewal application shall include:
 - i. A renewal fee of \$10.00.
 - ii. Payment of the licensing fee and a bond, on a form provided by the commissioner, in an amount equal to one percent (1%) of gross sales of loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes during the preceding license year. In no circumstance shall the licensing fee be more than \$1,000.

- (2) A distributor shall obtain a separate license in accordance with the provision of this regulation for all places of business it maintains.
- (3) A distributor's license shall not be issued to:
 - a. A person who does not maintain a warehouse, warehouse personnel, and salespersons who regularly contact and call on dealers.
 - b. A vending machine operator or a vending machine owner of loose tobacco, smokeless tobacco, cigar, little cigar, or cigarette vending machines.
 - c. A person who is licensed as a dealer.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.01

Authority: O.C.G.A. §§ [42-2-12](#), [48-11-7](#).

History. Original Rule entitled "Manufacturer's Agreement; Surety Bond" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Definition" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Application for License - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. May 20, 2013; eff. June 9, 2013.

Rule 560-8-3-.02. License; Nonresident Applicant - Distributor.

- (1) A nonresident person of this state may be licensed to distribute loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes at wholesale in this state and to purchase and affix Georgia loose tobacco, smokeless tobacco, cigar, and cigarette tax stamps, or to pay loose tobacco, smokeless tobacco, cigar, or little cigar taxes under the alternate method provided that the state of residence of the nonresident applicant reciprocates the privilege to a resident of this state.
- (2) A nonresident applicant shall agree:
 - (a) In a form satisfactory to the commissioner, to submit to the commissioner's regulatory authority with respect to its person, activities, and place or places of business outside this state as fully and completely as if such activities, place or places of business were located in this state.
 - (b) To submit all books, account, and records for examination by the commissioner or a duly authorized agent during reasonable business hours.
 - (c) To comply faithfully with all rules and regulations hereafter promulgated by the commissioner, in particular those concerning nonresident distributors, their activities, and places of business.
 - (d) To be subject to service of process in accordance with the provisions of the Code relating to any matter involving taxes imposed by the Code.

- (e) That any violation of any law of this state, or any applicable rule or regulation, shall be cause for revoking any license issued and forfeiture of the bond.
- (3) A nonresident applicant shall post a bond with the commissioner in an amount not less than \$1,000.00, as determined by the commissioner and in a form prescribed by the commissioner. The condition of said bond shall be payment of any tax, penalty, or interest due, the state by such nonresident distributor, and compliance with this regulation.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-5](#), [48-11-7](#).

History. Original Rule entitled "Standard Stock Crown" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "License Fee" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "License; Nonresident Applicant - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-3-.03. Representative License - Distributor.

- (1) No person, as an employee or otherwise of a distributor shall engage in selling loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes, to dealers in this State for resale unless such person is licensed by the commissioner.
- (2) No person shall be a salesperson or representative of a licensed distributor unless:
 - (a) The employing distributor shall have notified the Department of the person's appointment as a representative.
 - (b) The representative has completed and filed under oath an application for a permit in a form prescribed by the commissioner.
 - (c) The representative has received a permit for which the application was made from the commissioner. The permit shall expire upon notice to the commissioner by the manufacturer that it no longer employs the representative.
 - (d) No fee shall be required for the license and the license shall not be transferable to any other person.
- (3) It shall be a violation of this regulation for a representative of a licensed manufacturer to:
 - (a) Engage in any activity that is in violation of the laws or regulations of any federal, state, county, or municipal governing authority or regulatory agency.
 - (b) Cause tobacco products to be delivered to an unlicensed place of business.

- (4) A representative of a licensed distributor who violates these regulations may be cited to show cause why a valid permit should not be suspended or revoked.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Private Decorated Crown" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Collection of Taxes" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Representative License - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-3-.04. Sale Without Tax Stamp; Notification - Distributor.

- (1) No distributor shall sell or deliver to any other distributor or dealer:
- (a) Any cigarettes which do not bear the required tax stamps.
 - (b) Any loose tobacco, smokeless tobacco, cigars, or little cigars for which tax has not been paid under the alternate method.
- (2) Distributors may receive and stamp untaxed cigarettes from dealers provided:
- (a) Within twenty-four (24) hours of receipt of untaxed cigarettes, and prior to any transaction involving untaxed cigarettes, the distributor shall notify the commissioner of such cigarettes on forms furnished by the commissioner.
 - (b) Dealers are required to pay distributors for all costs related to affixing the tax stamps.
 - (c) Failure by the distributor to notify the commissioner will constitute cause for revocation of license.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.04

Authority: O.C.G.A. Secs. [48-11-3](#), [48-11-8](#).

History. Original Rule entitled "Manufacturer's Monthly Report" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Bonds" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Sale Without Tax Stamp; Notification - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-3-.05. Shipment by Nonresident Non-manufacturer - Distributor.

Every distributor, who is not a dealer, in this state, who receives any shipment of loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes from any nonresident who is not the manufacturer of the loose tobacco, smokeless tobacco, cigars, or cigarettes, shall file a report of

the shipment no later than three business days from receipt of such tobacco products with the commissioner on forms provided by the commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.05

Authority: O.C.G.A. Secs. [48-11-3](#), [48-11-5](#), [48-11-8](#), [48-11-11](#).

History. Original Rule entitled "Failure to Report; License Revocation" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Monthly Report; Remittance of Taxes" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: New Rule of same title adopted. F. Nov. 17, 1978; eff. Dec. 7, 1978.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Shipment by Nonsident Non-manufacturer - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-3-.06. Alternate Method of Tax for Loose Tobacco, Smokeless Tobacco, Cigars, and Little Cigars - Distributor.

- (1) Taxes on loose tobacco, smokeless tobacco, cigars, and little cigars shall not be paid by affixing tax stamps thereon, but by filing monthly reports on all loose tobacco, smokeless tobacco, and cigars received, purchased, possessed, consumed, handled, distributed, or used within this state during such period.
- (2) Distributors and persons deemed to be distributors pursuant to O.C.G.A. § [48-11-2](#) shall file monthly reports on a form provided by the commissioner on or before the tenth day of each month.
- (3) The report shall contain:
 - (a) The number of cigars, containers of loose tobacco or smokeless tobacco purchased or received during the report period.
 - (b) The wholesale cost price of all loose tobacco, smokeless tobacco, and cigars purchased or received during the report period.
- (4) The report must be accompanied by a certified check, cashier's check, or money order for the total payment of the tax due.
- (5) The amount of tax due shall be computed on the actual sale or consumption of the tobacco product within the state of Georgia and shall be payable when the tobacco product leave the control of the distributor for sale or consumption of the tobacco product within the state of Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.06

Authority: O.C.G.A. Secs. [48-11-3](#), [48-11-8](#), [48-11-12](#).

History. Original Rule entitled "Failure to Report; Failure to Remit; Penalty; Extension; Interest" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Alternate Method of Tax for Loose Tobacco, Smokeless Tobacco, Cigars, and Little

Cigars - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-3-.07. Cigarettes - Tax Stamping Methods and Discounts - Distributor.

- (1) Licensed Distributors of cigarettes shall use only tax stamping methods and tax stamps approved by the Commissioner.
- (2) The Commissioner adopts one uniform single bracket for discounts concerning cigarette stamps.
- (3) For the single bracket, licensed distributors of cigarettes shall be allowed to:
 - (a) Purchase cigarette tax stamps at a discount of four percent (4%) of the face value of the cigarette stamps purchased.
- (4) Licensed Distributors shall affix a certain color cigarette tax stamp, specified by the Commissioner, to a specific category of cigarette products. The categories are:
 - (a) Cigarette products produced by a manufacturer listed as a participant for tobacco manufacture and brand compliance for Master Settlement Agreement as set forth on the Georgia Attorney General's website.
 - (b) Cigarette products produced by a manufacturer listed as a non-participant for tobacco manufactures and brand compliance for Master Settlement Agreement as set forth on the Georgia Attorney General's website.
- (5) The primary color(s) of the cigarette tax stamps in subparagraph (4)(b) shall be different from the primary color(s) of the cigarette tax stamps in subparagraph (4)(a) of this Regulation.
- (6) All cigarette tax stamps issued by the Department shall conform to this Regulation beginning April 1, 2009.
- (7) Failure to apply the appropriate cigarette tax stamp as provided for in this Regulation shall result in administrative action by the Department including revocation or suspension of license.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-3](#).

History. Original Rule entitled "Records to Be Kept" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Cigarettes - Tax Stamping Methods and Discounts - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: ER. 560-8-3-0.37-.07 adopted. F. and eff. December 1, 2008, the date of adoption.

Amended: Permanent Rule adopted. F. Jan. 26, 2009; eff. Feb. 15, 2009.

Amended: ER. 560-8-3-0.39-.07 adopted. F. and eff. March 30, 2009, the date of adoption.

Amended: Permanent Rule adopted. F. May 13, 2009; eff. June 2, 2009.

Repealed: New Rule of same title adopted. F. Aug. 20, 2009; eff. Sept. 9, 2009.

Repealed: New Rule of the same title adopted. F. Oct. 1, 2010; eff. Oct. 21, 2010.

Rule 560-8-3-.08. Claims for Refund or Credit - Distributor.

- (1) The commissioner will refund the cost price of stamps affixed to any package of cigarettes or will refund the tax paid on cigars, little cigars, cigarettes, loose tobacco, or smokeless tobacco under the alternate method when it is shown to the commissioner's satisfaction that any of these products:
 - (a) Have become unfit for use, consumption, or sale.
 - (b) Have been destroyed or shipped out of this state and then were destroyed.
- (2) A claim for refund or credit shall be submitted on a form provided by the commissioner and shall be accompanied by a signed affidavit from the licensee for refund or credit attesting that the cigars, little cigars, cigarettes, loose tobacco, or smokeless tobacco that were destroyed or shipped out-of-state were unfit for use, consumption, or sale based upon currently published manufacturer's standards.
- (3) A copy of the published standards shall accompany the affidavit and claim for refund or credit.
- (4) A request for refund shall be submitted to the commissioner no later than one year from the date the tax payment was received by the commissioner. Upon occurrence of a rate change, a request for refund shall be received by the commissioner no later than thirty (30) days from the effective date of the rate change.
- (5) No refund or credit of taxes related to contraband tobacco products shall be granted to any person.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.08

Authority: O.C.G.A. Secs. [48-11-4](#), [48-11-14](#), [48-11-15](#).

History. Original Rule entitled "Responsibility for Tax" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Claims for Refund or Credit - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Rule 560-8-3-.09. Report of Loss, Damage, and Refusal of Non-Tax Paid Tobacco Products - Distributor.

All distributors shall file within twenty-four (24) hours, exclusive of weekends and federal and state holidays, reports of all losses and damages in transit of non-tax-paid loose tobacco,

smokeless tobacco, cigars, little cigars, and cigarettes, and of all non-tax-paid loose tobacco, smokeless tobacco, little cigars, cigars, and cigarettes refused or returned to the carrier on forms, electronic or otherwise, provided by the commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.09

Authority: O.C.G.A. Sec. [48-11-15](#).

History. Original Rule entitled "Penalty; Deficiency of Payment" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Report of Loss, Damage, and Refusal of Non-Tax Paid Tobacco Products - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-3-.10. Conducting Business in Multiple States - Distributor.

- (1) A distributor who conducts business in multiple states including Georgia, and in the course of its business possesses at the same location both Georgia stamped cigarettes and cigarettes stamped for sale in another state shall store cigarettes stamped for sale in another state in a locked separate room, locker, cage, or area to prevent commingling with Georgia stamped cigarettes.
- (2) In this state, a distributor who is licensed to sell cigarettes in multiple states is prohibited from selling over-the-counter any cigarettes not bearing Georgia stamps.
- (3) A distributor who conducts business in multiple states including Georgia, and in the course of its business possesses at the same location both loose tobacco, smokeless tobacco and cigars for sale in Georgia and loose tobacco, smokeless tobacco and cigars for sale in another state shall store the loose tobacco, smokeless tobacco and cigars for sale in another state in a locked separate room, locker, cage, or area to prevent commingling with loose tobacco, smokeless tobacco and cigars to be sold in Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.10

Authority: O.C.G.A. Secs. [48-11-3](#) to [48-11-5](#).

History. Original Rule entitled "Sales for Cash Only" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Conducting Business in Multiple States - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-3-.11. Promotional Activities- Distributor.

- (1) Every person engages in promotional activities in this state on behalf of a distributor of loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes, shall do so only if licensed by the commissioner.
- (2) Each person shall apply for a license for a period commencing from date of issuance of the license until June 30 prior to engaging in "promotional activities."

- (a) A renewal license application must be filed prior to June 15 or the application will be considered an initial application.
 - (b) Applications shall be completed on a form provided by the commissioner.
 - (c) The license fee shall be \$10.00 per license, per period, and shall be remitted in the form of a certified check or money order.
 - (d) Licenses are not transferable to any other person.
- (3) Licensing hereunder shall not apply to persons employed by licensed distributors or dealers who are licensed under these regulations.
- (4) Any untrue, misleading, or omitted statement or information contained in such application shall constitute cause for the denial thereof and, if any license has been granted, shall constitute cause for revocation.
- (5) When contrary to the public interest and welfare, the commissioner may decline to issue a state license to engage in promotional activities on behalf of a distributor of tobacco products of any kind when:
 - (a) Any person determined by the commissioner, by reason of such person's business experience, financial standing, trade associations, personal associations, records of arrests, or reputation in any community in which he has resided, to be unlikely to maintain the operation for which he is seeking a license in conformity with federal, state, or local laws, shall be deemed unqualified to receive a license to engage in promotional activity for a distributor.
 - (b) Any person convicted of a felony who served any part of a criminal sentence, including probation, at any time *within ten (10) years* immediately preceding the date of receipt of submission of an application shall be deemed unqualified to receive a license to engage in promotional activity for a distributor.
 - (c) Any person who has been convicted of a misdemeanor who served any part of a criminal sentence, including probation, at any time *within five (5) years* immediately preceding the date of receipt of submission of an application shall be deemed unqualified to receive a license to engage in promotional activity for a distributor.
- (6) If the commissioner has reason to believe that an applicant is not entitled to the license for which the applicant has applied, the commissioner shall notify the applicant. The applicant shall have thirty (30) days from the date of the notice to request in writing a hearing on the application. Upon receipt of applicant's written request the commissioner shall provide the applicant with due notice and opportunity for hearing on the application conducted by the commissioner or his or her duly appointed hearing officer pursuant to Regulation 560-8-6 *et seq.* If the commissioner, after providing notice and opportunity for

a hearing, determines that the applicant is not entitled to a license, the applicant shall be advised in writing of the findings upon which such denial is based.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.11

Authority: O.C.G.A. Sec. [48-11-3](#).

History. Original Rule entitled "Refunds, Discounts, Gifts to Retailers" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Promotional Activities - Distributor" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-3-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.12

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Free Goods; Advertising Material" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.13

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Sales Ticket" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.14

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Inspection on Delivery" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: New Rule entitled "Inspection on Delivery; Adjustments" adopted. F. July 19, 1976; eff. August 8, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.15

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Sale Limitation; Delivery" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Amended: F. Sept. 7, 1977; eff. Sept. 27, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.16

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Deposit for Bottles" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.17

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Driver, Salesman Delivery-man Permit" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.18

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Limitation on Wholesalers; No Retail Business Interest" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.19

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Posting Master Price List" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.20

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Wholesale Brand Combinations" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.21

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Financial Transactions" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.22

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Display of License" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.23

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Licensing Qualifications" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-3-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-3-.24

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Validity of License" adopted. F. Aug. 30, 1977; eff. Sept. 19, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Subject 560-8-4. MANUFACTURER/IMPORTER PROVISIONS.

Rule 560-8-4-.01. Application for License - Manufacturer or Importer.

- (1) To be licensed as a manufacturer or importer of tobacco products each person shall apply to the commissioner.
 - a. The term shall be for a period commencing the date of issuance of the license through June 30.
 - b. Such application shall be submitted before July 1 on forms adopted by the commissioner for that purpose.
 - c. Using the Georgia Tax Center, accessible through the Department's website at extax.dor.ga.gov, an individual must apply for a tobacco license for the fiscal year and annually renew the license.
- (2) A manufacturer's or importer's license shall not be issued to:
 - a. A person who does not maintain a warehouse or employ warehouse personnel and salespeople who regularly contact and call on distributors.

- b. An operator of loose tobacco, smokeless tobacco, cigar, little cigar, or cigarette vending machines.
- c. A person who is licensed as a dealer.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.01

Authority: O.C.G.A. § [48-11-4](#).

History. Original Rule entitled "Definitions" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Definition; Limitations" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Application for License - Manufacturer or Importer" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. May 20, 2013; eff. June 9, 2013.

Rule 560-8-4-.02. Representative or Salesperson License-Manufacturer or Importer.

- (1) No person, as an employee or otherwise of a manufacturer, shall engage in selling in this state, loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes to distributors in this state unless such person is licensed.
- (2) No person shall be a salesperson or representative of a licensed manufacturer unless:
 - (a) The employing manufacturer shall have notified the Department of the person's appointment as a representative.
 - (b) The representative has completed and filed under oath an application for a permit as such in the form provided by the commissioner.
 - (c) The representative has received the permit for which the application is made from the commissioner. The permit shall expire upon notice to the commissioner by the manufacturer that it no longer employs the representative.
 - (d) A ten dollar (\$10.00) fee shall be required for the license and the license shall not be transferable to any other person.
- (3) It shall be a violation of this regulation for a representative of a licensed manufacturer to:
 - (a) Engage in any activity that is in violation of the laws or regulations of any federal, state, county, or municipal governing authority or regulatory agency.
 - (b) Cause tobacco products to be delivered to an unlicensed place of business.
- (4) A representative of a licensed manufacturer violating these regulations may be cited to show cause why his or her permit should not be suspended or revoked.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.02

Authority: O.C.G.A. Sec. [48-11-4](#).

History. Original Rule entitled "Sales for Cash Only" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 18, 1967; eff. Jan. 6, 1968.

Repealed: New Rule entitled "Sales for Cash Only; Exceptions" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Representative or Salesperson License - Manufacturer or Importer" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-4-.03. Tax on Sample Loose Tobacco, Smokeless Tobacco, Cigars, and Cigarettes - Manufacturer or Importer.

- (1) Tax must be paid on all loose tobacco, smokeless tobacco, cigars, little cigars, and cigarettes distributed as samples.
- (2) Manufacturers and importers may distribute samples inside this state without having tax stamps affixed thereon.
- (3) The tax due on sample loose tobacco, smokeless tobacco, cigars, and cigarettes must be paid to the commissioner by the manufacturer or importer on or before the tenth day of each month for all samples received during the previous month.
- (4) The manufacturer or importer shall submit to the commissioner invoices for all shipments of samples for the preceding month along with payment of all tax due.
- (5) All packages or containers of samples must have written thereon the words "Not For Sale", or a similar statement, indicating that such samples are not for sale. All packages of sample cigarettes must contain a minimum of two cigarettes.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.03

Authority: O.C.G.A. Secs. [48-11-2](#), [48-11-3](#).

History. Original Rule entitled "Invalid Checks" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Tax on Sample Loose Tobacco, Smokeless Tobacco, Cigars, and Cigarettes - Manufacturer or Importer" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-4-.04. Promotional Activities; Licensing - Manufacturer or Importer.

- (1) Every person engaged in promotional activities in this state on behalf of a manufacturer or importer of loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes, shall do so only if licensed by the commissioner.

- (2) A person shall apply and obtain a license for a period commencing the date of issuance and ending June 30 prior to engaging in "promotional activities."
- (a) A renewal license application must be filed prior to June 1.
 - (b) Applications shall be completed on a form provided by the commissioner.
 - (c) The license fee shall be \$10.00 per license, per period, and shall be remitted in the form of a certified check or money order.
 - (d) Licenses are not transferable to any other person.
- (3) Licensing hereunder shall not apply to persons employed by licensed distributors or dealers who are licensed under these regulations.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.04

Authority: O.C.G.A. Sec. [48-11-4](#).

History. Original Rule entitled "Refunds, Discounts, Gifts to Retailers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Free Goods; Advertising Material" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Promotional Activities; Licensing - Manufacturer or Importer" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-4-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.05

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Exchanges with Retailers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Inspection on Delivery" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. July 19, 1976; eff. August 8, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.06

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Free Goods; Advertising Material" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Other Beverage Alcohol Prohibited" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.07

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Sales Ticket" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Notification of Disciplinary Action" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. May 25, 1977; eff. June 14, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.08

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Inspection on Delivery" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Sales Prohibited Certain Days" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.09

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Deposit for Bottles" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Sales to Minors and by Vending Machines" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.10

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Sale Limitations" adopted. F. and eff. June 30, 1965.

Amended: F. Sept. 5, 1968; eff. Sept. 5, 1968, as specified by the Agency.

Repealed: New Rule entitled "Employment of Minors" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. July 19, 1976; eff. August 8, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.11

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Notification of Disciplinary Action" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Bond for Retail License" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.12

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Sales on Sunday or Election Day" adopted. F. and eff. June 30, 1965.

Amended: F. June 29, 1972; eff. July 19, 1972.

Repealed: New Rule entitled "Licensing Qualifications" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. Aug. 30, 1977; eff. Sept. 19, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.13

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Sale to Minors" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Sale to Minors and by Vending Machine" adopted. F. July 25, 1967; eff. September 1, 1967, as specified by the Agency.

Amended: F. June 29, 1972; eff. July 1, 1972, as specified by the Agency.

Repealed: New Rule entitled "Advertising" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: New Rule entitled "Price Advertising Prohibited; Exceptions" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.14

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Wholesalers Performance Bond; Driver, Salesman, Deliveryman Permit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Driver, Salesman, Deliveryman Permit" adopted. F. Aug. 17, 1972; eff. Sept. 6, 1972.

Amended: F. Apr. 23, 1973; eff. May 13, 1973.

Repealed: New Rule entitled "Cause for Suspension or Revocation of License; Games of Chance" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.15

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Limited Retailers Licenses" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Limitation on Wholesalers; No Retail Business Interests" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: New Rule entitled "Financial Transactions" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.16

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Out of State Brewers" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Limitation Upon Interest" adopted. F. May 3, 1971; eff. May 23, 1971.

Repealed: New Rule entitled "Display of License" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.17

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Employment of Persons Under 18 Years of Age" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Acceptance of Legal Delivery; Storage" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.18

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Posting Master Price List; Amendment" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Posting Master Price List" adopted. F. Apr. 23, 1973; eff. May 13, 1973.

Repealed: New Rule entitled "Operation of Business Subsequent Year; Renewal" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.19

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Delivery in Wholesalers Conveyance; Markings" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Failure to File" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: New Rule entitled "Price Advertising Prohibited; Exceptions" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.20

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Bond for Retail License" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Violations" adopted. F. Dec. 20, 1975; eff. Jan. 19, 1976.

Repealed: New Rule entitled "Subterfuge" adopted. F. July 19, 1976; eff. August 8, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.21

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Violations" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Subterfuge" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: New Rule entitled "Violations" adopted. F. July 19, 1976; eff. August 8, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.22

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Advertisement" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Unlawful Activities" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.23

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Licensing Qualifications" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: New Rule entitled "Solicitation of Drinks" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.24

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Cause for Suspension or Revocation of License; Games of Chance" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: New Rule entitled "Validity of License" adopted. F. Aug. 30, 1977; eff. Sept. 19, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-4-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.25

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Financial Transactions" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Rule 560-8-4-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.26

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Display of License" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Rule 560-8-4-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-4-.27

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Wholesale Brand Combinations" adopted. F. Dec. 26, 1974; eff. Jan. 15, 1975.

Repealed: F. Dec. 30, 1975; eff. Jan. 19, 1976.

Subject 560-8-5. VENDING MACHINES.

Rule 560-8-5.01. Cigar and Cigarette Vending Machine Route Person License - Vending Machines.

- (1) Any person who services loose tobacco, smokeless tobacco, cigars, little cigars, and cigarette vending machines, or delivers loose tobacco, smokeless tobacco, cigars, and cigarettes to such machines must be licensed as a loose tobacco, smokeless tobacco, cigars, little cigars, and cigarette vending machine route person.
- (2) No individual shall be a vending machine route person unless:
 - (a) The employing distributor shall have notified the Department of the person's appointment as a vending machine route person.
 - (b) The vending machine route person has completed and filed under oath an application for a permit as such on a form provided by the commissioner.
 - (c) The vending machine route person has received the permit for which the application was made from the commissioner. The permit shall expire upon notice to the commissioner by the distributor that it no longer employs the vending machine route person or by order of the commissioner.
 - (d) No fee shall be required for the license and the license shall not be transferable to any other person.
- (3) It shall be a violation of this regulation for a vending machine route person of a licensed distributor to:
 - (a) Engage in any activity that is in violation of the laws or regulations of any federal, state, county, or municipal governing authority or regulatory agency.
 - (b) Cause tobacco products to be delivered to an unlicensed place of business.
- (4) A vending machine route person who violates these regulations may be cited to show cause why his or her permit should not be suspended or revoked.

Cite as Ga. Comp. R. & Regs. R. 560-8-5.01

Authority: O.C.G.A. Sec. [48-11-4](#).

History. Original Rule entitled "Areas Ceded to United States" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Definition" adopted.F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Cigar and Cigarette Vending Machine Route Person License - Vending Machines" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-5-.02. Loose Tobacco, Smokeless Tobacco, Cigar or Cigarette Vending Machines- Vending Machines.

- (1) Every cigarette, cigar, little cigar, loose tobacco, or smokeless tobacco vending machine purchased or transported into this state for use in this state shall be of such design as to provide:
 - (a) A glass-covered opening of such dimensions as to permit visibility of not less than three packages of loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes in each column across either the front or rear panel of the vending machine in order to provide a clear view of the loose tobacco, smokeless tobacco, cigars, little cigars, or cigarettes being sold.
 - (b) The cigarettes to be sold from the vending machine shall be so stamped and inserted that the tax stamps on the individual packages shall be clearly visible from the outside of the machine through said opening.
 - (c) If loose tobacco, smokeless tobacco, cigars, or little cigars for which tax has been paid under the alternate method are dispensed by the machine, the operator of such machine upon inspection must present evidence to prove that the tax on such loose tobacco, smokeless tobacco, or cigars has been paid.
- (2) Any vending machine found to contain or disburse cigarettes that do not bear the required tax stamps for cigarettes or any loose tobacco, smokeless tobacco, cigars, or little cigars for which the tax has not been paid under the alternate method, shall be considered contraband and seized and handled in a manner prescribed by law.

Cite as Ga. Comp. R. & Regs. R. 560-8-5-.02

Authority: O.C.G.A. Secs. [48-11-4](#), [48-11-9](#).

History. Original Rule entitled "All Sales to Licensed Distributors" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Areas Ceded to United States" adopted.F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Loose Tobacco, Smokeless Tobacco, Cigar or Cigarette Vending Machines - Vending Machines" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-5-.03. Sales from Vending Machines -Vending Machines.

- (1) Any person who maintains in such person's place of business a vending machine which dispenses cigarettes, tobacco products, or tobacco related objects shall place or cause to

be placed in a conspicuous place on such vending machine a sign containing the following statement:

"THE PURCHASE OF CIGARETTES, TOBACCO PRODUCTS, OR TOBACCO RELATED OBJECTS FROM THIS VENDING MACHINE BY ANY PERSON UNDER 18 YEARS OF AGE IS PROHIBITED BY LAW."

- (2) It shall be a violation for any person holding any license issued pursuant to the Code and these regulations and who maintains in such person's place of business a vending machine which dispenses cigarettes, tobacco products, or tobacco related objects to allow a minor to operate a vending machine which dispenses cigarettes or tobacco related objects.
- (3) The sale or offering for sale of cigarettes or tobacco related objects from vending machines shall not be permitted except in locations which are not readily accessible to minors, including but not limited to:
 - (a) Factories, businesses, offices, and other places which are not open to the general public;
 - (b) Places open to the general public that do not admit minors.
 - (c) Places where alcoholic beverages are offered for sale.
 - (d) In areas which are not in the immediate vicinity, plain view, and under the continuous supervision of the proprietor of an establishment or an employee who can observe the purchase of cigarettes, tobacco products, and tobacco related objects from the vending machine; and
 - (e) In rest areas adjacent to roads and highways of the state.
- (4) Any person who maintains in such person's place of business a vending machine which dispenses cigarettes, tobacco products, or tobacco related objects shall not dispense any non tobacco product, other than matches, in such vending machine."

Cite as Ga. Comp. R. & Regs. R. 560-8-5-.03

Authority: O.C.G.A. Sec. [16-12-173](#).

History. Original Rule entitled "Military Beer" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Jurisdiction Over Territory Ceded to United States" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Sales from Vending Machines - Vending Machines" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-5-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-5-.04

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Violations" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Jurisdiction and Right to Tax Claimed" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-5-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-5-.05

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Military Beer Shipments" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-5-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-5-.06

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Alcoholic Content" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-5-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-5-.07

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Monthly Report" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-5-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-5-.08

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Military Sales; Monthly Report; Purchase Order" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Amended: F. Aug. 30, 1977; eff. Sept. 19, 1977.

Amended: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-5-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-5-.09

Authority: Ga. Code Ann. Sec. 58-703.

History. Original Rule entitled "Military Beer; Violations" adopted. F. Dec. 30, 1975; eff. Jan. 19, 1976.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Subject 560-8-6. ADMINISTRATIVE HEARINGS.

Rule 560-8-6-.01. Applicability of Rules - Administrative Hearings.

- (1) The Rules in this Chapter shall apply to and govern administrative hearings held by the Department pursuant to the provisions of Chapter 11 of Title 48 regarding tobacco, alternative nicotine, and vapor products.
- (2) All administrative hearings shall be conducted in conformity with the Department's rules and regulations as promulgated herein and consistent with the provisions of the Georgia Administrative Procedure Act.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.01

Authority: O.C.G.A. §§ [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Distributor; Definition; Application for License" adopted. F. and eff. June 30, 1965.

Amended: F. Feb. 8, 2005; eff. Feb. 28, 2005.

Amended: F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: New Rule entitled "Applicability of Rules - Administrative Hearings" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Amended: F. Aug. 2, 2021; eff. Aug. 22, 2021.

Rule 560-8-6-.02. Hearings - Administrative Hearings.

- (1) Any person aggrieved by any action of the commissioner or the commissioner's duly authorized agent may apply to the commissioner for a hearing, in writing, no later than ten (10) days after the notice of the action is delivered. The application shall set forth the reasons why the hearing should be granted and the manner of relief sought.
- (2) The commissioner shall notify the applicant of the time and place fixed for the administrative hearing. After the hearing, the commissioner may make an order as may appear to the commissioner to be just and lawful and shall furnish a copy of the order to the applicant.
- (3) The commissioner at any time, by notice in writing, may order an administrative hearing and require the taxpayer or any other person whom the commissioner believes to be in possession of information concerning any manufacture, importation, use, consumption, storage, or sale of cigars, little cigars, cigarettes, loose or smokeless tobacco, alternative nicotine products, or vapor products which have escaped taxation, to appear before the commissioner or the commissioner's duly authorized agent and present any specific books of account, papers, or other documents for examination under oath concerning the matter at issue.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.02

Authority: O.C.G.A. §§ [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Sale Without Tax Stamp; Special Permit" adopted. F. and eff. June 30, 1965.

Amended: F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: New Rule entitled "Hearings - Administrative Hearings" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. Aug. 2, 2021; eff. Aug. 22, 2021.

Rule 560-8-6-.03. Appeals of Commissioner's Order - Administrative Hearings.

Any person aggrieved because of any action or decision of the commissioner, after an administrative hearing has been conducted, may appeal the decision to the superior court of the county in which the appellant resides.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. . Original Rule entitled "Shipment by Non-Resident, Non-Manufacturer" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Shipment by Nonresident or Nonmanufacturer" adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: New Rule entitled "Appeals of Commissioner's Order - Administrative Hearings" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.04. Persons Authorized to Hold Hearings; Authority of Hearing Officer - Administrative Hearings.

- (1) Administrative hearings referenced in these rules will be held by a hearing officer appointed by the commissioner to hear such cases.
- (2) When any person other than the commissioner acts as a hearing officer in such matters, the hearing officer's actions, decisions, and orders shall be deemed to be on behalf of the commissioner and effective as though taken by the commissioner, subject to the appeals procedures as hereinafter provided.
- (3) The hearing officer shall be empowered to exercise the same degree of authority and to perform the same acts as hearing officers empowered under the Georgia Administrative Procedure Act, O.C.G.A. § [50-13-13](#).

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.04

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Promotional Activities; Definition; Licensing" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: New Rule entitled "Persons Authorized to Hold Hearings; Authority of Hearing Officer - Administrative Hearings" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.05. Nature of the Proceeding; Hearing Procedure; Burden of Proof - Administrative Hearings.

- (1) Administrative hearings held under these rules shall be only as formal as is necessary to preserve order and be compatible with the principles of justice.
- (2) All parties shall have the right to be represented by legal counsel and to obtain the appearance of witnesses and documentary evidence. The parties shall have the right to respond and present evidence on all issues involved and to cross-examine all witnesses.
- (3) The standard of proof concerning all issues presented in the administrative hearing shall be a preponderance of the evidence.
- (4) In cases commenced by the issuance of citations by the Department, the Department shall have the burden of proof and shall present its case first. In cases involving the preliminary denial of license applications or the seizure of tobacco, alternative nicotine, or vapor products, the applicant or licensee shall have the burden of proof and shall present its case first. In all other cases the party commencing the case shall have the burden of proof and shall present its case first.
- (5) A hearing, or a portion thereof, may be conducted by alternate means if the record reflects that all parties have consented and that such procedure will not jeopardize the rights of any party to the hearing. Alternate means, as used here, includes remote telephonic communication methods such as two-way video-conferencing applications.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.05

Authority: O.C.G.A. §§ [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Cigar or Cigarette Vending Machines" adopted. F. and eff. June 30, 1965.

Amended: F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule of same title adopted. F. Feb. 12, 1973; eff. Mar. 4, 1973.

Amended: F. July 19, 1976; eff. August 8, 1976.

Repealed: New Rule of same title adopted. F. June 11, 1984; eff. July 1, 1984.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: New Rule entitled "Nature of the Proceeding; Hearing Procedure; Burden of Proof - Administrative Hearings" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: F. Mar. 10, 2008; eff. Mar. 30, 2008.

Amended: F. Aug. 17, 2020; eff. Sept. 6, 2020.

Amended: F. Aug. 2, 2021; eff. Aug. 22, 2021.

Rule 560-8-6-.06. Evidence; Official Notice - Administrative Hearings.

- (1) The rules of evidence as applied in the trial of civil non-jury cases in superior courts shall be followed as far as is practicable. When necessary to ascertain facts not reasonably ascertainable of proof under such rules, evidence not admissible hereunder may be

admitted, except where precluded by statute, if it is of a type commonly relied upon by reasonably prudent men in the conduct of their affairs.

- (2) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available. Upon request, the parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to superior courts of this state.
- (3) A party may conduct such cross-examination as shall be required for a full and true disclosure of the facts.
- (4) Official notice may be taken of judicially recognizable facts and generally recognized technical facts or records within the Department's specialized knowledge. The parties shall be notified of any material so noticed and shall be afforded the opportunity to contest such material.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.06

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Monthly Report of Shipments; Invoices" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: New Rule entitled "Evidence; Official Notice - Administrative Hearings" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.07. Executive Orders - Administrative Hearings.

- (1) As soon as practicable after the close of an administrative hearing, the hearing officer shall issue an executive order in the case and forward same to the Enforcement Section of the Alcohol and Tobacco Division for service and execution.
- (2) The executive order shall contain the determination of the hearing officer and any penalties to be imposed as a result of the proceeding.
- (3) Unless the execution of the order is stayed by the commissioner or hearing officer, the execution of the order is to be effective on the date specified in the order or upon service of the order if no other effective date is so specified.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Wholesale Salesman License" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: New Rule entitled "Executive Orders - Administrative Hearings" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.08. Continuances and Postponements.

- (1) The Hearing Officer may on his or her own motion continue or postpone a hearing.
- (2) Matters set for hearing may be continued or postponed within the sound discretion of the Hearing Officer upon timely motion by either party.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.08

Authority: O.C.G.A. §§ [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Cost Price" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 27, 1979; eff. Dec. 17, 1979.

Adopted: New Rule entitled "Continuances and Postponements." F. Aug. 2, 2021; eff. Aug. 22, 2021.

Rule 560-8-6-.09. Subpoena Forms; Service.

- (1) A party may obtain subpoena forms from the Hearing Officer by making a timely request.
- (2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.09

Authority: O.C.G.A. §§ [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Tax Stamping Permit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Tax Stamping" adopted. F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Adopted: New Rule entitled "Subpoena Forms; Service." F. Aug. 2, 2021; eff. Aug. 22, 2021.

Rule 560-8-6-.10. Transcripts of the Hearing.

- (1) Any party may request that the hearing be conducted before a court reporter.
- (2) The request shall be in writing, and it shall include a statement by the requesting party that he or she shall procure the court reporting services for the hearing at his or her own cost and on his or her own initiative. The request shall identify the court reporter or court reporting service to be used at the hearing.
- (3) Regardless of who makes the arrangements or requests that a transcript be made, the original transcript of the proceedings shall be submitted to the Hearing Officer prior to the close of the hearing record if the transcript is to be made part of the record.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.10

Authority: O.C.G.A. §§ [48-2-12](#), [48-11-4](#), [48-11-18](#).

History. Original Rule entitled "Non-Resident Applicants for License to Distribute" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Distributor's License; Non-Resident Applicant" adopted. F. July 27, 1967; eff. August 15, 1967.

Amended: F. Feb. 12, 1973; eff. Mar. 4, 1973.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Amended: F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Adopted: New Rule entitled "Transcripts of the Hearing." F. Aug. 2, 2021; eff. Aug. 22, 2021.

Rule 560-8-6-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.11

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. . Original Rule entitled "Discounts" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.12

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Tax Stamping Methods" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.13

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Cigar and Cigarette Vending Machine Route Man License" adopted. F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.14

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Tax on Sample Cigarettes" adopted. F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule entitled "Tax on Sample Loose Tobacco, Smokeless Tobacco, Cigars and Cigarettes" adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.15

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Warehousemen's Monthly Reports" adopted. F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.16

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Distributor's Report of Loss, Damage and Refusal" adopted. F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.17

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Alternate Method of Cigar Tax" adopted. F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule entitled "Alternate Method of Loose Tobacco, Smokeless Tobacco and Cigar Tax" adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.18

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Carrier's Monthly Reports" adopted. F. July 27, 1967; eff. August 15, 1967.

Repealed: New Rule of same title adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.19

Authority: Ga. L. 1937-38 Extra Sess., pp. 77, 80, 81, 82, 91, 93, 1955, pp. 268, 288.

History. Original Rule entitled "Distributors Doing Business in Georgia and in a Foreign State" adopted. F. Sept. 5,

1968; eff. Sept. 24, 1968.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.20

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Licensed Place of Business; Storage of Product; Records" adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.21

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#), [48-11-15](#).

History. Original Rule entitled "Claims for Refund or Credit" adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.22

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Failure to Comply With Tax Laws" adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.23

Authority: O.C.G.A. Secs. [48-2-12](#), [48-11-4](#).

History. Original Rule entitled "Violations; Unlawful Activities" adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Rule 560-8-6-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-6-.24

Authority: O.C.G.A. Sec. [16-12-176](#).

History. Original Rule entitled "Sales to Minors" adopted. F. Feb. 8, 2005; eff. Feb. 28, 2005.

Repealed: New Rule of same title adopted. F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: F. Sept. 26, 2007; eff. Oct. 16, 2007.

Subject 560-8-7. ADMINISTRATIVE FORMS.

Rule 560-8-7-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.01

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Schedules of Types, Brands, and Sizes" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Wine Tax Law; Regulations; Obligations" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Application and Licensing - Administrative Forms" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Repealed: F. May 20, 2013; eff. June 9, 2013.

Rule 560-8-7-.02. Reporting - Administrative Forms.

Using the Georgia Tax Center, accessible through the Department's website at etax.dor.ga.gov, an individual must apply for a license for the annual year and annually renew the license.

- (1) No license application will be granted where it would lead to a violation of local ordinances, or is in contradiction with any Department regulations or other laws of the State of Georgia.
- (2) All reports and excise tax returns required of any licensee shall be submitted electronically using the Georgia Tax Center.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.02

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Minimum Wholesale Price" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Registration of Representatives" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Amended: New Rule entitled "Reporting - Administrative Forms" adopted. F. Sept. 26, 2007; eff. Oct. 16, 2007.

Amended: ER. 560-8-7-0.29-.02 adopted. F. and eff. June 27, 2008, the date of adoption.

Amended: Permanent Rule adopted. F. Aug. 1, 2008; eff. Aug. 21, 2008.

Amended: F. May 20, 2013; eff. June 9, 2013.

Rule 560-8-7-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.03

Authority: Ga. Code Ann. Secs. [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Minimum Retail Price" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Ownership Interest" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.04

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Sales for Less Than Minimum Price" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Refund, Discount, Gift to Retailer; Exchange of Goods" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.05

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Refund, Discount, Gift to Retailer, Exchange of Goods" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Retail Purchases from Licensed Wholesaler" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.06

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Retail Purchases From Licensed Wholesaler" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Sales Ticket or Invoice" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.07

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Discount" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Payment by Cash Only" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.08

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Sales Ticket or Invoice" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Designation of Sales Territories" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.09

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Payment by Cash Only; Postdated Checks" adopted. F. and eff. June 30, 1965.
Repealed: New Rule entitled "Monthly Report; Remittance" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.
Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.10

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Presentation of Checks for Collection" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Penalty; Deficiency of Payment" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.11

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Registration of Shipper Required" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Records to Be Kept" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.12

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Registration Requirements; Labels; Bond" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Price Advertising Prohibited; Exceptions" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.13

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Shipper's Monthly Report; Invoices" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Amended: F. Sept. 29, 1976; eff. Oct. 19, 1976.

Repealed: New Rule entitled "Restriction to Retailer; Business Hours" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.14

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Shipper's Failure to Report" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Amended: F. Sept. 29, 1976; eff. Oct. 19, 1976.

Repealed: New Rule entitled "Licensing Qualifications" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.15

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Designation of Wholesaler; Territory; Change of Designations; Notice of Intent" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Amended: F. Aug. 17, 1972; eff. Sept. 6, 1972.

Repealed: New Rule entitled "Designation of Sales Territories" adopted. F. Dec. 8, 1975; eff. Dec. 28, 1975.

Repealed: New Rule entitled "Games of Chance" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.16

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Registration of Representatives" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Display of License" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.17

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Ownership Interest - Producer" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Notification of Disciplinary Action" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.18

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Ownership Interest - Wholesaler" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Sale Limitation; Delivery" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.19

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Permits; Wholesale Salesmen" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Other Beverage Alcohol Prohibited" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.20

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Transfers by Wholesalers" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Acceptance of Legal Delivery; Storage" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.21

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Monthly Reports - Wholesalers" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Monthly Reports" adopted. F. June 11, 1973; eff. July 1, 1973.

Repealed: New Rule entitled "Solicitation of Drinks; Violations; Unlawful Activities" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.22

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Compensation to Wholesalers" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Definitions; Limitations" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.23

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Failure to Remit" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Wine Tastings" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.24

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Wholesalers Bond" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: New Rule entitled "Subterfuge" adopted. F. Sept. 1, 1977; eff. Sept. 21, 1977.

Repealed: F. May 5, 1982; eff. May 25, 1982.

Rule 560-8-7-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.25

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Records Must Be Kept" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.26

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Responsibility for Tax" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.27

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Penalty; Deficiency of Payment" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.28. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.28

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Prices; Advertising Prohibited" adopted. F. Aug. 31, 1971; eff. Sept. 20, 1971.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.29. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.29

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Restriction to Retailers; Business Hours" adopted. F. June 29, 1972; eff. July 19, 1972.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.30. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.30

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Sales to Minors" adopted. F. June 29, 1972; eff. July 19, 1972.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.31. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.31

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Licensing Qualifications" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.32. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.32

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Cause for Suspension or Revocation of License; Games of Chance" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.33. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.33

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Notification of Disciplinary Action" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.34. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.34

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Financial Transactions" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.35. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.35

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Display of License" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Rule 560-8-7-.36. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-7-.36

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Wholesale Brand Combination" adopted. F. Dec. 26, 1974; eff. Jan. 15, 1975.

Repealed: F. Sept. 1, 1977; eff. Sept. 21, 1977.

Subject 560-8-8. REPEALED.

Rule 560-8-8-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.01

Authority: Ga. L. 1977, Act No. 745, approved April 8, 1977; effective April 8, 1977 (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Jurisdiction Over Territory Ceded to United States" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-8-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.02

Authority: Ga. L. 1977, Act No. 745, approved April 8, 1977; effective April 8, 1977 (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Jurisdiction and Right to Tax Claimed" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Jurisdiction and Right to Tax Ceded" adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-8-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.03

Authority: Ga. L. 1977, Act No. 745, approved April 8, 1977; effective April 8, 1977 (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Federal Instrumentality as First Purchaser" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-8-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.04

Authority: Ga. L. 1977, Act No. 745, approved April 8, 1977; effective April 8, 1977 (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Purchases by Military Establishment" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Military Purchases Authorized" adopted. Filed August 31, 1971; effective September 20, 1971.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-8-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.05

Authority: Ga. L. 1977, Act No. 745, approved April 8, 1977; effective April 8, 1977 (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Orders for Tax-Free Wine" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Military Purchase Order - Method of Handling" adopted. Filed August 31, 1971; effective September 20, 1971.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-8-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.06

Authority: Ga. L. 1977, Act No. 745, approved April 8, 1977; effective April 8, 1977 (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Processing Tax-Free Wine" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Military Wines" adopted. Filed August 31, 1971; effective September 20, 1971.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-8-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.07

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Receipt by Authorized Officer" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed August 31, 1971; effective September 20, 1971.

Rule 560-8-8-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.08

Authority: Ga. L. 1935, p. 492; Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Request for Refund" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed April 6, 1966; effective May 1, 1966, as specified by the Agency.

Amended: Rule repealed. Filed August 31, 1971; effective September 20, 1971.

Rule 560-8-8-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.09

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Military Wines" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed August 31, 1971; effective September 20, 1971.

Rule 560-8-8-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.10

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Tax-Paid Wines" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed August 31, 1971; effective September 20, 1971.

Rule 560-8-8-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-8-.11

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Limitation to Reservation" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed August 31, 1971; effective September 20, 1971.

Subject 560-8-9. REPEALED.

Rule 560-8-9-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-9-.01

Authority: Ga. L. 1935, p. 163; 1943, p. 617; 1947, pp. 1151, 1163.

History. Original Rule entitled "Applications for License" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-8-9-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-9-.02

Authority: Ga. L. 1935, p. 163; 1943, p. 617; 1947, pp. 1151, 1163.

History. Original Rule entitled "Application: Notice" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Rule 560-8-9-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-9-.03

Authority: Ga. L. 1935, p. 163; 1943, p. 617; 1947, pp. 1151, 1163.

History. Original Rule entitled "Expiration: Cancellation" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed February 16, 1972; effective March 7, 1972.

Subject 560-8-10. REPEALED.

Rule 560-8-10-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.01

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Availability" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Forms" adopted. Filed August 17, 1972; effective September 6, 1972.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.02

Authority: Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703)

History. Original Rule entitled "Forms Applicable to Malt Beverage Licensees - Retail Beer License" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.03

Authority: Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703)

History. Original Rule entitled "Malt Beverages Forms: Retailer's Bond" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.04

Authority: Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703)

History. Original Rule entitled "Malt Beverages Forms: Brewery or Wholesale Beer Application" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.05

Authority: Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703)

History. Original Rule entitled "Malt Beverages Forms: Wholesale Beer Bond" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.06

Authority: Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703)

History. Original Rule entitled "Malt Beverages Forms: Brewery Bond" was filed and effective on June 30, 1965.
Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.07

Authority: Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703)

History. Original Rule entitled "Malt Beverage Forms: Brewer's Monthly Report on Sales in State" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.08

Authority: Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703)

History. Original Rule entitled "Malt Beverage Forms: Application for Permit" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.09

Authority: Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703)

History. Original Rule entitled "Malt Beverage Forms: Monthly Report of Crown and Can Top Manufacturers" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.10

Authority: Ga. L. 1955, p. 268, *et seq.*, as amended (Ga. Code Ann., Sec. 92-2204)

History. Original Rule entitled "Tobacco License Forms: Application for State License as Distributor of Cigars and Cigarettes" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.11

Authority: Ga. L. 1955, p. 268, *et seq.*, as amended (Ga. Code Ann., Sec. 92-2204)

History. Original Rule entitled "Tobacco Licensees Forms: Cigar and Cigarettes Distributor's Bond" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.12

Authority: Ga. L. 1955, p. 268, *et seq.*, as amended (Ga. Code Ann., Sec. 92-2204)

History. Original Rule entitled "Tobacco Licensees Forms: Application for Licensee as Cigar or Cigarette Manufacturer's Representative" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.13

Authority: Ga. L. 1955, p. 268, *et seq.*, as amended (Ga. Code Ann., Sec. 92-2204)

History. Original Rule entitled "Tobacco Licensees Forms: Application for Salesman Permit to Sell Taxable Tobacco Products in Georgia" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.14

Authority: Ga. L. 1955, p. 268, *et seq.*, as amended (Ga. Code Ann., Sec. 92-2204)

History. Original Rule entitled "Tobacco Licensees Forms: Monthly Report of Wholesale Dealers in Taxable Tobacco Products" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.15

Authority: Ga. L. 1955, p. 268, *et seq.*, as amended (Ga. Code Ann., Sec. 92-2204)

History. Original Rule entitled "Tobacco Licensees Forms: Application for License to Sell Cigars and Cigarettes" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.16

Authority: Ga. L. 1955, p. 268, *et seq.*, as amended (Ga. Code Ann., Sec. 92-2204)

History. Original Rule entitled "Tobacco License Forms: Application for Cigars, Cigarette Vending Machine License" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.17

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Forms Applicable to Rolling Store Licensees: Application for License" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed June 30, 1972; effective July 20, 1972.

Rule 560-8-10-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.18

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Forms Applicable to Wine Licensees: Application for Retail License" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 30, 1982; effective May 25, 1982.

Rule 560-8-10-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.19

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Wine Licensee: Wholesale Application" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.20

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Wine Licensee: Wholesale Dealer's Monthly Report" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.21

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Wine Licensee: Bond--Winery, Wholesaler, Manufacturer, or Jobber" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-10-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-10-.22

Authority: Ga. L. 1935, p. 163, p. 617; 1947, pp. 1151, 1163.

History. Original Rule entitled "Forms Applicable to Disabled Person Licensees: Application for Veteran's Certificate of License Tax Exemption" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed June 30, 1972; effective July 20, 1972.

Subject 560-8-11. REPEALED.

Rule 560-8-11-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.01

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Imposition of Tax" was filed on May 29, 1973; effective June 18, 1973;

Amended: Rule repealed and a new Rule of the same title adopted. Filed May 13, 1974; effective June 2, 1974.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 30, 1977; effective September 19, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-11-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.02

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Exceptions" was filed on May 29, 1973; effective June 18, 1973.

Amended: Rule repealed and a new Rule of the same title adopted. Filed May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed August 30, 1977; effective September 19, 1977.

Rule 560-8-11-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.03

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Tax Imposed and paid by Wholesale Dealer" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-11-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.04

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Reports" was filed on May 13, 1973; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-11-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.05

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Remittance of Tax" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-11-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.06

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Additional Reports, Markings, Stamps, Prohibited; Authority of Commissioner" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-11-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.07

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Compensation for Collection Prohibited" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-11-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.08

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Failure to Report; Failure to Maintain Records; Revocation of State License" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-11-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.09

Authority: Ga. L. 1974, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Audits; Assignment of Auditors; Due Cause" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-11-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-11-.10

Authority: Ga. L. 1974, p. 1447, Act No. 1373, approved April 1, 1974.

History. Original Rule entitled "Regulatory Agencies; Business Relations Prohibited; Conflicts of Interest" was filed on July 19, 1976; effective August 8, 1976.

Amended: Filed September 1, 1977; effective September 21, 1977.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Subject 560-8-12. REPEALED.

Rule 560-8-12-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-12-.01

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976.

History. Original Rule entitled "Sunday Sales Authorized Certain Cities; Restrictions" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-12-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-12-.02

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976; Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Application to Sell on Sunday; Evidence of Eligibility" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-12-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-12-.03

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976; Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Determination of Eligibility; Issuance of Permit; Display of Permit or License" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-12-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-12-.04

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976; Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Package Sales Prohibited" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-12-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-12-.05

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976; Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Eating Establishments; Annual Determination of Eligibility" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-12-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-12-.06

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Bona fide Eating Establishments; Subterfuge" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-12-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-12-.07

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 818, approved February 27, 1976; Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "False Statement of Eligibility; Revocation" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Rule 560-8-12-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-8-12-.08

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1937-38, Extra Sess., p. 103, *et seq.*, as amended (Ga. Code Ann., Sec. 58-1022); Ga. L. 1935, p. 73, *et seq.*, as amended (Ga. Code Ann., Sec. 58-703); Ga. L. 1937, pp. 851, 857 (Ga. Code Ann., Sec. 58-914); Ga. L. 1976, Act No. 897, signed March 5, 1976, approved May 4, 1976.

History. Original Rule entitled "Sunday Sales Authorized - Certain Counties; Restrictions" was filed on July 19, 1976; effective August 8, 1976.

Amended: Rule repealed. Filed May 5, 1982; effective May 25, 1982.

Chapter 560-9. MOTOR FUEL AND ROAD TAXES.

Subject 560-9-1. MOTOR FUEL TAX.

Rule 560-9-1-.01. Refund of Motor Fuel Excise Tax.

- (1) **General.** Claims for a refund of the motor fuel excise tax under O.C.G.A. § [48-9-10](#) must be made on forms required by the Georgia Department of Revenue and verified by an affidavit of the claimant or a corporate officer if the claimant is a corporation.
- (2) **Distributors.** A distributor claiming a motor fuel excise tax refund must use Revenue Form MFD-33.
- (3) **Retail dealers.** A retail motor fuel dealer claiming a refund amounting to 2 percent of the first 5 1/2 cents per gallon of the motor fuel excise tax as compensation to cover losses for evaporation, shrinkage or spillage under O.C.G.A. § [48-9-10\(c\)](#) must use Revenue Form MFR-21.
 - (a) Obtaining a refund permit. A retail motor fuel dealer seeking an initial refund of motor fuel tax under this subparagraph must first obtain a refund permit from the Department. A retail dealer can apply for a permit and seek a refund at the same time by including the phrase "APPLIED FOR" on Form MFR-21 in the "Permit Number" section of the form. After validating the data supplied on the form, the Department will issue a permit number to the dealer and process the claim.
 - (b) Retention of invoices. A retail motor fuel dealer claiming a refund should not attach to Form MFR-21 any invoices or other documentation supporting its claim. Instead, the dealer must retain all original invoices or other documentation for three years from the date the dealer receives a refund. The Department shall assess a dealer for any refund previously paid if the dealer fails to retain all invoices or other documentation relating to the refund for the three-year period during which it can be claimed.
 - (c) Invoices or other documentation must specify:
 1. Actual date of delivery;
 2. Name and address of purchaser;
 3. Name and address of seller preprinted on the invoice;
 4. Amount of motor fuel tax charged;
 5. All applicable state and federal taxes;
 6. Amount of metered gallons purchased, type of fuel, and total cost of fuel;
and
 7. Serial or sequential invoice numbers.

- (4) **Agricultural crops.** A person claiming a refund of motor fuel excise tax paid on the purchase of gasoline used for the production of agricultural crops under O.C.G.A. § [48-9-10\(b\)](#) must use Revenue Form MFR-03.
- (5) **Agricultural field use.** A person claiming a refund of motor fuel tax paid on the purchase of diesel fuel used in vehicles licensed for agricultural field use under O.C.G.A. § [48-9-10\(a\)\(3\)](#) must use Revenue Form MFR-04.
- (6) **Non-dyed fuel oils used for non-highway purposes.** A person claiming a refund of motor fuel excise tax paid on the purchase of non-dyed diesel fuel that is used for non-highway use under O.C.G.A. § [48-9-10\(b\)\(2\)](#) must use Revenue Form MFR-43.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-10](#).

History. Original Rule entitled "Duties and Responsibilities of the Director of the Motor Fuel Tax Unit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: New Rule entitled "Duties and Responsibilities of the Director of the Motor Fuel Tax Division" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Refund of Motor Fuel Excise Tax" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.02. Preservation of Distributor Records.

(1) General.

- (a) A distributor is required to preserve sales and purchase records upon which its motor fuel tax report is based for three years from the return due date or filing date, whichever is later, plus any time period included as a result of waivers or jeopardy assessments.
- (b) A distributor's failure to provide records demanded for audit purposes will extend the three-year record retention requirement until all records have been provided.
- (c) Records may be kept on microfilm, microfiche, or any other electronic or condensed information retrieval system acceptable to the Georgia Department of Revenue and must be made available for inspection or audit by the Department.

(2) Purchase records.

- (a) A distributor must keep adequate records to substantiate any item appearing on its monthly motor fuel tax report and also maintain complete records of inventories, purchases, receipts, and tank or meter readings.
- (b) A distributor must keep adequate records of purchases of motor fuel products, the seller from whom each purchase was made, the commodity purchased, the date,

invoice number, total gallons and value of each purchase, method of transportation, a shipping receipt for each delivery accepted, and any motor fuel purchase diversion notices.

(3) Sales records.

- (a) A distributor must keep a sales record indicating each sale of motor fuel, the person to whom each sale was made, and the address, commodity sold, date and invoice number, total gallons, and value of each sale. The sales record must also indicate the amount of motor fuel subject to motor fuel and prepaid state taxes and the amount of fuel sold that is exempt from tax.
- (b) A distributor must prepare a serially numbered invoice for each sale of motor fuel whether the fuel is sold for highway or off-road use. A single invoice covering multiple deliveries of fuel during a period of time not to exceed a calendar month shall constitute an invoice for each sale. If a multiple delivery invoice includes taxed and tax-exempt sales, the taxed sales must be clearly labeled on the invoice. The invoice shall be delivered to the purchaser with a copy retained by the distributor.
- (c) A sales invoice must contain the following information:
 - 1. Name and address of the distributor;
 - 2. Date of sale;
 - 3. Name and address of the purchaser;
 - 4. Whether a credit or cash sale;
 - 5. Number of gallons of motor fuel sold, the price per gallon, and the total amount of the sale;
 - 6. Any applicable state or federal taxes;
 - 7. Location where the fuel was delivered if other than the purchaser's business address.
 - 8. Any diversion notice information associated with such motor fuel sale.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-8](#).

History. Original Rule entitled "Organizational Structure of the Motor Fuel Tax Unit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: New Rule entitled "Organizational Structure of the Motor Fuel Tax Division" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Preservation of Distributor Records" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.03. Distributor Quarterly and Annual Tax Reports.

(1) Quarterly filing requirements.

- (a) A distributor may file its motor fuel tax reports on a quarterly basis using Form MFD-04 if its total motor fuel tax liability equals or is less than \$500 for any calendar quarter.
- (b) Quarterly motor fuel tax reports and all tax due must be filed on or before the 20th day of the month following the close of each calendar quarter in order to be considered timely filed.

(2) Annual filing requirements.

- (a) A distributor may file its motor fuel tax reports on an annual basis using Form MFD-04 if its total motor fuel tax liability equals or is less than \$500 for any calendar year.
- (b) Annual motor fuel tax reports and all tax due must be filed on or before the 20th day of the month following the close of each calendar year in order to be considered timely filed.

(3) General filing requirements.

- (a) Distributors filing quarterly or annual reports are allowed distributor allowances on the same basis as distributors who file monthly. Distributors filing quarterly or annual reports are liable for penalties and interest on the same basis as distributors who file monthly.
- (b) To file on a quarterly or annual basis, a distributor must submit a written request to the Georgia Department of Revenue no later than thirty days prior to the applicable quarter or year, respectively.
- (c) The Department may terminate a distributor's quarterly or annual report filing privileges if the distributor fails to file such reports timely. Upon termination of its privilege, the distributor will be required to file reports monthly.
- (d) A distributor must file a final report and pay all tax due within fifteen days following termination of business.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-8](#).

History. Original Rule entitled "Duties and Responsibilities of the Assistant Director of the Motor Fuel Tax Unit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Duties and Responsibilities of the Audit and Legal Conferee of the Motor Fuel Tax

Unit" adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: New Rule entitled "Duties and Responsibilities of the Audit and Legal Conferee of the Motor Fuel Tax Division" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule entitled "Duties and Responsibilities of the Tax Conferee of the Motor Fuel Tax Division" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Distributor Quarterly and Annual Tax Reports" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.04. Calculation of Compressed Petroleum Gas Usage.

Where it is impossible, for tax compliance purposes, to accurately gauge or measure the amount of compressed petroleum gas gallonage consumed for highway use, the Georgia Department of Revenue shall determine the amount of motor fuel excise taxes due in gallons using the following allowances and measurements:

- (a) Trucks with more than two axles: 5 miles per gallon.
- (b) Tank Wagons and two-axle vehicles weighing at least one ton: 7 miles per gallon.
- (c) Trucks weighing less than one ton and passenger vehicles: 14 miles per gallon.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.04

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "The Functions of the Motor Field Section of the Motor Fuel Tax Unit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "The Functions of the Field Services and Unit Accounting Section of the Motor Fuel Tax Unit" adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: New Rule entitled "The Functions of the Field Services and Division Accounting Section of the Motor Fuel Tax Division" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Calculation of Compressed Petroleum Gas Usage" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.05. Distributor's Loss of Motor Fuel Prior to Accrual of Tax.

- (1) All distributors must report losses of motor fuel sustained due to fire, theft, spillage, spoilage, leakage, or any other provable cause when filing a tax report for the period during which such loss occurred.
- (2) The filing of a tax report indicating a loss does not assure credit for such loss, but failure to report such loss promptly may result in the Georgia Department of Revenue's refusal of credit.
- (3) A distributor must provide the Department with an affidavit explaining the facts pertaining to the specific acts causing the loss, along with related insurance documentation and such other evidence as required by the Department.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.05

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "The Functions of the Distributor Section of the Motor Fuel Tax Unit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "The Functions of the Licensing and Document Analysis Section of the Motor Fuel Tax Unit" adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: New Rule entitled "The Functions of the Licensing and Permitting Section of the Motor Fuel Tax Division" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Distributor's Loss of Motor Fuel Prior to Accrual of Tax" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.06. Non-Highway Use Exemption and Inadequate Documentation.

When consumers of motor fuel, including city and county governments and contractors, are using motor fuel for a construction project on a public highway, and have failed to keep adequate records to calculate the total amount of fuel used, the Georgia Department of Revenue shall allow an exemption for non-highway use in an amount no greater than twenty-five percent of the total amount claimed.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.06

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "The Functions of the Refund Section of the Motor Fuel Tax Unit" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: New Rule entitled "The Functions of the Refund and Office Audit Section of the Motor Fuel Tax Division" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Non-Highway Use Exemption and Inadequate Documentation" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.07. Calculation of Motor Fuel Tax for Compressed Natural Gas.

- (1) **Purpose of rule.** The purpose of this rule is to provide guidance regarding calculation of the motor fuel tax applicable to compressed natural gas ("CNG") on a gallon-equivalent basis pursuant to O.C.G.A. § [48-9-3\(a\)\(4\)](#).
- (2) **Definitions.**
 - (a) "Gallon-equivalent basis" means the potential power equivalent, expressed in British thermal units, of compressed natural gas that is equivalent to one gallon of regular-grade gasoline.
 - (b) "British thermal unit" (BTUs) means the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit.

- (c) "Cubic foot" means the amount of gas occupying a cubic foot of space at a pressure of 30 inches of mercury (approximately 14.7 pounds per square inch) and a temperature of 60 degrees Fahrenheit.
- (3) **Calculation of tax.** Motor fuel taxes imposed on compressed natural gas must be calculated on a gallon-equivalent basis.
- (a) The gallon-equivalent basis of compressed natural gas equals 124,000 British thermal units.
 - (b) Equivalency table.

100 cubic feet of CNG=1 Therm

1 Therm=100,000 BTUs

1 gallon of regular-grade gasoline=124,000 BTUs

1 Therm=.8 gallons of regular-grade gasoline
 - (c) To calculate the gallon-equivalent basis of compressed natural gas, multiply the amount of Therms by .8, then multiply the result by the applicable motor fuel excise tax and prepaid state tax rates.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#).

History. Original Rule entitled "The Functions of the Carrier Section of the Motor Fuel Tax Unit" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 24, 1974; eff. Jan. 13, 1975.

Amended: New Rule entitled "Duties and Responsibilities of the Chief of Operations of the Motor Fuel Tax Division" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Calculation of Motor Fuel Tax for Compressed Natural Gas" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.08

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-152](#), [48-2-12](#).

History. Original Rule entitled "Calculation of Prepaid State Tax Rates" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Repealed: F. June 26, 2015; eff. July 16, 2015.

Rule 560-9-1-.09. Racing Fuel.

(1) **Definitions.**

- (a) For purposes of this rule, the term "racing fuel" is defined as gasoline:
1. Sold in bulk for use in motor vehicles not eligible to be registered for highway use;
 2. With an octane rating of 100 or higher;
 3. Having 1.0 gram of lead per gallon or more;
 4. With no detergent additives;
 5. That does not conform to the Reid Vapor Pressure standards for reformulated or oxygenated gasoline; and
 6. That does not meet ASTM specifications for conventional unleaded gasoline.
- (b) "Prepaid state tax" has the same meaning as defined under O.C.G.A. § [48-8-2](#)(5.1).

- (2) **Rule.** Racing fuel is not subject to motor fuel excise tax and prepaid state tax unless it is used as either straight or blended gasoline in a motor vehicle operated on public highways. If the sale of racing fuel is not subject to motor fuel excise tax and prepaid state tax, it will be subject to state and local sales and use tax.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.09

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Racing Fuel" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.10. Jet Fuel.

(1) **Definitions.** For purposes of this rule, the following definitions shall apply:

- (a) "Jet fuel" means any type of fuel oil that may be used to propel aircraft powered by turbine or turboprop engines. Jet fuel does not include aviation gasoline as defined under O.C.G.A. § [48-9-2\(1\)](#).
- (b) "Local sales and use taxes" means the taxes levied on the sale or use of motor fuel and imposed in an area consisting of less than the entire State of Georgia, however authorized, including, but not limited to, such taxes authorized by or pursuant to constitutional amendments, the Metropolitan Atlanta Rapid Transit Authority Act of 1965, and Articles 2, 2A, 3, and 4 of Chapter 8 of Title 48 of the Official Code of Georgia, Annotated.

- (c) "Prepaid state tax" has the same meaning as defined under O.C.G.A. § [48-8-2\(5.1\)](#).

(2) General rule.

- (a) The sale or use of jet fuel for highway use in diesel engines is subject to motor fuel excise tax, prepaid state tax, and local sales and use taxes.
- (b) The sale or use of jet fuel for other than highway use is subject to state and local sales and use taxes. To exempt the sale from motor fuel excise and prepaid state taxes under O.C.G.A. § [48-9-3\(b\)\(7\)\(B\)\(ii\)\(I\)](#), the purchaser must provide the distributor with Revenue Form MFD-03 declaring that the fuel is not intended for highway use and that the purchaser is not a reseller of jet fuel.

(3) Sales for resale.

- (a) Motor fuel excise tax and state and local sales and use taxes shall not be charged on the sale of jet fuel by a licensed motor fuel distributor to a fixed base operator located within an airport who is also a licensed motor fuel distributor and a dealer registered for the collection and remittance of sales and use tax.
- (b) Motor fuel excise tax and prepaid state taxes shall be charged on the sale of jet fuel by a licensed motor fuel distributor to any other reseller who is not a licensed motor fuel distributor. If the reseller is not a dealer registered for the collection and remittance of sales and use tax, then local sales and use tax will also apply to the sale of jet fuel.

(4) Consumption of inventory.

- (a) State and local use taxes must be remitted at the tax rate based on the county of use when a licensed motor fuel distributor uses jet fuel for non-highway purposes.
- (b) Motor fuel excise tax, prepaid state tax, and local sales and use tax must be remitted when a licensed motor fuel distributor uses jet fuel for highway use.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.10

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Jet Fuel" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

[Rule 560-9-1-.11. Dyed Diesel Fuel.](#)

- (1) **Purpose.** The purpose of this rule is to provide guidance regarding the application of motor fuel excise tax and prepaid state tax (combined hereinafter as the "motor fuel

excise tax") as imposed under O.C.G.A. §§ [48-9-3](#) and [48-9-14](#), respectively, to the sale of dyed diesel fuel.

(2) **Definitions.** For purposes of this rule, the following definitions shall apply:

- (a) "Dyed diesel fuel" means diesel fuel dyed pursuant to United States Environmental Protection Agency (EPA) regulations for high sulfur diesel fuel, United States Internal Revenue Service (IRS) regulations for low sulfur diesel fuel, or any other requirements subsequently promulgated by the EPA or IRS.
- (b) "Local sales and use taxes" means the taxes levied on the sale or use of motor fuel and imposed in an area consisting of less than the entire State of Georgia, however authorized, including, but not limited to, such taxes authorized by or pursuant to constitutional amendments, the Metropolitan Atlanta Rapid Transit Authority Act of 1965, and Articles 2, 2A, 3, and 4 of Chapter 8 of Title 48 of the Official Code of Georgia, Annotated.
- (c) "Prepaid state tax" has the same meaning as defined under O.C.G.A. § [48-8-2](#)(5.1).

(3) **Taxation of dyed diesel fuel.**

- (a) Non-highway use. Sales of dyed diesel fuel by licensed distributors to consumers for non-highway use are not subject to motor fuel excise tax but are subject to state and local sales and use taxes.
- (b) Highway use. Sales of dyed diesel fuel by licensed distributors to consumers for highway use are subject to the motor fuel excise tax, prepaid state tax, and local sales and use taxes. Sales for highway use include, but are not limited to:
 - 1. Dyed diesel fuel used to construct, reconstruct, maintain, or repair a road within a right of way that is currently, or will be, a public right of way;
 - 2. Dyed low-sulfur diesel fuel used by any motor vehicle owned or leased by any state, county, municipality, or other political subdivision operated on Georgia's public highways. Such sales to political subdivisions and instrumentalities, however, would not be subject to state and local sales and use taxes.

(4) **Dyed diesel fuel used in refrigeration units.** The purchase of dyed diesel fuel used in a refrigeration unit, to the extent that the unit is attached to a motor vehicle operated on a public highway but not used to propel the vehicle, is exempt from Georgia motor fuel and prepaid state taxes but remains subject to Georgia state and local sales and use taxes.

History. Original Rule entitled "Dyed Diesel Fuel" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-1-.12. Calculation of Prepaid Local Tax and IFTA Rates.

(1) General.

- (a) The purpose of this rule is to provide guidance relating to the calculation of the prepaid local tax under Code Section [48-8-2\(23\)](#) and the International Fuel Tax Agreement ("IFTA") rate under Code Section [48-9-31](#), et. seq.
- (b) The Commissioner shall calculate and publish the prepaid local tax rates within the thirty days prior to January 1 and July 1 each year on the Department's website.

(2) Calculation Methods.

- (a) The Commissioner shall issue the rate of prepaid local tax on a semiannual basis, rounded to the nearest \$.001 per gallon for use in the following semiannual period. The rate shall be calculated by utilizing the state-wide average retail price by motor fuel type as compiled by the Energy Information Agency of the United States Department of Energy, the Oil Pricing Information Service, or a similar reliable published index less taxes imposed under Code Section [48-9-3](#), and all applicable sales and use taxes.
- (b) For gasoline other than aviation gasoline: the Commissioner shall use a weighted average to calculate the prepaid local tax for sales of regular, mid-grade and premium unleaded gasoline. It shall be computed by initially dividing the total sales of each grade of gasoline in Georgia by all gasoline sales in Georgia during a semi-annual period. The respective percentages for each grade of gasoline shall then be multiplied by the statewide average retail price for each grade of gasoline, exclusive of all state motor fuel excise taxes and all applicable sales and use taxes, to determine a single composite retail price for all grades of gasoline. The composite retail price of gasoline will then be multiplied by the applicable local sales and use tax rate.
- (c) For all other types of motor fuel, including aviation gasoline: The Commissioner shall use the average retail sales price in Georgia for each type of motor fuel during a semiannual period to calculate the applicable prepaid local tax. The prepaid local tax shall be computed by multiplying the average retail price for each type of motor fuel, exclusive of all state excise and all applicable sales and use taxes, by the applicable local sales and use tax rate.

(3) Prepaid Local Tax Rate Revisions.

- (a) If the average retail price for any type of motor fuel changes by 25 percent or more during a semi-annual period, the Commissioner shall recalculate the prepaid local tax rate for that particular type of motor fuel.
 - (b) The Commissioner shall publish the revised prepaid local tax rate on the Department's website and such publication shall be made within the thirty days prior to its effective date, which will be on the first day of the next calendar month.
- (4) **International Fuel Tax Agreement (IFTA) Composite Rate.**
- (a) The IFTA motor fuel tax rate shall be based upon the state motor fuel excise tax rate imposed under Code Section [48-9-3](#). The Commissioner shall publish this rate on the Department's website each calendar quarter.
 - (b) The quarterly IFTA motor fuel tax rate will be based on the average retail sales price exclusive of all state motor fuel excise taxes and all applicable sales and use taxes.

Cite as Ga. Comp. R. & Regs. R. 560-9-1-.12

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-152](#), [48-2-12](#).

History. Original Rule entitled "Calculation of Prepaid Local Tax and IFTA Rates" adopted. F. June 26, 2015; eff. July 16, 2015.

Subject 560-9-2. ROAD TAX ON MOTOR CARRIERS.

Rule 560-9-2-.01. International Fuel Tax Agreement.

- (1) The state revenue commissioner entered into the International Fuel Tax Agreement (hereinafter "IFTA") effective January 1, 1996. Participation in IFTA is intended to comply with [49 U.S.C. 31705](#).
- (2) This rule incorporates by reference the following documents: IFTA's Articles of Agreement, the IFTA Procedures Manual, and the IFTA Audit Manual, each in its entirety, with all modifications and revisions previously and henceforth to be adopted.
- (3) A complete and current copy of each document described in paragraph (2) of this rule, along with a Georgia IFTA Procedures Manual providing information related to IFTA compliance, is maintained for public inspection at the Georgia Department of Revenue, Taxpayer Services Division, 1800 Century Boulevard NE, Atlanta, Georgia 30345-3205. The documents may also be accessed from the Department's website.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-10](#).

History. Original Rule entitled "The Form and Contents of Invoices Submitted in Support of All Claims for Refund" adopted. F. and eff. June 30, 1965.

Amended: F. Nov. 26, 1968; eff. Dec. 15, 1968.

Amended: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule of same title adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Amended: F. Nov. 5, 1991; eff. Nov. 25, 1991.

Repealed: New Rule entitled "International Fuel Tax Agreement" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.02. International Fuel Tax Agreement Licensing Requirements.

- (1) An applicant filing an International Fuel Tax Agreement (hereinafter "IFTA") license application whose base jurisdiction is Georgia must complete annually Form CRF-IFTA, entitled "Motor Carrier Registration Application."
 - (a) Subject to the Department's approval of its application, the applicant shall receive a license and two decals per qualified motor vehicle.
 - (b) A motor carrier is allowed a two-month grace period during January and February each year to display the new IFTA license and decals as long as the immediate prior year's IFTA license and decals continued to be displayed.
 - (c) IFTA licenses and decals shall be valid upon issuance and expire on December 31 each year.
- (2) The Department shall impose a \$3.00 fee for each set of Georgia IFTA decals issued to a licensee. The fee must be remitted to the Department along with a completed application form. The Department shall reject any application that does not contain the fee.
 - (a) A motor carrier shall be issued an IFTA license and a two-decal set for each vehicle and the original license or a copy must be carried in the vehicle at all times. Once IFTA decals are affixed to a specific vehicle, they cannot be transferred to any other vehicle.
 - (b) Should an IFTA decal become illegible, the motor carrier may apply to the Department for issuance of a duplicate decal at no additional charge if the illegible decal is returned to the Department.
 - (c) When a vehicle to which IFTA decals have been affixed is sold, traded or otherwise disposed of by the operator, or passes from control of the operator through lease or otherwise, the motor carrier must notify the Department within thirty days. If the motor carrier neglects or fails to notify the Department, the motor carrier is responsible for reporting the miles traveled by the vehicle and paying all tax due.
 - (d) Once IFTA decals are placed on a qualified vehicle all miles and all fuel must be reported on the quarterly tax return even though the vehicle may not have left the state during the reporting period.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.02

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "The Form and Contents of Invoices to Be Furnished by a Carrier, When Claiming a Credit Under the Motor Carrier Tax Act" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "The Method to Be Used to Determine the Amount of Fuel Consumed by Operators of Motor Vehicles Utilizing Compressed Petroleum Gas When the Amount of Fuel Consumed Can Not Be Determined" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "International Fuel Tax Agreement Licensing Requirements" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.03. International Fuel Tax Agreement Reporting and Payment Requirements.

- (1) Motor carriers licensed under the International Fuel Tax Agreement (hereinafter "IFTA") whose base jurisdiction is Georgia must file a quarterly report for the previous calendar quarter with the Georgia Department of Revenue. All motor fuel use taxes as defined in IFTA that are due to member jurisdictions must be paid with one check, to be made payable to the State of Georgia and included with Form IFTA-100-MN, IFTA Quarterly Fuel Use Tax Report.
 - (a) Payment by certified check only shall be required from any licensee who is currently required to post a bond to serve as a guarantee of fuel tax payment.
 - (b) Returns are required even if no operations were conducted during the reporting period.
- (2) Timely filing of the quarterly return and payment of all taxes due to the Department for all member jurisdictions discharges the licensee from responsibility for filing reports and payment of individual taxes for all member jurisdictions.
 - (a) The report and full payment of taxes shall be due on the last day of the month immediately following the close of the quarter for which the report is due.
 - (b) Reports affixed with a U.S. or Canadian Postal Service postmark by the due date or otherwise verified as timely delivered, as specified in the IFTA Procedures Manual, as amended, shall be considered timely filed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.03

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "The Method to Be Used to Determine the Amount of Fuel Consumed by Operators of Motor Vehicles Utilizing L.P. Gas Where the Amount of Fuel Consumed Cannot Be Measured in Gallons" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "The Method to Be Used to Determine the Amount of Fuel Consumed by Operators of Motor Vehicles Utilizing L.P. Gas When the Amount of Fuel Consumed Cannot Be Determined" adopted. F. Aug. 2, 1967; eff. Sept. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "The Method to Be Used to Determine the Amount of Fuel Consumed by Operators of Motor Vehicles Utilizing Compressed Gas When the Amount of Fuel Can Not Be Determined" adopted. F. Feb. 6,

1978; eff. Feb. 26, 1978.

Amended: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Regulation Governing Allowable Distributor Losses of Motor Fuel Which Occur Prior to Accrual of Tax" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "International Fuel Tax Agreement Reporting and Payment Requirements" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.04. Trip Permit Instead of License Under International Fuel Tax Agreement.

- (1) A motor carrier may elect to satisfy Georgia's motor carrier road tax obligations on a per trip basis rather than obtaining a license under the International Fuel Tax Agreement (hereinafter "IFTA"). A Georgia trip permit is valid for a period of ten consecutive days and can be used only for a specified motor vehicle.
- (2) To apply for a trip permit, a motor carrier must contact a Department-authorized trip permit agent and provide an application stating:
 - (a) The motor carrier's name, address, phone number, federal identification number or Social Security number;
 - (b) The vehicle's make, identification number, and state in which the vehicle is licensed;
 - (c) The beginning date of the ten-day consecutive period; and
 - (d) A \$16 money order for each vehicle, along with any additional agent fees.
- (3) A trip permit must be carried in the cab of the vehicle whenever the vehicle is in Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.04

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "To Be Eligible for a Refund of the Tax Paid, Gasoline Used in Farming Operations Must Be Consumed in Equipment Which Is the Property of the Applicant and Which Is Listed by Him in His Application; the Tax Paid on Gasoline Used in Farm Equipment Which Is Not Owned by the Applicant Is Not Subject to a Refund" adopted. F. and eff. June 30, 1965.

Amended: Authority changed. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "The Non-Highway Use Exemption to Be Allowed Where Persons (Including Licensed Cities, Counties and Contractors) Are Engaged in Highway Construction Work Where Adequate Records Are Not Maintained for Verification of Actual Usage" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Trip Permit Instead of License Under International Fuel Tax Agreement" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.05. Canceling an International Fuel Tax Agreement Account.

- (1) A licensee seeking to cancel an International Fuel Tax Agreement (hereinafter "IFTA") account must do so by notifying the Georgia Department of Revenue in writing.
- (2) The licensee may elect to check either the "Cancel License" box on Form IFTA-100-MN or submit a letter requesting cancellation.
- (3) The licensee's account must have no outstanding liabilities or delinquent quarterly fuel use tax reports in order for the Department to grant the cancellation request. Failure to comply with this paragraph will result in the account remaining active. The licensee will be responsible for timely filing of fuel use tax reports during each quarter that the account remains active.
- (4) All IFTA accounts are automatically cancelled by the Department effective December 31 of each calendar year.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-38](#).

History. Original Rule entitled "To Be Eligible for the Agricultural Refund, Gasoline Purchased for Farming Operations Shall Not Be Commingled With Other Exempt Fuel" adopted. F. and eff. June 30, 1965.

Amended: Authority changed. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Temporary Motor Carrier Registration by Telegram or Other Facsimile Message" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Amended: F. Nov. 5, 1991; eff. Nov. 25, 1991.

Repealed: New Rule entitled "Canceling an International Fuel Tax Agreement Account" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.06

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-33](#).

History. Original Rule entitled "Distributor Losses of Motor Fuel Which Occur Prior to the Accrual of the Tax" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Regulation Governing Allowable Distributor Losses of Motor Fuel Which Occur Prior to Accrual of the Tax" adopted. F. July 21, 1972; eff. August 10, 1972.

Amended: Authority changed. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Information to Be Included in Carrier Reports" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Amended: F. Nov. 5, 1991; eff. Nov. 25, 1991.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.07

Authority: O.C.G.A. Secs. [43-17-3](#), [43-17-10](#).

History. Original Rule entitled "The Non-Highway Use Exemption to Be Allowed Where Persons (Including Licensed Cities, Counties and Contractors) Are Engaged in Construction Work Where Adequate Records Are Not Maintained for Verification of Actual Usage" adopted. F. and eff. June 30, 1965.

Amended: Authority changed. F. eff. Oct. 5, 1978; eff. Oct. 25, 1978, as specified by the Agency.

Repealed: New Rule entitled "Records Required to Be Maintained by Motor Carriers" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980 as specified by the Agency.
Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005

Rule 560-9-2-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.08

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-10](#).

History. Original Rule entitled "Temporary Motor Carrier Registration by Telegram" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Temporary Motor Carrier Registration by Telegram or Other Facsimile Message" adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "The Method to Be Used to Set Average Miles Per Gallon for the Purpose of Computing Fuel Consumption in Georgia Where the Motor Carriers' Records or Reports Do Not Contain Satisfactory Evidence to Substantiate the Actual Rate" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-38](#).

History. Original Rule entitled "All Carriers Including Those Who Operate Exclusively Intrastate, Shall Register and File Reports" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Emergency Motor Carrier Registration by Telegram or Other Facsimile Message" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Amended: F. Aug. 24, 1981; eff. Sept. 13, 1981.

Amended: F. Nov. 5, 1991; eff. Nov. 25, 1991.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.10

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-37](#).

History. Original Rule entitled "The Method to Be Used to Set Average Miles Per Gallon for the Purpose of Computing Fuel Consumption in Georgia Where the Motor Carriers' Records or Report Does Not Contain Satisfactory Evidence to Substantiate the Actual Rate" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Carrier Leased Motor Vehicle Agreements" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Jan. 17, 1986; eff. Feb. 6, 1986.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.11

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-8](#).

History. Original Rule entitled "Information to Be Included in Carrier Reports" adopted. F. Nov. 26, 1968; eff. Dec. 15, 1968.

Amended: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Quarterly Distributor Reports" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule of same title adopted. F. Apr. 18, 1980; eff. May 8, 1980.

Amended: F. Nov. 5, 1991; eff. Nov. 25, 1991.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.12

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-8](#).

History. Original Rule entitled "Records Required to Be Maintained by Motor Carriers" adopted. F. Nov. 26, 1968; eff. Dec. 15, 1968.

Repealed: F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Amended: New Rule entitled "Annual Distributor Reports" adopted. F. Apr. 18, 1980; eff. May 8, 1980.

Amended: F. Nov. 5, 1991; eff. Nov. 25, 1991.

Repealed: New Rule entitled "Refund of Motor Fuel Excise Tax" adopted. F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.13

Authority: O.C.G.A. Secs. [40-2-111](#), [40-2-112](#), [48-2-12](#), [48-9-33](#).

History. Original Rule entitled "The Method to Be Used to Set Average Miles Per Gallon for the Purpose of Computing Fuel Consumption in Georgia Where the Motor Carriers' Records or Reports Do Not Contain Satisfactory Evidence to Substantiate the Actual Rate" adopted. F. Nov. 26, 1968; eff. Dec. 15, 1968.

Repealed: F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Amended: New Rule entitled "Highway Use Permit; When Required, Application, Fee" adopted. F. June 11, 1984; eff. July 1, 1984.

Repealed: New Rule of same title adopted. F. Oct. 4, 1984; eff. Oct. 24, 1984.

Repealed: New Rule entitled "Annual Motor Carrier Reports" adopted. F. Nov. 5, 1991; eff. Nov. 25, 1991.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.14

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-2](#), [48-8-3.1](#), [48-9-14](#), [48-9-16](#).

History. Original Rule entitled "Credits and Refunds Under the Motor Carrier Fuel Tax Act" adopted. F. Nov. 26, 1968; eff. Dec. 15, 1968.

Repealed: F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Amended: ER. 560-9-2-0.18-.14 entitled "Methodology for Computing Prepaid State Tax Rates" adopted. F. Nov. 25, 2003; eff. Nov. 24, 2003, the date of adoption.

Amended: Permanent Rule entitled "Calculation of the Prepaid State Tax Rates" adopted. F. June 9, 2004; eff. June 29, 2004.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-2-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.15

Authority: Ga. Code Secs. 91A-215, 91A-5001 to 91A-5015, 91A-5101 to 91A-5115, 92-1413.

History. Original Rule entitled "Temporary Motor Carrier Registration by Telegram" adopted. F. Nov. 26, 1968; eff. Dec. 15, 1968.

Repealed: New Rule entitled "Emergency Motor Carrier Registration by Telegram or Other Facsimile Message" adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Amended: F. Oct. 5, 1978; eff. Nov. 1, 1978, as specified by the Agency.

Repealed: F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Rule 560-9-2-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.16

Authority: Ga. Code Secs. 91A-215, 91A-5001 to 91A-5015, 91A-5101 to 91A-5115.

History. Original Rule entitled "Motor Carrier Leased Motor Vehicle Agreements" adopted. F. Nov. 26, 1968; eff. Dec. 15, 1968.

Amended: F. Oct. 5, 1978; eff. Nov. 1, 1978, as specified by the Agency.

Repealed: F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Rule 560-9-2-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.17

Authority: Ga. Code Secs. 91A-215, 91A-5001 to 91A-5015, 91A-5101 to 91A-5115, 92-1403, 92-1406, 92-1407, 92-1413, 92-1421.

History. Original Rule entitled "To Relieve Certain Licensed Distributors from Furnishing Bond and Filing Reports" adopted. F. Mar. 17, 1972; eff. Apr. 6, 1972.

Repealed: New Rule of same title adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Rule 560-9-2-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.18

Authority: Ga. Code Secs. 92-1403, 92-1413, 92-1421.

History. Original Rule entitled "Procedure Regarding Affidavit Claiming an Exemption from the Motor Fuel Tax Under Ga. Code Ann. Sec. 92-1403(E)(1) on Motor Fuel Other Than Gasoline or Compressed Petroleum Gas" adopted. F. May 13, 1974; eff. June 2, 1974.

Repealed: New Rule of same title adopted. F. Apr. 5, 1976; eff. Apr. 25, 1976.

Repealed: F. Oct. 5, 1978; eff. Dec. 31, 1978, as specified by the Agency.

Rule 560-9-2-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.19

Authority: Ga. Code Secs. 92-1403, 92-1413, 92-1421.

History. Original Rule entitled "Procedure Regarding Affidavit Claiming an Exemption from the Motor Fuel Tax Under Ga. Code Ann. Sec. 92-1403(E)(1.1) on Compressed Petroleum Gas" adopted. F. May 13, 1974; eff. June 2, 1974.

Repealed: New Rule of same title adopted. F. Apr. 5, 1976; eff. Apr. 25, 1976.

Repealed: F. Oct. 5, 1978; eff. Dec. 31, 1978, as specified by the Agency.

Rule 560-9-2-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.20

Authority: Ga. Code Secs. 92-1403, 92-1413, 92-1421.

History. Original Rule entitled "Procedure Regarding Certificate of Notification That an Affidavit Is Effective" adopted. F. May 13, 1975; eff. June 2, 1975.

Repealed: F. Oct. 5, 1978; eff. Dec. 31, 1978, as specified by the Agency.

Rule 560-9-2-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-2-.21

Authority: Ga. Code Secs. 91A-215, 91A-5001 to 91A-5015, 91A-5101 to 91A-5115, 92-1403, 92-1413, 92-1421.

History. Original Rule entitled "Quarterly Returns" adopted. F. May 16, 1978; eff. June 5, 1978.

Repealed: New Rule entitled "Quarterly Distributor Reports" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Subject 560-9-3. FORMS FOR MOTOR FUEL AND CARRIER TAXES.

Rule 560-9-3-.01. Forms for Motor Fuel and Carrier Taxes.

Forms may be downloaded from the Georgia Department of Revenue's website or obtained from the Georgia Department of Revenue, Taxpayer Services Division, 1800 Century Boulevard NE, Atlanta, Georgia 30345-3205.

(1) Application forms.

- (a) Form CRF-007, Motor Fuel Distributor Application. A distributor must file this form in conjunction with Form CRF-002, State Registration Application, to register as a motor fuel distributor licensee under O.C.G.A. § [48-9-4\(b\)](#).
- (b) Form FS-MFD-26, Application for Distributor's Bond. A distributor must use this form to secure a distributor's bond under O.C.G.A. § [48-9-4\(c\)](#).
- (c) Form CRF-IFTA, Motor Carrier Registration Application. A motor carrier must use this form to obtain an annual license and two decals from the Department in conformity with the International Fuel Tax Agreement (IFTA).

(2) Tax reports.

- (a) Form MFD-04, Licensed Distributor's Tax Report. A distributor must use this form to file monthly, quarterly, or annual reports and remit motor fuel taxes under O.C.G.A. § [48-9-8](#).
- (b) Form IFTA-100-MN, IFTA Quarterly Fuel Use Tax Report. A motor carrier must use this form to file a report and remit motor carrier road taxes in conformity with IFTA and O.C.G.A. § [48-9-33](#).
- (c) Form IFTA-101-MN, IFTA Quarterly Fuel Use Tax Schedule. A motor carrier must file this form in conjunction with Form IFTA-100-MN.

(3) **Refund forms.**

- (a) Form MFD-33, Claim for Refund of Georgia Motor Fuel Tax. A distributor must file this form to claim a refund of motor fuel tax under O.C.G.A. § [48-9-10](#).
- (b) Form MFR-03, Application for Refund - Agriculture. A distributor must file this form to apply for a refund of motor fuel taxes paid on purchases of gasoline under O.C.G.A. § [48-9-10\(b\)\(1\)](#).
- (c) Form MFR-04, Application for Refund - Agricultural Field Use Vehicles. A distributor must file this form to apply for a refund of motor fuel taxes paid on purchases of diesel fuel under O.C.G.A. § [48-9-10\(a\)\(3\)](#).
- (d) Form MFR-21, Application for Refund - Licensed Retail Dealer. A motor fuel retail dealer who purchases motor fuel in bulk quantities and sells it at retail must file this form to apply for a refund of 2 percent of the first 5 1/2 cents per gallon of the applicable motor fuel tax under O.C.G.A. § [48-9-10\(c\)](#). Licensed distributors are not eligible for this refund.
- (e) Form MFR-43, Application for Refund - Non-Dyed Fuel Oils used for Non-Highway Purposes. A person must file this form to apply for a refund of the motor fuel excise tax under O.C.G.A. § [48-9-10\(b\)\(2\)](#).

- (4) **Exemption certificate.** Form MFD-03, Georgia Motor Fuel Exemption Certificate. A purchaser seeking to buy motor fuel from a licensed distributor exempt from motor fuel excise tax under O.C.G.A. § [48-9-3\(b\)\(7\)\(B\)\(ii\)\(I\)](#) must provide this form to the distributor. Moreover, the distributor must provide a copy of the certificate to the Department within thirty days of receipt of the certificate from the purchaser.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form for the Daily Report of Railroads, Ships, Trucks and All Common Carriers Making Deliveries of Motor Fuels" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Availability" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: New Rule entitled "Forms for Motor Fuel and Carrier Taxes" adopted. F. Jan. 26, 2005; eff. Feb. 15,

2005.

Rule 560-9-3-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form to Give Notice of an Assessment to a Licensed Distributor" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form for the Daily Report of Railroads, Ships, Trucks and All Common Carriers Making Deliveries of Motor Fuels" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form Used by Distributors to Report Motor Fuel Received by Them During a Given Month" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form for a Licensed Distributor's Tax Report" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.04

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form for a Licensed Distributor's Monthly Tax Report" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Motor Fuel Form for a Licensed Distributor's Tax Report" adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Motor Fuel Form Used by Every Common Carrier Transporting Motor Fuel to Report the Transportation of That Motor Fuel" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form Used by a Licensed Distributor to Report the Motor Fuel Sold or Used by Him During a Given Month Giving a Breakdown by Counties" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Dec. 31, 1978, as specified by the Agency.

Amended: New Rule entitled "Motor Fuel Form of Distributor's Bonds" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.06

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form Used to Report Shipments of Motor Fuel Into Georgia" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form for Application for Distributor's License for All Types of Petroleum Products Except Gasoline" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Used by Every Common Carrier Transporting Motor Fuel to Report the Transportation of That Motor Fuel" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Motor Fuel Form to Make Application to Become Licensed as a Distributor of All Motor Fuels Including Gasoline" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.08

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form for the Monthly Tax Report on Motor Fuels Other Than Gasoline" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form of a Claim for Refund" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form Used by the Department to Verify Distributor Records" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Make Application for the Registration of a Carrier Transporting Motor Fuel" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.10

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form for Distributor's Bond Excluding Gasoline" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form Giving the Basic Instructions to Licensed Distributors Concerning the Preparation of Tax Reports" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.11

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form of Distributor's Bond Including Gasoline" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Motor Fuel Form of Distributor's Bond" adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Give Notice of Tank Registration Requirements" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.12

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form for Application for Distributor's License for all Types of Petroleum Products Except Gasoline" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Aviation Gasoline Dealer License Application" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.13

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form to Make Application to Become Licensed as a Distributor of All Motor Fuels Including Gasoline" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Motor Fuel Quarterly Report Instruction Sheet" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.14

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form of the License of a Distributor of Motor Fuels Excluding Gasoline" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Apply for Agriculture Refund Permit" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.15

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form of the License of a Distributor of Motor Fuels Including Gasoline" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Apply for Agriculture Refund" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.16

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form for Use in Filing Distributor's Reports" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Renew and Supplement Agriculture Refund Permit" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.17

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form of the License Issued to a Motor Fuel Carrier" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Apply for Refund Permit by Licensed Retail Dealers" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.18

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form of a Claim for Refund" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Motor Fuel Form to Make Application for Retail Dealer Refund" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.19

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form Used to Claim a Credit Under the Motor Fuel Tax Law" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form of Application for Motor Carrier Refund" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.20

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form to Make Application for the Registration of a Carrier Transporting Motor Fuel" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Motor Fuel Form of Registration of Motor Vehicle Lease Agreement" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.21

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form to Be Used to Correct a Monthly Tax Report" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Apply for a Vehicle Registration" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.22. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.22

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form to Be Used to Correct Previous Reports Showing Sales in Various Counties" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Report Vehicle Operation" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.23

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form Used to Notify Distributors That Their License Has Expired and Needs Renewal" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Report Carrier Information" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.24

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form to Acknowledge the Renewal of a Distributor's License" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form of Instructions for Obtaining Emergency or Temporary Permits" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.25

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form Giving the Basic Instructions to Licensed Distributors Concerning the Preparation of Monthly Tax Reports" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Motor Fuel Form Giving the Basic Instructions to Licensed Distributors Concerning the Preparation of Tax Reports" adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Motor Fuel Form of Information to Carriers" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.26

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form Containing the Basic Provisions Concerning Special Fuels" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Motor Fuel Form to Give Notice of Tank Registration Requirements" adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: New Rule entitled "Motor Fuel Form for Supplying Driveaway Carriers With Permit Information" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.27

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "General Instruction Sheet to All Licensed Distributors Explaining the 1962 Amendments to the Motor Fuel Tax Law" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Motor Fuel Form Giving Marking Instructions for Tank Transports" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule entitled "Motor Fuel Form to Report Vehicle Operation" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.28. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.28

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form of a Cover Letter Used When a Distributor's License Is Issued" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Aviation Gasoline Dealer License Application" adopted. F. Oct. 5, 1978; eff. Jan. 1, 1979, as specified by the Agency.

Repealed: New Rule entitled "Motor Fuel Form of Carriers Bond" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.29. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.29

Authority: O.C.G.A. Secs. [48-2-12](#), [48-9-3](#), [48-9-4](#), [48-9-10](#), [48-9-33](#), [48-9-38](#).

History. Original Rule entitled "Motor Fuel Form to Apply for Vehicle Registration" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Amended: New Rule entitled "Motor Fuel Form to Make Application to Become Licensed as a Distributor of Special Fuel" adopted. F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Repealed: F. Jan. 26, 2005; eff. Feb. 15, 2005.

Rule 560-9-3-.30. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.30

Authority: Ga. Code Secs. [91A-215](#), [91A-5001](#) to [91A-5015](#), [91A-5101](#) to [91A-5115](#).

History. Original Rule entitled "Motor Fuel Form to Report Vehicle Operation" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Motor Fuel Quarterly Report Instruction Sheet" adopted. F. Oct. 5, 1978; eff. Oct. 25, 1978.

Repealed: F. Dec. 3, 1979; eff. Jan. 1, 1980, as specified by the Agency.

Rule 560-9-3-.31. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.31

Authority: Ga. L. 1978, pp. 186-215, 1968, pp. 360-370.

History. Original Rule entitled "Motor Fuel Form to Report Carrier Information" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Rule 560-9-3-.32. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.32

Authority: Ga. L. 1978, pp. 186-215, 1968, pp. 360-370.

History. Original Rule entitled "Motor Fuel Form to Request Carrier Information" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Rule 560-9-3-.33. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.33

Authority: Ga. L. 1978, pp. 186-215, 1968, pp. 360-370.

History. Original Rule entitled "Motor Fuel Form to Give Notice of an Assessment to a Registered Carrier" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Rule 560-9-3-.34. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.34

Authority: Ga. L. 1978, pp. 186-215, 1968, pp. 360-370.

History. Original Rule entitled "Motor Fuel Form to Give Notice of Failure to Call for a Telegram" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Rule 560-9-3-.35. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.35

Authority: Ga. L. 1978, pp. 186-215, 1968, pp. 360-370.

History. Original Rule entitled "Motor Fuel Form of Instructions for Obtaining Emergency Permits" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 5, 1978; eff. Oct. 25, 1978.

Rule 560-9-3-.36. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.36

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form to Apply for Combined Vehicle Registration" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.37. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.37

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form for the Quarterly Report of Carrier Information" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.38. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.38

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form for the Quarterly Report of Carrier Information (Delinquent Basis)" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.39. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.39

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form of Information to Carriers" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.40. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.40

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form for Supplying `Driveaway' Carriers With Permit Information" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.41. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.41

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form to Report Vehicle Operation" was filed and effective on June 10, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.42. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.42

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Carrier Form for the Quarterly Report of Carrier Operations" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.43. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.43

Authority: Ga. L. 1978, pp. 185-215 and Ga. L. 1958, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form of Carrier's Bond" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.44. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.44

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101- 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Apply for Agriculture Refund Permit" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.45. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.45

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form of the Refund Permit" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.46. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.46

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Apply for Agriculture Refund" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.47. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.47

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101, 5115); Ga. L. 1979, pp. 92-.112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Renew and Supplement Tax Refund Permit" was filed and effective on June 30, 1965.

Amended. Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.48. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.48

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form for Request of Applications for Agriculture Refund Permit" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.49. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.49

Authority: Ga. L. 1978, pp. 185-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form for Request of Corrections of Applications for Agriculture Refunds" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.50. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.50

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form of Request to File for New Refund Permit" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.51. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.51

Authority: The "Motor Fuel Tax Law", chapter 92-14 of the Georgia code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form for Use of the Unit to Cancel a Refund Application and/or Suspend a Permit Number" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.52. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.52

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form for Use of the Unit to Explain Deductions from Agricultural Refund Applications" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.53. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.53

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form to Give Answer to an Inquiry" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.54. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.54

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form to Give Results of a Field Inspection" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.55. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.55

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form to Instruct 2% Refund Applicants" was filed and effective June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.56. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.56

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Apply for Refund Permit by Licensed Retail Dealers" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.57. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.57

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form to Assign Permit Numbers to Retail Dealers" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.58. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.58

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Make Application for Licensed Retail Dealer Refund" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Motor Fuel Form to Make Application for Permit, Retail Dealer Refund" adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.59. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.59

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form of Request for Additional Information from a Retail Dealer" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.60. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.60

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form to Advise of Refund Gallons Denied" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.61. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.61

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form Correction Sheet for Retail Dealers" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.62. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.62

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form for Application for Aircraft Refund" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.63. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.63

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form to Give Notice of Provisions of Aviation Refunds" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.64. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.64

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form for Application for Aircraft Dealers in Aviation Motor Fuel" was filed and effective on June 30, 1955.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.65. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.65

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form of Instructions of Refund Invoices Requirements," was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.66. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.66

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form Refund Information Letter" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.67. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.67

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form to Request Application for 2% Refund Permit Number" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.68. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.68

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form of Request for Renewal of a Refund Permit" was filed and

effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.69. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.69

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form of Instructions to Agriculture Refund Applicants" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.70. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.70

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form of Instructions to Agriculture Refund Applicants" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.71. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.71

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form to Apply for Watercraft Refund Permit" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.72. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.72

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form of the Permit for Watercraft Operators" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.73. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.73

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form of Application for Watercraft Refund" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.74. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.74

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form of Motor Fuel Tax Delinquent Notice to a Licensed Distributor" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed October 5, 1978; effective October 25, 1978.

Rule 560-9-3-.75. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.75

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form of Application for Motor Carrier Refund" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.76. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.76

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form of Registration of Motor Vehicle Lease Agreement" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.77. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.77

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Apply for Vehicle Registration" was filed on November 26, 1968; effective December 15, 1968.

Amended: Filed December 24, 1974; effective January 13, 1975.

Amended: Rule repealed and a new Rule entitled "Motor Fuel Form to Apply for a Vehicle Registration" adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.78. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.78

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Report Vehicle Operation" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.79. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.79

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Report Carrier Information" was filed on November 26, 1968; effective December 16, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.80. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.80

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form to Request Carrier Information" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.81. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.81

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form to Give Notice of an Assessment to a Registered Carrier" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.82. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.82

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form to Give Notice of Failure to Call for a Telegram" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.83. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.83

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276,

1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form of Instructions for Obtaining Emergency Permits" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 8, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.84. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.84

Authority: The "Motor Fuel Tax Law", Chapter 92-14 of the Georgia Code of 1933, as amended.

History. Original Rule entitled "Motor Fuel Form to Apply for Combined Vehicle Registration" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed. Filed December 24, 1974; effective January 13, 1975.

Rule 560-9-3-.85. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.85

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form of Information to Carriers" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.86. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.86

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form for Supplying 'Driveaway' Carriers with Permit Information" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.87. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.87

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form to Report Vehicle Operation" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.88. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.88

Authority: Ga. L. 1978, pp. 323, 691-699 (Ga. Code Secs. 91A-215, 5101-5115); Ga. L. 1979, pp. 92-112, 1276, 1277 (Ga. Code Secs. 91A-5001-5015, 5101, 5105, 5109).

History. Original Rule entitled "Motor Fuel Form of Carriers Bond" was filed on November 26, 1968; effective December 15, 1968.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 5, 1978; effective October 25, 1978.

Amended: Rule repealed. Filed December 3, 1979; effective January 1, 1980, as specified by the Agency.

Rule 560-9-3-.89. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.89

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form `M. F. D. 14'" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed October 5, 1978; effective December 31, 1978, as specified by the Agency.

Rule 560-9-3-.90. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.90

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form `M. F. D. 15'" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed October 5, 1978; effective December 31, 1978, as specified by the Agency.

Rule 560-9-3-.91. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-9-3-.91

Authority: Ga. L. 1978, pp. 186-215 and Ga. L. 1968, pp. 360-370 as amended.

History. Original Rule entitled "Motor Fuel Form `M. F. D. 16'" was filed on May 13, 1974; effective June 2, 1974.

Amended: Rule repealed. Filed October 5, 1978; effective December 31, 1978, as specified by the Agency.

Chapter 560-10. MOTOR VEHICLE DIVISION.

Subject 560-10-1. REPEALED.

Rule 560-10-1-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.01

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Motor Vehicle Unit Duties" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule of same title adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: New Rule of same title adopted. F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: F. Nov. 28, 2001; eff. Dec. 18, 2001.

Rule 560-10-1-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.02

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Administrative Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule of same title adopted. F. Dec. 19, 1973; eff. Jan. 8, 1974.

Repealed: New Rule of same title adopted. F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: F. Nov. 28, 2001; eff. Dec. 18, 2001.

Rule 560-10-1-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.03

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Title Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Office Operation Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule entitled "Field Operations Section" adopted. F. Dec. 19, 1973; eff. Jan. 8, 1974.

Repealed: New Rule of same title adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: New Rule of same title adopted. F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: F. Nov. 28, 2001; eff. Dec. 18, 2001.

Rule 560-10-1-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961 pp. 68, 71.

History. Original Rule entitled "Examiner's Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Title Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule entitled "Office Operations Section" adopted. F. Dec. 19, 1973; eff. Jan. 8, 1974.

Repealed: New Rule entitled "Accounting Section" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-1-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Name File Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Examiner's Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Amended: New Rule entitled "Correspondence Section" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-1-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "I.D. No. File Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Title File Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Amended: New Rule entitled "Files and Inquiry Section" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-1-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.07

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Title Number File Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Correspondence Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Amended: New Rule entitled "Examination Section" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-1-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Control Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Microfilm Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.09

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Correspondence Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Title Inquiry Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.10

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Microfilm Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Salvage Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.11

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Photo Reproduction Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Accounting Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.12

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Rate and Enforcement Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Depositing Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.13

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Registration File Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Accounting Sub-Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.14

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Accounting Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Material Control Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.15

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Window Sales Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Mail and Cash Control Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.16

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Depositing Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Field Operation Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.17

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Bookkeeping Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Tag Inquiry Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.18

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Administrative Supply Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Tag Control Sub- Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.19. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.19

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Accounting Sub-Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Tag Correspondence Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.20. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.20

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Adjustment Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Window Sales Section" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-1-.21. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-1-.21

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Field Inspection Station" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Subject 560-10-2. REPEALED.

Rule 560-10-2-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.01

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Appointment, Agent of the State Revenue Commissioner" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Establishment of Local Tag Agents" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.02

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Removal, Agent of the State Revenue Commissioner" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Responsibilities of County Tag Agents" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.03

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Sale of Tags by County Agents: Applications for Tags" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Bond of Agents" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.04

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Questionable Applications" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for License Plates" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule entitled "Application for License Plates and Renewal Decals" adopted. F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.05

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Application by One Other Than the Vehicle Owner" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Issuance of License Plates" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Issuance of License Plates and Renewal Decals" adopted. F. July 24, 1970; eff. August 13, 1970.

Amended: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Amended: F. Feb. 27, 1978; eff. Mar. 19, 1978.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.06

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Owner Defined" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Inventory of License Plates Maintained by County Tag Agent" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule entitled "Inventory of License Plates and Renewal Decals Maintained by County Tag Agent" adopted. F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.07

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Residents Must Purchase in the County" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Upgrading of License Plates" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.08

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Thirty (30) Day Grace Period" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Questionable Applications" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.09

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Intrastate Trucks" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application by One Other Than the Vehicle Owner" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.
Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.10

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Servicemen" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Owner Defined" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.11

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Tags Not Sold in the Counties" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Thirty (30) Day Grace Period" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.12

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Applications for License Plates to Be Numbered" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Intrastate Trucks" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.13

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Applications to Be Validated by the Agent" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Servicemen" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.14

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Agent's Responsibility as to Application" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Applications for License Plates to Be Numbered" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Applications for License Plates and Renewal Decals to Be Numbered" adopted. F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.15. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.15

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Tags to Be Sold in Numerical Sequence" adopted. F. and eff. June 30, 1965

. Repealed: New Rule entitled "Applications to Be Validated by the Agent" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.16

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Agent's Responsibility As to Application" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Rule 560-10-2-.17. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-2-.17

Authority: O.C.G.A. Sec. [40-2-23](#).

History. Original Rule entitled "Tags to Be Sold in Numerical Sequence" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Tags and Renewal Decals to Be Sold in Numerical Sequence" adopted. F. July 24, 1970; eff. August 13, 1970.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: F. Mar. 6, 2002; eff. Mar. 26, 2002.

Subject 560-10-3. COUNTY TAG AGENT'S FEES AND COMMISSIONS.

Rule 560-10-3-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-3-.01

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "When and How Agents Are to Sell Tags: What Fee Agents Are to Remit to the State Revenue Commissioner" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "When and How Agents Are to Sell Tags and Renewal Decals: What Fee Agents Are to Remit to the State Revenue Commissioner" adopted. F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-3-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-3-.02

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Where Agent's Salary Is Less than \$7,999.00" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-3-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-3-.03

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Where Agent's Salary Is More than \$7,999.00" adopted. F. and eff. June 30, 1965.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-3-.04. Payment to Agent: Remittance by Agent to State Revenue Commissioner.

The personal check of an applicant for a license plate and/or renewal decal shall be made out in favor of the Agent and all such checks accepted by an Agent will be at risk of such Agent and not the State Revenue Commissioner. The Agent will deposit all monies collected for license plates and/or renewal decals in a bank approved as a depository for State Funds, and shall remit the net proceeds of such tag and/or renewal decal sales (that is, gross proceeds, less commissions) to the Director, Internal Administration Unit, Department of Revenue, Trinity Washington Building, Atlanta, Georgia 30334, by sending his check on such bank with each report of license plates and/or renewal decals issued.

Cite as Ga. Comp. R. & Regs. R. 560-10-3-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1955, pp. 659, 660.

History. Original Rule entitled "Payment to Agent: Remittance by Agent to State Revenue Commissioner" adopted. F. and eff. June 30, 1965.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. July 24, 1970; eff. August 13, 1970.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Subject 560-10-4. COUNTY TAG AGENT'S REPORTS.

Rule 560-10-4-.01. Agent's Reports to be Weekly.

Said Agents shall mail a report at the end of each week (Saturday), on forms supplied by the Department of Revenue and in accordance with the instructions contained on such forms, showing the total number and type of license plates and renewal decals issued that week in that

county and the number and type of license plates and renewal decals remaining unsold, and shall remit with such weekly report a check covering the total amount of license plate and/or renewal decal sales less the commission permitted for each such license plate and/or renewal decal sold. The first part (original of the Notarized part) of each four-part license application form, showing to whom each license plate and/or renewal decal was issued, shall accompany this weekly report. Such weekly report and check shall be mailed by the Agent on Saturday of the week for which the report is made (or not later than the Monday following the week for which the report is made). In the event no license plates and/or renewal decals are sold during the week, a report will nevertheless be filed, showing that fact and showing the number and type of license plates and renewal decals remaining unsold in that county.

Cite as Ga. Comp. R. & Regs. R. 560-10-4-.01

Authority: Ga. L. 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1955, pp. 659, 669.

History. Original Rule entitled "Agent's Reports to Be Weekly" adopted. F. and eff. June 30, 1965.

Amended: F. July 24, 1970; eff. August 13, 1970.

Rule 560-10-4-.02. Optional Daily Agent's Reports.

If the Agent so desires and with prior approval of the State Revenue Commissioner, such reports and checks may be forwarded daily in lieu of weekly.

Cite as Ga. Comp. R. & Regs. R. 560-10-4-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1955, pp. 659, 660.

History. Original Rule entitled "Optional Daily Agent's Reports" adopted. F. and eff. June 30, 1965.

Rule 560-10-4-.03. To Whom Agents Report and Remit.

Such reports and check shall be mailed to the Director, Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334.

Cite as Ga. Comp. R. & Regs. R. 560-10-4-.03

Authority: Ga. L. 1937-38, pp. 77, 81, 82, 91, 1955, pp. 659, 660.

History. Original Rule entitled "To Whom Agents Report and Remit" adopted. F. and eff. June 30, 1965.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-4-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-4-.04

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Agents Furnishing Registration List" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Subject 560-10-5. REPEALED.

Rule 560-10-5-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-5-.01

Authority: O.C.G.A. Secs. Ga. L. 1937-38, Extra. Sess. pp. 77, 81, 82, 91, 1955, pp. 659, 660, 40-2-11, 40-2-140.

History. Original Rule entitled "When no Georgia License Plate Is Required of Non-Resident Servicemen" adopted. F. and eff. June 30, 1965.

Repealed: F. June 17, 2010; eff. July 7, 2010.

Rule 560-10-5-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-5-.02

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Optional Purchase of Georgia License Plates by Non-Resident Servicemen" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Optional Purchase of Georgia License Plates and Renewal Decals by Non-Resident Servicemen" adopted. F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-5-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-5-.03

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "The Soldiers' and Sailors' Relief Act and Servicemen Purchasing Georgia License Plates" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "The Soldiers' and Sailors' Relief Act and Servicemen Purchasing Georgia License Plates and Renewal Decals" adopted. F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-5-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-5-.04

Authority: O.C.G.A. Secs. Ga. L. 1937-38, Extra. Sess. pp. 77, 81, 82, 91, 1955, pp. 659, 660, 40-2-11, 40-2-140.

History. Original Rule entitled "Ad Valorem Taxes of the Automobiles of Georgia Servicemen" adopted. F. and eff. June 30, 1965.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. June 17, 2010; eff. July 7, 2010.

Rule 560-10-5-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-5-.05

Authority: O.C.G.A. Secs. Ga. L. 1937-38, Extra. Sess. pp. 77, 81, 82, 91, 1955, pp. 659, 660, 40-2-11, 40-2-140.

History. Original Rule entitled "Ad Valorem Taxes and Tax Affidavits by Non-Resident Servicemen who Purchase Georgia License Plates" adopted. F. and eff. June 30, 1965.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. June 17, 2010; eff. July 7, 2010.

Rule 560-10-5-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-5-.06

Authority: O.C.G.A. Secs. Ga. L. 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1955, pp. 659, 660, 40-2-11, 40-2-140.

History. Original Rule entitled "Residence of Non-Residence of Servicemen Defined" adopted. F. and eff. June 30, 1965.

Repealed: F. June 17, 2010; eff. July 7, 2010.

Subject 560-10-6. REPEALED.

Rule 560-10-6-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-6-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 82; 1955, pp. 659, 660.

History. Original Rule was filed on June 30, 1965.

Amended: Rule repealed and no new Rule adopted. Filed November 20, 1974; effective December 10, 1974.

Rule 560-10-6-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-6-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 82; 1955, pp. 659, 660.

History. Original Rule was filed on June 30, 1965.

Amended: Rule repealed and no new Rule adopted. Filed November 20, 1974; effective December 10, 1974.

Rule 560-10-6-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-6-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 82; 1955, pp. 659, 660.

History. Original Rule was filed on June 30, 1965.

Amended: Rule repealed and no new Rule adopted. Filed November 20, 1974; effective December 10, 1974.

Rule 560-10-6-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-6-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 82; 1955, pp. 659, 660.

History. Original Rule was filed on June 30, 1965.

Amended: Rule repealed and no new Rule adopted. Filed November 20, 1974; effective December 10, 1974.

Subject 560-10-7. REPEALED.

Rule 560-10-7-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.01

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Tag Agent's Duty to Inspect Delinquent Applications" adopted. F. and eff. June 30, 1965.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-7-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.02

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Delinquency Generally Defined" adopted. F. and eff. June 30, 1965.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-7-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.03

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Vehicles Purchased After April 1" adopted. F. and eff. June 30, 1965.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-7-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.04

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Tag Agent to Function as a Vehicle License Inspector: All Delinquent Applications to Be Validated by the Tag Agent" adopted. F. and eff. June 30, 1965.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule entitled "Tag Agent to Function As an Endorsing Officer: All Delinquent Applications to Be Validated by the Tag Agent" adopted. F. Dec. 19, 1973; eff. Jan. 8, 1974.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-7-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.05

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "All Delinquent Fees to Be Remitted to the State Revenue Commissioner" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "All Delinquent Fees Shall Be Paid to the Tax Commissioner or Tax Collector and Remitted to the Respective Fiscal Authorities" adopted. F. Dec. 19, 1973; eff. Jan. 8, 1974.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-7-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1973, pp. 781 to 783.

History. Original Rule entitled "Remittance of Delinquent Fees, Where the Tag Agent Is the Only Endorsing Officer or the Endorsing Officer Is a State Patrolman or Other Motor Vehicle License Inspector" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-7-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.07

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1973, pp. 781 to 783.

History. Original Rule entitled "Remittance of Delinquent Fees, Where a Law Enforcement Officer (Other Than a State Patrolman, Motor Vehicle License Inspector or Tag Agent) Is the Endorsing Officer" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-7-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1973, pp. 781 to 783.

History. Original Rule entitled "Where the Tag Agent Is Also a Law Enforcement Officer (Sheriff, Deputy Sheriff, or Policeman)" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Rule 560-10-7-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-7-.09

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1973, pp. 781 to 783.

History. Original Rule entitled "Employee or Deputy Acting for a Tag Agent or a Law Enforcement Officer" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Subject 560-10-8. REPEALED.

Rule 560-10-8-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-8-.01

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule was filed on June 30, 1965.

Amended: Filed July 24, 1970; effective August 13, 1970.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-8-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-8-.02

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#)

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-8-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-8-.03

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-8-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-8-.04

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-8-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-8-.05

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Subject 560-10-9. DUPLICATE TAGS.

Rule 560-10-9-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-9-.01

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Application for Duplicate Tag" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for Duplicate Tag and/or Renewal Decal" adopted. F. July 24, 1970; eff. August 13, 1970.

Repealed: New Rule entitled "Application for Replacement Tag and/or Renewal Decal" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-9-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-9-.02

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Original Registration to Be Cancelled" adopted. F. and eff. June 30, 1965.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: New Rule entitled "Original Registration Record to Be Cancelled" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-9-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-9-.03

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Surrender of Defaced or Illegal Tag" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Surrender of Defaced or Illegible Tag and/or Renewal Decal" adopted. F. July 24, 1970; eff. August 13, 1970.

Amended: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-9-.04. Recovered Original Tag and/or Renewal Decal to be Surrendered.

If the replacement tag and/or renewal decal is issued for an original which is lost, strayed, or stolen and if at any time the original tag and/or renewal decal is recovered it shall be immediately turned in to the Internal Administration Unit of the State Revenue Department.

Cite as Ga. Comp. R. & Regs. R. 560-10-9-.04

Authority: Ga. L. 1937-38, Extra Sess. pp. 77, 81, 82, 91, 259, 268, 1953, pp. 343, 346, 1955, pp. 447, 448.

History. Original Rule entitled "Recovered Original Tag to Be Surrendered" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Recovered Original Tag and/or Renewal Decal to Be Surrendered" adopted. F. July 24, 1970; eff. August 13, 1970.

Amended: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Subject 560-10-10. DISPLAY OF TAGS.

Rule 560-10-10-.01. Display of License Plates.

Every motor vehicle shall at all times have the license plate assigned to it firmly attached to it in such a manner that it will not swing and that it will be plainly visible.

Cite as Ga. Comp. R. & Regs. R. 560-10-10-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91.

History. Original Rule was filed on June 30, 1965.

Rule 560-10-10-.02. Display and Location of Passenger Car and Utility Vehicle License Plates.

A motor vehicle license plate shall be attached to the vehicle to which it is assigned as follows:

- (a) All passenger cars, including station wagons and other utility vehicles, including motorcycles, motor scooters and buses, shall display the motor vehicle license plate assigned to it on the rear of the vehicle.

Cite as Ga. Comp. R. & Regs. R. 560-10-10-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91.

History. Original Rule was filed on June 30, 1965.

Rule 560-10-10-.03. Display and Location of Truck and Trailer License Plates.

A motor vehicle license plate shall be attached to the vehicle to which it is assigned as follows:

- (a) All trucks and trailers shall, where practical, display the motor vehicle license plate assigned to it on the rear of the vehicle: Provided that trucks and trailers which routinely engage in activities wherein it is inevitable that a motor vehicle license plate attached to the rear thereof would be defaced, destroyed or lost, shall display the motor vehicle license plate assigned to it by attaching it to the front of the vehicle.

Cite as Ga. Comp. R. & Regs. R. 560-10-10-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91.

History. Original Rule was filed on June 30, 1965.

Rule 560-10-10-.04. Display and Location of Tractor License Plates.

A motor vehicle license plate shall be attached to the vehicle to which it is assigned as follows:

- (a) for the purpose of this regulation a "tractor" is designed as a self-propelled vehicle for use as a traveling power plant for drawing other vehicles, but having no provisions for carrying loads independently. Tractors shall display the motor vehicle license plate assigned to it on the front of the vehicle.

Cite as Ga. Comp. R. & Regs. R. 560-10-10-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91.

History. Original Rule was filed on June 30, 1965.

Rule 560-10-10-.05. Display and Location of County Name and Renewal Decals.

All five (5) year license plates shall have affixed to said plate a county name decal except five (5) year plates without a space for such decals. Said county name decals shall be issued by the county tax commissioner or tax collector of that county wherein such vehicle is required to be returned for ad valorem taxation and it shall be the vehicle owner's responsibility to affix said county name decal to the license plate in the space provided. All five (5) year license plates, when renewed in 1977 through 1980, shall have a renewal decal affixed, by the owner, to the license plate in the space provided.

Cite as Ga. Comp. R. & Regs. R. 560-10-10-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; all as amended.

History. Original Rule was filed on July 24, 1970; effective August 13, 1970.

Amended: Filed July 2, 1975; effective July 22, 1975.

Subject 560-10-11. DISTINCTIVE LICENSE PLATES.

Rule 560-10-11-.01. Registration of Motor Vehicles Operated as a Taxicab or Limousine.

- (1) As used in this Chapter;
 - (a) The term 'Taxicab' shall have the same meaning as provided for in O.C.G.A. § [40-1-1](#)(63.1),
 1. A Taxicab may have the body style of a coupe, sedan, van, or sports utility vehicle.
 2. A Taxicab may operate with or without a meter.
 - (b) The term 'Limousine' shall mean any vehicle operated by a Limousine carrier as provided for in paragraph (5) of O.C.G.A. § 46-7-85.1.
- (2) The owner of every vehicle operated as a Taxicab or Limousine shall, prior to operating in this state, register and obtain a distinctive Taxicab or Limousine license plate.
 - (a) The owner that obtains a replacement vehicle for a currently registered Taxicab or Limousine shall within three business days:
 1. Remove the license plate.
 2. Register the replacement Taxicab or Limousine.
 3. Transfer the license plate as provided for in O.C.G.A. § [40-2-42](#).
- (3) An owner who sells or otherwise ceases to operate as a Taxicab or Limousine shall remove the distinctive license plate and cancel the registration within three (3) business days.

- (4) The owner of any vehicle operated as a Taxicab or Limousine that fails to license and register such vehicle shall be subject to penalties provided for in these regulations and Georgia Law.

Cite as Ga. Comp. R. & Regs. R. 560-10-11-.01

Authority: Ga. L. 1937-38, Extra Sess. Pp. 77, 81, 91, 1961, pp.68, 69, 71, 88, 1963, pp.32, 33.

O.C.G.A. Secs. [40-2-11](#), [40-2-168](#), [48-2-12](#).

History. Original Rule entitled "Establishment of the Motor Vehicle Certificate of Title Board and Its Purpose" adopted. F. and eff. June 30, 1965.

Repealed: F. Sept. 11, 2002; eff. Oct. 1, 2002.

Amended: New Rule entitled "Registration of Motor Vehicles Operated as a Taxicab or Limousine" adopted. F. Dec. 28, 2010; eff. Jan. 17, 2011.

Rule 560-10-11-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-11-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; 1961, pp. 68, 71, 88; 1963, pp. 32, 33.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Sept. 11, 2002; eff. Oct. 1, 2002.

Rule 560-10-11-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-11-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; 1961, pp. 68, 71, 88; 1963, pp. 32, 33.

History. Original Rule was filed on June 30, 1965.

Repealed: Sept. 11, 2002; eff. October 1, 2002.

Rule 560-10-11-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-11-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; 1961, pp. 68, 71, 88; 1963, pp. 32, 33.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Sept. 11, 2002; eff. Oct. 1, 2002.

Rule 560-10-11-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-11-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; 1961, pp. 68, 69, 71, 88; 1968 pp. 32, 33.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Sept. 11, 2002; eff. Oct. 1, 2002.

Rule 560-10-11-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-11-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; 1961, pp. 68, 71, 88; 1963, pp. 32, 33.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Sept. 11, 2002; eff. Oct. 1, 2002.

Rule 560-10-11-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-11-.07

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; 1961, pp. 68, 71, 88; 1963, pp. 32, 33.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Sept. 11, 2002; eff. Oct. 1, 2002.

Rule 560-10-11-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-11-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; 1961, pp. 68, 71, 88; 1963, pp. 32, 33.

History. Original Rule was filed on June 30, 1965.

Repealed: F. Sept. 11, 2002; eff. Oct. 1, 2002.

Subject 560-10-12. REPEALED.

Rule 560-10-12-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.01

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "First Certificate of Title" adopted. F. and eff. June 30, 1965.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.02

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Sale of Vehicle Pursuant to a Power Contained in a Mortgage" adopted. F. and eff. June 30, 1965.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.03. Electronic Security Interests and Liens on Titles.

(1) Definitions:

- (a) "Electronic Lien and Title program" means an electronic process by which an individual or entity, through an agreement with a service provider authorized by

the commissioner, transmits notice and release of security interests and liens on Georgia certificates of title.

(2) Applicability:

- (a) In accordance with the schedule as provided in part (3) of this Rule, security interests and liens on Georgia certificates of title shall be processed electronically as required by O.C.G.A. § [40-3-26](#).

(3) Schedule:

- (a) Beginning January 1, 2013 and thereafter, any individual or entity that recorded 500 or more security interests or liens on Georgia certificates of title in calendar year 2012 shall be required to utilize the Electronic Lien and Title program for all security interests and liens on Georgia certificates of title.
- (b) Beginning July 1, 2013 and thereafter, any individual or entity that recorded 200 or more security interests or liens on Georgia certificates of title in calendar year 2012 shall be required to utilize the Electronic Lien and Title program for all security interests and liens on Georgia certificates of title.
- (c) Beginning January 1, 2014 and thereafter, any individual or entity that recorded 5 or more security interests or liens on Georgia certificates of title in the immediately prior calendar year, or who has recorded 5 or more security interests or liens on Georgia certificates of title within the same calendar year, shall be required to utilize the Electronic Lien and Title program for all security interests and liens on Georgia certificates of title.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.03

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-56](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Affidavit of Title Held for Lien or Security Interest" adopted. F. and eff. June 30, 1965.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Adopted: New Rule entitled "Electronic Security Interests and Liens on Titles" adopted. F Nov. 29, 2012; eff. Dec. 19, 2012.

[Rule 560-10-12-.04. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.04

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Certain Vehicles Exempt from Title Requirements" adopted. F. and eff. June 30, 1965.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.05

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Tag Agents to Accept Title Applications" adopted. F. and eff. June 30, 1965.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.06

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Certified Transcripts of Title Records" adopted. F. and eff. June 30, 1965.

Amended: F. July 24, 1970; eff. August 13, 1970.

Amended: F. Nov. 17, 1971; eff. Dec. 7, 1971.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.07

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Return of Incorrect or Incomplete Title Applications" adopted. F. and eff. June 30, 1965.

Repealed: F. Apr. 7, 1980; eff. Apr. 27, 1980.

Amended: New Rule entitled "Return of Rejected Title Applications" adopted. F. Aug. 7, 1980; eff. Aug. 27, 1980.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.08

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Proof of Ownership of Vehicles Previously Registered Out of State" adopted. F. Mar. 24, 1967; eff. Apr. 12, 1967.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.09

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Application for a Certificate of Title of a Vehicle Last Previously Registered in a Non-Title State or Country" adopted. F. Aug. 7, 1970; eff. Sept. 1, 1970, as specified by the Agency.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.10

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Sale of Abandoned Vehicle" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.11

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-3-38](#), [48-2-12](#).

History. Original Rule entitled "Special Handling of Applications for Certificate of Title and Related Documents" adopted. F. July 11, 1984; eff. July 31, 1984.

Amended: ER. 560-10-12-0.9-.11 adopted. F. May 29, 1992; eff. June 1, 1992, as specified by the Agency.

Amended: Permanent rule adopted. F. Sept. 8, 1992; eff. Sept. 28, 1992.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-12-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.12

Authority: O.C.G.A. Sec. [40-3-3](#), Chapter 40-3.

History. Original Rule entitled "Transfers of Motor Vehicles Presumed to Be for No Consideration" adopted. F. Apr. 16, 1993; eff. May 6, 1993.

Repealed: F. Sept. 21, 1993, eff. Oct. 11, 1993.

Rule 560-10-12-.13. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.13

Authority: O.C.G.A. Sec. [40-3-3](#), Chapter 40-3.

History. Original Rule entitled "Motor Vehicle Trades Between Individuals" adopted. F. Apr. 16, 1993; eff. May 6, 1993.

Repealed: F. Sept. 21, 1993; eff. Oct. 11, 1993.

Rule 560-10-12-.14. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-12-.14

Authority: O.C.G.A. Sec. [40-3-3](#), Chapter 40-3.

History. Original Rule entitled "Transfer of Mobile Homes Between Individuals" adopted. F. Apr. 16, 1993; eff. May 6, 1993.

Repealed: F. Sept. 21, 1993; eff. Oct. 11, 1993.

Subject 560-10-13. SCRAPPED VEHICLES (UNDER THE MOTOR VEHICLES CERTIFICATE OF TITLE ACT).

Rule 560-10-13-.01. Definitions.

- (1) For the purposes of Assembled, Salvage, and Scrapped Vehicles and the Rules under this chapter, the following definitions and explanation of terms shall apply:
- (a) Assembled. The term "assembled" means a vehicle put together from individual parts and/or major component parts by a person who is not a vehicle manufacturer.
 - (b) Brand. The term "brand" means a statement or legend placed on a title by the State of Georgia or by any other jurisdiction. Every brand issued by Georgia or another jurisdiction shall be carried forward and printed on the Georgia certificate of title issued by the Department. Brands so recognized include, but are not limited to, salvage or salvaged, Lemon Law, Rebuilt, Special Construction, valid and assignable certificate of title and may be subject to undisclosed liens and security interests
 - (c) Derelict motor vehicle. The term "derelict motor vehicle" shall have the meaning given it in O.C.G.A. § [40-11-9](#).
 - (d) Fire damaged vehicle. The term "fire damaged vehicle" shall have the same meaning given it in O.C.G.A. § [40-3-36.1](#).
 - (e) Flood damaged vehicle. The term "flood damaged vehicle" shall have the same meaning given it in O.C.G.A. § [40-3-36.1](#).
 - (f) Manufacturer buyback. The term "manufacturer buyback" shall mean a vehicle replaced or repurchased by the manufacturer pursuant to the Motor Vehicle Warranty Rights Act, O.C.G.A. § [10-1-780](#)et. seq.
 - (g) Previously salvaged motor vehicle. The term "previously salvaged motor vehicle" means a rebuilt vehicle that is not a salvage motor vehicle as that term is defined in O.C.G.A. § [40-3-2\(11\)](#).
 - (h) Rebuilt motor vehicle. The term "rebuilt motor vehicle" shall have the same meaning given it in O.C.G.A. § [40-3-2\(10\)](#).
 - (i) Replacement title. The term "replacement title" shall have the same meaning given it in O.C.G.A. § [40-3-31](#).
 - (j) Small Volume Manufacturer. The term "Small Volume Manufacturer" means a Georgia manufacturer that currently meets or has met Federal Motor Vehicle Safety Standards and the Georgia Clean Air Act, does not exceed the number of manufactured or assembled vehicles pursuant to O.C.G.A. [10-1-664.1\(7\)](#), and is registered pursuant to O.C.G.A. [40-2-38](#).
 - (k) Small Volume Manufacturer Title. The term "Small Volume Manufacturer Title" means a certificate of title issued upon application of the Small Volume Manufacturer's Certificate of Origin and Assembled Vehicle inspection by the Department.

- (l) Stolen/unrecovered. The term "stolen/unrecovered" shall mean a vehicle that has been reported stolen, on which an insurance carrier has paid a total loss claim, and which has not yet been recovered by a law enforcement agency.
- (m) Surety bond title. The term "surety bond title" shall mean a title issued to a vehicle pursuant to the provisions of O.C.G.A. § [40-3-28](#), which title shall be branded so as to read: "This Title was issued on the basis of a surety bond and may be subject to undisclosed liens, security interests, salvage, odometer reading discrepancy, or other conditions."
- (n) Vehicle. The term "Vehicle" shall have the meaning given it in O.C.G.A. § [40-1-1\(75\)](#).
- (o) Wreckage or Salvage motor vehicle. The term "wreckage or salvage motor vehicle" shall have the meaning given it in O.C.G.A. § [40-3-2\(11\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.01

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-5](#), [40-3-24](#), [40-3-36](#), [48-2-12](#).

History. Original Rule entitled "Definitions" adopted. F. and eff. June 30, 1965.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Amended: ER. 560-10-13-0.21-.01 entitled "Definitions" adopted. F. and eff. January 12, 2006, the date of adoption.

Amended: Permanent Rule adopted. F. Apr. 19, 2006; eff. May 9, 2006.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Rule 560-10-13-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.02

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "Stolen Automobiles" adopted. F. and eff. June 30, 1965.

Amended: F. July 12, 1971; eff. August 1, 1971.

Amended: F. Nov. 17, 1971; eff. Dec. 7, 1971.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-13-.03. Commissioner Discretion for Affixing a Brand to a Certificate of Title.

If the Commissioner determines that an initial inspection of a vehicle cannot be made due to the failure of an insurance company to comply with O.C.G.A. § [40-3-36](#) and it is in the best interest of the state and or the vehicle owner not to conduct an initial inspection, the Commissioner may affix an appropriate brand to the certificate of title as defined by Georgia Law.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.03

Authority: Authority O.C.G.A. Secs. [40-3-3](#), [40-3-5](#), [40-3-24](#), [40-3-36](#).

History. Original Rule entitled "Inability to Fully Comply With These Regulations" adopted. F. and eff. June 30,

1965.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Amended: ER. 560-10-13-0.21-.03 entitled "Commissioner Discretion for Affixing a Brand to a Certificate of Title" adopted. F. and eff. January 12, 2006, the date of adoption.

Amended: Permanent Rule adopted. F. Apr. 19, 2006; eff. May 9, 2006.

Rule 560-10-13-.04. Certificate of Title of a Vehicle where the Commissioner is not satisfied as to the Ownership; Bond.

- (1) When appropriate documentation is not available to prove ownership pursuant to the Certificate of Title Act and certificate of title is not held by a lien holder, the methodologies set forth herein shall be used to secure issuance of a Certificate of Title.
- (2) An owner applying for a certificate of title and registration who cannot satisfy the commissioner as to the assignment of ownership shall submit to the commissioner or duly authorized county tag agent:
 - (a) A title application on a form prescribed by the commissioner along with the requisite supporting documentation;
 - (b) A surety bond on a form prescribed by the commissioner in an amount required in sub-section (3) of this Rule. The bond shall be issued by a bonding, surety or insurance company licensed to do business in Georgia and contain verification that the vehicle is not subject to any security interest or lien;
 - (i) If the vehicle has not been issued a Georgia Certificate of Title, a report from the National Motor Vehicle Title Information System (NMVTIS) (www.vehiclehistory.gov) indicating the title of record;
 - (ii) The owner shall then provide a certified title history from the state where the vehicle is currently titled and if the certified title history indicates a security interest or lien, the application shall be denied.
 - (c) An affidavit from the transferor or seller, on a form prescribed by the commissioner, stating the reason or reasons an assigned and warranty of title cannot be provided, including all efforts to obtain the certificate of title;
 - (d) A certification of the vehicle identification number (VIN) inspection on a form prescribed by the commissioner made by a duly constituted city, county or state law enforcement officer. Any officer completing such a certification shall query the Georgia Crime Information Center to determine if the vehicle in question is stolen, and he or she shall indicate that the query was made on the face of the Form; and
 - (e) Payment of all applicable taxes and fees.

- (f) No application for title shall be accepted for any vehicle subject to a security interest or lien.
- (3) The bond amount shall be double the fair market value of the motor vehicle as provided for in O.C.G.A. § [48-5C-1](#), or \$5,000.00 whichever is greater.
- (4) In the event the value is not found in the motor vehicle assessment, including any commercial vehicle or trailer, the bond amount shall be double the taxable value determined by the County Board of Tax Assessors, or \$5,000.00 whichever is greater.
 - (a) The County Board of Tax Assessors shall apply the same procedures to determine the taxable value as other personal property would be assessed.
 - (b) The Assessor shall provide to the owner a signed and dated statement of the taxable value on Assessor's official stationery describing the vehicle, the legal name of the person requesting the assessment, and the amount of taxable value.
- (5) Upon determination by the duly authorized county tag agent that the application with the appropriate documentation and that payment of all required fees has been received, the Department may issue a Georgia Certificate of Title that states "Surety Bond" in the legend.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.04

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule entitled "Application of These Regulations" adopted. F. and eff. June 30, 1965.

Amended: F. July 12, 1971; eff. August 1, 1971.

Amended: F. Nov. 17, 1971; eff. Dec. 7, 1971.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Adopted: New rule entitled "Certificate of Title of a Vehicle where the Commissioner is not satisfied as to the Ownership; Bond." F. Nov. 14, 2013; eff. Dec. 4, 2013.

[Rule 560-10-13-.05. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.05

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "Application to Insurance Companies" adopted. F. and eff. June 30, 1965.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

[Rule 560-10-13-.06. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.06

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "Insurance Settlements With Parties Other Than the Insured" adopted. F. and eff. June 30, 1965.

Amended: F. July 12, 1971; eff. August 1, 1971.

Amended: F. Nov. 17, 1971; eff. Dec. 7, 1971.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-13-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.07

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "When Rebuilt Vehicles to Be Titled" adopted. F. and eff. June 30, 1965.

Amended: F. July 2, 1975; eff. July 22, 1975.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-13-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.08

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "An Owner Who Scraps, Dismantles or Destroys a Vehicle" adopted. F. and eff. June 30, 1965.

Amended: F. July 2, 1975; eff. July 22, 1975.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-13-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.09

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "An Owner Who Sells a Vehicle As Wreckage or Salvage" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "An Owner Who Sells a Vehicle as Wreckage or Salvage or Purchases a Vehicle as Wreckage or Salvage Out of State and Brings It Into Georgia" adopted. F. July 12, 1971; eff. August 1, 1971.

Amended: F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. July 2, 1975; eff. July 22, 1975.

Repealed: F. Apr. 16, 2003; eff. May 7, 2003.

Rule 560-10-13-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.10

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "An Owner Who Disposes of a Vehicle as Wreckage or Salvage Other Than by a Sale" adopted. F. and eff. June 30, 1965.

Amended: F. July 2, 1975; eff. July 22, 1975.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-13-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.11

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "Any Person Taking Legal Title to or the Beneficial Interest in a Vehicle as a

Consequence of the Settlement of an Insurance Company Claim Arising from Fire, Collision or Other Causes" adopted. F. and eff. June 30, 1965.

Amended: F. July 2, 1975; eff. July 22, 1975.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Rule 560-10-13-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-13-.12

Authority: O.C.G.A. Secs. [40-3-5](#), [40-3-24](#).

History. Original Rule entitled "Insurance Company Settlements" adopted. F. and eff. June 30, 1965.

Repealed: F. Apr. 16, 2003; eff. May 6, 2003.

Subject 560-10-14. UNLAWFUL USE OF TAGS.

Rule 560-10-14-.01. When a New or Unregistered Vehicle is Required to be Registered and When a Non-resident is Required to Register and Purchase a Tag.

- (1) New or unregistered vehicles are allowed seven (7) days after the date of purchase within which to purchase a tag and/or renewal decal. The days which are allowed are full working days, not including Sundays or legal holidays, after the date of purchase; this counting method applies to the time requirements of each subsection of this rule.
- (2) Non-residents temporarily in Georgia who are covered by a valid and existing reciprocity agreement between Georgia and their home state shall have their liability for the purchase of a Georgia tag and/or renewal decal determined by the terms and conditions of the reciprocity agreement.
- (3) Non-residents who move to Georgia permanently, as opposed to those who are merely sojourning, must purchase a Georgia tag and/or renewal decal within thirty (30) days after establishing their legal residence in Georgia.
- (4) Non-residents whose vehicles are properly registered in their home state who are sojourning in Georgia (and who are not covered by some valid and existing reciprocity agreement) must purchase a Georgia tag and/or renewal decal if they operate their vehicle(s) in Georgia for thirty (30) or more continuous days except that nonresident for hire carriers who make intrastate usage of vehicles or equipment must purchase a Georgia tag immediately. The tag must be purchased within seven (7) days following such usage to avoid a penalty for delinquency. Intrastate usage of vehicles or equipment means any carriage of passengers, freight, merchandise, etc. between two or more points located within the State of Georgia.
- (5) Reciprocal agreements have been entered into by Georgia with the District of Columbia, Quebec and the following states: Alabama, Alaska, Arkansas, Arizona, Connecticut,

Colorado, Delaware, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming. These agreements are on file with the Department of Revenue, Motor Vehicle Unit, Trinity-Washington Building, Atlanta, Georgia 30334.

Cite as Ga. Comp. R. & Regs. R. 560-10-14-.01

Authority: Ga. L. 1927, pp. 228, 235; 1931, pp. 7, 34, 213, 214, 216, 217; 1937-38, Extra Sess., pp. 77, 81, 82, 91, 617, 619; 1941, pp. 361, 362; 1947, p. 1157; 1953, pp. 392, 393; 1957, p. 590; 1959, pp. 25, 351; 1960, p. 777; all as amended.

History. Original Rule entitled "When a New or Unregistered Vehicle or a Non-resident is Required to Register and Purchase a Tag" was filed on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed March 24, 1967; effective April 12, 1967.

Amended: Filed July 24, 1970; effective August 13, 1970.

Amended: Rule repealed and a new Rule entitled "When a New or Unregistered Vehicle is Required to be Registered and When a Non-resident is Required to Register and Purchase a Tag" adopted. Filed December 19, 1973; effective January 8, 1974.

Amended: Filed June 8, 1979; effective June 28, 1979.

Rule 560-10-14-.02. The Rate to be Applied and the Penalty to be Assessed Where a Motor Vehicle Operator is Operating with No Tag.

Operating with no tag includes operating with a tag issued for another vehicle or operating with a tag which has been reported as lost, strayed or stolen or operating with a five (5) year tag not properly renewed. Where a vehicle which is required to be registered is found to be operating with no tag, the rate at which the tag shall be computed and the penalty to be assessed shall be as follows:

DURING THIS QUARTER	RATE AND PENALTY TO BE ASSESSED
1	ALL VEHICLES
QUARTER	(First used in this quarter)
Jan.-Feb.-	Full Year Rate.
Mar.-Apr.	25% Penalty, \$1.00 cost.
2	TRUCKS OVER 14,000 AND ALL
QUARTER May-June	UNLIMITED AND 50 MILES BUSES
July	(First used in this quarter)

3/4 year rate, 25% penalty, \$1.00 cost (If used 1st quarter, the rate is as shown above.)

ALL OTHER VEHICLES

(Whether first used in this quarter or the first quarter)

Full year rate, 25% penalty, \$1.00 cost.

TRUCKS OVER 14,000 AND ALL UNLIMITED AND 50 MILE BUSES

(First used in this quarter)

1/2 year rate, 25% penalty, \$1.00 cost.

(If first used in either the 1st or 2nd quarter, the rate is as shown above.)

ALL OTHER VEHICLES

(Whether first used in this quarter or in the 1st or 2nd quarter.) Full year rate, 25% penalty, \$1.00 cost.

TRUCKS OVER 14,000 AND ALL UNLIMITED AND 50 MILE BUSES

(First used in this quarter)

1/4 year rate, 25% penalty, \$1.00 cost (If first used in either the 1st, 2nd or 3rd quarter, the rate is as shown above.)

3 QUARTER

Aug.-Sept.

Oct.

4

QUARTER Nov.-Dec.

ALL OTHER VEHICLES (Whether first used in this quarter or in one of the first three quarters.)

Full year rate, 25% penalty, \$1.00 cost.

Cite as Ga. Comp. R. & Regs. R. 560-10-14-.02

Authority: Ga. L. 1927, p. 228; 1931, pp. 7, 34, 213, 214; 1937-38, Extra Sess., pp. 77, 81, 82, 91, 259, 263, 270; 1946, p. 77; 1953, Nov. Sess., pp. 371, 392, 393; 1955, p. 303; Extra Sess., p. 38; 1957, pp. 376, 378, 590; 1959, p. 351; 1950, pp. 777, 778, 998, 999, 1031; 1962, pp. 450, 451; 1963, pp. 605, 777, as amended. Effective August 13, 1970.

History. Original Rule was filed on June 30, 1965.

Amended: Filed July 24, 1970; effective August 13, 1970.

Rule 560-10-14-.03. The Rate to be Applied and the Penalty to be Assessed Where a Motor Vehicle Operator is Operating with Last Year's Tag Displayed.

Where a motor vehicle operator is operating his vehicle and is displaying a Georgia tag from the previous year, includes operating with a five (5) year tag not properly renewed, the following rules shall apply and the following rates and penalties will be used and assessed:

DURING THIS QUARTER	WHEN DELINQUENT	RATE AND PENALTY
1 QUARTER Jan.-Feb.-Mar.-Apr.-	OPERATING WITH LAST YEAR'S TAG Not delinquent until on or after April 2 nd .	ALL VEHICLES (First used in this quarter) Full year rate, 25% penalty, \$1.00 cost
VEHICLES ONLY		
USED IN THIS		
QUARTER		
Not delinquent but current year tag and/or renewal decal must be purchased before April		
2 even if not used thereafter.		
VEHICLES IMPROPERLY		
CLASSIFIED		
OR OVERWEIGHT --		
Not delinquent but must purchase proper tag before		
April 2. AFTER		
APRIL 1st -- All vehicles delinquent.		
2 QUARTER May-June-July	ALL VEHICLES-- Delinquent.	TRUCKS OVER 14,000 AND ALL UNLIMITED AND 50 MILE BUSES (First used in this quarter) 3/4 year rate, 25% penalty, \$1.00 cost (If used 1st quarter, the rate is as shown above.)
ALL OTHER		

VEHICLES (Whether first used in this quarter or in the 1st quarter) Full year rate, 25% penalty, \$1.00 cost

3 QUARTER Aug.-Sept.-Oct. ALL VEHICLES Delinquent.

TRUCKS OVER 14,000 AND ALL UNLIMITED AND 50 MILE BUSES (First used in this quarter) 1/2 Year rate, 25% penalty, \$1.00 cost (if first used in either the 1st or 2nd quarter, the rate is as shown above.)

ALL OTHER

VEHICLES

(Whether first used in this quarter or in the 1st or 2nd quarter) Full year rate, 25% penalty, \$1.00 cost

4

QUARTER ALL VEHICLES Delinquent.

Nov.-Dec.

TRUCKS OVER 14,000 AND ALL UNLIMITED AND 50 MILE BUSES (First used in this quarter.) 1/4 year rate, 25% penalty, \$1.00 cost (If first used in either the 1st, 2nd or 3rd quarter, the rate is shown above.)

ALL OTHER VEHICLES (Whether first used in this quarter or in one of the first three quarters.) Full year rate, 25% penalty, \$1.00 cost.

Cite as Ga. Comp. R. & Regs. R. 560-10-14-.03

Authority: Ga. L. 1927, p. 228; 1931, pp. 7, 34, 213, 214; 1937-38, Extra Sess., pp. 77, 81, 82, 91, 259, 263, 270; 1943, p. 341; 1946, p. 77; 1953, Nov. Sess., p. 371; 1955, p. 303, Extra Sess., p. 38, 1957, pp. 376, 378, 590; 1959, p. 351; 1960, pp. 777, 778, 998, 999, 1031, 1032, as amended. Effective August 13, 1970.

History. Original Rule was filed on June 30, 1965.

Amended: Filed July 24, 1970; effective August 13, 1970.

Rule 560-10-14-.04. The Rate to be Applied and the Credit to be Allowed Where a Motor Vehicle Operator is Operating with a Current Tag but is Hauling More Weight Than Permitted by the Tag Displayed.

Where a motor vehicle operator is found to be operating his vehicle with more weight than allowed for the class of tag displayed, the rate to be used to compute the proper tag and the credit to be allowed on the tag displayed is as follows:

DURING THIS QUARTER	WHEN DELINQUENT CREDIT ALLOWED	RATE AND PENALTY
1 QUARTER Jan.-Feb.-March-Apr.-	ALL VEHICLES Not delinquent until April 2nd but proper tag and/or renewal decal must be purchased before April 2nd One-half credit allowed on current tag if improper for weight only if it is surrendered at the time the proper tag is purchased.	(First used in this quarter) Full year rate.
VEHICLES ONLY		
USED IN THIS QUARTER.		
Not delinquent until April 2nd BUT current year tag and/or renewal decal must be purchased before April 2nd even if not used thereafter.		
2 QUARTER May-June July-	ALL VEHICLES--Delinquent. One-half credit given for current tag if it was improper due to weight only if it is surrendered at the time the proper tag is purchased.	TRUCKS OVER 14,000 AND ALL UNLIMITED AND 50 MILE BUSES (First used in this quarter) 3/4 year rate (If used 1st quarter the rate is as shown above.)
ALL OTHER VEHICLES (Whether first used in this quarter or the 1st quarter) Full year rate.		
3 QUARTER Aug.- Sept-Oct.	ALL VEHICLES--Delinquent. One-half credit given for current tag if it was improper due to weight only if it is surrendered at the time the proper tag is purchased.	TRUCKS OVER 14,000 AND ALL UNLIMITED AND 50 MILE BUSES (First used in this quarter) 1/2 year rate (If first used in either the 1st or 2nd quarter, the rate is as shown above.)
ALL OTHER VEHICLES		

(Whether first used in this quarter or in the 1st or 2nd quarter) Full year rate.

4	ALL VEHICLES--Delinquent. One-half credit given for current tag if it was improper due to weight only if it is surrendered at the time the proper tag is purchased.	TRUCKS OVER 14,000 AND ALL UNLIMITED 50 MILES BUSES (First in this quarter) 1/4 year rate (If first used in either the 1st, 2nd or 3rd quarter, the rate is as shown above.)
QUARTER		
Nov.-Dec.		

ALL OTHER VEHICLES (Whether first used in this quarter or in one of the first three quarters) Full year rate.

Cite as Ga. Comp. R. & Regs. R. 560-10-14-.04

Authority: Ga. L. 1927, p. 228; 1931, pp. 7, 34, 213, 214; 1937-38, Extra Sess., pp. 77, 81, 82, 91, 259, 263, 270; 1943, p. 341; 1946, p. 77; 1953, Nov. Sess., p. 371; 1955, p. 303, Extra Sess., p. 38, 1957, pp. 376, 378, 590; 1959, p. 351; 1960, pp. 777, 778, 998, 999, 1004, 1031, 1032; pp. 450, 451; 1963, pp. 606, 607, as amended.

Effective August 13, 1970.

History. Original Rule was filed on June 30, 1965.

Amended: Filed July 24, 1970; effective August 13, 1970.

Rule 560-10-14-.05. The Rate to be Applied, the Penalty to be Assessed and the Credit to be Given Where a Vehicle Operator is Operating With a Current Tag but is Improperly Classified.

Where a motor vehicle operator with a current tag is found to be hauling for hire with a private tag or is found to be hauling material not permitted by the class of tag displayed, the vehicle is improperly classified. Where a vehicle operator is delinquent for both weight and classification, he is treated as being delinquent for weight only and Section [560-10-14-.04](#) applies. Where a vehicle operator is delinquent only for classification, the following rate shall be applied, penalty assessed and credit allowed:

DURING THIS QUARTER	WHEN DELINQUENT CREDIT ALLOWED	RATE AND PENALTY
1 QUARTER	ALL VEHICLES--	ALL VEHICLES (First used in this quarter) Full year rate, 25% penalty, \$1.00 cost.
Jan.-Feb.-March-Apr.-	Not delinquent until April 2nd but proper tag and/or	

renewal decal must be
purchased before

April 2nd. Full credit given
for improper tag only if it is
surrendered at the time the
proper tag is purchased.

VEHICLES ONLY

USED IN THIS

QUARTER

Not delinquent until

April 2nd but current year
tag and/or renewal decal
must be purchased before
April 2nd even if not used
thereafter.

2

QUARTER

May-June

July

ALL OTHER VEHICLES

(Whether first used in this
quarter or the 1st quarter)
Full year rate, 25%
penalty, \$1.00 cost.

3

QUARTER

Aug.-Sept.

Oct.

ALL OTHER

VEHICLES (Whether first
used in this quarter or in
the 1st or 2nd quarter) Full

ALL VEHICLES--

Delinquent. Full credit given
for improper tag only if it is
surrendered at the time the
proper tag is purchased.

ALL VEHICLES--

Delinquent. Full credit given
for improper tag only if it is
surrendered at the time the
proper tag is purchased.

TRUCKS OVER 14,000 AND ALL
UNLIMITED AND 50 MILE BUSES
First used in this quarter) 3/4 year
rate, 25% penalty, \$1.00 cost (If used
1st quarter the rate is as shown
above.)

TRUCKS OVER 14,000 AND ALL
UNLIMITED AND 50 MILE BUSES
(First used in this quarter) 1/2 Year
rate, 25% penalty, \$1.00 cost (If first
used in either the 1st or 2nd quarter,
the rate is as shown above.)

year rate, 25% penalty,
\$1.00

cost.

4

QUARTER

Nov.-Dec.

ALL VEHICLES--

Delinquent. Full credit given
for improper tag only if it is
surrendered at the time the
proper tag is purchased.

TRUCKS OVER 14,000 AND ALL
UNLIMITED 50 MILES BUSES
(First used in this quarter) 1/4 year
rate, 25% penalty, \$1.00 cost (If first
used in either the 1st, 2nd or 3rd
quarter, the rate is as shown above.)

ALL OTHER VEHICLES

(Whether first used in this
quarter or in one of the
first three quarters) Full
year rate, 25% penalty,
\$1.00 cost.

Cite as Ga. Comp. R. & Regs. R. 560-10-14-.05

Authority: Ga. L. 1927, p. 228; 1931, pp. 7, 34, 213, 214; 1937-38, Extra Sess., pp. 77, 81, 82, 91, 259, 263, 268; 1946, p. 77; 1953, pp. 392, 393, Nov. Sess., p. 371; 1955, pp. 303, 447, 448, Extra Sess., p. 38, 1957, pp. 376, 378, 590; 1959, p. 351; 1960, pp. 777, 778, 998, 999, as amended. Effective August 13, 1970.

History. Original Rule was filed on June 30, 1965.

Amended: Filed July 24, 1970; effective August 13, 1970.

Subject 560-10-15. DIGITAL LICENSE PLATES.

Rule 560-10-15-.01. Definitions.

(1) As used in this Subject, the term:

- (a) "Black-and-white digital license plate" means a digital license plate designed by the digital license plate provider to only display images in black, white, and shades of gray.
- (b) "Full-color digital license plate" means a digital license plate designed by the digital license plate provider to display images in all the colors appearing on metal license plates issued by the Department.
- (c) "Department" means the Department of Revenue.
- (d) "Digital license plate" means a license plate which receives wireless data communication to display information electronically.

- (e) "Digital license plate provider" means a person or entity approved by the Department as a supplier of digital license plate hardware and services to motor vehicle owners.
- (f) "Georgia customer" means a customer of a digital license plate provider to whom a digital license plate has or will be issued for a vehicle that is or will be registered in Georgia.
- (g) "Metal license plate" means the metal license plate issued for a motor vehicle by the Department or its county tag agent.
- (h) "Plate image" means the image displayed on the face of the metal license plate, including all letters, numbers, and images, and including all letters, numbers and images displayed on a current revalidation decal issued for such metal license plate. If an unexpired temporary operating permit has been issued for a vehicle, then the plate image shall be the image displayed on the face of the temporary operating permit, including all letters, numbers, images, and expiration information, until a metal license plate has been issued for the vehicle.
- (i) "Prestige plate" means a license plate design that displays a personalized sequence of characters chosen by the Georgia registrant and approved by the Department.
- (j) "Sponsored specialty plate" means a specialty plate design sponsored by an agency, fund, nonprofit corporation, association, group, institution, or organization under Article 3 of Chapter 2 of Title 40 of the Official Code of Georgia and approved by the Department.
- (k) "Vehicle owner" means a person, other than a lienholder or security interest holder, having interest in or title to a vehicle. The term includes a person entitled to the use and possession of a vehicle subject to a security interest in or lien by another person and includes a lessee under a lease.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.01

Authority: O.C.G.A. §§ [40-2-1](#), [40-2-58](#), [40-2-59.1](#), [40-2-59.3](#).

History. Original Rule entitled "Where a Motor Vehicle Owner Sells the Vehicle to a New Owner and Desires to Transfer the Tag Assigned to That Vehicle to the New Owner" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Transfer of License Plate to a New Vehicle Owner" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Adopted: New Rule entitled "Definitions." F. June 1, 2022; eff. June 21, 2022.

Rule 560-10-15-.02. Application for and Issuance of Digital License Plates.

- (1) At the time of initial application for registration or at any time during the registration period, a vehicle owner may file an application on the forms prescribed by the Department to use a digital license plate provided by a digital license plate provider.
 - (a) Until such time as the digital license plate is installed on the vehicle and is correctly displaying the Department-assigned plate image, the vehicle owner must use the metal plate issued by the Department or its tag agent as the license plate on the vehicle. If a motor vehicle dealer or county tag office has issued a temporary operating permit for the vehicle and the temporary operating permit is still valid, the vehicle owner may use the temporary operating permit until a metal license plate has been issued.
 - (b) The Department will provide additional guidance regarding an online application process for vehicle owners to use to apply for use of a digital license plate when such online process becomes available.
- (2) If the application for a digital license plate is approved,
 - (a) the Department shall transmit to the digital license plate provider the license plate information necessary to duplicate the plate image on the digital license plate; and
 - (b) the Department or the county tag agent shall issue to the vehicle owner a metal license plate.
- (3) A digital license plate provider shall not cause or allow to be shown on any digital license plate installed on a motor vehicle anywhere in the world a Georgia plate image unless such digital license plate has been issued in accordance with this Rule.
- (4) The vehicle owner shall keep the metal license plate in the vehicle at all times that the vehicle owner is using a digital license plate to serve as the operational license plate on the rear of the vehicle.
- (5) If a licensed motor vehicle dealer or its agent installs a digital license plate on a motor vehicle sold by the dealer to a Georgia customer and the dealer issues a temporary operating permit to the Georgia customer, then the digital license plate provider may apply to the Department through an electronic process approved by the Department for such transactions for permission to display the temporary operating permit image on the digital license plate. If the Department approves the digital license plate provider's application, then the digital license plate provider shall cause to be displayed on the installed digital license plate the temporary operating permit plate image.
- (6) If a county tag agent approves a vehicle owner's application for a temporary operating permit for a motor vehicle which is recorded in the Department's records as having a digital license plate installed, the Department shall electronically transmit to the digital license plate provider the temporary operating permit information necessary to duplicate the temporary operating permit plate image on the digital license plate. The digital license plate provider shall immediately update the digital license plate in real time and cause to

be displayed on the installed digital license plate the temporary operating permit plate image.

- (7) In no case shall a digital license plate provider cause or allow to be displayed on any digital license plate the image of a temporary operating permit other than a temporary operating permit assigned by the Department, a county tag office, or a licensed motor vehicle dealer to that vehicle. Once the Department has notified the digital license plate provider that a temporary operating permit has expired, the digital license plate provider shall not cause or allow the expired temporary operating permit to be displayed on any digital license plate.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.02

Authority: O.C.G.A. §§ [40-2-26](#), [40-2-31](#), [40-2-33](#), [40-2-57](#), [40-2-59.1](#), [40-2-59.3](#).

History. Original Rule entitled "Where an Owner Destroys or Retires a Vehicle and Desires to Transfer the Tag Assigned to That Vehicle to a Replacement Vehicle" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Adopted: New Rule entitled "Application for and Issuance of Digital License Plates." F. June 1, 2022; eff. June 21, 2022.

Rule 560-10-15-.03. Digital License Plate Design.

- (1) A digital license plate provider must ensure that the digital license plate of a registered Georgia customer at all times displays an image identical to the plate image of the metal license plate issued to the vehicle owner, except as otherwise provided in this section.
 - (a) For a black-and-white digital license plate, the requirement to display an image identical to the plate image does not include a requirement that the digital license plate duplicate the exact colors of the plate image.
- (2) In the portion of the plate image where a revalidation decal would be placed on a metal license plate for a currently registered vehicle, the digital license plate must display an image identical to the revalidation decal issued to the vehicle owner by the Department or its county tag agent.
- (3) Each digital license plate design must be designed to be readable by license plate readers and must be certified by the State Road and Tollway Authority as complying with its readability standards before the digital license plate provider may use the design on a digital license plate of a registered vehicle.
- (4) No part of a digital license plate, its case, its installation hardware, or any accessories sold or distributed by the digital license plate provider shall obscure any part of the plate image displayed on the digital license plate.
- (5) When the vehicle owner has been issued a metal license plate that must display on the bottom center of the plate a decal with either the county name or "In God We Trust," the

digital license plate provider must duplicate either the county name or "In God We Trust" in the corresponding space on the digital license plate. The digital license plate provider must give the vehicle owner the option to display the county name or "In God We Trust."

- (6) If a vehicle owner terminates a digital license plate service with the digital license plate provider, the digital license plate provider shall remove the plate image from the digital license plate and shall cause the digital license plate to display the message "NOT A VALID LICENSE PLATE" in easily legible letters at least 0.9 inches high. After confirming that the plate meets the requirements of this paragraph, the digital license plate provider shall terminate the electronic data transmitted to the digital license plate.
- (7) Unless a vehicle owner cancels a digital license plate with the digital license plate provider as provided in paragraph (6), the digital license plate provider shall cause a cancelled, expired, revoked, suspended, or replaced digital license plate to display the plate image, but notwithstanding the requirements of this section, such image on the digital license plate shall be modified so that, in the space for the county name decal or the "In God We Trust" decal, the digital license plate displays the assigned word or phrase transmitted from the Department, which shall be one of the following to reflect the action taken by the Department: "cancelled," "expired," "revoked," "suspended," "replaced," or such other assigned word or phrase as directed by the Department, in capital letters of the same size and typeface as on the county name decal. The digital license plate provider may remove the assigned word or phrase from the digital license plate when directed to do so by the Department.
 - (a) A digital license plate provider must offer Georgia customers the option of receiving notifications of a cancelled, expired, suspended, or revoked digital license plate via text message, e-mail, or notification through a computer account or computer application ("Electronic Notification"). The digital license plate provider may provide its Georgia customers with notifications through more than one of these methods of Electronic Notification, but, in any case, the immediate notification must be made through the Electronic Notification method chosen by the Georgia customer. The digital license plate provider must provide an immediate, real-time Electronic Notification to any Georgia customer whose digital license plate has been cancelled, expired, suspended, or revoked as soon as the Department notifies the digital license plate provider of such plate's status.
- (8) If the Department's records show that a motor vehicle is stolen and the Department directs the digital license plate provider to indicate the motor vehicle is stolen, the digital license plate provider shall cause to be displayed on the digital license plate for that motor vehicle in the space for the county name decal or the "In God We Trust" decal the word "stolen," or such other assigned word or phrase as directed by the Department, in capital letters of the same size and typeface as on the county name decal or in such other typeface as directed by the Department. The digital license plate provider may remove the assigned word or phrase from the digital license plate when directed to do so by the Department.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.03

Authority: O.C.G.A. §§ [40-2-31](#), [40-2-57](#), [40-2-58](#), [40-2-59.1](#), [40-2-59.3](#), [40-2-136](#).

History. Original Rule entitled "Where the Owner of a Motor Vehicle Desires to Upgrade for Weight the Tag Assigned to His Motor Vehicle or Desires to Change the Tag Classification Assigned to His Motor Vehicle" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Adopted: New Rule entitled "Digital License Plate Design." F. June 1, 2022; eff. June 21, 2022.

Rule 560-10-15-.04. Valid Registration.

- (1) For the digital license plate to be considered a valid operating permit, the metal license plate must be kept in the vehicle at all times in a readily accessible location and presented to law enforcement on request.
- (2) If at any time the digital license plate stops displaying the license plate number or the revalidation decal information in a clear and legible manner, the vehicle owner or anyone operating the vehicle must replace the digital license plate with the metal license plate until such time as the digital license plate properly displays the information required in this Subject, 560-10-15.
- (3) The vehicle owner must renew the vehicle's registration annually by applying for a revalidation decal. The metal license plate must bear a current revalidation decal at all times, even when a digital license plate is being used as the valid operating permit. The digital license plate provider must also ensure that the digital license plate displays the most current revalidation decal information issued for the vehicle pursuant to the instructions from the Department and pursuant to the rules in this Subject.
- (4) A digital license plate provider shall not permit within the state of Georgia the installation or operation of a digital license plate that has not been issued pursuant to Rule [560-10-15-.02](#) unless the use complies with the exception procedures that shall be established by the Motor Vehicle Division. Those procedures may include, but not be limited to, exceptions for use of digital license plates in product demonstrations, film and television productions, videos, and other marketing purposes.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.04

Authority: O.C.G.A. §§ [40-2-31](#), [40-2-57](#), [40-2-59.1](#), [40-2-59.3](#).

History. Original Rule entitled "Where a Motor Vehicle Owner Sells the Vehicle to a New Owner and Desires to Transfer an Amateur Radio Operator Tag, National Guard Tag, Disabled Veteran Tag, Citizens' Band Radio Tag, Foreign Consul Tag, Commanders of Patriotic Organization Tag, Legislative Tag or Special Prestige Tag Assigned to That Vehicle to Another Motor Vehicle" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: New Rule entitled "Where a Motor Vehicle Owner Sells the Vehicle to a New Owner and Desires to Transfer an Amateur Radio Operator Tag, National Guard Tag, Disabled Veteran Tag, Citizens' Band Radio Tag, Foreign Consul Tag, Commanders of Patriotic Organization Tag, Legislative Tag, Disabled Persons Tag, Special Prestige Tag or Other Special Tag Assigned to That Vehicle to Another Motor Vehicle" adopted. F. July 2, 1975; eff. July 22, 1975.

Amended: F. Apr. 6, 1976; eff. Apr. 26, 1976.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Adopted: New Rule entitled "Valid Registration." F. June 1, 2022; eff. June 21, 2022.

Rule 560-10-15-.05. Messaging and Personalization.

- (1) Before an approved digital license plate provider may cause a plate image for a sponsored specialty plate to be shown on a digital license plate, the digital license plate provider and the Department shall complete the following steps:
 - (a) The digital license plate provider shall obtain the written approval of the proposed template image from the specialty plate's sponsor and from the owners of any intellectual property included in the design.
 - (b) The digital license plate provider shall submit to the Department the proposed plate image for certification, the written approval from the sponsor plate's sponsor and from the owners of any intellectual property included in the design, and any other data or documentation required by the Department.
 - (c) The Department must obtain certification from the State Road and Tollway Authority that the proposed plate image displayed on the digital license plate provider's digital license plate meets the State Road and Tollway Authority's standards for readability.
 - (d) The Department will notify the digital license plate provider when the proposed template image for a specific sponsored specialty plate design has been fully approved.
- (2) A digital license plate provider shall not allow or cause to be shown on any digital license plate installed on a motor vehicle titled or registered in Georgia any banner, any personalized message, or any images other than those required or expressly permitted in this Subject.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.05

Authority: O.C.G.A. §§ [40-2-59.1](#), [40-2-59.3](#).

History. Original Rule entitled "When a Motor Vehicle Owner Desires to Transfer a License Plate or Decal (Excluding Motorcycles) the Owner Must First Meet the Requirements of the Georgia Motor Vehicle Accident Reparations Act" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Adopted: New Rule entitled "Messaging and Personalization." F. June 1, 2022; eff. June 21, 2022.

Rule 560-10-15-.06. RESERVED.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.06

History. Rule number [560-10-15-.06](#) Reserved, as specified by the Agency. F. June 1, 2022; eff. June 21, 2022.

Rule 560-10-15-.07. Digital License Plate Provider Requirements.

- (1) A digital license plate provider must execute a written contract with the Department before it may begin issuing digital license plates for motor vehicles titled or registered in Georgia.
- (2) The Department may only grant the intellectual property rights, including any copyrights, that it has obtained from specialty plate sponsors. The Department does not guarantee or warrant that the digital license plate provider will be approved to display all Georgia license plate designs. With respect to sponsored specialty plates, it is the responsibility of the digital license plate provider to obtain from the plate's sponsor and from the owners of any intellectual property contained in the license plate design the written approval to display and permission to use the digital license plate provider's design, including the use of the colors or shades to be displayed on the digital license plate. Evidence of such approvals satisfactory to the Department must be provided before the Department will send the design to the State Road and Tollway Authority for certification.
- (3) A digital license plate provider must ensure that its system of sending instructions or data to its digital license plates updates the plates in real time and causes the plates to meet the display requirements of this Subject in real time.
- (4) A digital license plate provider shall establish a password-protected portal to its license plate management system for the Department so that the Department may at any time confirm in real time the digital license plates that have been issued for vehicles titled or registered in Georgia, the identity of the vehicles, the customers to which such digital license plates have been issued, and the current image displayed on the digital license plate.
 - (a) The digital license plate provider shall maintain the portal in good working order at all times and provide the Department with training and written guidance explaining the features of the portal.
 - (b) The digital license plate provider shall provide the Department with reasonable notice at least 72 hours in advance of any scheduled service outage of the portal and include in the notice the period and purpose of such outage.
- (5) Every digital license plate provider shall maintain a record, in the form the Department prescribes, of every digital license plate issued, received, bought, sold, or exchanged by the provider for a vehicle titled or registered in Georgia. As part of its electronic records, a digital license plate provider shall maintain a record for each digital license plate of all instructions sent to a digital license plate and the time and date such instructions were sent. In addition, if the digital license plate sends any signal, data, or communication back to the digital license plate provider, the digital license plate provider shall maintain a record of all such communications, including the time and date of each such received communication. All such records shall be kept for three years and shall be open to inspection by a representative of the Department during reasonable business hours.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.07

Authority: O.C.G.A. §§ [40-2-58](#), [40-2-59.1](#), [40-2-59.3](#).

History. Original Rule entitled "Digital License Plate Provider Requirements" adopted. F. June 1, 2022; eff. June 21, 2022.

Rule 560-10-15-.08. Digital License Plate Provider Fees.

- (1) A digital license plate provider shall be authorized to collect fees for the provision of digital license plate hardware and for services to such license plate. Such fees may include the cost for the manufacture of the digital license plate, the installation of the digital license plate, and any service or repair plan a Georgia customer may elect to purchase. All such fees must comply with the contract between the digital license plate provider and the Department.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.08

Authority: O.C.G.A. §§ [40-2-57](#), [40-2-59.3](#).

History. Original Rule entitled "Digital License Plate Provider Fees" adopted. F. June 1, 2022; eff. June 21, 2022.

Rule 560-10-15-.09. Effective Date.

The effective date for Rules [560-10-15-.01](#) through [560-10-15-.08](#) is October 1, 2022.

Cite as Ga. Comp. R. & Regs. R. 560-10-15-.09

Authority: O.C.G.A. § [40-2-59.3](#).

History. Original Rule entitled "Effective Date" adopted. F. June 1, 2022; eff. June 21, 2022.

Subject 560-10-16. LICENSE PLATES AND RENEWAL DECALS.

Rule 560-10-16-.01. Annual License Plates.

The following license plate classification shall be an annual license plate: P-F through P-K, H-F through H-K, Unlimited buses, Limited Buses, Fifty (50) Mile Buses, Manufacturers and Dealers.

Cite as Ga. Comp. R. & Regs. R. 560-10-16-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 91, 259, 267; 1955, Extra Sess., pp. 38, 44; 1959, pp. 232, 233, as amended.

History. Original Rule was filed and effective on June 30, 1965.

Amended: Original Rule entitled "Non-Resident Dealers in Used Motor Vehicles. To Register Under the Dealer Registration Provisions with the Motor Vehicle Unit of the State Department of Revenue" repealed and a new Rule entitled "Annual License Plates" adopted. Filed July 24, 1970; effective August 13, 1970.

Rule 560-10-16-.02. Permanent Plates.

Historical vehicle license plates shall be permanent plates. Governmental license plates issued prior to January 1, 1976 shall expire Midnight, December 31, 1975, and all Governmental vehicles shall be required to be re-registered commencing January 1, 1976 and said plates issued in 1976 shall be five (5) year plates.

Cite as Ga. Comp. R. & Regs. R. 560-10-16-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 259, 268; 1955, pp. 447, 448; 1958, p. 302; 1960, pp. 777, 778; 1969, pp. 266, 267, 268, 269, 270, as amended.

History. Original Rule was filed and effective on June 30, 1965.

Amended: Original Rule entitled "Bond of Non-Resident Dealers in Used Vehicles" repealed and a new Rule entitled "Permanent Plates" adopted. Filed July 24, 1970; effective August 13, 1970.

Amended: Filed July 2, 1975; effective July 22, 1975.

Rule 560-10-16-.03. Five (5) Year Plates.

The following license plates shall be a five (5) year license plate: Passenger plates issued under Section 92-2902, Subsections (1), (2), (3), (a)(b)(c)(d)(e)(4), (5), (6), (7), (8), (10)(a)(b)(c)(d)(e), (12), (13), (17), disabled veterans, handicapped veterans, national guard, amateur radio, citizens' band radio, special prestige, foreign consuls, commander of patriotic organization, representatives, senators and other special tags shall also be a five (5) year license plate. If a holder of a national guard, amateur radio, citizens' band radio, foreign consul, commander of patriotic organization, representative, or senator license plate is discharged from the national guard, has his FCC radio license revoked or expired, or no longer holds office as foreign consul, commander of patriotic organization, representative or senator, then such plates shall be invalid and the owner must exchange such plates for the proper class of five (5) year license plate. Exchanges of this type are made by the Internal Administration Unit, Atlanta, Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-10-16-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 91, 259, 267; 1955, Extra Sess., pp. 38, 44; 1959, pp. 232, 233; 1969, pp. 266, 267, 268, 269, 270; all as amended.

History. Original Rule was filed on July 24, 1970; effective August 13, 1970.

Amended: Filed November 16, 1976; effective December 6, 1976.

Rule 560-10-16-.04. Renewal Decals.

Effective January 1, 1972, renewal decals shall be issued by the county tax commissioners and tax collectors of that county wherein such vehicle is required to be returned for ad valorem taxation. Said decals will be issued to vehicle owners to whom a five (5) year license plate has been issued. It shall be the responsibility of the vehicle owner to affix the renewal decal to the license plate, in the space provided for such decal, for which such decal was issued. A renewal decal shall not be affixed to a license plate other than the one for which such decal was issued.

Cite as Ga. Comp. R. & Regs. R. 560-10-16-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 91, 259, 267; 1955, Extra Sess., pp. 38, 44; 1959, pp. 232, 233; 1969, pp. 266, 267, 268, 269, 270; all as amended.

History. Original Rule was filed on July 24, 1970; effective August 13, 1970.

Subject 560-10-17. DEALER TEMPORARY LICENSE PLATES.

Rule 560-10-17-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-17-.01

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule entitled "Qualification of Applicants for Foreign Consul Tags" adopted. F. and eff. June 30, 1965.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: F. July 22, 1987; eff. August 11, 1987.

Amended: New Rule entitled "Dealer Temporary License Plates" adopted. F. Jan. 30, 2001; eff. Feb. 19, 2001.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-17-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-17-.02

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule entitled "Definitions" adopted. F. Jan. 30, 2001; eff. Feb. 19, 2001.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-17-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-17-.03

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule entitled "Design Standards" adopted. F. Jan. 30, 2001; eff. Feb. 19, 2001.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-17-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-17-.04

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule entitled "Security Standards" adopted. F. Jan. 30, 2001; eff. Feb. 19, 2001.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-17-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-17-.05

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule entitled "Security Specifications" adopted. F. Jan. 30, 2001; eff. Feb. 19, 2001.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Rule 560-10-17-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-17-.06

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-28](#), [48-2-12](#) and [48-5C-1](#).

History. Original Rule entitled "Prohibitions" adopted. F. Jan. 30, 2001; eff. Feb. 19, 2001.

Repealed: F. Dec. 5, 2013; eff. Dec. 25, 2013.

Subject 560-10-18. MOTOR VEHICLE IDENTIFICATION NUMBERS ISSUED BY THE STATE REVENUE COMMISSIONER.

Rule 560-10-18-.01. Motor Vehicle Identification Numbers Issued by the State Revenue Commissioner.

In all cases where the State Revenue Commissioner is required by law to issue an identification number for a given vehicle, the identification number plate assigned shall contain such numbers or letters which in the best judgment of the Director of the Motor Vehicle Unit shall best describe the vehicle for identification purposes.

Cite as Ga. Comp. R. & Regs. R. 560-10-18-.01

Authority: Ga. L. 1961, pp. 68, 71, 83, as amended.

History. Original Rule entitled "Motor Vehicle Identification Numbers issued by the State Revenue Commissioner" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed November 20, 1974; effective December 10, 1974.

Rule 560-10-18-.02. Motor Vehicle Engine and Transmission Numbers Issued by the State Revenue Commission.

In all cases where the State Revenue Commission is required by law to issue an identification number for a given motor vehicle engine or transmission the identification number assigned shall contain the prefix "GAP".

Cite as Ga. Comp. R. & Regs. R. 560-10-18-.02

Authority: Ga. L. 1961, pp. 68, 71, 83, as amended.

History. Original Rule entitled "Motor Vehicle Engine and Transmission Numbers issued by the State Revenue Commission" was filed on July 24, 1970; effective August 13, 1970.

Subject 560-10-19. TAG FORMS.

Rule 560-10-19-.01. Pre-Bill Application for License Plate and/or Renewal Decal for Passenger Cars, Busses, Motorcycles, Ambulances and Hearses.

Form No. MV-1A is an application for license plates and/or renewal decals for passenger cars, busses, motorcycles, ambulances and hearses. This form is used only by the Department of Revenue in preparing pre-bills which are mailed to the various county tag agents, and used by owners to purchase new license plates for vehicles owned the previous year. Form No. MV-1A is

identical to Form No. MV-1 with the exception that MV-1A does not contain information necessary for securing a certificate of title for the vehicle. This form must be executed by the owner in the same manner as Form MV-1 and accompanied with the proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.01

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Application for Certificate of Title" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Pre-Bill Application for License Plate for Passenger Cars, Motorcycles, Ambulances and Hearses" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Pre-Bill Application for License Plate for Passenger Cars, Busses, Motorcycles, Ambulances and Hearses" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule entitled "Pre-Bill Application for License Plate and/or Renewal Decal for Passenger Cars, Busses, Motorcycles, Ambulances and Hearses" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Rule 560-10-19-.02. Application for License Plate and/or Renewal Decal for Trucks.

Form No. MV-2A is an application for license plates and/or renewal decals for trucks. This form is used only by the Department of Revenue in preparing pre-bills which are mailed to various county tag agents, and used by owners to purchase new license plates for vehicles owned the previous year. Form No. MV-2A is identical to Form MV-2 with the exception that MV-2A does not contain information necessary for securing a certificate of title for the vehicle. This form must be executed by the owner in the same manner as Form MV-2 and accompanied with the proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.02

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Application for Duplicate Certificate of Title" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for License Plate for Trucks" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule entitled "Application for License Plate and/or Renewal Decal for Trucks" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Rule 560-10-19-.03. Application for License Plate and/or Renewal Decal for Trailers.

Form No. MV-3A is an application for license plates and/or renewal decals for trailers. This form is used only by the Department of Revenue in preparing pre-bills which are mailed to various county tag agents, and used by the owners to purchase new license plates for vehicles owned the previous year. Form No. MV-3A is identical to Form MV-3 with the exception that MV-3A does not contain information necessary for securing a certificate of title for the vehicle. This form must be executed by the owner in the same manner as Form MV-3 and accompanied with the proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.03

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Notice of Lien or Security Interest" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for License Plate for Trailers" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: New Rule entitled "Application for License Plate and/or Renewal Decal for Trailers" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Rule 560-10-19-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.04

Authority: O.C.G.A. Sec. [40-2-38](#).

History. Original Rule entitled "Requests for Revenue Commissioner to Cancel a Lien of Security Interest Shown on a Certificate of Title" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for License Plate for Busses and School Busses" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Application for Registration of Motor Vehicle Manufacturers, Dealers or Lessors" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: F. Apr. 21, 2004; eff. May 11, 2004.

Rule 560-10-19-.05. Application for Duplicate Registration Certificate.

- (1) Form No. MV-5 is an application for duplicate registration certificate. Form No. MV-5 contains a complete description of the vehicle, name and address of applicant. This form can be obtained from any county tag agent or from the Internal Administration Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334.
- (2) These forms must be typed or printed with a ball-point pen, and must be signed by owner and accompanied with the proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.05

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453, 1961, pp. 68, 71.

History. Original Rule entitled "Notice of Recovered, Stolen or Converted Vehicle Report" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for Registration of Motor Vehicle Manufacturers, Dealers or Lessors" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Application for Duplicate Registration Certificate" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-19-.06. Request for Manufacture of Amateur Radio License Plate.

Form MV-9 is a request for the manufacture of an amateur radio license plate. All such requests must be received by the Internal Administration Unit between September 15 and November 15 in the year prior to the issuance of the license plate. A copy of this form must accompany application form MV when application for license plate is made to the tax commissioner's or tax collector's office. MV-9 forms can be obtained from any county tag agent or from the Internal Administration Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334. This form must be typed or printed with a ball-point pen, signed by the applicant and accompanied by a fee of \$10.00. Such plates may be used only on a passenger car, trailer, station wagon, van type vehicle of three-quarter tons or less or truck not exceeding 14,000 lbs. owner's declared gross vehicle weight.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.06

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Affidavit of Title Held for Lien or Security Interest" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Request for Manufacture of Amateur Radio License Plate" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. July 24, 1970; eff. August 13, 1970.

Amended: F. Apr. 6, 1976; eff. Apr. 26, 1976.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-19-.07. Request for Manufacture of Citizens' Band Radio License Plate.

Form No. MV-9-A is a request for the manufacture of citizens' band radio license plate. All such requests must be received by the Internal Administration Unit between September 15 and November 15 in the year prior to the issuance of the license plate. A copy of this form must accompany application form MV when application for license plate is made to the county tax commissioner's or tax collector's office. MV-9-A forms can be obtained from any county tag agent or from the Internal Administration Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334. This form must be typed or printed with a ball-point pen, signed by the applicant and accompanied by a fee of \$10.00 and a copy of applicant's unrevoked and unexpired license issued by the Federal Communications Commission. Such plates may be used on a passenger car, truck, trailer, station wagon, van type vehicle of three-quarter tons or less or truck not exceeding 14,000 lbs. owner's declared gross vehicle weight.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.07

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453, 1968, p. 43.

History. Original Rule entitled "Notice of Insurance Company Settlement" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Bond for Installment Payment for License Plates" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Request For Manufacturer of Citizens' Band Radio License Plate" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.
Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.
Amended: F. Apr. 6, 1976; eff. Apr. 26, 1976.
Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-19-.08. Request for Manufacture of Special Prestige License Plate.

Effective 1985, requests for the manufacture of special prestige license plates shall be made between July 1 and August 31. All such requests must be submitted on Form MV- 9B and must be received by the Motor Vehicle Division during the time period indicated above in the year prior to the issuance of the license plate. After approval by the Motor Vehicle Division, an approved Form MV-9B must be submitted to the County Tag Office upon payment of the appropriate taxes and registration fees relative to issuance of a license plate. The license plate application must be in the same name as indicated on the approved Form MV-9B. A manufacturing fee of \$10.00 must be submitted with each request for a special prestige license plate. Such plates may be issued on a passenger car, trailer, station wagon, van type vehicle of three-quarter tons or less, or trucks not exceeding 14,000 lbs. owner's declared gross vehicle weight. A person to whom a seven (7) year special prestige license plate has been issued may request a special prestige license plate with the same information be issued for the next seven (7) year license plate period by submitting Form MV-9B during the renewal time specified by the Motor Vehicle Division. In 1984, special prestige applications may be received between July 1 and November 15, 1984. Requests for the manufacture of University of Georgia and Georgia Tech license plates may only be made between July 1 and November 15, 1984.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.08

Authority: O.C.G.A. Secs. [40-2-60](#), [48-2-12](#).

History. Original Rule entitled "Affidavit Inheritance of Motor Vehicle" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Request for Manufacture of Special Prestige License Plate" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. July 24, 1970; eff. August 18, 1970.

Amended: F. July 2, 1975; eff. July 22, 1975.

Amended: F. Apr. 6, 1976; eff. Apr. 26, 1976.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: New Rule of same title adopted. F. July 11, 1984; eff. July 31, 1984.

Rule 560-10-19-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.09

Authority: Ga. L. 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1956, pp. 659, 660, 1966, pp. 508, 510, 511.

History. Original Rule entitled "Affidavit for Repossessed Motor Vehicles" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Bond for Installment Payments for License Plates" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Repealed: F. Sept. 11, 2002; eff. Oct. 1, 2002.

Rule 560-10-19-.10. Certificate of Missing Tags.

Certification of missing tags and/or renewal decals form may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form is used by the county tag agents as required by 560-10-4-.11.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.10

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Affidavit for Correction of Error on Certificate of Title" adopted. F. and eff. June 30, 1965.

Repealed: F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: New Rule entitled "Certificate of Missing Tags" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-19-.11. Application for Replacement License Plate and/or Renewal Decal.

Form MV-7 is an application for replacement license plate and/or renewal decal and may be obtained from any county tag agent or from the Internal Administration Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334. These forms must be typed or printed with a ball-point pen, signed by owner and all questions answered and this form must be accompanied by the proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-19-.11

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Application for Replacement License Plate and/or Renewal Decal" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Subject 560-10-20. TAG AND TITLE FORMS.

Rule 560-10-20-.01. Application for License Plate and/or Renewal Decal and Title for Passenger Car, Bus, School Bus, Motorcycle or Ambulance.

Form MV-1 is an application for a passenger car, bus, school bus, motorcycle or ambulance license plate and or renewal decal and title, and may be obtained from any county tag agent or from the Internal Administration Unit, Department of Revenue Trinity-Washington Building, Atlanta, Georgia 30334. These forms must be typed, signed by owner, notarized and all questions answered. This form must be supported by proof of ownership, previous registration certificate or bill of sale and proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-20-.01

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Application for a Passenger Car, Bus, School Bus, Motorcycle or Ambulance License Plate" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for License Plate and Title for Passenger Cars, Motorcycles, Ambulances or Hearses" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Application for License Plate and Title for Passenger Car, Bus, School Bus, Motorcycle or Ambulance" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule entitled "Application for License Plate and/or Renewal Decal and Title for Passenger Car, Bus, School Bus, Motorcycle or Ambulance" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-20-.02. Truck or Truck Tractor Application for License Plate and/or Renewal Decal and Title.

Form MV-2 is an application for a truck or truck tractor license plate and or renewal decal and title, and may be obtained from any county tag agent or from the Internal Administration Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334. These forms must be typed, signed by owner, notarized and all questions answered. This form must be supported by proof of ownership, previous registration certificate or bill of sale and proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-20-.02

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess, pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Truck or Truck Tractor Application for License Plate" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for License Plate and Title for Trucks" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Truck or Truck Tractor Application for License Plate and Title" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule entitled "Truck or Truck Tractor Application for License Plate and/or Renewal Decal and Title" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-20-.03. Trailer Application for License Plate and/or Renewal Decal and Title.

Form MV-3 is an application for a trailer license plate and or renewal decal and title and may be obtained from any county tag agent or from the Internal Administration Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334. These forms must be typed, signed by owner, notarized and all questions answered. This form must be supported by proof of ownership, previous registration certificate or bill of sale and proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-20-.03

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Trailer Application for License Plate" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for License Plate and Title for Trailers" adopted. F. Dec. 9, 1966; eff.

Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Trailer Application for License Plate and Title" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule entitled "Trailer Application for License Plate and/or Renewal Decal and Title" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-20-.04. Affidavits for Correction of Address or Manufacturer's ID Number of a License Plate, Registration Certificate or Title.

Affidavit for correction of address or manufacturer's I.D. number on a license plate, registration certificate or title may be obtained from the Internal Administration Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334, or any county tag agent. This form must be completed, signed by owner, notarized and supported by the license plate registration certificate or title in error along with a new, properly prepared application to the above Unit. If a change of address only is requested, forms may be submitted to tag agent in your county.

Cite as Ga. Comp. R. & Regs. R. 560-10-20-.04

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Application for Amateur Radio License Plate" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for License Plate and Title for Buses and School Buses" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Application for Dealer or Manufacturer License Plate" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Repealed: New Rule entitled "Affidavits for Correction of Address or Manufacturer's I.D. Number of a License Plate, Registration Certificate or Title" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-20-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-20-.05

Authority: O.C.G.A. Sec. [40-16-2](#).

History. Original Rule entitled "Application for Dealer or Manufacturer License Plate" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Application for Duplicate License Plate, Duplicate Certificate of Registration, Duplicate Certificate of Title" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Repealed: New Rule entitled "Application for Duplicate License Plate" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule entitled "Application for Duplicate License Plate and/or Renewal Decal" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. Dec. 19, 1973; eff. Jan. 8, 1974.

Repealed: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Amended: New Rule entitled "Requests for Searches of Tag and Title File Records" adopted. F. May 1, 1978; eff. May 21, 1978.

Repealed: New Rule of same title adopted. F. June 8, 1979; eff. June 28, 1979.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Rule 560-10-20-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-20-.06

Authority: Ga. L. 1927, pp. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1951, p. 653, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Application for Duplicate License Plate" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: New Rule entitled "Application for Duplicate Certificate of Title" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Rule 560-10-20-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-20-.07

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Application for National Guard License Plate" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: New Rule entitled "Affidavit for Correction of Address or Manufacturer's I.D. Number on a License Plate Registration Certificate of Title" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Repealed: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Rule 560-10-20-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-20-.08

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Application for Historical Vehicle License Plate" adopted. F. and eff. June 30, 1965.

Repealed: F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Subject 560-10-21. MOTOR VEHICLE CERTIFICATE OF TITLE FORMS.

Rule 560-10-21-.01. Notice of Lien or Security Interest Form.

Form T-3 is a notice of lien or security interest. This form is used to give notice of lien or security interest pursuant to Section 34, Subsection (d), Paragraph (4) and Section 38 of the Motor Vehicle Certificate of Title Act. Forms may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.01

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955,

pp. 659, 660, 1957, pp. 452, 453, 1961, pp. 68, 71.

History. Original Rule entitled "Application for Duplicate Registration Certificate" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Notice of Lien or Security Interest Form" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.02. Request to Revenue Commissioner to Cancel a Lien or Security Interest Shown on a Certificate of Title.

Request of Revenue Commissioner to cancel a Lien or Security Interest shown on a certificate of title form may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. These forms must be typed, signed by the lien or security holder and/or authorized representative, and notarized. This form is a supporting document required in order to issue a new certificate of title or security interest holder when there is no space provided on the back of the Georgia Certificate of Title for release of lien or security interest.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.02

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453, 1961, pp. 68, 71.

History. Original Rule entitled "Affidavit for Correction of Motor Numbers on a License Plate Registration Certificate" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Request to Revenue Commissioner to Cancel a Lien or Security Interest Shown on a Certificate of Title" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.03. Notice of Recovered, Stolen or Converted Vehicle Report.

Notice of recovered, stolen, converted vehicle report forms may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form must be typed and signed by person making report.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.03

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953 pp. 57, 366, 1955, pp. 659, 660, 1957 pp. 452, 453, 1961, pp. 68, 71.

History. Original Rule entitled "Issuing Officer's Report" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Notice of Recovered, Stolen or Converted Vehicle Report" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.04. Affidavit of Title Held for Lien or Security Interest.

Affidavit of Title held for lien or security interest form may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form must be

completed, signed by owner, notarized and submitted with title application, when an owner's title certificate is being held by an out-of-state lien or security interest holder.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.04

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453, 1961, pp. 68, 71.

History. Original Rule entitled "Report of Title Certificates" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Affidavit of Title Held for Lien or Security Interest" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.05. Notice of Insurance Company Settlement.

Notice of insurance company settlement form may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form must be completed, signed by company and/or authorized representative, notarized and submitted as required by [560-10-13-.12](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.05

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953 pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453, 1961, pp. 68, 71.

History. Original Rule entitled "Certificate of Missing Tags" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Notice of Insurance Company Settlement" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.06. Affidavit Inheritance of Motor Vehicle.

Affidavit Inheritance of Motor Vehicle form may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form is to be submitted with title application when there is no will or when no administration is to be had on estate of the deceased.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.06

Authority: Ga. L. 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Affidavit Inheritance of Motor Vehicle" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.07. Affidavit for Repossessed Motor Vehicle.

Affidavit for Repossessed Motor Vehicle form may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form is to be submitted with title application when required by Georgia Code Section 68-417(B).

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.07

Authority: Ga. L. 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Affidavit for Repossessed Motor Vehicle" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.08. Affidavit for Correction of Error on Certificate of Title.

Affidavit for correction of an error on a certificate of title may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form may be submitted with a title application, old certificate of title and proper fee to the above unit.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.08

Authority: Ga. L. 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1961, pp. 68, 71.

History. Original Rule entitled "Affidavit for Correction of Error on Certificate of Title" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.09. Report of Title Certificates.

Report of title certificate may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. These reports are used by the county tag agents as required by 560-10-12-.15.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.09

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Affidavit for Correction of Manufacturer's I.D. Number on a License Plate Registration Certificate" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule entitled "Report of Title Certificates" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.10. Motor Vehicle Certificate of Title Notice.

Form T-53 is a notice of a security interest or mechanics lien addition; assignment or release of a security interest or lien. This form is used to give notice pursuant to Section 21, subsection (e) and Section 23, of the Motor Vehicle Certificate of Title Act. Forms may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.10

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Report of Title Certificates" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule entitled "Motor Vehicle Certificate of Title Notice" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.11. Motor Vehicle Certificate of Title Lien Notice.

Form T-53A is a notice of a lien. This form is used to give notice of a lien pursuant to Section 21, subsection (c) of the Motor Vehicle Certificate of Title Act. Forms may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.11

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453.

History. Original Rule entitled "Certificate of Missing Tags" adopted. F. Dec. 9, 1966; eff. Jan. 1, 1967, as specified by the Agency.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule entitled "Motor Vehicle Certificate of Title Lien Notice" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.12. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.12

Authority: O.C.G.A. Sec. [40-3-3](#).

History. Original Rule entitled "Motor Vehicle Certificate of Title Notice" adopted. F. Aug. 27, 1969; eff. Sept. 15, 1969.

Amended: F. July 24, 1970; eff. August 13, 1970.

Repealed: New Rule entitled "Certification of Inspection By a Duly Constituted City, County or State Law Enforcement Officer" adopted. F. Nov. 17, 1971; eff. Dec. 7, 1971.

Repealed: F. Apr. 21, 2004; eff. May 11, 2004.

Rule 560-10-21-.13. Affidavit Sale of Abandoned Vehicle.

Form T-6 is a bill of sale form which is submitted with a title application when a purchaser or buyer applies for a certificate of title of an abandoned vehicle. This form is executed by the seller of an abandoned vehicle. These forms may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.13

Authority: Ga. L. 1927, p. 229, 1931, pp. 7, 34, 1937-38 Extra Sess., pp. 77, 81, 82, 91, 1953, pp. 57, 366, 1955, pp. 659, 660, 1957, pp. 452, 453, 1961, pp. 68, 71.

History. Original Rule entitled "Motor Vehicle Certificate of Title Lien Notice" adopted. F. Aug. 27, 1969; eff.

Sept. 15, 1969.

Repealed: F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: New Rule entitled "Affidavit Sale of Abandoned Vehicle" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.14. Peace Officers' Abandoned Vehicle Report.

Peace Officer's Abandoned Vehicle Report Form T-5-A may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form is used by peace officers to give notice to the Department of Revenue of an abandoned vehicle as provided for by Section 3(c) of Act No. 887, of the 1972 Georgia General Assembly, approved March 23, 1972.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.14

Authority: Ga. L. 1937-38, Extra Sess. pp. 77, 81, 82, 91, 1961 pp. 68, 71.

History. Original Rule entitled "Certification of Inspection by a Duly Constituted City, County or State Law Enforcement Officer" adopted. F. Aug. 7, 1970; eff. Aug. 27, 1970.

Repealed: F. Nov. 17, 1971; eff. Dec. 7, 1971.

Amended: New Rule entitled "Peace Officers' Abandoned Vehicle Report" adopted. F. Apr. 4, 1973; eff. Apr. 24, 1973.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.15. Application for Replacement Certificate of Title Forms.

- (1) Form No. MV-4 is an application for replacement certificate of title. Form MV-4 contains vehicle description, security interest information, owner's name and address. This form can be obtained from any county tag agent or from the Internal Administration Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334.
- (2) Form MV-4 must be typed, signed by the owner and accompanied by the proper fee.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.15

Authority: Ga. L. 1927, p. 229, 1931 pp. 7, 34, 1937-38 Extra Sess. pp. 77, 81, 82, 91, 1951 p. 653, 1953 pp. 57, 366, 1955 pp. 659, 660, 1957 pp. 452, 453.

History. Original Rule entitled "Application for Replacement Certificate of Title Forms" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.16. Garage Operator's Report.

Garage Operator's Report Form No. T-84 may be obtained from the Internal Administration Unit, Trinity-Washington Building, Atlanta, Georgia 30334. This form is used to give notice to the Department of Revenue as provided for by Section 32 of the Motor Vehicle Certificate of Title Act.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.16

Authority: Ga. L. 1937-38 Extra Sess. pp. 77, 81, 82, 91, 1961 pp. 68, 71.

History. Original Rule entitled "Garage Operator's Report" adopted. F. July 2, 1975; eff. July 22, 1975.

Amended: F. Nov. 16, 1976; eff. Dec. 6, 1976.

Rule 560-10-21-.17. Cancellation of Motor Vehicle Lost Certificate of Title or Motor Vehicle Certificate of Title Assigned But Not Registered with the Department or Statutorily Exempt Motor Vehicles Being Sold as Scrap or Parts.

- (1) The Cancellation of Certificate of Title for Scrap Vehicles form MV1SP is adopted by the Commissioner as the form for use by the owner of the motor vehicle valued at \$750.00 or less, as the application to cancel:
 - (a) A lost Georgia certificate of title; or
 - (b) An owner's assigned certificate of title but not registered with the Department; or
 - (c) A statutory exempted untitled motor vehicle; and
 - (d) Being sold as a scrap or parts; and
 - (e) Has not been declared a derelict vehicle.
- (2) The term "Owner" shall be defined as set forth in O.C.G.A. § [40-1-1](#) Definitions.
- (3) The form requesting cancellation of a Georgia certificate of title and registration shall be:
 - (a) Submitted to the Department within seventy-two (72) hours of the purchase transaction of the motor vehicle by the licensed motor vehicle parts dealer or scrap metal processor.
 - (b) A legible copy of the owner's driver's license shall be attached to form MV1SP with a copy submitted to the Department.
- (4) This form requires an authorized signature from the motor vehicle owner. If the owner is not a natural person, the owner shall provide the full legal name of the firm, partnership (general or LLP), association, corporation (including a LLC), or trust. The owner of the legal entity shall provide documentation of the existence of the legal entity. In addition, the owner shall provide proof of authority to sign on behalf of and represent the legal entity. A sole proprietorship is not a legal entity; therefore the title issuance requirements for a natural person shall apply.
- (5) All persons or businesses selling a motor vehicle or any scrapped metal or parts from a motor vehicle and using the form MV1SP shall present to the licensed motor vehicle parts dealer or scrap metal processor concurrently with the MV1SP:

- (a) A completed bill of sale from the prior owner or appropriate court documents evidencing ownership; or
 - (b) A signed document indicating that such tow truck operator or impound yard owner is an authorized agent for the owner of the motor vehicle.
- (6) The licensed motor vehicle parts dealer or scrap metal processor shall retain a copy of all documents required by this Regulation for a period of three years from the date of the transaction.

Cite as Ga. Comp. R. & Regs. R. 560-10-21-.17

Authority: O.C.G.A. Secs. [40-3-3](#), [40-3-36](#), [40-11-9](#).

History. Original Rule entitled "Cancellation of Motor Vehicle Lost Certificate of Title or Motor Vehicle Certificate of Title Assigned But Not Registered with the Department or Statutorily Exempt Motor Vehicles Being Sold as Scrap or Parts" adopted as ER. 560-10-21-0.36-.17. F. and eff. October 7, 2008, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Jan. 26, 2009; eff. Feb. 15, 2009.

Subject 560-10-22. ISSUANCE OF SPECIAL PRESTIGE LICENSE PLATES.

Rule 560-10-22-.01. Classes of Special and Distinctive License Plates.

Procedures for issuance of Special Prestige, College Commemorative, Certified Firefighter, Amateur Radio, Survivor of Pearl Harbor, Purple Heart Recipient and Retired Veteran's license plates are set forth in this Chapter. All special license plates enumerated in this Chapter except Special Prestige Motorcycle license plates may be used on passenger cars, station wagons, vans or trucks, not exceeding 14,000 pounds owner's declared gross weight, or non-commercial trailers. Special Prestige motorcycle license plates may be used only on motorcycles. These classes of special license plates may be used on a vehicle owned or leased by the applicant or jointly owned by the applicant provided the applicant's name is on the owner's certificate of registration.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.01

Authority: O.C.G.A. Secs. [40-2-31](#), [40-2-32](#), [40-2-60](#), [40-2-75](#), [40-2-78](#), [40-2-83](#), [40-2-84](#), [40-2-85](#), [40-2-85.1](#), [40-2-135](#), [48-2-12](#).

History. Original Rule entitled "Issuance of Special Prestige License Plates" adopted. F. Oct. 29, 1968; eff. Nov. 17, 1968.

Amended: F. Aug. 27, 1969; eff. Sept. 15, 1969.

Repealed: New Rule of same title adopted. F. July 24, 1970; eff. August 13, 1970.

Repealed: New Rule of same title adopted. F. July 2, 1975; eff. July 22, 1975.

Repealed: New Rule of same title adopted. F. Apr. 6, 1976; eff. Apr. 26, 1976.

Repealed: New Rule of same title adopted. F. Nov. 16, 1976; eff. Dec. 6, 1976.

Repealed: New Rule entitled "Classes of Special and Distinctive License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule of same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.02. Special Prestige License Plates.

- (1) Applicants for special prestige license plates must submit a Special Prestige License Plate Application (form MV-9B) and the manufacturing fee of \$35.00 to the tag agent in the county wherein the owner of the vehicle resides during the period specified by the Department. The county tag agent may waive the application form requirement if the owner applies for the special prestige license plate in person in the office of said tag agent.
- (2) Special prestige license plates for motorcycles are restricted to a maximum of six (6) letters, six (6) numbers, or any combination thereof totaling no more than six (6). All other special prestige license plates are restricted to a maximum of seven (7) letters, seven (7) numbers, or any combination thereof totaling no more than seven (7). No punctuation or symbols are allowed. All requests for a special prestige license plate will be approved based upon the order in which they are received. No combination shall be issued on a special prestige license plate that duplicates a regular issue license plate. Applicants should print or type in the spaces provided on the application form the alpha and/or numeric characters desired and leave blank any spaces not used. The burden of proving eligibility for a special prestige license plate shall always be on the applicant.
- (3) The Commissioner of the Department of Revenue or his/her designee shall maintain a list of letter and number combinations that are not permitted for prestige license plates. This list shall be accessible to the public. The Commissioner or his/her designee shall periodically but no less than once yearly, review the list to ensure that all letter/number combinations on the list fall within one of the prohibited categories below. The Commissioner or his/her designee shall provide public notice of this review. Any letter/number combination that does not fall within one of the prohibited categories below shall be immediately removed from the list. Special prestige license plates will not be issued for letter/number combinations that fall into any of the following categories:
 - (a) Contains any combination of letters or numbers which are obscene according to current community standards, or which includes any reference to sex, sexual acts or body parts, or any reference to excrement or to bodily fluids;
 - (b) Contains any combination of letters or numbers which disparage a religious belief or being, race, ethnicity, gender, or sexual orientation;
 - (c) Contains any combination of letters or numbers which indicate an office or position unless the applicant holds such office or position including, but not limited to, an elected office, employment as a police officer, firefighter, emergency medical technician, paramedic or first responder;
 - (d) Contains any combination of letters or numbers which are profane;
 - (e) Contains any combination of letters or numbers subject to a trademark or copyright unless the applicant owns the trademark or copyright;

- (f) Contains any combination of letters or numbers referring to a crime or criminal activity under state or federal law;
 - (g) Contains any combination of letters or numbers which might reasonably result in an immediate breach of the peace; or
 - (h) Contains the following combination of letters and or numbers: hate, h8, ha8, hat, haytr, aytr, anti, ante, suck, suk, blow, 69.
- (4) Applications for a special prestige license plate will be processed as follows:
- (a) Where an application is submitted, either in person or by mail, to a county tag office, the county tag agent processing the application shall check the requested letter/number combination against the list of prohibited tags maintained by the Commissioner of the Department of Revenue. If the requested letter/number combination is on the list of prohibited tags maintained by the Commissioner, or the request duplicates a regular issue license plate, the county tag agent will notify the applicant that the request is denied, give a reason for the denial and provide the applicant with the procedure for appeal. If the requested letter/number combination is not on the list, then the application shall be forwarded to the Department of Revenue for a determination under paragraph (4)(c) below.
 - (b) Where an application is submitted, either in person or by mail, to the Department of Revenue, the Commissioner or his/her designee shall check the requested letter/number combination against the list of prohibited tags. If the requested letter/number combination is on the list, or the request duplicates a regular issue license plate, the Commissioner or his/her designee will notify the applicant that the request is denied, give a reason for the denial and provide the applicant with the procedure for appeal. If the requested letter/number combination is not on the list, the Commissioner or his/her designee will make a determination under paragraph (4)(c) below.
 - (c) If the requested letter/number combination is not on the prohibited list, the Commissioner or his/her designee shall determine whether the letter/number combination falls within any of the prohibited categories listed in paragraph (3) above. In making this determination, the Commissioner or his/her designee shall be guided by the following:
 - 1. the definitions of words as found in a standard English dictionary;
 - 2. review of the letter/number combination both from left to right and right to left;
 - 3. phonetic spelling; and
 - 4. standard foreign language dictionaries.

The applicant will be notified of the decision to approve or deny the prestige license plate request. If the request is denied, the applicant will be provided with the procedure for appeal under paragraph (5) below.

- (d) The Commissioner or his/her designee may recall and cancel any special prestige license plate that may later be determined to fall into any of the aforementioned categories in paragraph (3) above. If a plate is recalled a registration stop will be placed on the applicable license plate, specifying it as "recalled". The owner/applicant will be notified by mail that a new personalized choice must be made. The owner/applicant may appeal the recall as described in paragraph (5) below.
 - (e) If an application for the manufacture of a special prestige license plate is submitted by mail and subsequently denied, the Department or the county tag agent shall return the application to the applicant indicating that the request is denied, give a reason for the denial and provide the applicant with the procedure for appeal. The Department or the county tag agent shall also issue a refund under separate cover of the manufacturing fee and special tag renewal fee.
- (5) Any person whose application for a prestige license plate is denied may appeal the denial within thirty (30) days of the date the notice of denial is issued. A panel of three members, designated by the Commissioner, will review all appeals. The application will be denied only where all three members of the panel vote to deny the appeal. If an appeal is denied, the panel shall provide a written statement of their reasons for denial of the appeal.
- (6) A person to whom a special prestige license plate has been issued may request a special prestige license plate with the same information for the next license plate period in the manner prescribed by the Department during the person's registration month in the year prior to the issuance of the new license plate or during a time period determined by the Commissioner. If the owner fails to make such a request by the end of his or her registration month in the year of the next license plate period or during the time period determined by the Commissioner, the special prestige license plate combination previously issued to the applicant will be made available to other applicants on a first-come, first-served basis.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.02

Authority: O.C.G.A. §§ [40-2-60](#), [40-3-3](#), [40-16-2](#), and [48-2-12](#).

History. Original Rule entitled "Special Prestige License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule of same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Repealed: F. Jan. 27, 2004; eff. Feb. 16, 2004.

Adopted: New Rule entitled "Special Prestige License Plates." F. Oct. 10, 2013; eff. Oct. 30, 2013.

Rule 560-10-22-.03. College Commemorative License Plates.

- (1) Application for a College Commemorative license plate for a Georgia College or University, accompanied by a manufacturing fee of \$25.00 must be submitted to the Motor Vehicle Division or county tag agent on form MV-9C.
- (2) Applications for license plates for Georgia colleges or universities for which commemorative license plates were not issued during the current year will be held until 500 applications for each college or university are received. If 500 requests for the manufacture of a commemorative license plate are not received by July 31 of the year, a commemorative license plate will not be designed for issuance during the following year. In such case, the application will be returned to the applicant and the manufacturing fee refunded.
- (3) There is no limit as to the number of applications an eligible individual may submit for this special and distinctive license plate. However, only one such plate will be issued for each authorized vehicle owned, jointly owned or leased by an eligible applicant.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.03

Authority: O.C.G.A. Secs. [40-2-32](#), [48-2-12](#).

History. Original Rule entitled "College Commemorative License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule, same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.04. Certified Firefighter License Plates.

- (1) Application for a Certified Firefighter license plate must be submitted to the Motor Vehicle Division or county tag agent on form MV-9F accompanied by a manufacturing fee of \$25.00. The firefighter's social security number and the name of the legally organized fire department or volunteer fire department with which the applicant is affiliated must be shown in the designated blocks.
- (2) Application must be accompanied by certification from the applicant's fire chief stating their eligibility.
- (3) Only one Certified Firefighter license plate may be issued to a qualified applicant.
- (4) Applications which are denied will be returned to the applicant and the manufacturing fee refunded.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.04

Authority: O.C.G.A. Secs. [40-2-78](#), [48-2-12](#).

History. Original Rule entitled "Certified Firefighter License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule, same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.05. Amateur Radio License Plates.

- (1) Application for an Amateur Radio license plate, form MV-9, accompanied by a photocopy of the applicant's unexpired, unrevoked license issued by the Federal Communications Commission and showing assigned call letters, must be submitted to the Motor Vehicle Division or county tag agent.
- (2) Only one Amateur Radio license plate may be issued for each eligible individual to whom a license has been issued by the Federal Communications Commission.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.05

Authority: O.C.G.A. Secs. [40-2-75](#), [48-2-12](#).

History. Original Rule entitled "Amateur Radio License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule, same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.06. Survivor of Pearl Harbor License Plate.

- (1) Application for a special and distinctive license plate by motor vehicle owners who are veterans of the armed forces of the United States and survived the Japanese attack on Pearl Harbor on December 7, 1941, may be submitted to the Motor Vehicle Division or county agent on form MV-9S accompanied by a manufacturing fee of \$60.00
- (2) Applicants who are not members of the Pearl Harbor Survivors Association, Incorporated should assure their name has been included on the list of eligible individuals which has been provided by that organization to the Motor Vehicle Division. Membership in the Pearl Harbor Survivors Association, Incorporated is not required.
- (3) There is no limit as to the number of applications an eligible individual may submit for this special and distinctive license plate. However, only one such plate will be issued for each vehicle owned, jointly owned or leased by an eligible applicant.
- (4) The spouse of a deceased survivor of the Japanese attack on Pearl Harbor on December 7, 1941, shall be eligible after the death of the eligible survivor to continue to register a motor vehicle owned, jointly owned or leased by the spouse as long as the spouse does not remarry.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.06

Authority: O.C.G.A. Secs. [40-2-85](#), [48-2-12](#).

History. Original Rule entitled "Survivor of Pearl Harbor License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule, same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.07. Purple Heart Recipient License Plates.

- (1) Application for a special and distinctive license plate by motor vehicle owners who have been awarded the Purple Heart citation may be made on form MV-P and submitted to the Motor Vehicle Division or county tag agent. Photocopy of the applicant's Report of Separation from Active Duty, (DD Form 214) or other military record reflecting award of a Purple Heart to the applicant is a required supporting document and must be submitted with the application.
- (2) Applications received in any year when this special and distinctive license plate was not issued will be held until 250 applications are received. If 250 applications for this license plate are not received by July 31st of the year, a license plate will not be designed for issuance during the following year.
- (3) Only one free special and distinctive license plate may be issued to each qualified applicant. There is no limit as to the number of additional license plates which an eligible individual may purchase upon payment of a \$40 manufacturing fee and completion of form MV-9P.
- (4) The spouse of a deceased Purple Heart recipient shall be eligible after the death of the eligible recipient to continue to register a motor vehicle owned, jointly owned or leased by the spouse as long as the spouse does not remarry.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.07

Authority: O.C.G.A. Secs. [40-2-84](#), [48-2-12](#).

History. Original Rule entitled "Purple Heart Recipient License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule, same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.08. Veteran License Plates.

- (1) Application for a special and distinctive license plate by motor vehicle owners who are retired veterans of the armed forces may be made on form MV-9V. Veterans who served during World War I, World War II, the Korean War, the Vietnam War or Operation Desert Storm may apply for a special and distinctive license plate using form MV-9W. Applications must be accompanied by a manufacturing fee of \$60.00 and be submitted to the Motor Vehicle Division or county tag agent with a copy of the certificate of retirement, or other military record reflecting retirement on form DD214.
- (2) There is no limit as to the number of applications an eligible individual may submit for this special and distinctive license plate. However, only one such plate will be issued for each vehicle owned, jointly owned or leased by an eligible applicant.
- (3) The spouse of a deceased retired veteran or veteran who served during World War I, World War II, the Korean War, the Vietnam War or Operation Desert Storm shall be eligible after the death of the eligible veteran to continue to register a motor vehicle owned, jointly owned or leased by the spouse as long as the spouse does not remarry.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.08

Authority: O.C.G.A. Secs. [40-2-85](#), [48-2-12](#).

History. Original Rule entitled "Retired Veterans Recipient License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule entitled "Veteran License Plates" adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.09. Processing of Approved Applications.

Approved applications for all registrants pre-applying for special and distinctive license plates enumerated in this chapter will be returned to the applicant. The license plate will be sent to the county tag agent of the county where the applicant resides. The license plate will be issued to the applicant on or after January 1 of the following year during the registrant's registration renewal period for use on an authorized vehicle upon presentation of the approved application and payment of current ad valorem taxes, registration fee and any other taxes, fees and/or penalties which may be due.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.09

Authority: O.C.G.A. Secs. [40-2-36](#), [48-2-12](#).

History. Original Rule entitled "Processing of Approved Applications" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule, same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.10. Refund of Manufacturing Fees.

If it is determined that a prestige or special or distinctive license plate was issued in error the holder shall be notified that the license plate is revoked. The holder shall return the revoked license plate to the Motor Vehicle Division or the appropriate County Tag Agent and register his vehicle as otherwise provided by law. Manufacturing fees for prestige or special and distinctive license plates which have been issued in error will be refunded to the applicant after surrender of the revoked license plate. No refund of manufacturing fees will be made if an applicant for a prestige or special and distinctive license plate decides he no longer wants the license plate he has ordered, no longer owns a vehicle on which such license plate may be displayed or is no longer a resident of this state.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.10

Authority: O.C.G.A. Secs. [40-2-135](#), [48-2-12](#).

History. Original Rule entitled "Refund of Manufacturing Fees" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Rule 560-10-22-.11. Transfer of Prestige and Other Special License Plates.

License plates issued pursuant to the provisions of this chapter are not transferable to a vehicle owned other than by the original applicant or jointly owned by the original applicant. Upon transfer of the ownership of a vehicle bearing such non-transferable license plate, the owner shall remove the license plate and the authority to use this same shall thereby be canceled. However, after such a transfer of ownership occurs, the owner may transfer the license plate to a newly acquired or other passenger car, trailer, station wagon, van or truck not exceeding 14,000 pounds

owner's declared gross vehicle weight or non-commercial trailer which he leases, owns or owns jointly provided that a special license plate is only transferable to another passenger vehicle or non-commercial trailer registered in the same tag class as currently registered. Such transfer is accomplished by submitting to the appropriate county tag agent a new application, a \$5 transfer fee, copy of the registration certificate for the vehicle on which the license plate was previously displayed and the owner's registration certificate or other proof of ownership of the vehicle being registered (validated by county tag office indicating ad valorem taxes paid or vehicle exempt from ad valorem taxes).

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.11

Authority: O.C.G.A. Secs. [40-2-80](#), [48-2-12](#).

History. Original Rule entitled "Transfer of Prestige and Other Special License Plates" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Repealed: New Rule, same title adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Rule 560-10-22-.12. Renewal Registrations.

In years subsequent to the initial issue of a prestige or special and distinctive license plate during the five (5) year tag cycle of the license plate, renewal is accomplished by a renewal decal issued by the County Tag Agent in the same manner as for other vehicles which do not display special license plates.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.12

Authority: O.C.G.A. Secs. [40-2-31](#), [48-2-12](#).

History. Original Rule entitled "Renewal Registrations" adopted. F. Feb. 7, 1992; eff. Feb. 27, 1992.

Rule 560-10-22-.13. Issuance of Special License Plates Commemorating Certain Organizations, Institutions, Associations or Groups.

- (1) Any Georgia organization, institution, association or group desiring the approval of the issuance of a special license plate commemorating the organization, institution, association, or group shall submit a request to the Department of Form T-212. The application shall include the name of the organization, its address and telephone number, the name, address and telephone number of the authorized representative of the organization, institution, association or group, and shall be accompanied by a proposed design for the license plate compatible with the standard design for special license plates adopted by the commissioner, and surety bond, along with any other information the commissioner requires.
- (2) The organization, institution, association or group shall be responsible for any copyright, slogan, logo or graphic necessary for the manufacture of the special license plate. Such copyright, slogan, logo or graphic must be assigned to the State of Georgia for the purpose of manufacturing the commemorative license plate.

- (3) No special license plate will be approved that adversely affects public safety. No special license plate shall be approved by the commissioner which is determined to be obscene, profane, or defamatory of a religious belief or being, race or ethnic group.
- (4) After initial approval by the commissioner, applications for special license plates will be held by each organization, institution, association or group until at least 1,000 applications are received. If 1,000 or more applications for the special license plate are not received by the deadline for application, a special license plate will not be manufactured. The organization, institution, association, or group holding the applications will refund the manufacturing fee to the applicant within 30 days of the application deadline. When the minimum number of requests are received, the applications and manufacturing fees will be forwarded by the organization to the commissioner within 15 days of the end of the application period accompanied by the final design of the special license plate. The applications will be approved by the commissioner and the applicants will be mailed approval notices prior to their registration period. The license plate will be sent to the applicant's county tag agent, and will be issued to the individual upon the individual's presentation of the approval notice, tag application and applicable fees and taxes to the county tag agent during the applicant's registration period.
- (5) A special license plate commemorating a Georgia organization, institution, association or group may be issued to an owner of a passenger car, trailer, truck, or van type vehicle which is not registered under the International Registration Plan and does not exceed 14,000 pounds owner's declared weight, provided that form MV-9Q accompanied by a manufacturing fee of \$25 per license plate requested is submitted to the organization, institution, association or group between January 1 and July 31 in the year preceding the year of issuance.
- (6) There is no limit to the number of applications an individual may submit for a special license plate; however, only one such plate will be issued for each vehicle owned, jointly owned, or leased by the individual.
- (7) In addition to the initial \$25 manufacturing fee, the annual registration of an authorized vehicle with a special license plate will include the following: \$20 registration/license plate/decal fee, applicable ad valorem taxed and a \$25 annual registration fee.
- (8) All fees collected by a county tag agent and all manufacturing fees submitted by the organization, institution, association, or group to the commissioner shall be deposited into the state treasury.
- (9) Before any organization, institution, association, or group shall be approved for a special commemorative license plate, such organization, institution, association or group shall be required to give an annual performance bond in the amount of \$25,000 with good and sufficient surety or sureties licensed to do business in this state payable to, in favor of, and for the protection of either the organization, the applicant, or the Revenue commissioner. Such bond shall be posted before any applications are accepted for the

manufacture of a special license plate by the organization, institution, association, or group.

Cite as Ga. Comp. R. & Regs. R. 560-10-22-.13

Authority: O.C.G.A. Sec. [40-2-60.1](#).

History. Original Rule entitled "Issuance of Special License Plates Commemorating Certain Organizations, Institutions, Associations or Groups" adopted. F. Feb. 17, 1998; eff. Mar. 9, 1998.

Subject 560-10-23. MULTIPURPOSE OFF-HIGHWAY VEHICLES.

[Rule 560-10-23-.01. Definitions.](#)

(1) As used in this Subject, the term:

- (a) "Branded certificate of registration" or "branded certificate" means a Georgia certificate of registration that was branded by the Department as not providing proof of ownership because a complete and uninterrupted chain of ownership could not be verified.
- (b) "County tag agent" or "tag agent" means those persons that have been designated as tag agents of the State Revenue Commissioner as provided for in Code Section [40-2-23](#).
- (c) "Department" means the Department of Revenue.
- (d) "DRIVES" means the Driver Record and Integrated Vehicle Enterprise System maintained by the Motor Vehicle Division as the State of Georgia's official record of motor vehicle titles and registrations and any successor system.
- (e) "Inspection affidavit" means a notarized affidavit signed by the applicant providing the following affirmations under penalty of perjury:
 - 1. The applicant shall attest under penalty of perjury that the applicant has direct knowledge and can affirm that the vehicle is a utility use vehicle that meets the specifications required in Code Section [40-1-1](#)(33.1).
 - 2. The applicant shall ensure at all times that the requirements for operation of the registered multipurpose off-highway vehicle by a licensed driver as provided in Rule 560-10-23-.04 are met.
 - 3. The applicant shall ensure at all times that the requirements for liability insurance coverage on the registered multipurpose off-highway vehicle as provided in Rule 560-10-23-.04 are met.

4. The applicant shall ensure at all times that the registered multipurpose off-highway vehicle shall only be operated on permitted roads as provided in Rule 560-10-23-.04.

An inspection affidavit and an ownership affidavit may be combined on the same form provided by the Department.

- (f) "Utility use vehicle" means a motorized vehicle having features specifically intended for utility use that is designed and manufactured as a utility task vehicle, excluding any vehicle modified to become a utility task vehicle, unless such vehicle already qualified as a utility task vehicle before such modification.
- (g) "Multipurpose off-highway vehicle" shall have the same meaning as provided for in Code Section [40-1-1](#)(33.1).
- (h) "Ownership affidavit" means a notarized affidavit signed by the applicant stating under penalty of perjury that the applicant legally purchased the vehicle from the previous owner, that to the best of the applicant's knowledge the vehicle has never been stolen or stolen and resold, and that to the best of the applicant's knowledge there are no undisclosed liens on the vehicle. An ownership affidavit and an inspection affidavit may be combined on the same form provided by the Department.
- (i) "Qualified record of ownership" means the most recent manufacturer's certificate of origin, manufacturer's statement of origin, government-issued certificate of title, or government-issued registration if the government issuing such registration does not issue motor vehicle titles or does not issue titles for a class of vehicles including multipurpose off-highway vehicles. Such term shall include a Georgia certificate of registration issued for a multipurpose off-highway vehicle, unless such certificate is a branded certificate of registration.
- (j) "Utility task vehicle" means a motorized vehicle designed and manufactured primarily for performing off-road tasks in agricultural, construction or industrial settings. The term excludes:
 1. All golf carts and off-road recreational vehicles, such as dune buggies; and
 2. Any vehicle designed or manufactured for on-road use, regardless of whether such on-road use was intended for highways within Georgia or elsewhere.

Cite as Ga. Comp. R. & Regs. R. 560-10-23-.01

Authority: O.C.G.A. §§ [40-1-1](#), [40-2-11](#), [40-2-23](#), [40-2-26](#), [40-3-3](#), [40-6-362](#).

History. Original Rule entitled "Citation and Change of License Tag Classification and/or Renewal Decal" adopted. F. Dec. 19, 1973; eff. Jan. 8, 1974.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Adopted: New Rule entitled "Definitions." F. Feb. 6, 2024; eff. Feb. 26, 2024.

Rule 560-10-23-.02. Registration.

- (1) County tag agents shall register, but shall not title, any multipurpose off-highway vehicle meeting the requirements of this Subject, 560-10-23.
 - (a) County tag agents may only register a utility use vehicle that meets the specifications required in Code Section [40-1-1](#)(33.1) for a multipurpose off-highway vehicle.
 - (b) If a county tag agent learns at the time of initial registration or renewal that a vehicle is not a multipurpose off-highway vehicle, the agent shall not register or renew the registration of such vehicle.
 - (c) The county tag office shall revoke the registration of any vehicle registered as a multipurpose off-highway vehicle if such vehicle does not qualify as a multipurpose off-highway vehicle.
 - (d) The Department may at any time revoke the registration of any vehicle registered as a multipurpose off-highway vehicle if it determines that the vehicle does not qualify as a multipurpose off-highway vehicle.
- (2) County tag agents processing an application for the registration of a multipurpose off-highway vehicle shall review the complete chain of ownership of such vehicle from the qualified record of ownership to the transfer of ownership to the applicant. If the registration applicant cannot provide the qualified record of ownership or is missing any step in the chain of ownership from that point to the transfer of ownership to the applicant, the county tag agent shall only issue a branded certificate of registration to such applicant.
 - (a) The Department or the county tag office may issue a certificate of registration that is not branded if the Department or the county tag office determines that a complete and uninterrupted chain of ownership extends to the applicant.
 - (b) If a multipurpose off-highway vehicle has previously been issued a branded registration, a county tag office may only issue for such vehicle a certificate of registration that is not branded if the county tag office complies with the requirements of subsection (a) above.
- (3) If an applicant only qualifies for a branded certificate under this section, the applicant must provide the county tag agent with an ownership affidavit on a form provided for such purpose by the Department. The county tag agent shall save an image of the signed ownership affidavit in DRIVES.

- (a) An applicant for registration renewal of a multipurpose off-highway vehicle who has provided an ownership affidavit at the time of initial registration for such vehicle shall not be required to provide another ownership affidavit. Additionally, for so long as the primary owner as listed in DRIVES remains unchanged, an ownership affidavit shall not be required.
 - (b) The Department may revoke any registration for a multipurpose off-highway vehicle if the Department determines that a full and complete affidavit has not been provided for such vehicle as required in this section.
- (4) If an applicant only qualifies for a branded certificate under this section, the county tag agent shall require the applicant to provide a written certification by a law enforcement officer confirming that the vehicle has been inspected, confirming the vehicle identification number, and confirming that the vehicle has not been reported as stolen. The county tag agent shall save an image of the signed ownership affidavit in DRIVES.
 - (5) Any branded certificate of registration shall bear the following legend or a similar legend as determined by the Department: "This certificate of registration is not proof of ownership. This vehicle may be subject to undisclosed liens."
 - (6) In the registration of a multipurpose off-highway vehicle, a county tag agent shall ensure compliance with all the registration requirements provided in Chapter 2 of Title 40 of the Georgia Code and any regulations promulgated thereunder. A county tag agent shall not register a multipurpose off-highway vehicle nor issue a certificate of registration for such vehicle unless the requirements of Code Sections [40-2-26](#) and [40-6-10](#) are met, including the requirement to carry minimum motor vehicle liability insurance coverage on such vehicle.
 - (7) The Department is not authorized to issue bonded security titles or similar instruments for registration-only vehicles. Thus, no bonded security title or bonded security registration shall be issued for a multipurpose off-highway vehicle.

Cite as Ga. Comp. R. & Regs. R. 560-10-23-.02

Authority: O.C.G.A. §§ [40-1-1](#), [40-2-11](#), [40-2-23](#), [40-2-26](#), [40-3-3](#), [40-6-362](#).

History. Original Rule entitled "Registration" adopted. F. Feb. 6, 2024; eff. Feb. 26, 2024.

Rule 560-10-23-.03. Inspection Affidavits and Inspections.

- (1) Each applicant for initial registration shall provide the county tag agent with an inspection affidavit. The county tag agent shall save a copy of each inspection affidavit in DRIVES.
- (2) Before registering a multipurpose off-highway vehicle, the county tag agent may require a vehicle to pass a physical inspection, a document inspection or a combination of a physical and document inspection to confirm the vehicle qualifies for registration.

- (a) Physical Inspection. County tag agents or their authorized agents may inspect the vehicle as part of the registration process for a multipurpose off-highway vehicle to confirm it is a utility use vehicle and otherwise meets the specifications required in Code Section [40-1-1](#)(33.1).
- (b) Document Inspection. County tag agents may perform a document inspection of hard copy and/or electronic documents, including photographs provided by the applicant, manufacturer's sales and marketing documents, retailer's sales and marketing materials, and online research performed by the county tag agent from the manufacturer's website and other reputable sellers or reviewers of such vehicle to confirm it is a utility use vehicle and otherwise meets the specifications required in Code Section [40-1-1](#)(33.1).

Cite as Ga. Comp. R. & Regs. R. 560-10-23-.03

Authority: O.C.G.A. §§ [40-1-1](#), [40-2-11](#), [40-2-23](#), [40-2-26](#), [40-3-3](#).

History. Original Rule entitled "Inspection Affidavits and Inspections" adopted. F. Feb. 6, 2024; eff. Feb. 26, 2024.

Rule 560-10-23-.04. Driver and Insurance Requirements.

- (1) No person shall drive any multipurpose off-highway vehicle upon a highway in this state, including a county road system road, without complying with the driver's license requirements of Code Section [40-5-20](#). Any person violating the provisions of Code Section [40-5-20](#) while using a multipurpose off-highway vehicle shall be subject to the penalties provided or referenced in Code Section [40-5-20](#). In addition, all the requirements of Chapter 5 of Title 40 of the Georgia Code that apply to operators of motor vehicles shall apply as well to operators of multipurpose off-highway vehicles.
- (2) All owners and operators of multipurpose off-highway vehicles operated upon any highway in this state shall comply with the requirements of Code Section [40-6-10](#), including the requirement to carry minimum motor vehicle liability insurance coverage on such vehicle, and shall be subject to the penalties provided in that Code section for failure to comply.
- (3) Multipurpose off-highway vehicles shall only be operated on highways that are part of a county road system or otherwise operated in compliance with Code Section [40-6-362](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-23-.04

Authority: O.C.G.A. §§ [40-1-3](#), [40-2-11](#), [40-3-3](#), [40-6-360](#), [40-6-362](#).

History. Original Rule entitled "Driver and Insurance Requirements" adopted. F. Feb. 6, 2024; eff. Feb. 26, 2024.

Rule 560-10-23-.05. Taxation.

- (1) When processing a multipurpose off-highway vehicle registration, a county tag agent shall confirm whether applicable sales and use tax has been paid on such vehicle. If any sales and use tax is due on such vehicle, the county tag agent shall collect such taxes and related penalties as are due before registering the multipurpose off-highway vehicle and issuing a certificate of registration. The previous sentence shall apply to both initial registrations and renewals of multipurpose off-highway vehicles.
 - (a) If the registration applicant provides proof, as determined by the county tag agent, that sufficient sales and use tax was paid to the seller of such vehicle, the county tag agent shall not require the payment of sales tax at registration.
 - (b) For the sake of administrative convenience and efficient tax collection and solely for the purposes of registration of a multipurpose off-highway vehicle under this Subject, it shall be presumed that sales and use tax has been paid on any vehicle which the registrant owned on or before June 30, 2024.
- (2) Title ad valorem taxes described in Code Section [48-5C-1](#) do not apply to multipurpose off-highway vehicles because such vehicles cannot be issued a certificate of title.

Cite as Ga. Comp. R. & Regs. R. 560-10-23-.05

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-23](#), [40-2-26](#), [40-3-3](#), [48-5C-1](#).

History. Original Rule entitled "Taxation" adopted. F. Feb. 6, 2024; eff. Feb. 26, 2024.

Subject 560-10-24. FREE NATIONAL GUARD LICENSE PLATE.

Rule 560-10-24-.01. Free National Guard License Plate.

- (1) The Adjutant General of Georgia shall furnish the Commissioner of Revenue each year, prior to the date that license plates are issued, an alphabetical list of all members of the Georgia National Guard who are entitled to the issuance of a National Guard License Plate as provided for by Georgia Laws 1973, pp. 457, 458.
- (2) National Guard License Plates shall have the same life cycle and annual renewal deadline as do regular passenger car license plates.
- (3) Applications for National Guard License Plates must be submitted to the county tax commissioner or tax collector in the county of the applicant's residence along with the certification from the applicant's commanding officer that he is a member of the commanding officer's Georgia National Guard Unit.
- (4) National Guard License Plates may be used only on a passenger car, trailer, station wagon, van type vehicle of three-quarter tons or less or truck not exceeding 14,000 pounds owner's declared gross vehicle weight used for personal transportation.

- (5) If a member of the National Guard so desires, he may, after being issued his one free National Guard License Plate, purchase additional license plates of the same type by paying the license plate fees set by law for the types of vehicles to which the additional National Guard License Plates will be assigned.
- (6) When a National Guard member transfers the ownership of a vehicle bearing a National Guard License Plate, he shall remove said plate from the vehicle being transferred and, subject to the Guardsman's right to transfer the removed plate to a vehicle which he may subsequently acquire, the authority to use said plate shall be cancelled. The transfer of the removed plate to another vehicle which the Guardsman has acquired may be accomplished by the submission of a new application supported by the owner's certificate of registration and Form MV-99.

Cite as Ga. Comp. R. & Regs. R. 560-10-24-.01

Authority: Ga. L. 1969, pp. 266, 269 (Ga. Code Section 68-214(g)); Ga. L. 1953, Nov. Session, pp. 57, 58 (Ga. Code Section 68-226), Ga. Code Section 91A-215.

History. Original Rule entitled "Free National Guard License Plate" was filed on December 19, 1973; effective January 8, 1974.

Amended: Rule repealed and a new Rule of the same title adopted. Filed July 2, 1975; effective July 22, 1975.

Amended: Rule repealed and a new Rule of the same title adopted. Filed April 6, 1976; effective April 26, 1976.

Amended: Rule repealed and a new Rule of the same title adopted. Filed June 8, 1979; effective June 28, 1979.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 29, 1980; effective October 19, 1980.

Subject 560-10-25. LICENSE PLATE FEE REFUNDS.

Rule 560-10-25-.01. Motor Vehicle License Plate Fee Refunds by County Tax Commissioners or Tax Collectors.

County tax commissioners or tax collectors may make refunds of motor vehicle license plate fees to taxpayers, for motor vehicle tags issued by such tax officials, which have been erroneously or illegally assessed and collected from such taxpayers subject to the following:

- (a) Refund for over-charges on previous year license plates and/or decals-A refund may be made for no more than two (2) previous years' over-charges. To be entitled to any refund the taxpayer must surrender the owner's registration certificate for each year for which a refund is sought, along with a written request for refund, to the tax official. To insure that only one refund is made a deserving taxpayer, the tax official shall, prior to making any refund, contact the Internal Administration Unit to determine if the refund sought has previously been made.
- (b) Refund of a current year license plate fee for a vehicle not owned or operated by the taxpayer-A refund of a current year license plate fee may be made to a taxpayer who did not own or operate the vehicle at any time during the current calendar year. The tax official must obtain from the taxpayer a written request for a refund, the owner's

registration certificate, tag and/or decal, along with a sworn affidavit from the taxpayer certifying when and how the vehicle was disposed of the previous year.

- (c) Refunds of previously reported current year license plate fees for an issued incorrect class of tag and/or decal-The tax official must obtain from the taxpayer a written request for refund, the owner's registration certificate, incorrect class tag and/or decal. A correct class tag and/or decal must be purchased by the taxpayer and the purchase must be reported to the Internal Administration Unit and paid for by the tax official on his report Form MVA-13. The tax official must denote on the taxpayer's request for a refund the correct class tag and/or decal number being issued.
- (d) Refund of current year motor vehicle license plate fees when two (2) tags and/or decals are issued in the same name and for the same vehicle-The tax official must obtain from the taxpayer a written request for a refund, the owner's registration certificate, tag and/or decal along with a copy of the owner's registration certificate for the tag and/or decal being retained by the taxpayer. Refunds are not permitted under this provision when the registrant voluntarily relinquishes a valid, unexpired license plate and purchases a special license plate during a period other than the registrant's registration renewal period.
- (e) County tax commissioners' or tax collectors' request for reimbursement for refunds previously made by the tax officials to taxpayers -The county tax official shall submit a written request for refund to the Internal Administration Unit for reimbursement of license fees refunded to the taxpayer. The written request shall contain the taxpayer's name, the amount refunded to the taxpayer and the date refunded. Supporting the tax official's written request shall be the taxpayer's written request for refund and all items required to be surrendered by the taxpayer under this rule.

Cite as Ga. Comp. R. & Regs. R. 560-10-25-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91; 1973, pp. 507, 508; O.C.G.A. secs. [40-2-1](#), [48-2-12](#); all as amended.

History. Original Rule was filed on December 19, 1973; effective January 8, 1974.

Amended: Filed November 16, 1976; effective December 6, 1976.

Amended: F. Feb. 17, 1998; eff. Mar. 9, 1998.

Subject 560-10-26. DISABLED PERSONS LICENSE PLATES.

Rule 560-10-26-.01. Disabled Persons License Plates.

An owner of a passenger car, trailer, station wagon, van type vehicle of three-quarter tons or less or truck not exceeding 14,000 lbs. owner's declared gross vehicle weight used for personal transportation, who is a resident of Georgia, may upon complying with the Motor Vehicle laws relating to registration, licensing and payment of any license plate fees due, be issued a Disabled Persons License Plate. The applicant must submit to the county tax commissioner or tax collector in the county of the applicant's residence a certificate from a doctor certifying that the applicant has permanently lost the use of a leg or both legs, or an arm or both arms, or any combination

thereof, or is so severely disabled as to be unable to move without the aid of crutches or a wheelchair. Said doctor's certificate must accompany the applicant's application for license plate.

Cite as Ga. Comp. R. & Regs. R. 560-10-26-.01

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, 81, 82, 91, 1973, pp. 576, 577.

History. Original Rule entitled "Disabled Persons License Plates" adopted. F. July 2, 1975; eff. July 22, 1975.

Amended: F. Apr. 6, 1976; eff. Apr. 26, 1976.

Rule 560-10-26-.02. Issuance of Temporary Disability Placards.

- (1) Temporary placards shall vary in color from one period to the next period with the initial period being the color "red."
- (2) The proceeding color for a temporary permit by period shall be:
 - (a) "Green" for the second period,
 - (b) "Orange" for the third period,
 - (c) "Purple" for the fourth period,
 - (d) "Yellow" for the fifth period,
 - (e) "Crimson" for the sixth period,
 - (f) "White" for the seventh period.
 - (g) For the eighth and subsequent periods, the colors shall continue as provided for in subsection (2) of this section.
- (3) The temporary placard shall:
 - (a) Be laminated on the front and the back of the placard covering the expiration date,
 - (b) Display the expiration date as specified in the affidavit provided to the Department,
 1. The expiration date shall not be more than 180 days from the date the permit is issued.
 - (c) Upon request for a continuing temporary permit, the previous permits shall be surrendered to the authorized agent along with an affidavit for a disabled person who is processing the request for the new temporary permit.
- (4) The expiration date shall be:
 - (a) Machine printed, and

- (b) In bold face type of sufficient size.

Cite as Ga. Comp. R. & Regs. R. 560-10-26-.02

Authority: O.C.G.A. Secs. [40-2-74.1](#), [48-2-12](#).

History. Original Rule entitled "Issuance of Temporary Disability Placards" adopted as ER. 560-10-26-0.38-.02. F. Feb. 10, 2009; eff. Feb. 9, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Apr. 15, 2009; eff. May 5, 2009.

Subject 560-10-27. FREE VETERANS LICENSE PLATES.

Rule 560-10-27-.01. Free Handicapped Veterans License Plates. Amended.

- (1) A disabled veteran shall submit to the county tax commissioner or tax collector an application accompanied by a letter or certificate from the United States Department of Veterans Affairs.
 - (a) The disabled veteran shall be a resident and citizen of Georgia;
 - (b) The disabled veteran shall be honorably discharged; and
 - (c) The disabled veteran has been adjudicated by the United States Department of Veterans Affairs as being 100 percent totally disabled or less than 100 percent disabled but is compensated at the 100 percent level due to individual employability.
- (2) The disabled veteran license plate shall be issued in duplicates, a license plate for the rear and a license plate for the front of the vehicle.
 - (a) The renewal decal shall be placed on the rear license plate.
 - (b) For a motor cycle, a single license plate shall be issued and affixed to the rear of the motorcycle
- (3) A disabled veteran shall be limited to a single set of disabled veteran license plates.
 - (a) A disabled veteran license plate shall only be issued for private passenger vehicles owned or leased by a disabled veteran and not used for commercial purposes.
- (4) Upon the death of a disabled veteran, the surviving spouse or minor child of the disabled veteran may retain the disabled veteran's license plate in accordance with Code Section [40-2-69](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-27-.01

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-69](#), [48-2-12](#).

History. Original Rule entitled "Free Handicapped Veterans License Plates" was filed on July 2, 1975; effective

July 22, 1975.

Amended: Filed April 6, 1976; effective April 26, 1976.

Amended: F. July 27, 2015; eff. August 16, 2015.

Rule 560-10-27-.02. Free License Plates: Prisoners of War.

- (1) A Georgia veteran, in any branch of the armed services, who was a prisoner of any war by forces hostile toward the United States, upon furnishing a certificate from the Veterans Administration of the United States, or State Department of Veterans Service certifying that he was a prisoner of any such war as defined in Code Section 68-288, shall be entitled to one free prisoner of war license plate as provided for by Ga. Laws 1981; pp. 516, 517.
- (2) All applications for free prisoner of war license plates must be submitted to the County Tax Commissioner or Tax Collector in the County of applicant's residence on or after January 1, 1982 along with the certificate described in paragraph (1) of this rule.
- (3) Upon transfer of the ownership of a motor vehicle bearing a prisoner of war license plate, the owner shall remove said plate and the authority to use the same shall thereby be cancelled; provided however, that after such transfer of ownership, should the owner acquire another vehicle the license plate may be transferred to the new vehicle by owner's registration certificate and Form MV-99.
- (4) Only one free prisoner of war license plate will be issued to each eligible applicant. Additional license plates shall not be available for purchase.

Cite as Ga. Comp. R. & Regs. R. 560-10-27-.02

Authority: Ga. L. 1981; pp. 516, 517.

History. Original Rule entitled "Free License Plates: Prisoners of War" was filed on January 7, 1982; effective January 27, 1982.

Subject 560-10-28. TAG SERVICE COMPANIES.

Rule 560-10-28-.01. Tag Service Companies.

- (1) **Defined.** Any private person, firm, partnership, or corporation engaged within this State in the service of completing motor vehicle license tag application forms, computing motor vehicle tag fees and/or ad valorem taxes or handling motor vehicle license tag application forms in any manner whatsoever on behalf of and for another is a tag service company for the purpose of this chapter, except as otherwise provided in paragraph (2).
- (2) **Exceptions.** Any private person, firm, partnership, or corporation lawfully operating within this State as a new or used motor vehicle dealer who completes motor vehicle license tag application forms, computes tag fees and motor vehicle ad valorem taxes and

handles such applications on motor vehicles bought or sold by such dealership businesses shall not be a tag service company for the purpose of this chapter.

Cite as Ga. Comp. R. & Regs. R. 560-10-28-.01

Authority: Ga. Laws 1977, p. 697.

History. Original Rule entitled "Tag Service Companies" was filed on October 28, 1977; effective November 17, 1977.

Rule 560-10-28-.02. Registration.

Any private person, firm, partnership, or corporation qualifying and acting as a tag service company under the definition as set forth in this chapter shall, before engaging in such service, comply with the following registration requirements on an annual calendar basis:

- (a) Each tag service company shall register with the Georgia State Revenue Commissioner at least 30 days before commencing business, through the office of the local county tag agent in the county where the main business office of the tag service company shall be located. The registration form shall be signed and sworn to by the owner(s) of said company, or if said company is a corporation, by the president and secretary, and shall contain the following information:
 1. The complete names and home addresses of all individuals with ownership interests in said tag service company and the length of time such individuals have resided at such address.
 2. The complete names, addresses and telephone numbers under which such service shall operate including all branch offices of said service.
 3. A list of the counties in this State in which said service will do business.
 4. A statement that all city and county business license ordinances have been complied with and the date such business licenses were obtained.
 5. The complete names of all employees and associates of said service and a description of any experience that such employees and associates have had in completing motor vehicle license tag application forms and computing motor vehicle ad valorem taxes.
 6. The complete names of each owner, employee and associate of said service who has been engaged in the same or similar service in the three years prior to the date of registration and the names and addresses of any such service companies with which such individuals were previously associated.

Cite as Ga. Comp. R. & Regs. R. 560-10-28-.02

Authority: Ga. Laws 1977, p. 697.

History. Original Rule entitled "Registration" was filed on October 28, 1977; effective November 17, 1977.

Rule 560-10-28-.03. Submission of Documents, Fees and Taxes.

- (1) **Documents, Fees and Taxes to be Submitted.** Each motor vehicle license tag application to be submitted by a tag service company for or on behalf of another, before being delivered to the appropriate county tag agent, shall:
 - (a) Be completed in full with all questions answered, be signed by the applicant or his duly appointed representative, and
 - (b) Be accompanied by cash, check or money order, acceptable to the county tag agent and made payable to him, for the exact amount due for tag fees, ad valorem taxes and other necessary fees, and
 - (c) Be accompanied by a properly completed and executed power of attorney form T-8a as prescribed by the State Revenue Commissioner; no other power of attorney form shall be acceptable.
- (2) **When Documents, Fees and Taxes Submitted.** Each license tag application received by a tag service company to be submitted for on or behalf of another shall be delivered to the appropriate county tag agent with all the necessary fees and documents necessary to the issuance of a motor vehicle license tag no later than three working days after being received by the tag service company.
- (3) **Accounting of Documents, Fees and Taxes.** Each tag service company shall deliver a complete list of all applications such tag service company has received on a weekly basis. Such list shall contain the names of the applicants for whom he is acting, a description of the vehicle by year, make and model and the amount of fee and tax funds submitted with the application for such applications received during the week preceding the report. At the time the license tag applications received by the tag service company are being delivered to the appropriate county tag agent, the tag service shall deliver to the county tag agent an accounting list for the applications being delivered. Such list shall contain the name of the applicants for whom he is acting, a description of each vehicle applied for by year, make and model, and the amount of fee and ad valorem tax funds submitted for each application.
- (4) **Deficiency of Tag Fees and Ad Valorem Taxes.** Any deficiency in the amount of payment for tag fees and ad valorem taxes due with each motor vehicle license tag application submitted by a tag service company shall be paid by the tag service company submitting same.
- (5) **Electronic Communications.** A tag service company may use electronic or similar means in lieu of the document, signature, power of attorney and delivery requirements of paragraphs (1), (2), and (3) of this Rule. In handling a motor vehicle license tag

application electronically, a tag service company shall be required to employ procedures acceptable to the county tag agent for the applicant to confirm the accuracy of all information submitted and to authorize the tag service company to submit the application. In addition, if a motor vehicle license tag application is processed electronically, payment may be submitted in a form other than required by paragraph (1) of this Rule which is acceptable to the county tag agent.

- (6) **Access to Motor Vehicle Registration Records.** A tag service company which enters into an agreement to provide electronic registration or renewal of motor vehicles with the commissioner or a county tag agent shall be authorized to receive the addresses of applicants in order to verify applications for registration or renewal; and, in addition, shall be authorized to receive the following motor vehicle registration records in order to register or renew any motor vehicle:
- (a) The vehicle identification number;
 - (b) The license tag number;
 - (c) The date of expiration of the registration; and
 - (d) The amount of tax owed.
- (7) **Restrictions on Use of Records.** Unless permission is otherwise provided by the applicant, a tag service company shall not use an applicant's motor vehicle registration records for any purpose other than the provision of services regulated under this chapter, nor disclose such records to any person, firm, partnership, or corporation.

Cite as Ga. Comp. R. & Regs. R. 560-10-28-.03

Authority: Ga. Laws 1977, p. 697; O.C.G.A. Secs. [40-2-25](#), [40-2-130](#), [48-2-12](#).

History. Original Rule entitled "Submission of Documents, Fees and Taxes" was filed on October 28, 1977; effective November 17, 1977.

Amended: F. Aug. 13, 1999; eff. Sept. 6, 1999.

[Rule 560-10-28-.04. Certain Advertising Prohibited.](#)

No tag service company shall hold itself out as being affiliated with or being endorsed by the Georgia State Revenue Department or its duly authorized county tag agents, nor shall any tag service company employ any advertising method nor present any advertisement that would tend to establish the existence of any affiliation with or endorsement by the Georgia State Revenue Department or its duly authorized county tag agents.

Cite as Ga. Comp. R. & Regs. R. 560-10-28-.04

Authority: Ga. Laws 1977, p. 697.

History. Original Rule entitled "Certain Advertising Prohibited" was filed on October 28, 1977; effective November 17, 1977.

Subject 560-10-29. FREE UNITED STATES MILITARY RESERVE TAGS.

Rule 560-10-29-.01. Free United States Military Reserve License Plates.

- (1) The Major Commanders of each Active Reserve Component program shall furnish the Commissioner of Revenue each year prior to the date that license plates are issued, an alphabetical list of all active members of their command assigned or attached to troop program units who reside in Georgia who are entitled to the issuance of a United States Military Reserve license plate as provided for by Georgia Laws 1978, pp. 2205, 2206.
- (2) United States Military Reserve license plates shall have the same life cycle and annual renewal deadline as do regular passenger license plates.
- (3) Applications for United States Military Reserve license plates must be submitted to the county tax commissioner or tax collector in the county of the applicant's residence along with the certification from the applicant's commanding officer that he is an active member of the commanding officer's command or attached to a troop program unit and residing in Georgia.
- (4) United States Military Reserve license plates may be used only on a passenger car, trailer, station wagon, van type vehicle of three quarter tons or less or truck not exceeding 14,000 pounds owner's declared gross vehicle weight used for personal transportation.
- (5) If a member of the United States Military Reserve so desires, he may, after being issued his one free United States Military Reserve license plate, purchase additional plates of the same type by paying the license plate fees set by law for the types of vehicles to which the additional United States Military Reserve license plates will be assigned.
- (6) When a Reserve Member transfers the ownership of a vehicle bearing a United States Military Reserve license plate, he shall remove said plate from the vehicle being transferred and, subject to the Reservist's right to transfer the removed plate to another vehicle which he may subsequently acquire, the authority to use said plate shall be cancelled. The transfer of the removed plate to another vehicle which the Reservist has acquired may be accomplished by the submission of a new application supported by the owner's certificate of registration and Form MV-99.

Cite as Ga. Comp. R. & Regs. R. 560-10-29-.01

Authority: Ga. L. 1978, pp. 2205, 2205 (Ga. Code Section 68-280), Ga. Code Section 91A-215.

History. Original Rule entitled "Free United States Military Reserve License Plates" was filed on January 22, 1979; effective February 11, 1979.

Amended: Rule repealed and a new Rule of the same title adopted. Filed June 8, 1979; effective June 28, 1979.

Amended: Rule repealed and a new Rule of the same title adopted. Filed September 29, 1980; effective October 19, 1980.

Subject 560-10-30. TITLE AND REGISTRATION RECORD PROVISIONS.

Rule 560-10-30-.01. Access to Certificate of Title and Registration Confidential Information - General.

- (1) Access to or dissemination of information contained in the Department's Motor Vehicle Division certificate of title and registration records is governed by O.C.G.A. §§ [40-2-130](#) and [40-3-23](#), the Driver's Privacy Protection Act ([18 U.S.C. § 2721](#), *et seq.*), and other provisions of state and federal law.
- (2) Electronic access to motor vehicle certificate of title and registration records and/or portions thereof may be granted at the sole discretion of the Commissioner.
- (3) All information disclosed by the Department to non-governmental entities shall be effected by written agreement with the Department and is limited to the information deemed absolutely necessary to meet the specific terms of the agreement. Upon approval and acceptance of the agreement by the Department, the Commissioner shall issue a license in accordance with the agreement.
- (4) Any information disclosed by the Department to governmental agencies, including a court of law or law enforcement agency, or by a private person or entity acting on behalf of a governmental entity, is limited to the information deemed necessary to allow a local agency to perform its duties.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.01

Authority: Authority O.C.G.A. Secs. [40-2-130](#), [40-3-3](#), [40-3-21.1](#), [40-16-2](#), [40-3-23](#), [48-2-12](#).

History. Original Rule entitled "Motor Vehicle Impact Fees, Applicability" adopted as ER. 560-10-30-0.8-.01. F. and eff. May 1, 1992, the date of adoption.

Amended: Permanent Rule entitled "Out of State Title Transfer Fees, Applicability" adopted. F. Aug. 5, 1992; eff. Aug. 25, 1992.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Amended: ER. 560-10-30-.027 [-.01](#) entitled "Access to Certificate of Title and Registration Confidential Information - General" adopted. F. June 11, 2008; eff. June 10, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Oct. 14, 2008; eff. Nov. 3, 2008.

Rule 560-10-30-.02. Cost to and Indemnity of Department; Use of Certificate of Title and Registration Records - General.

- (1) The cost of electronic access to the Department's Motor Vehicle Division certificate of title and registration records and/or portions thereof shall be determined by the Department.
- (2) Remittance of the invoice amount due to the Department for use of the Department's data shall be paid no later than thirty (30) days from the date of the invoice. Failure to pay the total amount due may, among other things, result in suspension of the license and denial of access to data.

- (3) Based upon the use of information provided by the Department, all applicants shall be responsible to the Department for all injury or damage of any kind to the Department as a result of any negligent act, omission, breach, failure, or default.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.02

Authority: Authority O.C.G.A. Secs. [40-2-130](#), [40-3-3](#), [40-3-21.1](#), [40-16-2](#), [40-3-23](#), [48-2-12](#).

History. Original Rule entitled "Schedule of Fees" adopted as ER. 560-10-30-0.8-.02. F. and eff. May 1, 1992, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 5, 1992; eff. Aug. 25, 1992.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Amended: ER. 560-10-30-.027 [-.02](#) entitled "Cost to and Indemnity of Department; Use of Certificate of Title and Registration Records - General" adopted. F. June 11, 2008; eff. June 10, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Oct. 14, 2008; eff. Nov. 3, 2008.

Rule 560-10-30-.03. Application for Access - General.

- (1) An application for access shall be submitted on forms provided for that purpose by the Commissioner. The application must be completed in its entirety.
- (2) Any untrue, misleading, or omitted statement in an application shall constitute cause for the denial thereof. If any agreement has been entered into with a non-governmental entity or with a governmental entity and a license issued therefrom, then such action shall constitute cause for revocation of the agreement.
- (3) Upon submission of the application, the Commissioner shall review the application. If it is determined by the Commissioner that an agreement and issuance of a license is deemed contrary to the public interest and welfare, that no agreement shall be entered into or license issued. Such a determination may result from one or all of the following:
 - (a) Based upon such entity's financial standing, trade associations, or reputation in any community in which it resides, it is deemed not likely to maintain the operation for which an agreement and permit in conformity with federal, state, or local laws is being sought.
 - (b) Based upon the failure of applicant, or any person, firm, corporation, legal entity, or organization having any interest in any operation for which an application has been submitted, to meet any obligations imposed by the tax laws or other laws or regulations of the State of Georgia.
 - (c) The governmental entity application is not related to the performance of its official duties.
- (4) If the Commissioner has reason to believe that the applicant is not entitled to the agreement and license for which an application has been submitted, the Commissioner shall notify the applicant of his or her denial in writing.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.03

Authority: Authority O.C.G.A. Secs. [40-2-130](#), [40-3-3](#), [40-3-21.1](#), [40-16-2](#), [40-3-23](#), [48-2-12](#).

History. Original Rule entitled "Fair Market Value" adopted as ER. 560-10-30-0.8-.03. F. and eff. May 1, 1992, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 5, 1992; eff. Aug. 25, 1992.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Amended: ER. 560-10-30-.027 [-.03](#) entitled "Application for Access - General" adopted. F. June 11, 2008; eff. June 10, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Oct. 14, 2008; eff. Nov. 3, 2008.

Rule 560-10-30-.04. Agreement and License - General.

- (1) Upon approval of the application, the Commissioner shall deliver to the applicant an agreement setting forth the terms and conditions for use of all information provided by the Department.
- (2) Applicant shall have no later than forty-five (45) days from the date of mailing of the agreement by the Department to respond. Failure to respond later than forty-five (45) days from the date of mailing may be deemed a withdrawal of the application. Should the applicant wish to reapply for a license, a new application will have to be submitted.
- (3) Upon receipt of a signed agreement from the applicant and approval by the Commissioner, the Department shall issue a license along with a fully executed copy of the agreement to the applicant.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.04

Authority: Authority O.C.G.A. Secs. [40-2-130](#), [40-3-3](#), [40-3-21.1](#), [40-16-2](#), [40-3-23](#), [48-2-12](#).

History. Original Rule entitled "Payment of Fees" adopted as ER. 560-10-30-0.8-.04. F. and eff. May 1, 1992, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 5, 1992; eff. Aug. 25, 1992.

Repealed: F. Jan. 24, 2005; eff. Feb. 13, 2005.

Amended: ER. 560-10-30-.027 [-.04](#) entitled "Agreement and License - General" adopted. F. June 11, 2008; eff. June 10, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Oct. 14, 2008; eff. Nov. 3, 2008.

Rule 560-10-30-.05. Application for Access - Governmental Entities.

- (1) In addition to the general licensing regulations, an application and agreement shall be completed by any governmental entity wishing to obtain vehicle registration records for the purposes of carrying out official governmental duties related to the collection of civil fines resulting from the violation of:
 - (a) Municipal codes or ordinances;
 - (b) Parking tickets;

- (c) Traffic violations recorded via traffic control-signal monitoring devices.
- (2) Information provided to local agencies in the enforcement of local codes and traffic violations shall consist of the registrant's name and address.
- (3) All governmental applicants who utilize third-party vendors for handling, processing, or development of information that is subsequently released pursuant to an agreement and license with the Department, shall provide with its application a copy of any contract or agreement with such third-party vendor.
- (4) A governmental entity shall require any private non-governmental person or entity, acting as agent for such entity, to provide and keep in force during the term of the license, with an insurance company licensed to do business in the State of Georgia, a commercial general liability insurance policy in a form and amount satisfactory to the Department. It must indemnify the Department against claims:
 - (1) For personal injury and bodily injury (including death) arising out of the provision or use of information obtained pursuant to this Agreement with limits of not less than One Million Dollars (\$1,000,000.00) per person and Three Million Dollars (\$3,000,000.00) per occurrence with an aggregate annual limit of not less than Ten Million Dollars (\$10,000,000.00); and
 - (2) For damage to or loss of property with aggregate annual limits of at least One Hundred Thousand Dollars (\$100,000.00) per person and per occurrence. Such policy of insurance shall name the Department, its officers, members, and employees as additional insureds and further contain a rider stating that the policies cannot be cancelled without a minimum of twenty (20) days prior written notice to the Department. Certificates of insurance shall be delivered to the Department upon request.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.05

Authority: Authority O.C.G.A. Secs. [40-2-130](#), [40-3-3](#), [40-3-23](#), [48-2-12](#).

History. Original Rule entitled "Application for Access - Governmental Entities" adopted as ER. 560-10-30-0.27-.05. F. June 11, 2008; eff. June 10, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Oct. 14, 2008; eff. Nov. 3, 2008.

Rule 560-10-30-.06. Application for Access - Non-Governmental Entities.

- (1) In addition to the general licensing regulations, an application and agreement shall be completed by any non-governmental entity seeking to obtain vehicle registration records for the purposes of making the information available for specific types of vehicle reports and statistical reports.

- (2) All non-governmental applicants who utilize third-party vendors for handling, processing, or development of Georgia information that is subsequently released pursuant to an agreement and license with the Department, shall provide with its application a summary of its contract or agreement with such third-party vendor.
- (3) All non-governmental entities shall, among other requirements, indemnify and hold harmless the Department, the State of Georgia, its departments and agencies, and their respective employees and directors, from any losses, claims, demands, liabilities, and expenses incurred in defending same.
- (4) Any private non-governmental person or entity shall provide and keep in force during the term of the license, with an insurance company licensed to do business in the State of Georgia, a commercial general liability insurance policy in a form and amount satisfactory to the Department. It must indemnify the Department against claims:
 - (1) For personal injury and bodily injury (including death) arising out of the provision or use of information obtained pursuant to this Agreement with limits of not less than One Million Dollars (\$1,000,000.00) per person and Three Million Dollars (\$3,000,000.00) per occurrence with an aggregate annual limit of not less than Ten Million Dollars (\$10,000,000.00); and
 - (2) For damage to or loss of property with aggregate annual limits of at least One Hundred Thousand Dollars (\$100,000.00) per person and per occurrence. Such policy of insurance shall name the Department, its officers, members, and employees as additional insureds and further contain a rider stating that the policies cannot be cancelled without a minimum of twenty (20) days prior written notice to the Department. Certificates of insurance shall be delivered to the Department upon request.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.06

Authority: Authority O.C.G.A. Secs. [40-2-130](#), [40-3-3](#), [40-3-23](#), [48-2-12](#).

History. Original Rule entitled "Application for Access - Non-Governmental Entities" adopted as ER. 560-10-30-0.27-.05. F. June 11, 2008; eff. June 10, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Oct. 14, 2008; eff. Nov. 3, 2008.

Repealed: New Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008.

Rule 560-10-30-.07. Assembled Motor Vehicle or Assembled Motorcycle.

- (1) An "assembled or kit" motor vehicle or motorcycle is:
 - (a) Any motor vehicle or motorcycle manufactured from a manufacturer's kit or manufacturer's fabricated parts, including replicas and original designs by an owner, or at the direction of the owner, by a third-party manufacturer of motor vehicles or motorcycles;

1. A third-party manufacturer is a manufacturer who is not manufacturing and testing in accordance with federal safety standards.
- (b) A new vehicle which consists of a prefabricated body, chassis and drive train;
- (c) Handmade and not mass-produced by any manufacturer for retail sale; and
- (d) Not otherwise excluded from emission requirements and in compliance with Chapter 8 Title 40 of the Code.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.07

Authority: Authority O.C.G.A. Secs. [40-2-11](#), [40-3-30.1](#), [48-2-12](#).

History. Original Rule entitled "Assembled Motor Vehicle or Assembled Motorcycles" adopted as ER. 560-10-30-0.28-.07. F. and eff. June 16, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 1, 2008; eff. Aug. 21, 2008.

Rule 560-10-30-.08. Unconventional Motor Vehicle or Unconventional Motorcycle.

- (1) "Unconventional" motor vehicle or "Unconventional" motorcycle is any motor vehicle or motorcycle that is manufactured and not in compliance with:
 - (a) Chapter 8 Title 40 of the Code, relating to equipment and inspection of motor vehicles;
 - (b) Applicable federal motor vehicle safety standards issued pursuant to [49 U.S.C.A. Section 30101](#) *et seq.*, unless the United States Customs Service or the United States Department of Transportation has certified that such motor vehicle or motorcycle complies with such applicable federal standards;
 - (c) Applicable federal emissions standards; or
 - (d) Does not qualify as an Assembled motor vehicle or Assembled motorcycle.
- (2) An Unconventional motor vehicle or Unconventional motorcycle shall not be issued a certificate of title or registered by the State of Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.08

Authority: Authority O.C.G.A. Secs. [40-2-11](#), [40-3-30.1](#), [48-2-12](#).

History. Original Rule entitled "Unconventional Motor Vehicle or Unconventional Motorcycle" adopted as ER. 560-10-30-0.28-.08. F. and eff. June 16, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 1, 2008; eff. Aug. 21, 2008.

Rule 560-10-30-.09. Certificate of Title of an Assembled Motor Vehicle or Assembled Motorcycle.

- (1) An owner applying for a certificate of title, and to register an assembled motor vehicle or assembled motorcycle in Georgia, shall submit:
 - (a) A title application on a form provided by the Commissioner along with the requisite supporting documentation;
 - (b) A Manufacturer's Statement of Origin or present certificate of title and required supporting documentation;
 - (c) A labor and parts form prescribed by the Commissioner;
 - (d) A request for inspection of the assembled motor vehicle or assembled motorcycle on a form provided by the Commissioner; and
 - (e) Payment of all applicable fees for such inspection.
- (2) The Department shall assess the following state fees for inspection of Assembled Motor Vehicles and Assembled Motorcycles:
 - (a) Motorcycle: \$125.00
 - (b) Motor Vehicle: \$150.00
- (3) Upon completion and submission of all required forms and payment of all fees as set forth by the Commissioner, the Department shall:
 - (a) Schedule an inspection of the motor vehicle or motorcycle; and
 - (b) Complete the inspection report on the form prescribed by the Commissioner.
- (4) Upon determination by the Department that the application is acceptable along with the appropriate documentation that payment of all required fees has been received by the Department and that the Assembled Motor Vehicle has passed the inspection, the Department shall issue a Georgia Certificate of Title that states "Assembled Vehicle" in the legend.
- (5) A person who has received the Georgia Certificate of Title for an Assembled motor vehicle or Assembled motorcycle shall then register such vehicle in the manner set forth by the Code.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.09

Authority: Authority O.C.G.A. Secs. [40-2-11](#), [40-3-30.1](#), [48-2-12](#).

History. Original Rule entitled "Certificate of Title of an Assembled Motor Vehicle or Assembled Motorcycle" adopted as ER. 560-10-30-0.28-.09. F. and eff. June 16, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 1, 2008; eff. Aug. 21, 2008.

Rule 560-10-30-.10. Inspection of an Assembled Motor Vehicle or Assembled Motorcycle.

- (1) In addition to the requirements set forth in O.C.G.A. § [40-3-30.1](#), prior to applying for a certificate of title for an Assembled vehicle or Assembled motorcycle, an applicant shall have that vehicle inspected in the manner set forth by the Department.
- (2) The applicant shall provide the following information at the time of inspection of the Assembled vehicle or Assembled motorcycle:
 - (a) The existence of a verifiable Manufacturer's Statement of Origin (MSO) or other appropriate documentation of the purchase of all major components; and
 - (b) That the vehicle complies with:
 1. Chapter 8 Title 40 of the Code, and
 2. Applicable Federal emissions standards.
- (3) The purpose of the inspection shall be solely to establish whether or not the vehicle is eligible to receive a Georgia Certificate of Title as an Assembled motor vehicle or Assembled motorcycle.
- (4) The Department shall charge a fee for all such inspections.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.10

Authority: Authority O.C.G.A. Secs. [40-2-11](#), [40-3-30.1](#), [48-2-12](#).

History. Original Rule entitled "Inspection of an Assembled Motor Vehicle or Assembled Motorcycle" adopted as ER. 560-10-30-0.28-.10. F. and eff. June 16, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 1, 2008; eff. Aug. 21, 2008.

Rule 560-10-30-.11. Registration of an Assembled Motor Vehicle, Assembled Motorcycle, or Unconventional Vehicle.

- (1) Prior to an applicant for registration of an Assembled vehicle or Assembled motorcycle being issued a Certificate, the applicant must have been issued a Georgia Certificate of Title in compliance with the Code and Regulations governing Assembled motor vehicles or Assembled motorcycles.
- (2) Upon presentation of a Georgia Certificate of Title, a Certificate of Registration will be issued in the same manner as are motor vehicle registrations.

- (3) Any Unconventional vehicle or Unconventional motorcycle, or any motor vehicle that has not been issued a certificate of title in compliance with the Code and these Regulations, shall not be registered in the State of Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.11

Authority: Authority O.C.G.A. Secs. [40-2-11](#), [40-3-30.1](#), [48-2-12](#).

History. Original Rule entitled "Registration of an Assembled Motor Vehicle, Assembled Motorcycle, or Unconventional Vehicle" adopted as ER. 560-10-30-0.28-.11. F. and eff. June 16, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 1, 2008; eff. Aug. 21, 2008.

Rule 560-10-30-.12. Application and Verification for Issuance of an Alternative Fuel License Plate.

- (1) The terms "alternative fuel" and "alternative fueled vehicle," shall have the same meaning as set forth in the Code.
- (2) Any person may apply for an Alternative Fuel license plate by completing and signing an Alternative Fuel license plate application in the form prescribed by the Commissioner.
- (3) The Alternative Fuel license plate application shall contain all of the following:
 - (a) Description of the alternative fueled vehicle ("Vehicle") including:
 1. The make, model and Vehicle Identification Number (VIN) of the Vehicle.
 2. The type of the approved alternative fuel that will be used to operate the Vehicle and the primary location where the applicant will purchase the alternative fuel.
 - (b) Information concerning the owner(s):
 1. Legal name and address.
 2. Georgia drivers license number.
 - (c) Certification by the applicant(s) that:
 1. The Vehicle is designated by Georgia Department of Natural Resources (DNR) as an alternative fueled vehicle.
 2. The owner will purchase and operate the Vehicle with alternative fuel primarily purchased at the location listed on the application,
 3. The owner will operate the Vehicle on the alternative fuel stated in the application not less than eighty-five percent (85%) of the total time that the said vehicle is in operation per year.

4. The owner will maintain the receipts for purchases of alternative fuel, for three (3) calendar years. The receipts shall be available for a compliance review upon the request of a Federal, State, or County official.
5. Upon a substantive change in the application information certified by the owner, the owner shall surrender the Alternative Fuel license plate to the County Tax Commissioner or the owner's registration shall be revoked by DOR.

(4) An annual renewal application shall be submitted for an Alternative Fuel license plate.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.12

Authority: Authority O.C.G.A. Secs. [40-2-76](#), [48-2-12](#).

History. Original Rule entitled "Application and Verification for Issuance of an Alternative Fuel License Plate" adopted as ER. 560-10-30-0.31-.12. F. and eff. June 27, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 1, 2008; eff. Aug. 21, 2008.

Rule 560-10-30-.13. Non-Resident Members of the Armed Services Qualifications for Ad Valorem Tax Exemptions for Motor Vehicles.

(1) As used in this Regulation, the term:

(a) "Dependent" shall mean:

1. The Servicemember's spouse, who is not a Georgia resident; or
2. The Servicemember's child, who is not a Georgia resident (as defined in [Section 101\(4\) of Title 38 of United States Code](#)); or
3. An individual, who is not a Georgia resident, for whom the Servicemember provided more than one-half of the individual's support for 180 days immediately preceding an application for relief under this Regulation.

(b) "Servicemember" shall mean: Any active member of the armed services, who is not a Georgia resident, who is a citizen of the United States and meets all qualifications as set forth herein.

(2) A Servicemember may apply for an exemption pursuant to the federal Servicemembers Relief Act of 2009, from motor vehicle ad valorem taxes for:

- (a) Any motor vehicles registered solely in the Servicemember's name;
- (b) Any motor vehicles registered in the name of a Servicemember's nonresident Dependent.

- (3) Each vehicle for which the Servicemember, or their Dependent seeks exemption the Servicemember shall provide the local county tax agent:
- (a) An affidavit as set forth in this Regulation, certified by the Servicemember's commanding officer, and a notarized signature of the Servicemember stating that the Servicemember is:
 - 1. An active armed services personnel member.
 - 2. A citizen of the United States and nonresident of Georgia.
 - 3. Stationed at a military instrumentality within the state of Georgia solely by virtue of military orders.
 - (b) If the exemption is being sought for a Dependent then the Servicemember shall also provide on the Affidavit:
 - 1. Certification that the individual seeking to register the vehicle is a Dependent of such Servicemember.
 - 2. A notarized signature of the Servicemember's Dependent stating that such Dependent is not a resident of Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.13

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-471](#).

History. Original Rule entitled "Non-Resident Members of the Armed Services Qualifications for Ad Valorem Tax Exemptions for Motor Vehicles" adopted as ER. 560-10-30-0.31-.13. F. and eff. June 27, 2008, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Aug. 1, 2008; eff. Aug. 21, 2008.

Repealed: New rule of same title adopted. F. June 17, 2010; eff. July 7, 2010.

Rule 560-10-30-.14. Issuance of Manufacturer License Plates.

- (1) For the purposes of this Regulation, "Place of Business" shall mean a Manufacturer that assembles or constructs motor vehicles, in whole or in part, and who maintains an assembly facility in the state of Georgia.
- (2) In order to be issued a manufacturer license plate a Manufacturer shall provide to the Department:
 - (a) Proof that such Manufacturer maintains a Place of Business in Georgia;
 - (b) The Vehicle Identification Number (VIN) number of the Manufacturer's motor vehicle that the manufacturer plate will be attached to;
 - (c) The name and address of the individual that will be operating the vehicle with the manufacturer license plate;

- (d) The manner of use of the motor vehicle for which the manufacturing license plate is being issued.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.14

Authority: O.C.G.A. Secs. [40-1-1](#), [40-2-11](#), [40-2-38](#).

History. Original Rule entitled "Issuance of Manufacturer License Plates" adopted. F. Aug. 19, 2009; eff. Sept. 8, 2009.

Rule 560-10-30-.15. Salvage and Assembled Vehicles - Qualifications for Non-Government Inspectors.

- (1) An inspector shall:
 - (a) Be an individual performing salvage vehicle or assembled motor vehicle or motorcycle inspections in Georgia;
 - (b) Have and maintain an active I-CAR® Platinum Individual[TM] designation;
 - (c) Be registered by the Department prior to conducting any salvage or assembled vehicle inspections;
 - (d) Have and maintain an individual surety bond for \$50,000.00;
 - (e) File and remit all local, state, and federal taxes in a timely manner;
 - (f) Be a United States Citizen or otherwise lawfully allowed to work in the United States;
 - (g) Have and maintain a personal liability insurance policy of \$1,000,000 in the aggregate and \$100,000 per occurrence, unless such inspector is a full time employee of a registered inspection station; and
 - (h) Present a resume demonstrating two or more years in the motor vehicle collision or rebuilding industry.
- (2) An inspector who has been designated an I-CAR® Platinum Individual[TM] shall:
 - (a) Provide the Department a certified copy of their I-CAR® credentials;
 - (b) Complete and file the application for Salvage/Assembled Vehicle Inspector Form MV-175 with the Department;
 - (c) Provide a Certificate of Completion of an approved Used Motor Vehicle Dealer Pre- Licensing Seminar by the Georgia Secretary of State Professional Licensing Board to the Department; and

- (d) Remit a registration fee of one hundred dollars (\$100.00) to the Department.
- (3) Upon notification from the Department that the registrant has been accepted, such registrant may conduct salvage or assembled vehicle inspections in the state of Georgia pursuant to O.C.G.A. §§ [40-3-3](#), [40-3-30.1](#), and [40-3-37](#) and Regulations in Chapter 560-10-30 et seq.
 - (a) A Department inspector registration shall be valid from January 1 through December 31 in the year in which the registration was approved by the Department.
- (4) Subsequent to the year in which application is made, inspectors shall submit to the Department a certified copy of their I-CAR® transcript showing that the inspectors have maintained their I-CAR® Platinum Individual[TM] designation.
 - (a) The transcript must be postmarked prior to December 1 in order to be registered for the following calendar year.
 - (b) Failure to provide the Department with the ICAR® transcript shall result in the expiration of the inspector's registration with the Department for the subsequent calendar year and removal of the inspector's listing on the Department's website.
 - (c) If the transcript is postmarked after December 1 but prior to January 1, then a fee of one hundred dollars (\$100.00) shall be imposed on the registrant.
 - (d) If the transcript is postmarked on January 1 or later then, in addition to the one hundred dollar (\$100.00) fee in Section (4)(c) of this Regulation, a reinstatement fee of fifty dollars (\$50.00) shall be imposed on the registrant.
- (5) Registered inspectors shall retain an activity log of the name, address, vehicle identification number (VIN) make, model, and year of all vehicles inspected.
 - (a) Such activity log shall be kept for three (3) calendar years at the location where the inspection takes place, and upon request such log shall be made available to DOR within three (3) days from the date of such request.
- (6) The Commissioner may, with or without cause, refuse to register any individual or business.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.15

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Salvage and Assembled Vehicles - Qualification for Non-Government Inspectors" adopted as ER. 560-10-30-0.43-.15. F. and eff. Aug. 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Repealed: New Rule of same title adopted. F. Jan. 16, 2018; eff. Feb. 5, 2018.

Rule 560-10-30-.16. Salvage Vehicles - Inspection and Titling Procedures.

- (1) All inspections shall be performed by a registered inspector who is not the builder, rebuilder, or owner of the vehicle being inspected.
 - (a) If a registered inspector is an employee of a business and is conducting inspections then the employer business shall have registered with DOR to perform salvage or assembled vehicle inspections.
- (2) The registered inspector shall, when inspecting a re-built vehicle:
 - (a) Verify the Vehicle Identification Number (VIN) on the Salvage Certificate of Title with the VIN of the vehicle being inspected;
 - (b) Review Labor and Parts Certification Form T-129 and verify all parts repaired or replaced;
 - (c) Verify photograph(s) of the vehicle in an unrepaired condition; and
 1. Such photograph(s) shall be of sufficient size and quality to show the damage to the vehicle.
 - (d) Complete a Salvage Motor Vehicle Inspection Report Form T-172.
- (3) Upon completion of an inspection, the registered inspector shall provide to the individual requesting the inspection:
 - (a) A Salvage Motor Vehicle Inspection Report Form T-172; and
 - (b) A copy of the inspector's registration.
- (4) A Salvage Motor Vehicle Inspection Report shall be reported on the Department's electronic Salvage and Assembled Vehicle Inspection system no later than 12:00 Noon the day following inspection of the vehicle.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.16

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Salvage Vehicles - Inspection and Titling Procedures" adopted as ER. 560-10-30-0.43-.16. F. and eff. Aug. 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Repealed: New Rule of same title adopted. F. Jan. 16, 2018; eff. Feb. 5, 2018.

Rule 560-10-30-.17. Assembled Vehicles - Inspection and Titling Procedures.

- (1) At the discretion of the Department, inspections shall be performed by a registered inspector who is not the builder, rebuilder, or owner of the vehicle being inspected.
 - (a) If a registered inspector is an employee of another business and is conducting inspections then the employer business shall have registered with the Department to perform salvage or assembled vehicle inspections.
- (2) The registered inspector shall, when inspecting an assembled vehicle:
 - (a) Review Labor and Parts Certification Form T-129 and verify all parts that have been used in the assembly of the vehicle; and
 - (b) Complete an Assembled Motor Vehicle Inspection Report Form T-172(A).
- (3) Upon completion of an inspection the registered inspector shall provide to the individual requesting the inspection:
 - (a) An Assembled Motor Vehicle Inspection Report Form T-172(A); and
 - (b) A copy of the inspector's registration.
- (4) A Small Volume Manufacturer shall submit to the Department a request for an Assembled Vehicle Inspection form T-22AV, along with;
 - (a) The Small Volume Manufacturers Certificate of Origin;
 - (b) A Parts and Labor Statement form T-129; and
 - (c) Appropriate fees applicable to an Assembled Vehicle.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.17

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Assembled Vehicles - Inspection and Titling Procedures" adopted as ER. 560-10-30-0.43-.17. F. and eff. Aug. 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Repealed: New Rule of same title adopted. F. Jan. 16, 2018; eff. Feb. 5, 2018.

Rule 560-10-30-.18. Salvage Vehicles - Issuance of a "Rebuilt" Certificate of Title.

Upon receipt and approval of an application for a rebuilt certificate of title, the Department shall issue a title with "REBUILT" as the legend on the title including the name of the rebuilder.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.18

Authority: O.C.G.A. Secs. [48-2-12](#), [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Salvage Vehicles - Issuance of a 'Rebuilt' Certificate of Title" adopted as ER. 560-

10-30-0.43-.18. F. and eff. August 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Rule 560-10-30-.19. Assembled Vehicles - Issuance of an "Assembled" Certificate of Title.

- (1) Upon receipt and approval of an application for an assembled certificate of title, the Department shall issue a title with the brand "ASSEMBLED" as the legend on the title.
- (2) Upon receipt and approval of an application for an assembled certificate of title from a Small Volume Manufacturer, the Department shall issue a title with the brand "SMALL VOLUME MANUFACTURER" as the legend on the certificate of title.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.19

Authority: O.C.G.A. Secs. [48-2-12](#), [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Assembled Vehicles - Issuance of an 'Assembled' Certificate of Title" adopted as ER. 560-10-30-0.43-.19. F. and eff. August 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Rule 560-10-30-.20. Salvage and Assembled Vehicles - Inspection Fees.

- (1) Fees charged for inspection by a business or individual shall be itemized on the receipt and not exceed:
 - (a) Fifty dollars (\$50.00) per vehicle for the inspection;
 1. An inspector shall not exceed one hundred dollars (\$100.00) for total charges for other itemized expenses including but not limited to: administrative fees, travel or other miscellaneous expenses.
 - (b) Fifty dollars (\$50.00) per vehicle as a fee for the registered inspection station.
 1. An inspection location fee shall not exceed seventy-five dollars (\$75.00) for total charges for other expenses including but not limited to administrative fees or other miscellaneous expenses.
 - (c) An inspector or inspection location shall provide a written receipt for all itemized expenses which shall agree with the total expenses listed on the inspection report.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.20

Authority: Authority O.C.G.A. Secs. [48-2-12](#), [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Salvage and Assembled Vehicles - Inspection Fees" adopted as ER. 560-10-30-0.43-.20. F. and eff. August 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Rule 560-10-30-.21. Salvage Vehicles - Application.

- (1) After an inspection, an applicant shall submit the following documents to the Department to apply for a Georgia Certificate of Title for such vehicle:
 - (a) Application for Certificate of Title Form MV-1;
 - (b) Salvage Certificate of Title and fee of eighteen dollars (\$18.00);
 - (c) A fee of one hundred dollars (\$100.00) per vehicle inspected or re-inspected;
 - (d) Salvage Motor Vehicle Inspection Report form T-172;
 - (e) Copy of inspector's registration certificate;
 - (f) Copy of the rebuilder's Georgia's Used Motor Vehicle Parts License;
 - (g) At least one (1) photograph of the rebuilt vehicle prior to repair;
 1. Such photographs shall be of sufficient size and sufficient quality to clearly show all damage to the vehicle's major component parts.
 - (h) A Labor and Parts Certification form T-129;
 - (i) Receipts for all parts replaced.; and
 - (j) A diagnostic report, if required.
- (2) After completion of an inspection, the re-builder or individual shall provide a copy of all documents to the purchaser of the vehicle at time of sale.
- (3) No vehicle shall be sold or transferred until a Georgia Certificate of Title has been issued by the Department and received by the owner of such vehicle.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.21

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Salvage Vehicles - Application" adopted as ER. 560-10-30-0.43-.21. F. and eff. Aug. 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Repealed: New Rule of same title adopted. F. Jan. 16, 2018; eff. Feb. 5, 2018.

Rule 560-10-30-.22. Assembled Vehicles - Application.

- (1) After an inspection an applicant shall submit the following documents to apply for a Georgia Certificate of Title for an assembled vehicle:
 - (a) Manufacturer Certificate of Origin (MCO) or Manufacturer Statement of Origin (MSO);
 - (b) Application for Certificate of Title Form MV-1;
 - (c) A fee of eighteen dollars (\$18.00);
 - (d) A fee of one hundred fifty dollars (\$150.00) per motor vehicle inspected or re-inspected;
 - (e) A fee of one hundred twenty-five dollars (\$125.00) per motorcycle inspected or re-inspected;
 - (f) Assembled Motor Vehicle Inspection Report form T-172(A);
 - (g) Copy of inspector's registration certificate;
 - (h) Receipts for all parts; and
 - (i) Parts and Labor certificate Form T-129.
- (2) After completion of an inspection the builder or individual shall:
 - (a) Retain a copy of all documents submitted for a period of not less than three (3) years from the date of inspection; and
 - (b) Provide a copy of all documents to purchaser of vehicle at time of sale.
- (3) No vehicle shall be sold or transferred until a Georgia Certificate of Title has been issued and received.
- (4) After an inspection by the Department for a Small Volume Manufacturer, the applicant shall submit the following documents to apply for a Georgia Certificate of Title for a Small Volume Manufacturer vehicle:
 - (a) Application for Certificate of Title Form MV-1;
 - (b) Manufacturer Certificate of Origin (MCO) or Manufacturer Statement of Origin (MSO);
 - (c) An inspection report from an employee of the Department;
 - (d) A statement from the Small Vehicle Manufacturer the vehicle meets Georgia's safety and emission standards pursuant to the Official Code of Georgia Annotated;

- (e) Assembled Motor Vehicle Inspection Report form T-172(A);
- (f) Parts and Labor Form T-129;
- (g) Certificate of Title Application Fee of eighteen dollars (\$18.00); and
- (h) A fee of one hundred fifty dollars (\$150.00) per motor vehicle inspected.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.22

Authority: O.C.G.A. Secs. [48-2-12](#), [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Assembled Vehicles - Application" adopted as ER. 560-10-30-0.43-.22. F. and eff. August 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Rule 560-10-30-.23. Salvage and Assembled - Vehicle Inspection Station Requirements.

- (1) Each location shall be required to comply with the following requirements:
 - (a) Maintain a general liability insurance policy in the amount of \$1,000,000.00 in the aggregate and \$100,000.00 per occurrence;
 - (b) Be in compliance with all local, state, and federal regulations;
 - (c) Each location shall be available for a salvage or assembled vehicle inspection for a minimum of two (2) days per week, Monday through Friday from 8:30 A.M. to 4:30 P.M., excluding state holidays;
 - (d) Have a service facility to conduct an inspection both above and below the vehicle;
 - (e) Provide safe customer parking and adequate lighting if the facility is open before dawn or after dusk;
 - (f) Provide a safe customer waiting area;
 - (g) Be located on a state road or highway that allows travel for heavy-weighted vehicles;
 - (h) Owner(s) of the inspection station must:
 - 1. Remit and file all local, state, and federal taxes;
 - 2. Be a United States Citizen, or otherwise lawfully allowed to work in the United States;

- (i) Be registered with the Georgia Secretary of State to conduct business in Georgia;
- (j) Remit a registration fee of two hundred fifty dollars (\$250.00) to the Department;
and
- (k) Complete and file the application for Salvage/Assembled Vehicle Inspection
Location Form + MV-176 with the Department.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.23

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Salvage and Assembled - Vehicle Inspection Station Requirements" adopted as ER. 560-10-30-0.43-.23. F. and eff. Aug. 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Repealed: New Rule of same title adopted. F. Jan. 16, 2018; eff. Feb. 5, 2018.

Rule 560-10-30-.24. Salvage and Assembled Vehicles - Revocation of Registration to Perform Salvage or Assembled Vehicle Inspections in Georgia.

- (1) The Department may revoke or suspend the registration of an inspector or suspend the registration of an inspection station with 30-day notice. Certain circumstances shall be grounds for revocation including but not limited to the following:
 - (a) Violation of any federal, state, or local law or ordinance;
 - (b) Failure to complete the inspection report as directed, including but not limited to vehicle identification number verification, verifying photographs and/or images to damaged, repaired or replaced parts; or
 - (c) Failure to comply with any instruction of the Department.
- (2) The Department shall notify the inspector or location owner, in writing, at the address listed on their respective application.
- (3) An inspector or location owner may appeal the respective suspension, termination, or revocation by the Department by requesting a hearing from the Commissioner in accordance with the Georgia Administrative Procedures Act, within ten calendar days of the notice of suspension, termination or revocation.
- (4) The Department shall maintain a static website providing the name of all persons who are registered with the Department to perform salvage or assembled inspections and the street address where such registered individuals perform inspections.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.24

Authority: O.C.G.A. §§ [40-3-3](#), [40-3-30.1](#), [40-3-37](#).

History. Original Rule entitled "Salvage and Assembled Vehicles - Revocation of Registration to Perform Salvage or Assembled Vehicle Inspections in Georgia" adopted as ER. 560-10-30-0.43-.24. F. and eff. Aug. 20, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Sept. 29, 2009; eff. Oct. 19, 2009.

Amended: F. Apr. 9, 2014; eff. Apr. 29, 2014.

Repealed: New Rule of same title adopted. F. Jan. 16, 2018; eff. Feb. 5, 2018.

Rule 560-10-30-.25. Application for a Special License Plate for a Family Member of a Servicemember Killed in Action.

- (1) As used in this Regulation, the license plate shall be designated the "Gold Star" license plate and the design shall be determined by the Commissioner.
- (2) As used in this Regulation, the term "eligible family member" shall mean a person directly related to the fallen servicemember as spouse, mother, father, sibling, child, or step-parent.
- (3) An eligible family member may obtain a Gold Star license plate upon compliance with the registration requirements set forth in the O.C.G.A. and this Regulation.
 - (a) A spouse or child shall provide a copy of the Department of Eligibility and Enrollment Services (DEERS) report dated prior to the death of the fallen service member.
 - (b) A mother, step-mother, father or step-father shall provide a copy of the DEERS report dated prior to the death of the fallen service member.
 - (c) A sibling shall provide copies of any verifiable document establishing their relationship to the fallen service member along with a copy of the DEERS report dated prior to the death of the fallen service member
- (4) If the DEER's report is not immediately available, an eligible family member may provide a copy of the fallen service member's obituary published within two years after the service member's death, provided that the obituary lists the eligible family member's full name.
- (5) The fees for the Gold Star license plate shall be:
 - (a) For the spouse, mother or father residing in Georgia on or before the death of the fallen service member:
 1. The first license plate shall be issued and renewed annually with no registration fee, manufacturing fee, special license plate fee or special license plate renewal fee,

2. For any additional license plates, the license plate shall be issued with a registration fee, a \$25.00 manufacturing fee.
 3. Any additional license plate shall be renewed annually with a registration fee and a \$25.00 special license plate renewal fee.
- (b) For any spouse, mother, father, child or step-parent not residing in Georgia on or before the death of the fallen service member but later become a resident of Georgia, the fees shall a registration fee, a \$25.00 manufacturing fee; the license plate shall be renewed annually with a registration fee and a \$25.00 special license plate renewal fee.
- (c) For an eligible family member who is not a spouse, mother or father.
1. A license plate shall be issued with a registration fee, a \$25.00 manufacturing fee.
 2. Additional license plates shall be renewed annually with a registration fee and a \$25.00 special license plate renewal fee.
- (d) The Gold Star license plate shall not be transferred except to a vehicle subsequently purchased by the eligible family member.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.25

Authority: Authority O.C.G.A. Secs. [48-2-12](#), [40-2-85.3](#).

History. Original Rule entitled "Application for a Special License Plate for a Family Member of a Servicemember Killed in Action" adopted. F. Nov. 3, 2010; eff. Nov. 23, 2010.

Rule 560-10-30-.33. Certificate of Title Exclusion for Commercial Vehicle Registration.

- (1) Upon satisfaction of the following conditions, a nonresident owner may be exempted by the commissioner under O.C.G.A. § [40-3-4\(4\)](#).
- (2) Commercial vehicles owned by nonresidents that are:
 - (a) Properly titled in the state of such owner's residence, and
 - (b) Where the vehicle is required to be registered in this state pursuant to O.C.G.A. § [40-2-88](#) known as the International Registration Plan (IRP).
- (3) For an IRP registration to be granted:

- (a) The applicant has met the requirements for registration pursuant to Chapter 2 of Title 40 of the O.C.G.A.;
- (b) The nonresident individual must present a copy of the out-of-state title;
- (c) Said title must be verified by a law enforcement officer; and
- (d) Proof of prior registration in another state must be furnished.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.33

Authority: O.C.G.A. § [40-3-20](#).

History. Original Rule entitled "Certificate of Title Exclusion for Commercial Vehicle Registration" adopted. F. Jun. 11, 2012; eff. July 1, 2012.

Rule 560-10-30-.34. False or Secret Compartment.

- (1) Upon the request of any law enforcement officer in this state, the commissioner shall provide a temporary license plate on a form provided by the commissioner upon the seizure of a license plate by a law enforcement officer and registration for any vehicle with a false or secret compartment.
- (2) The temporary permit shall provide the owner's name, address and vehicle description to include vehicle liability insurance and any other information as deemed required by the commissioner.
- (3) The temporary license plate shall be valid for no more than 30 days or until the vehicle with such false or secret compartment is repaired, whichever occurs first.
- (4) The seized license plate and registration shall be returned to the owner upon inspection by the law enforcement officer and verification that the required repairs are complete.

Cite as Ga. Comp. R. & Regs. R. 560-10-30-.34

Authority: O.C.G.A. §§ [16-11-112](#), [40-2-12](#), [48-2-12](#).

History. Original Rule entitled "False or Secret Compartment" adopted. F. Apr. 22, 2014; eff. May 12, 2014.

Subject 560-10-31. COMMERCIAL VEHICLES.

Rule 560-10-31-.01. Definitions.

- (1) A used in these Regulations the following terms shall be defined as:

- (a) "Application" shall mean the application in the manner prescribed by the Commissioner.
- (b) "Cab Card" shall mean a registration issued to the intrastate motor carrier for each vehicle registered.
- (c) "Certificate of Cancellation of Insurance" shall mean the certificate showing the cancellation of the Motor Carrier's insurance policy.
 - 1. The certificate shall be filed with FMCSA or the Commissioner in the manner prescribed by the Commissioner.
- (d) "Certificate of Insurance" shall mean the Motor Carrier's certificate of insurance filed with FMCSA or the Commissioner in a manner prescribed by the Commissioner.
- (e) "Commercial Motor Vehicle" shall have the same meaning as provide for in O.C.G.A. § [40-1-1](#)(8.3).
- (f) "FMCSA" shall mean the Federal Motor Carrier Safety Administration of the Federal Department of Transportation.
- (g) "Intrastate for-hire Motor Carrier" shall mean a Motor Carrier that provides transportation of cargo belonging to others and may receive compensation for services.
- (h) "Intrastate Motor Carrier" shall mean a Motor Carrier operating exclusively within the borders of Georgia.
- (i) "Interstate Motor Carrier" shall mean a Motor Carrier operating in two or more states, including Georgia.
- (j) "Late Registration" shall mean any application submitted to the Department on or after December 1 each year, unless otherwise provided for in this Regulation.
- (k) "Motor Carrier" shall have the same meaning as provide in O.C.G.A § [40-2-1\(4\)](#).
- (l) "Private Carrier" shall mean a Motor Carrier that provides transportation of its own cargo, usually as part of the carrier's business.
- (m) "Public Liability Insurance" means a certificate of financial responsibility issued by an insurance company licensed in this state in accordance with the Federal Motor Carrier Safety Administration (FMCSA) 49 CFR Part 387.
- (n) "Register" shall mean making application, submitting applicable fees, and receiving approval from the Department prior to any operation in Georgia.

- (o) "Registration Certificate" shall mean a certificate issued to the Motor Carrier upon approval by the Commissioner of such registration.
- (p) "Registration Period" shall mean the period of October 1 to November 30 each year.
- (q) "Reinstatement Fee" shall mean the additional fee to register any commercial vehicle with a suspended registration and no insurance for more than ten (10) days.
- (r) "Self Insurance" shall mean a self insurance plan filed with and accepted by the FMCSA.
- (s) "UCRA" shall mean the federal Unified Carrier Registration Act of 2005 pursuant to [49 U.S.C. Section 13908](#).
- (t) "Vehicle" shall mean any motor vehicle, truck, truck tractor, or trailer subject to the UCRA.

Cite as Ga. Comp. R. & Regs. R. 560-10-31-.01

Authority: O.C.G.A. Secs. [40-2-11](#), [40-2-140](#).

History. Original Rule entitled "Definitions" adopted as ER. 560-10-31-0.45-.01. F. and eff. October 1, 2009, the date of adoption.

Amended: ER. 560-10-31-0.47-.01 adopted. F. Jan. 11, 2010; eff. Jan. 12, 2010, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Mar. 2, 2010; eff. Mar. 22, 2010.

Rule 560-10-31-.02. Registration Dates.

- (1) Motor Carriers currently holding a permit issued under the provisions of O.C.G.A § 46-7-15 subsections (a) through (d) and 46-7-15.1 shall be required to register under these rules no later than December 31, 2009.
 - (a) If such Motor Carrier is an Interstate Motor Carrier registration shall begin on October 1, 2009.
 - (b) If such Motor Carrier is an Intrastate for-hire Motor Carrier registration shall begin on October 1, 2009.
 - (c) If such Motor Carrier is an Intrastate private Motor Carrier registration shall begin on April 1, 2010.

Cite as Ga. Comp. R. & Regs. R. 560-10-31-.02

Authority: O.C.G.A. Secs. [40-2-11](#), [40-2-140](#).

History. Original Rule entitled "Registration Dates" adopted as ER. 560-10-31-0.45-.02. F. and eff. October 1, 2009, the date of adoption.

Amended: ER. 560-10-31-0.47-.02 adopted. F. Jan. 11, 2010, eff. Jan. 12, 2010, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Mar. 2, 2010; eff. Mar. 22, 2010.

Rule 560-10-31-.03. Responsibility of a Motor Carrier.

- (1) Responsibility of a Motor Carrier:
- (2) Every Motor Carrier shall acquire and maintain public liability insurance.
- (3) Every Motor Carrier in Georgia shall Register and maintain a valid registration with the Department each year prior to operating any Commercial Motor Vehicle.
- (4) Such registration shall remain valid:
 - (a) Until the end of the current year's Registration Period, or
 - (b) Upon the termination of the Motor Carrier's public liability insurance.
- (5) Any Motor Carrier that fails to Register and maintain a valid registration shall be subject to the penalties set forth in O.C.G.A. § [40-2-140](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-31-.03

Authority: O.C.G.A. Secs. [40-2-11](#), [40-2-140](#).

History. Original Rule entitled "Responsibility of a Motor Carrier" adopted as ER. 560-10-31-0.45-.03. F. and eff. October 1, 2009.

Amended: ER. 560-10-31-0.47-.03 adopted. F. Jan. 11, 2010; eff. Jan. 12, 2010, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Mar. 2, 2010; eff. Mar. 22, 2010.

Rule 560-10-31-.04. Responsibility of an Insurance Carrier.

- (1) An insurance carrier that provides public liability insurance to commercial motor carriers shall provide a copy of such insurance policy to the Department.
 - (a) An insurance carrier may provide a copy of an insurance policy for an interstate motor carrier to the Department by:
 1. Filing with the FMCSA as provided in 49 CFR Part 387.
 - (b) An insurance carrier may provide a copy of an insurance policy for an intrastate motor carrier to the Department by:
 1. Filing electronically in a form prescribed by the Department.
 2. Submitting a certificate of insurance as prescribed by the Department for intrastate carriers.

3. Filing with the FMCSA as provided in 49 CFR Part 387.
- (2) An insurance carrier that provides public liability insurance to motor carriers that no longer maintain a certificate of insurance shall send notification of cancellation of such insurance to the Department by:
 - (a) An insurance carrier may provide notice of cancellation of an insurance policy for an interstate motor carrier to the Department by:
 1. Filing with the FMCSA as provided in 49 CFR Part 387.
 - (b) An insurance carrier may provide notice of cancellation of an insurance policy for an intrastate motor carrier to the Department by:
 1. Filing electronically in a form prescribed by the Department.
 2. Submitting a certificate of insurance as prescribed by the Department for intrastate carriers.
 3. Filing with the FMCSA as provided in 49 CFR Part 387.
- (3) An application and certificate of insurance, if filed with the Commissioner, shall be provided to a person who has a cause of action against the Motor Carrier.
 - (a) Any request for an application and certificate of insurance shall be made to the Commissioner in writing and accompanied by a statement of facts setting forth the cause of action.

Cite as Ga. Comp. R. & Regs. R. 560-10-31-.04

Authority: O.C.G.A. Secs. [40-2-11](#), [40-2-140](#).

History. Original Rule entitled "Responsibility of an Insurance Carrier" adopted as ER. 560-10-31-0.45-.04. F. and eff. October 1, 2009, the date of adoption.

Amended: ER. 560-10-31-0.47-.04 adopted. F. Jan. 11, 2010; eff. Jan. 12, 2010, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Mar. 2, 2010; eff. Mar. 22, 2010.

Rule 560-10-31-.05. Fees.

- (1) Intrastate Motor Carriers shall register and pay to the Department each year the follow fees:
 - (a) For each commercial motor vehicle, a registration fee of five dollars and no cents (\$5.00).

- (b) For each commercial motor vehicle, a late registration penalty of twenty-five dollars and no cents (\$25.00) registered after the expiration of the carrier's registration.
 - (c) For each commercial motor vehicle, a reinstatement fee of fifty dollars and no cents (\$50.00).
- (2) Any request for a Motor carrier Application and certificate of Insurance shall be accompanied by a fee of ten dollars and no cents (\$10.00).
- (a) The Department shall provide the records of the motor carrier registration for a period not to exceed five (5) years.
 - (b) If available, the Department shall provide a copy of any application and insurance filing.

Cite as Ga. Comp. R. & Regs. R. 560-10-31-.05

Authority: O.C.G.A. Secs. [40-2-11](#), [40-2-140](#).

History. Original Rule entitled "Fees" adopted as ER. 560-10-31-0.45-.05. F. and eff. October 1, 2009, the date of adoption.

Amended: ER. 560-10-31-0.47-.05 adopted. F. Jan. 11, 2010; eff. Jan. 12, 2010, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Mar. 2, 2010; eff. Mar. 22, 2010.

Rule 560-10-31-.06. Forms.

- (1) Form "E" shall mean a Uniform Motor Carrier Bodily Injury and Property Liability Certificate of Insurance for intrastate motor carriers.
 - (a) An insurance company may use Form "E" as provided by the National Association of Regulatory Utilities Commissioner.
- (2) Form "K" shall mean a Uniform Notice of Cancellation of Motor Carrier Insurance Policies for intrastate motor carriers.
 - (a) An insurance company may use Form "K" as provided by the National Association of Regulatory Utilities Commissioner.
- (3) Form "IR-1/E-1" shall mean an application for the registration of vehicle engaged in intrastate exempt passenger commerce.

Cite as Ga. Comp. R. & Regs. R. 560-10-31-.06

Authority: O.C.G.A. Secs. [40-2-11](#), [40-2-140](#).

History. Original Rule entitled "Forms" adopted as ER. 560-10-31-0.45-.06. F. and eff. October 1, 2009, the date of adoption.

Amended: ER. 560-10-31-0.47-.06 adopted. F. Jan. 11, 2010; eff. Jan. 12, 2010, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Mar. 2, 2010; eff. Mar. 22, 2010.

Rule 560-10-31-.07. Certificate of Insurance.

- (1) Certificates of insurance evidencing coverage shall be written in the full and correct name of the individual or entity to whom the certificate is currently issued to, or is to be issued to.
- (2) Certificates of insurance evidencing coverage shall be continuous and no lapse in insurance coverage is permitted.
 - (a) Written notice shall be provided to the Department prior to any cancellation, withdrawal, or any other material change to a policy resulting in any lapse of coverage.
- (3) On the effective date of cancellation, a Motor Carrier's registration shall be suspended indefinitely until a new certificate of insurance evidencing coverage is received by the Department.
- (4) A Motor Carrier operating without a current certificate of insurance shall pay a reinstatement fee to the Commissioner for any period more than ten (10) days.

Cite as Ga. Comp. R. & Regs. R. 560-10-31-.07

Authority: O.C.G.A. Secs. [40-2-11](#), [40-2-140](#).

History. Original Rule entitled "Certificate of Insurance" adopted as ER. 560-10-31-0.47-.07. F. Jan. 11, 2010; eff. Jan. 12, 2010, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Mar. 2, 2010; eff. Mar. 22, 2010.

Subject 560-10-32. TEMPORARY REGISTRATION OF MOTOR VEHICLES.

Rule 560-10-32-.01. Definitions.

- (1) "Additional License Plates" means any additional license plates issued according to the number of qualified retail sales subsequent to the Master Tag upon proper application and fees.
- (2) "Commissioner" means the state revenue commissioner.
- (3) "Department" means the Department of Revenue.
- (4) "Expiration Date" means the expiration date as printed on a Temporary Plate issued pursuant to Chapter [560-10-32-.05](#).
- (5) "Insert" has the meaning assigned to it in Chapter [560-10-32-.05\(2\)\(b\)](#).

- (6) "Lot" shall have the same meaning as the term "Established Place of Business" as defined in Code Section [40-2-39\(a\)\(3\)](#).
- (7) "Master Tag" means the first license plate and registration issued by the Department.
- (8) "New Vehicle Dealer" has the same meaning as in Code Sections [40-1-1\(11\)](#) and [40-2-39\(a\)\(1\)](#).
- (9) "New Vehicle Distributor" or "Distributor" shall have the same meaning as provided for in Code Section [40-2-39\(a\)\(2\)](#) with an established Place of Business in the State of Georgia.
- (10) "Not for Profit Dealers Associations" are designated by Internal Revenue Service Code § 501(c)(6) and shall include their wholly owned subsidiaries and representatives of Georgia New Vehicle Dealers or Used Vehicle Dealers.
- (11) "Place of Business" means a location within Georgia where a New Vehicle Distributor or Vehicle Manufacturer operates their business as a New Vehicle Distributor or as a Vehicle Manufacturer.
- (12) "Registered Temporary Plate Distributor" means members of the Not for Profit Dealers Association of Georgia who have authority to distribute Temporary Plates to New Vehicle Dealers and Used Vehicle Dealers.
- (13) "Registration" means, upon the proper application and payment of fees, a certificate of registration containing a permanent New Vehicle Dealer or Used Vehicle Dealer identification number issued by the Department.
- (14) "Security Image" means the image designed by the Department for the Manufacturer to use for the Temporary Plate.
- (15) "Temporary Plate" means a temporary license plate as provided for in Code Section [40-2-8\(b\)](#).
- (16) "Temporary Site" shall have the same meaning as provided for in Code Section [40-2-39\(a\)\(8\)](#).
- (17) "Used Vehicle Dealer" has the same meaning as Code Sections [40-1-1\(11\)](#) and [43-47-2\(17\)](#).
- (18) "Vehicle Manufacturer" or "Manufacturer" shall have the same meaning as provided for in Code Sections [40-1-1\(26\)](#) and [40-2-39\(a\)\(4\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-32-.01

Authority: O.C.G.A. §§ [48-2-12](#), [40-1-1](#), [40-2-8](#), [40-2-11](#).

History. Original Rule entitled "Definitions" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

Amended: F. Nov. 18, 2014; eff. Dec. 8, 2014.

Rule 560-10-32-.02. Requirements for Manufacturers, Distributors, and Dealers.

- (1) Vehicle Manufacturers, New Vehicle Distributors, New Vehicle Dealers, and Used Vehicle Dealers shall apply for Registration using a form distributed by the Department. Incomplete forms and forms completed incorrectly shall be rejected and returned to the applicant with the application fee.
- (2) New Vehicle Dealer applications must include photographs of the New Vehicle Dealer's Lot.
- (3) Used Vehicle Dealer applications must include an active license pursuant O.C.G.A. § [43-47-1](#), cited in the "Used Motor Vehicle Dealers' and Used Motor Vehicle Parts Dealers' Registration Act."
- (4) No Lot may contain more than one (1) New Vehicle Dealer or Used Vehicle Dealer.
- (5) New Vehicle Dealers and Used Vehicle Dealers shall not conduct business as a New Vehicle Dealer or as a Used Vehicle Dealer except at their Lot or at a location where the New Vehicle Dealer has obtained a Temporary Site permit.
- (6) New Vehicle Dealers that have not obtained a Temporary Site permit in violation of this Regulation may be subject to the following administrative fines issued by the Commissioner in compliance with O.C.G.A. § [40-2-39\(c\)](#):
 - (a) For the first offense, an administrative fine of \$100.00 per vehicle sold;
 - (b) For the second offense, an administrative fine of \$500.00 per vehicle sold and suspension of Registration for no more than three days; or
 - (c) For the third and all subsequent offenses, an administrative fine of \$1,000.00 per vehicle sold and suspension of Registration for no more than ten days.

Cite as Ga. Comp. R. & Regs. R. 560-10-32-.02

Authority: O.C.G.A. §§ [40-2-11](#) and [40-2-39](#).

History. Original Rule entitled "Requirements for Manufacturers, Distributors, and Dealers" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

Rule 560-10-32-.03. Requirements for a Dealer's Established Place of Business.

- (1) New Vehicle Dealers must maintain an inventory of at least five (5) new vehicles manufactured by each Manufacturer from which it holds a franchise.
- (2) New Vehicle Dealers and Used Vehicle Dealers must:

- (a) Maintain an inventory of vehicles readily available for sale at all times;
 - (b) Operate on a Lot that is large enough for a sales office, vehicle maintenance, and allows for the minimum required inventory to be displayed on the premises; and
 - (c) Install and maintain a sign visible from the front of the business that contains at least the name of the dealership.
- (3) Failure to comply with the requirements of this Regulation may result in the Department revoking the New Vehicle Dealer's or Used Vehicle Dealer's Registration, Master Tag, and Additional License Plate.

Cite as Ga. Comp. R. & Regs. R. 560-10-32-.03

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-38](#), and [40-2-39](#).

History. Original Rule entitled "Requirements for a Dealer's Established Place of Business" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

Rule 560-10-32-.04. Requirements to Obtain Manufacturer's or New Vehicle Distributor's Master Tags and Additional License Plates.

- (1) To qualify for a Manufacturer's or Distributor's Master Tag and Additional License Plates, a Vehicle Manufacturer or New Vehicle Distributor shall provide to the Department:
- (a) Proof that such Manufacturer or Distributor maintains a Place of Business in the State of Georgia;
 - (b) The Vehicle Identification Number (VIN) of the Manufacturer's or Distributor's motor vehicle that the Manufacturer's or Distributor's Master Tag or Additional License Plate will be attached to;
 - (c) The name and address of each individual that will be allowed to operate the vehicle with the Manufacturer's or Distributor's Master Tag or Additional License Plate; and
 - (d) The manner of use of the motor vehicle for which the Manufacturer's or Distributor's Master Tag or Additional License Plate is being issued.
- (2) The Vehicle Manufacturer or New Vehicle Distributor shall not operate a vehicle longer than six-months (6) and must provide the VIN of each vehicle operated within three (3) days when another vehicle is placed in service.

Cite as Ga. Comp. R. & Regs. R. 560-10-32-.04

Authority: O.C.G.A. §§ [40-2-11](#) and [40-2-39](#).

History. Original Rule entitled "Requirements to Obtain Manufacturer's or New Vehicle Distributor's Master Tags

and Additional License Plates" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

Rule 560-10-32-.05. Temporary Plates.

- (1) Temporary Plates shall consist of two parts:
 - (a) A non-permanent license plate that is the same size as a State of Georgia general issue license plate and is displayed no longer than the time period specified in Code Sections [40-2-8\(b\)](#) and [40-2-20](#); and
 - (b) An Insert, which is:
 - (i) A sticker designed by the Department and provided by a Registered Temporary Plate Distributor, with security features;
 - (ii) Machine printed with an expiration date fixed by the Department and affixed to the Temporary Plate at the time of purchase;
 - (iii) Obtained from the Department or one of the Department's Registered Temporary Plate Distributors; and
 - (iv) Issued by the New Vehicle Dealer or Used Vehicle Dealer at the time of purchase.
- (2) All motor vehicles described in Code Section [40-2-20](#) that are operated on the public highways and streets of this state and are purchased from a New Vehicle Dealer or a Used Vehicle Dealer shall display a Temporary Plate issued by such New Vehicle Dealer or Used Vehicle Dealer on the rear of the vehicle in the area provided for a license plate during the initial registration period. This requirement does not apply to:
 - (a) Vehicles that must be registered under the International Registration Plan pursuant to Article 3A of Chapter 2 in Title 40; or
 - (b) Salvage motor vehicles.
- (3) New Vehicle Dealers and Used Vehicle Dealers shall not:
 - (a) Obtain or procure the Temporary Plate from any entity other than the Department or one of the Department's Registered Temporary Plate Distributors; or
 - (b) Charge a fee that exceeds the actual cost of the Temporary Plate plus standard shipping and handling costs.
- (4) The commissioner shall automatically extend the Expiration Date of any Temporary Plate for an additional 15 days beyond the initial registration period as set forth in Code Section

[40-2-21\(a\)](#)(.1). Such extension shall not preclude the local tax commissioner from granting any other applicable extension.

- (a) The extension of the Expiration Date shall not relieve any owner of his or her obligation to register the motor vehicle within the initial registration period as set forth in Code Section [40-2-21\(a\)](#)(.1).
- (b) The extension of the initial Expiration Date provided for in this subpart shall not relieve any dealer from any late penalties set forth in the Certificate of Title Act or Code Section [48-5C-1](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-32-.05

Authority: O.C.G.A. §§ [48-2-12](#), [40-2-8](#) and [40-2-20](#).

History. Original Rule entitled "Temporary Plates" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

Amended: F. Nov. 18, 2014; eff. Dec. 8, 2014.

Rule 560-10-32-.06. Design, Manufacture, and Distribution of Temporary Plates and Inserts.

- (1) Temporary Plates issued to New Vehicle Dealers or Used Vehicle Dealers shall:
 - (a) Be designed to resist deterioration or fading due to exposure during the 30-day initial registration period in which the Temporary Plate is required to be displayed;
 - (b) Be the same size of a general issue license plate of the State of Georgia; and
 - (c) Include an area represented by a rectangular space to affix the Insert onto the temporary registration printed in accordance with this Chapter.
- (2) Temporary Plates issued to New Vehicle Dealers or Used Vehicle Dealers may include the name of the dealership along with the address, in accordance with these provisions.
- (3) The Department may enter into contracts with Not for Profit Dealers Associations in Georgia as Registered Temporary Plate Distributors.
- (4) The Department will provide Temporary Plates only to Registered Temporary Plate Distributors who then may only issue Temporary Plates to Registered New Vehicle Dealers or Used Vehicle Dealers.
- (5) The Department shall determine the design and procurement of Temporary Plate Inserts and provide the inventory of the Inserts to Registered Temporary Plate Distributors.
- (6) The Registered Temporary Plate Distributors shall be authorized to distribute Temporary Plate Inserts to New Vehicle Dealers and Used Vehicle Dealers who have an active

Registration issued by the Department and who comply with all applicable provisions of Chapter [560-10-32-.03](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-32-.06

Authority: O.C.G.A. §§ [40-2-8](#) and [40-2-11](#).

History. Original Rule entitled "Design, Manufacture, and Distribution of Temporary Plates and Inserts" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

Rule 560-10-32-.07. Security Standards and Specifications for Temporary Plates.

- (1) A Security Image shall be designed by the Department for the Manufacturer to affix on the Temporary Plate. The Department may alter or change the Security Image at will and with no prior notice.
- (2) Temporary Plates shall be:
 - (a) Numbered by the Department and contain the Department's Registered Temporary Plate Distributor's assigned registration number and a serial number;
 - (b) Stored and secured, as would any item of value that requires extra security, so that Temporary Plates are not openly visible or accessible except in the course of a business transaction; and
 - (c) Registered with the Department by each New Vehicle Dealer and Used Vehicle Dealer by a computer interface with either a third-party provider authorized by the Department or the Department's Registered Temporary Plate Distributor. The third-party provider shall have an agreement with the Department for full-service title and registration known as Electronic Title and Registration (ETR). The Department's Registered Temporary Plate Distributor shall provide a computer interface for temporary registration.
- (3) New Vehicle Dealers and Used Vehicle Dealers that do not register the purchase of a vehicle by either ETR or the Department's Registered Temporary Plate Distributor shall apply for title, registration, and obtain a license plate in the office of the purchaser's County Tag Agent prior to the delivery and operation of the vehicle.
- (4) The Department's Registered Temporary Plate Distributor shall record and maintain an inventory record of each Temporary Plate by the serial number and dealer identification number.
- (5) Any delivery or shipment of Temporary Plates shall be secure so that every delivery is traceable from the point of origin to the point of delivery.

- (6) Any New Vehicle Dealer or Used Vehicle Dealer that issues a Temporary Plate not in accordance with these Regulations is in violation of state law. Such violation shall be punishable as a misdemeanor according to O.C.G.A. § [40-2-2](#).

Cite as Ga. Comp. R. & Regs. R. 560-10-32-.07

Authority: O.C.G.A. §§ [40-2-2](#), [40-2-8](#), and [40-2-11](#).

History. Original Rule entitled "Security Standards and Specifications for Temporary Plates" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

Rule 560-10-32-.08. Prohibitions for the Use of Dealer Master Tags, Additional License Plates, and Temporary Plates.

- (1) Temporary Plates shall not be:
- (a) Issued to a vehicle which is branded as a salvage vehicle as defined in § O.C.G.A. [43-47-2\(14\)](#) or to a New Vehicle Dealer or to a Used Vehicle Dealer whose primary business is the sale of salvage motor vehicles and other vehicles on which insurers have paid total loss claims;
 - (b) Hand printed or be placed on any vehicle other than a motor vehicle that has been purchased by a retail customer from a registered New Vehicle Dealer or a registered Used Vehicle Dealer; or
 - (c) Obtained or procured from any source other than the Department's Registered Temporary Plate Distributor.
- (2) New Vehicle Dealers and Used Vehicle Dealers shall not:
- (a) Issue additional Temporary Plates or extend the Expiration Date beyond the initial registration period;
 - (b) Charge a fee for the issuance or registration of the Temporary Plate;
 - (c) Use a Temporary Plate for any purpose not specified in these Regulations, including: demonstration, employee use, or transporting vehicles from one location to another; or
 - (d) Provide a Master Tag or any Additional License Plate to any person, including a retail customer, in lieu of a Dealer Temporary Plate, unless permitted to do so by law.

Cite as Ga. Comp. R. & Regs. R. 560-10-32-.08

Authority: O.C.G.A. §§ [40-2-8](#), [40-2-11](#), and [43-47-2](#).

History. Original Rule entitled "Prohibitions for the Use of Dealer Master Tags, Additional License Plates, and Temporary Plates" adopted. F. Mar. 5, 2012; eff. Mar. 25, 2012.

Subject 560-10-33. TRANSPORTER PLATES.

Rule 560-10-33-.01. Permissible Uses of Transporter Plates.

- (a) A person engaged in the business of the limited operation of a motor vehicle or trailer for any of the following purposes may obtain a transporter plate authorizing the movement of the vehicle for the specific purpose:
 - (1) To facilitate the delivery of new or used motor vehicles, trucks, trailers, or buses between manufacturers, distributors, dealers, sellers, or purchasers;
 - (2) To move a mobile office, a mobile classroom, a mobile or manufactured home, or a house trailer;
 - (3) To drive a motor vehicle or pull a trailer that is part of the inventory of a dealer to and from a motor vehicle or trailer trade show or exhibition or to, during, and from a parade in which the motor vehicle or trailer is used; or
 - (4) To drive special mobile equipment in any of the following circumstances:
 - (A) From the manufacturer of the equipment to a facility of a dealer; or
 - (B) From one facility of a dealer to another facility of a dealer.
- (b) Georgia transporter plates may only be used on vehicles originating in or destined for the state of Georgia. Origin and destination must be verifiable through a bill of sale, bill of lading, or similar documentation in the driver's possession while the vehicle is being transported. License plates may be confiscated by law enforcement if authorized and permissible use cannot be verified.
- (c) Registrants are required to maintain detailed records of all employees and contractors authorized to use its plates. Such records must include a W-4 or W-9 and copy of the driver's license of each employee and contractor.
 - (1) Records must be maintained for all current employees and contractors. Records of previous employees and contractors must be retained for a period of two (2) years.
 - (2) Such records must be available for inspection to the Department of Revenue at any reasonable time during business hours.
- (d) Registrants must maintain current, detailed records of all uses, including dates, origin, destination, and driver information. Registrants must be able to provide the current location and user of each plate at all times.

Cite as Ga. Comp. R. & Regs. R. 560-10-33-.01

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-38.1](#), [48-2-12](#).

History. Original Rule entitled "Permissible Uses of Transporter Plates" adopted. F. Jan. 10, 2017; eff. Jan. 30,

2017.

Rule 560-10-33-.02. Reports of Lost or Stolen Transporter Plates.

- (a) If a transporter plate issued pursuant to O.C.G.A. § [40-2-38.1](#) is lost or stolen, the registrant must immediately request a police report from the local law enforcement agency and submit such report to the Department.
- (b) A separate police report must be obtained for each incident giving rise to the loss or theft of a plate. The facts and circumstances of the loss or theft must be included in the report.

Cite as Ga. Comp. R. & Regs. R. 560-10-33-.02

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-38.1](#), [48-2-12](#).

History. Original Rule entitled "Reports of Lost or Stolen Transporter Plates" adopted. F. Jan. 10, 2017; eff. Jan. 30, 2017.

Rule 560-10-33-.03. Revocation Hearings.

- (a) Transporter plates shall be revoked and confiscated after a hearing if it is determined that a registrant or authorized user unlawfully used such plates for any purpose not expressly permitted by law, or failed to comply with any registration, use, reporting, or record keeping requirements. Violations may result in the suspension or revocation of a transporter registration or the restriction of the total number of plates issued to a registrant as determined by the Commissioner.
- (b) Transporter plates confiscated by law enforcement may be reissued after a hearing, provided that the registrant can provide sufficient evidence that the plate was being used as allowed under O.C.G.A. § [40-2-38.1](#) by an authorized user at the time of confiscation.

Cite as Ga. Comp. R. & Regs. R. 560-10-33-.03

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-38.1](#), [48-2-12](#).

History. Original Rule entitled "Revocation Hearings" adopted. F. Jan. 10, 2017; eff. Jan. 30, 2017.

Chapter 560-11. LOCAL GOVERNMENT SERVICES DIVISION.

Subject 560-11-1. ORGANIZATION.

Rule 560-11-1-.01. Administration: Function.

The Local Government Services Division of the Revenue Department is charged with the responsibility of the overall supervision of the ad valorem tax laws of the State; including the approval of annual ad valorem tax digests; the training of county tax assessors, appraisers, appraisal vendors, tax commissioners, county hearing officers, and members of county boards of equalization; the central assessment of public utility properties for ad valorem tax purposes, including collection of railroad equipment company fees and Public Service Commission fees for maintenance of the Public Service Commission and the distribution of Tennessee Valley Authority payments in lieu of tax; the reporting, remitting and refunding of unclaimed property; the distribution of sales and use tax proceeds, forestland assistance grants, e911 pre-paid wireless fees, international registration plan alternate ad valorem tax, and homeowner tax relief grants; and the granting of extensions when authorized by the State Revenue Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.01

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Administration: Function" adopted. F. and eff. June 30, 1965.

Amended: F. May 25, 1971; eff. June 14, 1971.

Repealed: New Rule of same title adopted. F. Dec. 20, 2006; eff. Jan. 9, 2007.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-1-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.02

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Administrators" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Director: Assistant Director" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.03

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Sections" adopted. F. and eff. June 30, 1965.

Amended: F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.04

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Domestic and Foreign Corporation Franchise Tax Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Property Revaluation Program Section" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.05

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Property Revaluation Programs Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Public Utility Assessments and Tax Section" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.06

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Public Utility Assessments and Tax Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "County Digest Section" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.07

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "County Digest Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Estate Tax Section" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.08

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Estate Tax" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Intangible Tax Section" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.09

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Intangible Tax Section" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Motor Vehicle Assessment Section" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.10

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Extensions" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Real Estate Transfer Tax Section" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Rule 560-11-1-.11. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-1-.11

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Extensions" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Subject 560-11-2. SUBSTANTIVE REGULATIONS.

Rule 560-11-2-.01. Property Reevaluation and Tax Equalization Program.

These regulations are presented to the counties of the State of Georgia in the interest of initiating and preserving, from the inception of the Program to completion, uniform standards of procedure and execution in order to insure a fair, uniform and effective administration of the Property Tax Valuation and Equalization Program throughout the State.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.01

Authority: Ga. L. 1963, p. 420.

History. Original Rule entitled "Property Reevaluation and Tax Equalization Program" was filed and effective on June 30, 1965.

Rule 560-11-2-.02. Applications for Financial Assistance.

All applications for State financial assistance and for commercial loans under this Program will be submitted to the State Revenue Commissioner for approval. He will determine the need for and the amount of financial assistance to be given under this program by the State to any county or the need for and the amount of any commercial loan to be obtained by the county, on the basis of State funds available and the ability of the county to finance in whole or in part a qualifying property valuation and equalization program. Notwithstanding anything to the contrary contained in these rules and regulations or in any contract or agreement entered into thereunder, the State Revenue Commissioner shall not make loans to any one county in excess of one hundred thousand dollars (\$100,000).

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Applications for Financial Assistance" was filed and effective on June 30, 1965.

Rule 560-11-2-.03. Completed Programs.

Applications of counties for financial assistance for approval of commercial loans will not be considered except on the basis of complete property valuation and equalization programs and then in the order in which such complete programs are submitted to the State Revenue Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Completed Programs" was filed and effective on June 30, 1965.

Rule 560-11-2-.04. Completed Program Requirements.

A program to be complete must possess the following:

- (1) An Agreement properly executed by the county and the appraisal firm containing all the basic provisions of the county-appraisal firm form of agreement attached hereto and hereby made a part of this regulation. (Whenever a county finds it necessary to change or omit any of the basic provisions of this regulation contract form, a complete and full explanation of the reasons therefor shall accompany the application; otherwise, consideration of the application will be delayed.)
- (2) A Performance and Payment Bond, furnished by the appraisal firm and approved by the county attorney.
- (3) An affidavit of the Contracting Appraisal Firm that it meets the following minimum qualification requirements and submitting any information as required therein:
 - (a) Not less than five years of practical appraisal experience involving extensive commercial and industrial properties as well as residential.
 - (b) At least one of the appraisal company's principal appraisers who will be in overall charge of and devote a reasonable amount of personal direction to the project must be one of the following:
 1. M.A.I. (Member of the American Institute of Real Estate Appraisers)
 2. C.A.E. (Certified Assessment Evaluator)
 3. P.E. (Licensed Professional Engineer with at least 5 years of appraisal experience satisfactory to the Department of Revenue)
 4. Other comparable education and practical experience satisfactory to the Department of Revenue.
 - (c) Adequate financial resources which shall include the ability to furnish the required performance and payment bond referred to in the contract.

- (d) A staff of suitably trained supervisors, none under 25 years of age, available for assignment to the project and adequate to insure its timely and proper completion.
 - (e) A specific program for procuring and training the manpower, other than permanent staff, necessary to the accomplishment of the project.
 - (f) Name, age, and qualifications of the person guaranteed to supervise the project throughout the contract period.
- (4) In the case of a commercial loan application, a loan agreement containing the commitment of a commercial lender to make a loan to the county and setting forth the terms of such loan.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965

Rule 560-11-2-.05. Proper Execution.

County-appraisal firm agreements and commercial loan agreements will be considered properly executed by the county when signed by a majority of the members of the Board of Tax Assessors and approved by the signatures of a majority of the governing body of the county.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.06. Commencement and Completion.

Contracts submitted as a basis for State financial assistance or for a commercial loan must contain a specific time for commencement and for completion of the work under the contract. The actual time limits set by such contracts will be approved on an individual basis by the Commissioner of Revenue based upon the size of the county, extent of work to be done under the contract, availability of professional appraisal personnel, financial condition of the county, and other reasonable and pertinent circumstances.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.07. Approved Appraisal Firms.

No appraisal contracts will be considered except those with qualified professional firms which have received prior approval of the State Revenue Commissioner. A current list of approved appraisal firms will be maintained by the State Revenue Commissioner and will be available to the counties upon request.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.07

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.08. Listing of Approved Appraisal Firms.

The list of approved firms will be maintained by the State Revenue Commissioner in the following manner:

- (1) Approval by the State Revenue Commissioner to bid on property tax valuation and equalization programs will be obtained in the first instance by formal application to the State Revenue Commissioner, stating fully the qualifications of the appraisal firm to satisfactorily complete a county-wide property appraisal program. The requirements set out in Section [560-11-2-.04\(3\)](#) and Paragraph 10, Part 1 (General Provisions) of the Articles of Agreement are minimal.
 - (a) It must be shown to the satisfaction of the State Revenue Commissioner that a professional organization of sufficient size, quality and experience is in existence.
 - (b) Where such organization is perfected by association, all associates must be principals and must sign as parties to the contract between the appraisal firm and the County.
- (2) A running review of the approval list of appraisal firms, will be maintained by the State Revenue Commissioner.
 - (a) Unsatisfactory performance, as determined by the State Revenue Commissioner, will result in immediate removal from said list.
 - (b) All appraisal firms not having performed satisfactorily on a contract with a County during calendar year will be automatically dropped from the approved list on January 1 of the succeeding calendar year, and may be reinstated only by reapplying to the State Revenue Commissioner as set out in sub-paragraph (1) above.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.09. Planning Expenses.

No disbursement of funds directly to the counties will be made by the State under this program, and no loan made to a county by the State or by a commercial lender will include reimbursement to the county for payroll or other expenses incurred by the county either in planning or performing a property valuation and equalization program.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.09

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.10. Payment of Additional Funds.

In the event that the State Revenue Commissioner shall determine that sufficient funds are not available from State sources to meet the needs of any county in financing a qualified program and the governing authority of the county demonstrates that sufficient additional funds can be obtained from other sources to complete the program, the State Revenue Commissioner will, from funds appropriated for the purpose, contract with the governing authority for the payment by the State of ten percent (10%) of that part of the cost of such qualified program as is financed by a commercial loan. However, the amount to be paid by the State under any such contract with a county shall not exceed ten thousand dollars (\$10,000). This payment is not an advance or loan from the State and is not to be repaid by the County.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.10

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.11. Disbursements.

- (1) Upon approval of an application by a county for financial assistance by the State under this program and the execution of a loan agreement by the county and the State Revenue Commissioner, the amount of the loan agreed upon will be set up to the credit of the county on the records of the State Revenue Commissioner. Disbursements by the State Revenue Commissioner under the loan agreement with the county will be made as follows:
 - (a) Directly to the appraisal firms performing the work under an approved contract with the county.
 - (b) Quarterly: On January 15, April 15, July 15, and October 15.

- (c) On the basis, and in the amount of itemized monthly billings presented by the appraisal firm to the county and approved for payment by the Board of Tax Assessors and the governing authority of the county and by the State Revenue Commissioner.
- (2) As these quarterly progress payments are made directly to the appraisal firm a charge will be made against the loan set up to the credit of the county, but in no event will these disbursements exceed the amount of the loan as provided in the contract between the county and the State Revenue Commissioner.
- (3) The State Revenue Commissioner shall withhold 10% of each quarterly progress payment pending satisfactory completion by the appraisal firm of all work and obligations under the contract.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.11

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.12. Payments by Commercial Lender.

- (1) Upon approval of an application for a commercial loan by the State Revenue Commissioner, the amount of the loan agreed upon will be made available by the commercial lender to the County in periodic payments as follows:
 - (a) Quarterly: On January 15, April 15, July 15, and October 15.
 - (b) On the basis and in the amount of itemized monthly billings presented by the appraisal firm to the county and approved for payment by the Board of Tax Assessors and the governing authority of the county and by the State Revenue Commissioner. An appropriate form, showing the amount of such billings and the State Revenue Commissioner's approval, will be authority for the periodic advances by the commercial lender.
- (2) In no event will the cumulative total of the periodic advances by the commercial lender under the loan contract exceed the amount of the loan as approved by the State Revenue Commissioner.
- (3) The County shall withhold 10% of each quarterly progress payment pending satisfactory completion by the appraisal firms of all work and obligations under its contract with the County.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.12

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.13. Computation of 10% Limit.

- (1) Where, because sufficient funds are unavailable from State sources to meet the cost of a qualified property valuation and equalization program submitted by a county, both a State financial assistance loan and a commercial loan are approved by the State Revenue Commissioner to finance such program, the State grant of ten percent (10%) provided for under Section [560-11-2-.10](#) above shall be computed on the amount of the commercial loan approved which added to the State financial assistance loan approved shall not exceed one hundred thousand dollars (\$100,000), the maximum limit of a State financial assistance loan.
- (2) Examples: If the cost of a qualified program is \$175,000, and a State financial assistance loan is approved for \$50,000 and a commercial loan for \$125,000, then the State grant would be in the amount of \$5,000. If a State financial Assistance loan is approved for \$100,000 and a commercial loan for \$75,000, then no State grant would be made under the ten percent (10%) provision.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.13

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427.

History. Original Rule was filed on June 30, 1965.

Rule 560-11-2-.14. Alterations in Agreement.

Once a county-appraisal firm agreement and, where applicable, a commercial loan agreement, is approved by the State Revenue Commissioner, no alterations, deletions or additions, either oral or in writing, in, of or to the provisions thereof will be made without the prior written approval of the State Revenue Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.14

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Alterations in Agreement" was filed and effective on June 30, 1965.

Rule 560-11-2-.15. Records.

The appraisal firm shall deliver to the State Revenue Commissioner at his office in Atlanta, Georgia, at no cost to said official, a microfilm copy of all real and personal property record cards, all industrial appraisal reports, the original tracings of all maps, and all alphabetical index cards as furnished and delivered by the appraisal firm to the County upon the completion of the project together with the certificate by an authorized officer of the appraisal firm certifying to the

accuracy and completeness of said microfilm copy with respect to such date. The individual microfilm rolls shall be properly labeled to indicate the material contained thereon and an index to the individual microfilm rolls will also be provided. The delivery of said microfilm copy and index and the furnishing of said certificate shall be a prerequisite to the release of the 10% retainage fund provided for in the agreement between the County and the appraisal firm. Said microfilm copy will be filed by the State Revenue Commissioner and shall be available for examination upon request by authorities.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.15

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 84271.

History. Original Rule entitled "Records" was filed and effective on June 30, 1965.

Rule 560-11-2-.16. Real Estate Transfer Tax-Filing Declaration Forms.

- (1) Except as provided for in paragraph (2) of this rule, any deed, instrument or other writing which conveys any lands, tenements, or other realty must be accompanied by Form PT-61 (1 original and 3 copies). Said form shall be properly completed and signed by the seller or his authorized agent and by the buyer or his authorized agent, prior to such instrument being presented to the Clerk of Superior Court for recording. As used herein, "properly completed" shall be deemed to include the following TYPED or LEGIBLY PRINTED information:
 - (a) Seller's Information - The form shall contain the complete name, street mailing address, city, state and zip code of the seller and the month, day and year the sale occurred.
 - (b) Buyer's Information - The form shall contain complete name, street mailing address, city, state zip code of the buyer for the purpose of receiving tax notices and billings. The intended use of the property by the buyer at the time of the transfer shall be listed and designated as being residential (R), agricultural (A), commercial (C), or industrial (I).
 - (c) Property Information - The complete description of the property being conveyed, the county name where the property is located shall be listed and the city name (if the property lies within the limits of a city). The number of acres of property, map and parcel number, district, land lot and subplot and block shall be shown.
 - (d) Value and Tax Information - The actual value of the consideration received by the seller for the real and personal property conveyed to the buyer shall be shown separately on the form (PT-61) prescribed in subsection (c) of Code section [48-6-4](#). This consideration total should reflect all cash, other property or goods, and the assumption of mortgages or other obligations. If the actual value of the consideration is not known, the estimated fair market value of real and personal property conveyed should be shown, separately, along with an estimate of the

value of the personal property conveyed. The amount of any lien or encumbrance prior to the transfer and not removed thereby shall be shown.

1. The actual consideration or the fair market value, if the actual consideration is not readily determinable, of the real property conveyed less any liens or encumbrances existing prior to the sale and not removed by the sale shall be the basis upon which the tax is computed. The phrase "ten dollars and other valuable consideration" or other similar phrases are not proper disclosures of consideration. This basis shall be shown along with the tax due.
 2. The actual consideration of personal property conveyed shall be shown separately on the form and may be deducted from the basis upon which the tax is computed if the estimate of personal property is accompanied by appropriate evidence of its accuracy.
- (e) Other Information - Any other information requested on the most current version of form PT-61 shall be listed.
- (f) Certification - The seller or seller's authorized agent shall certify that all the items of information entered on the transfer form PT-61 are true and correct (to the best of his knowledge and belief) and that he is aware that the making of any willful false statement of material facts will subject him to the provision of the penal law relative to the making and filing of false instruments.
1. The buyer or buyer's authorized agent shall acknowledge that, by law, he is required to file a timely property tax return on all improved and unimproved real property subject to tax on January 1. The buyer or buyer's authorized agent further acknowledges that the property described on form PT-61 has not been sub-divided or improved during the year of the transfer and if no tax return is filed, he will be deemed to have returned it at the same valuation as was finally determined for the year in which the transfer took place.
 2. By filing the form PT-61, the buyer is not relieved from the responsibility of filing a new timely return where the property transferred has been split from an existing property or where there have been substantial changes or new improvements to the property, nor would the filing of the form PT-61 relieve the buyer from filing an application for homestead or other exemptions to which he may be entitled.
- (2) The properly completed form PT-61 shall accompany all deeds, instruments or other writings when these writings are presented to the Clerk for recording with the exception of the following types of instruments:
- (a) Security deed instruments;

- (b) Instruments releasing an interest in real estate covered by an existing security deed; provided the body of the release instrument identifies the security deed and it specifically states that the purpose of the instrument is to release the security interest represented by the identified security deed;
- (c) Deeds of correction; provided the body of the corrective deed identifies the existing instrument it is correcting and specifically states the purpose of the corrections being made to the identified instrument.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.16

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-7](#), [48-2-12](#), [48-5-15](#), [48-5-20](#), [48-5-269](#), [48-6-1](#), [48-6-10](#).

History. Original Rule entitled "Real Estate Transfer Tax -- Filing Declaration" was filed on May 25, 1971; effective June 14, 1971.

Amended: Rule repealed and a new Rule entitled "Real Estate Transfer Tax -- Filing Declaration Forms" adopted. Filed January 21, 1982; effective February 10, 1982.

Amended: Rule repealed and a new Rule of the same title adopted. Filed February 28, 1983; effective March 20, 1983.

Repealed: New Rule of same title adopted. F. Jun. 9, 1989; elf. Jun. 29, 1989.

Repealed: New Rule, same title, adopted. F. Nov. 9, 1993; eff. Nov. 29, 1993.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-2-.17. Real Estate Transfer Tax-Calculation and Collection of Tax.

- (1) After determining that Form PT-61 is properly completed, the clerk or his deputy shall calculate and collect the proper tax due in accordance with O.C.G.A. Sec. [48-6-1](#) and [48-6-4](#).
- (2) Prior to submitting Form PT-61 to the State Revenue Department, the clerk or his deputy shall complete that portion of said form reserved for his use by including the following:
 - (a) Deed book and page numbers;
 - (b) Date of recording;
 - (c) If a new plat is also being filed, the plat book and page numbers;
 - (d) Any other information required on the most current version of form PT-61;
 - (e) Signature of clerk or his deputy reviewing the form.
- (3) In the event that the clerk or his deputy determines that form PT61 is not properly completed, it should be returned to the appropriate party for completion. In such event, the deed or conveyance shall not be eligible for recording until accompanied by a properly completed PT-61.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.17

Authority: O.C.G.A. Secs. [48-2-12](#); [48-6-1](#)- [48-6-10](#).

History. Original Rule entitled "Real Estate Transfer Tax Calculation of Tax" was filed on May 25, 1971; effective June 14, 1971.

Amended: Rule repealed and a new Rule entitled "Real Estate Transfer Tax -- Calculation and Collection of Tax" adopted. Filed January 21, 1982; effective February 10, 1982.

Amended: Rule repealed and a new Rule of the same title adopted. Filed February 28, 1983; effective March 20, 1983.

Repealed: New Rule of same title adopted. F. Jun. 9, 1989; eff. Jun. 29, 1989.

Rule 560-11-2-.18. Real Estate Transfer Tax. Disposition of Forms.

- (1) On or before the 15th day of each month, the Clerk of superior Court shall submit the original copy of form PT-61 filed with him for the preceding calendar month to the Revenue Commissioner along with a properly completed recapitulation form PT-62 showing the total taxable transactions for the preceding month, the total tax collected, the fees earned by the Clerk, and the net amount of taxes being remitted to the Commissioner.
 - (a) The clerk shall retain one copy of the forms PT-61 and PT-62 for a period of one year after the date these forms are required to be sent to the Revenue Commissioner, after which they may be disposed of consistent with any records disposition standards.
- (2) On or before the 15th day of each month, the Clerk of Superior Court shall submit one copy of form PT-61 filed with him for the preceding calendar month to the Chairman of the Board of Tax Assessors, or his designated appraisal staff.
 - (a) The Chairman of the Board of Tax Assessors shall retain one copy of all forms PT-61 filed with him for a period of three years after the date of receipt after which these may be disposed of consistent with any records disposition standards adopted by the appropriate authority in the county.
- (3) On or before the 15th day of each month, the Clerk of Superior Court shall submit one copy of form PT-61 filed with him for the preceding calendar month to the County Tax Commissioner.
 - (a) The County Tax Commissioner shall retain his copy of form PT-61 consistent with any records disposition standards adopted by the appropriate authority in the county.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.18

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-7](#), [48-2-12](#), [48-5-15](#), [48-5-20](#), [48-5-269](#), [48-6-1](#) to [48-6-10](#), [50-18-90](#) to [50-18-103](#).

History. Original Rule entitled "Real Estate Transfer Tax-Disposition of Forms-Monthly Reports" adopted. F. May 25, 1971; eff. June 14, 1971.

Repealed: New Rule entitled "Real Estate Transfer Tax-Tax Assessor's Review -Disposition of Forms" adopted. F. June 9, 1989; eff. June 29, 1989.

Repealed: New Rule entitled "Real Estate Transfer Tax-Disposition of Forms" adopted. F. Nov. 9, 1993; eff. Nov. 29, 1993.

Rule 560-11-2-.19. Municipal Corporation Ad Valorem Taxes-Installments.

- (1) Except as otherwise authorized by the State Revenue Commissioner as provided by law, any municipal corporation in this State located in any county whose annual tax digest for the current year has not been prepared and approved by the State Revenue Commissioner when such municipal corporation normally sends ad valorem tax bills to its taxpayers and begins collection of the annual taxes due is hereby authorized to collect taxes due in the following manner:
 - (a) The municipal corporation must, by appropriate action of the governing authority, adopt a method of paying ad valorem taxes for the current year in two or more installments.
 - (b) The municipal corporation must use as the basis of taxation for all installment payments so adopted, except the final installment, the valuation for the property as finally determined for State and county tax purposes for the preceding tax year.
 - (c) The municipal corporation must use as the basis of taxation for the final installment for the current year, the valuation as finally determined and approved by the State Revenue Commissioner for State and county tax purposes for the current tax year. Taxes due on the final installment shall be adjusted to reflect total tax liability to the municipal corporation for the property based upon the county valuation of the property and the municipal corporation tax rate for the current tax year after credit has been given for estimated taxes paid previously on such property. Should the estimated taxes previously paid on such property under the installment method adopted exceed the total tax liability for the current year, the excess payment shall be refunded by the municipal corporation.
- (2) Nothing contained in this Regulation shall be deemed or construed to impose any liability for the payment of any such ad valorem taxes upon any person, firm or corporation for property which was not owned on the first day of January of the applicable tax year.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.19

Authority: Ga. Code Ann. Secs. 92-4004, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Municipal Corporation Ad Valorem Taxes - Installments" adopted. F. May 1, 1973; eff. May 21, 1973.

Rule 560-11-2-.20. Classification of Real and Personal Property on Individual Ad Valorem Tax Returns.

- (1) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable real and personal property returned or assessed for county taxation shall be identified according to the following classifications. Real Property receiving preferential assessment under O.C.G.A. § [48-5-7.1](#), [48-5-7.2](#), [48-5-7.3](#) or [48-5-7.6](#) or current use assessment under O.C.G.A. § [48-5-7.4](#) or [48-5-7.7](#) shall be included in the classification specifically designated for those properties and not included in the general use classification that might otherwise be appropriate.
- (a) Residential - This classification shall apply to all land utilized, or best suited to be utilized as a single family homesite, the residential improvements and other nonresidential homesite improvements thereon. For the purposes of this subparagraph, duplexes and triplexes shall also be considered single-family residential improvements.
 - 1. This classification shall also apply to all personal property owned by individuals that has not acquired a business situs elsewhere and is not otherwise utilized for agricultural, commercial or industrial purposes.
 - (b) Residential Transitional - This classification shall apply to the residential improvement and up to no more than five acres of land underneath the improvement and comprising the homesite the value of which is influenced by its proximity to or location in a transitional area and which is receiving a current use assessment under O.C.G.A. § [48-5-7.4](#).
 - (c) Agricultural - This classification shall apply to all real and personal property currently utilized or best suited to be utilized as an agricultural unit. It shall include the single family homesite that is an integral part of the agricultural unit, the residential improvement, the non-residential homesite improvements, the non-homesite agricultural land, and the production and storage improvements.
 - 1. This classification shall also apply to all personal property owned by individuals that is not connected with the agricultural unit but has not acquired a business situs elsewhere and the personal property connected with the agricultural unit which shall include the machinery, equipment, furniture, fixtures, livestock, products of the soil, supplies, minerals and off-road vehicles.
 - (d) Preferential - This classification shall apply to land and improvements primarily used for bona fide agricultural purposes and receiving preferential assessment under O.C.G.A. § [48-5-7.1](#).
 - (e) Conservation Use - This classification shall apply to all land and improvements primarily used in the good faith production of agriculture products or timber and receiving current use assessment under O.C.G.A. § [48-5-7.4](#).

- (f) Environmentally Sensitive - This classification shall apply to all land certified as environmentally sensitive property by the Georgia Department of Natural Resources and receiving current use assessment under O.C.G.A. § [48-5-7.4](#).
 - (g) Brownfield Property - This classification shall apply to all land certified "Brownfield Property" by the Environmental Protections Division of the Department of Natural Resources and receiving preferential assessment under O.C.G.A. § [48-5-7.6](#).
 - (h) Forest Land Conservation Use Property - This classification shall apply to all land and improvements primarily used in the good faith production of timber receiving current use assessment under O.C.G.A. § [48-5-7.7](#).
 - (i) Commercial - This classification shall apply to all real and personal property utilized or best suited to be utilized as a business unit the primary nature of which is the exchange of goods and services at either the wholesale or retail level. This classification shall include multi-family dwelling units having four or more units.
 - (j) Historic - This classification shall apply to up to two acres of land and improvements thereon designated as rehabilitated historic property or landmark historic property and receiving preferential assessment under O.C.G.A. § [48-5-7.2](#) or O.C.G.A. § [48-5-7.3](#).
 - (k) Industrial - This classification shall apply to all real and personal property utilized or best suited to be utilized as a business unit, the primary nature of which is the manufacture or processing of goods destined for wholesale or retail sale.
 - (l) Utility - This classification shall apply to the property of companies that are required to file an ad valorem tax return with the State Revenue Commissioner, and shall include all the real and personal property of railroad companies and public utility companies and the flight equipment of airline companies.
- (2) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable real property returned or assessed for county taxation shall be further stratified into the following strata:
- (a) Improvements - This stratum shall include all in-ground and above ground improvements that have been made to the land including lease hold improvements. This stratum excludes all production and storage improvements utilized in the operation of a farm unit and those improvements auxiliary to residential or agricultural dwellings included in the Production/Storage/Auxiliary stratum.
 - 1. The Board of Tax Assessors are given the option under this regulation to place the value of residential auxiliary buildings in this stratum or in the Production/Storage/Auxiliary stratum described in subparagraph (2)(f) of this Regulation.

2. This stratum does not include the land.
 - (b) Operating Utility - This stratum shall include all real and personal property of a public utility, tangible and intangible, utilized in the conduct of usual and ordinary business.
 1. Real and personal property of a public utility not utilized in the conduct of usual and ordinary business shall be designated non-operating property and shall be included in the appropriate alternative strata.
 - (c) Lots - This stratum shall include all land where the market indicates the site is sold on a front footage or buildable unit basis rather than by acreage.
 - (d) Small Tracts - This stratum shall include all land that is normally described and appraised in terms of small acreage, which is of such size as to favor multiple uses.
 - (e) Large Tracts - This stratum shall include all land that is normally described and appraised in terms of large acreage, which is of such size as to limit multiple uses, e.g., cultivatable lands, pasture lands, timber lands, open lands, wastelands and wild lands.
 1. The acreage breakpoint between small tracts and large tracts shall be designated by the Board of Tax Assessors as being that point where the market price per acre reflects distinct and pronounced change as the size of the tract changes. In the event this break point cannot easily be determined, the Board of Tax Assessors shall designate a reasonable break point not less than five (5) acres but not greater than twenty-five (25) acres.
 - (f) Production/Storage/Auxiliary - This stratum shall include those improvements auxiliary to residential or agricultural dwellings not included in the Improvements stratum described in subparagraph (2)(a) of this regulation and all improvements to land that are utilized by an agricultural unit for the storage or processing of agricultural products.
 - (g) Other Real - This stratum shall include leasehold interests, mineral rights, and all real property not otherwise defined in this paragraph.
- (3) Beginning with all ad valorem tax returns received after January 1, 1993, all taxable personal property returned or assessed for county taxation shall be further stratified into the following strata:
- (a) Aircraft - This stratum shall include all airplanes, rotorcraft and lighter-than-air vehicles, including airline flight equipment required to be returned to the State Revenue Commissioner.

- (b) Boats - This stratum shall include all craft that are operated in and upon water. This stratum shall include the motors, but not the land transport vehicles.
- (c) Inventory - This stratum shall include all raw materials, goods in process and finished goods. This stratum shall include all consumable supplies used in the process of manufacturing, distributing, storing or merchandising of goods and services. This stratum shall not include inventory receiving freeport exemption under O.C.G.A. § 48-5-48-2.

This stratum shall also include livestock and other agricultural products.

- (d) Freeport Inventory - This stratum shall include all inventory receiving the Freeport exemption under O.C.G.A. Sec. 48-5-48-2 and [48-5-48.6](#).
- (e) Furniture/Fixtures/Machinery/Equipment-This stratum shall include all fixtures, furniture, office equipment, computer software and hardware, production machinery, offroad vehicles, equipment, farm tools and implements, and tools and implements of trade of manual laborers.
- (f) Other Personal - This stratum shall include all personal property not otherwise defined in this paragraph.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.20

Authority: O.C.G.A. §§ [48-2-1](#), [48-2-7](#), [48-2-12](#), [48-5-16](#), [48-5-105](#), [48-5-269](#).

History. Original Rule entitled "Tangible Property Classifications - Ad Valorem Tax Returns" adopted. F. Nov. 8, 1972; eff. Nov. 28, 1972.

Repealed: New Rule entitled "Classification of Real and Personal Property on Individual Ad Valorem Tax Returns" adopted. F. June 9, 1989; eff. June 29, 1989.

Amended: F. Aug. 4, 1992; eff. Aug. 24, 1992.

Amended: F. May 9, 2011; eff. May 29, 2011.

Amended: F. Mar. 24, 2017; eff. Apr. 13, 2017.

Rule 560-11-2-.21. Classification of Tangible Property on County Tax Digests.

- (1) The tax receiver or tax commissioner of each county shall list all taxable real and personal property on the digest using the classifications and strata specified in Regulation [560-11-2-.20](#).
 - (a) The tax receiver or tax commissioner shall further identify the properties listed on the digest by use of a two-digit code, the first character of which shall designate the property classification and the second character of which shall designate the stratum. The code is more particularly described as follows:

1st Digit - CLASSIFICATION

A - Agricultural

B - Brownfield Property

C - Commercial

F - FLPA Fair Market Value (for reimbursement purposes)

H - Historic

I - Industrial

J - FLPA Conservation Use

P - Preferential

R - Residential

T - Residential Transitional

U - Utility

V - Conservation Use

W - Environmentally Sensitive

2nd Digit - REAL PROPERTY STRATA

1 - Improvements

2 - Operating Utility

3 - Lots

4 - Small Tracts

5 - Large Tracts

6 - Production/Storage/Auxiliary

9 - Other Real

2nd Digit - PERSONAL PROPERTY STRATA

A - Aircraft

B - Boats

F - Furniture/Fixtures/Machinery/Equipment

I - Inventory

P - Freeport Inventory

Z - Other Personal

- (2) The chairman of the board of assessors shall certify to the tax receiver or tax commissioner a list of all properties, the assessed value of which were changed by the board from the values appearing on the previous year's digest. This list shall not include previously unreturned real and personal property. It shall also exclude divisions and consolidations of property and those changes that are mere transfers of ownership.
 - (a) The list shall show the final assessed values on the previous year's digest and the assessed values placed on the current year's digest and shall be consolidated by the tax receiver or tax commissioner using the same classifications as are used to classify property appearing on the digest. This list shall be submitted by the tax receiver or tax commissioner to the State Revenue Commissioner at the time and in the manner the tax digest is submitted.
- (3) The tax receiver or tax commissioner of each county shall also enter the total assessed value of motor vehicle property with the consolidation of all assessed values of taxable property on the digest.
- (4) The tax receiver or tax commissioner of each county shall also enter the total assessed value of mobile home property with the consolidation of all assessed values of taxable property on the digest.
- (5) The tax receiver or tax commissioner of each county shall also enter the total assessed value of timber harvested or sold during the calendar year immediately preceding the year of the digest, with the consolidation of all assessed values of taxable property on the digest.
- (6) The tax receiver or tax commissioner of each county shall also enter the total assessed value of heavy duty equipment property with the consolidation of all assessed values of taxable property on the digest.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.21

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#), [48-5-103](#), [48-5-108](#), [48-5-269](#).

History. Original Rule entitled "Tangible Property Classifications - County Tax Digests" adopted. F. Nov. 8, 1972; eff. Nov. 28, 1972.

Repealed: New Rule entitled "Classification of Tangible Property on County Tax Digests" adopted. F. June 9, 1989; eff. June 29, 1989.

Amended: F. Aug. 4, 1992; eff. Aug. 24, 1992.

Amended: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Amended: F. May 9, 2011; eff. May 29, 2011.

Rule 560-11-2-.22. Motor Vehicle Assessments.

Annually the State Revenue Commissioner shall prepare and publish a manual of motor vehicle assessments for the various types of motor vehicle property in Georgia. In addition the State Revenue Commissioner shall calculate as nearly and completely as is practical the assessed values on motor vehicle prebill applications furnished to the various county tax collectors. In all cases the assessed valuations appearing in the published motor vehicle assessment manual shall be the assessed value of a specific motor vehicle. Provided, however, that when the assessed valuation as calculated on the motor vehicle prebill application for a specific vehicle differs from the assessed valuation for the same vehicle published in the motor vehicle assessment manual by twenty-five dollars (\$25.00) or less, the county tax collector is authorized to accept the prebill valuation as being correct for that specific vehicle for the current year.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.22

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original rule entitled "Motor Vehicle Assessments" adopted. F. Feb. 12, 1973; eff. Mar. 4, 1973.

Rule 560-11-2-.23. County Appraisal Staff - Certification of Parcels.

On a form furnished by the State Revenue Commissioner, the Board of Tax Assessors for each county shall certify to the Revenue Commissioner annually in conjunction with submission of the county digest or on September 1, whichever comes first, the number of parcels of real property located within the county on January 1 preceding.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.23

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-261](#).

History. Original Rule was filed on May 25, 1973; effective June 14, 1973.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-2-.24. County Appraisal Staff - County Classes.

The counties of this State shall be classified according to the following classes for the purpose of determining minimum appraisal staff requirements:

- (a) Class I - Counties having less than 3,000 parcels of real property.
- (b) Class II - Counties having at least 3,000, but less than 8,000 parcels of real property.

- (c) Class III - Counties having at least 8,000, but less than 15,000 parcels of real property.
- (d) Class IV -- Counties having at least 15,000, but less than 25,000 parcels of real property.
- (e) Class V -- Counties having at least 25,000, but less than 35,000 parcels of real property.
- (f) Class VI -- Counties having at least 35,000, but less than 50,000 parcels of real property.
- (g) Class VII -- Counties having at least 50,000, but less than 100,000 parcels of real property.
- (h) Class VIII -- Counties having at least 100,000 or more parcels of real property.
- (i) For the purpose of a Joint County Appraisal Staff any two or more governing authorities may by intergovernmental agreement combine the appraisal staffs and under such agreement the parcels of real property within the counties subject to the agreement shall be totaled and the counties shall be deemed one county for the purposes of determining the class of the counties and the resulting staff requirements.
- (j) For the purpose of intergovernmental agreements where one or more members of the county appraisal staff are shared, the parcels of real property within the counties subject to the agreement shall not be totaled and the counties shall retain their separate character for the purposes of determining the class of the counties and the resulting staff requirements.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.24

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-265](#).

History. Original Rule entitled "County Appraisal Staff-County Classes" was filed on May 25, 1973; effective June 14, 1973.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-2-.25. County Appraisal Staff - Qualifications. Amended.

- (1) County appraisal staff shall be classified into four classifications: Appraiser I, Appraiser II, Appraiser III, and Appraiser IV, with qualifications as follows:
 - (a) Appraiser I -- Under supervision and direction as an Appraiser trainee, the Appraiser I is expected to learn and do the more routine technical work in the appraisal of real and/or personal property for tax assessment purposes. The Appraiser I must:
 - 1. be not less than twenty-one (21) years of age;
 - 2. successfully complete the appraiser examination set for this level by the State Revenue Commissioner;
 - 3. be in good physical and mental health;

4. hold a high school diploma or its equivalent;
 5. have the aptitude to learn to perform tasks assigned including reviewing maps, photography, etc., to locate property; visiting the property and gathering all information necessary to determine value; performing basic research on building costs and sales data; computing appraisal values for real and/or personal property.
- (b) Appraiser II -- Under supervision and direction, the Appraiser II makes appraisals of real and/or personal property of the more common types and assists his superiors in the supervision and direction of Appraiser I personnel. The Appraiser II must:
1. be not less than twenty-one (21) years of age;
 2. hold a high school diploma or its equivalent;
 3. be in good physical and mental health and have the ability to meet and relate to the general public well;
 4. be able to make field appraisals of the average types of real and/or personal property. In this regard, he must be able to perform research on and inspect the property to gather all information necessary for appraisals such as size, zoning, use, location, quality of construction, depreciation, and market data;
 5. have the ability and aptitude to learn under supervision the appraisal techniques, etc., involved in the appraisal of the more complex types of property.
- (c) Appraiser III -- The Appraiser III must have the ability to make accurate appraisals of all types and classes of real and/or personal property within his jurisdiction. He must be able to effectively supervise and direct the activities of subordinate personnel. The Appraiser III must:
1. be not less than twenty-one (21) years of age;
 2. hold a high school diploma or its equivalent;
 3. have the ability to correctly apply the three approaches to valuation in appraising properties within his jurisdiction;
 4. have the ability to organize and direct the activities of subordinate personnel;
 5. have the ability to perform all phases of mass appraisal and revaluation work within his jurisdiction including the ability to develop pricing and

valuation schedules for the valuation of all land, improvements and personal property.

- (d) Appraiser IV -- The Appraiser IV supervises the work of subordinate appraisers in the appraisal of rural, residential, commercial and industrial properties for tax assessment purposes. The Appraiser IV must:
1. have a complete knowledge of mass appraisal techniques;
 2. have the ability to direct all phases of revaluation;
 3. have the ability to organize effectively and direct properly the work activities of his subordinate personnel;
 4. have the ability to plan and conduct necessary training programs for subordinate appraisal personnel;
 5. have the ability to direct office procedures and techniques related to the appraisal-assessment process;
 6. have the ability to effectively deal with the general public and with other governmental agencies;
 7. be not less than twenty-one (21) years of age;
 8. be a graduate of an accredited college or university with at least five (5) years of increasingly responsible experience in the appraisal field. Two (2) years of appraisal experience may be substituted for each year of college required.
- (2) All county appraisal staff members must, prior to employment, successfully complete an examination approved by the Revenue Commissioner and designed to test the applicant's knowledge of appraisal techniques on all classes and types of property. These examinations shall be prepared by the Revenue Commissioner and shall be offered in regional locations at least quarterly, the sites and times to be determined by the Revenue Commissioner. The Board of Tax Assessors in each county shall be advised of dates, locations for such exams.
- (3) All county appraisal staff members must successfully complete at least forty (40) hours of approved appraisal courses during each two years of tenure as an appraiser. "Approved appraisal courses" as used herein shall mean:
- (a) courses designed for appraisers and offered regionally by the Revenue Commissioner, or

- (b) courses offered by the Revenue Commissioner as a part of the annual short course for tax assessors in conjunction with the University of Georgia, or
- (c) courses offered by and approved by the International Association of Assessing Officers, or
- (d) courses at least 10 hours in length offered by either the Society of Real Estate Appraisers or the American Institute of Real Estate Appraisers and approved for course work toward the Award for the SRA or MAI designations.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.25

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-291](#).

History. Original Rule entitled "County Appraisal Staff--Qualifications" was filed on May 25, 1973; effective June 14, 1973.

Amended: Filed June 20, 1980; effective July 10, 1980.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-2-.26. County Appraisal Staff-Compensation.

- (1) The minimum schedules of compensation for county appraisal staff members shall be as follows:
 - (a) Appraiser I \$ 5,646--\$ 7,434
 - (b) Appraiser I 8,154-- 10,782
 - (c) Appraiser III 9,822-- 13,014
 - (d) Appraiser IV 13,014-- 17,310
- (2) Any payments made by the State Revenue Commissioner as partial support of county appraisal staff members shall be based upon the minimum salary of the compensation schedules set forth in this Regulation.
- (3) Before any payments shall be made by the State Revenue Commissioner as partial support of county appraisal staff members, said county must be paying not less than the minimum compensation set forth herein to all required members of said county's appraisal staff.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.26

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1972, p. 1104, *et seq.*; Ga. L. 1978, pp. 309.324, (Ga. Code Ann. Sec. 91A-2151; Ga. L. 1978, pp. 309, 432 (Ga. Code Ann. Ch. 141.

History. Original Rule entitled "County Appraisal Staff--Compensation" was filed on May 25, 1973; effective June 14, 1973.

Amended: Filed June 20, 1980; effective July 10, 1980.

Rule 560-11-2-.27. County Board of Tax Assessors - Vacancy.

When there is a vacancy on a county's board of tax assessors, the county's governing authority shall immediately fill the vacancy by appointing a new member whose qualifications are in conformity with O.C.G.A. § [48-5-291](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.27

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, p. 1104, *et seq*

O.C.G.A. Secs. [48-5-264](#), [48-5-291](#), [48-5-292](#), [48-5-295](#).

History. Original Rule entitled "County Appraisal Staff-Chief Appraiser" was filed on May 25, 1973; effective June 14, 1973.

Repealed: New Rule entitled County Board of Tax Assessors - Vacancy" adopted. F. Nov. 15, 2010; eff. Dec. 5, 2010.

Repealed: New Rule of the same title adopted. F. Mar. 3, 2011; eff. Mar. 23, 2011.

Rule 560-11-2-.28. County Appraisal Staff - Duties.

- (1) The county appraisal staff required by law shall be responsible for the appraisal for ad valorem tax purposes of all taxable property, real and personal, that the county board of tax assessors is required to assess. These appraisers shall be made in the manner and at the times required by law.
- (2) The county appraisal staff shall be responsible for the proper maintenance of all tax records and maps for the county in a proper and current condition, and the staff shall have custody of such records.
- (3) The county appraisal staff shall be responsible for preparing annual assessments on all property required to be assessed by the Board of Tax Assessors. Such assessments shall conform to the requirements of law and shall be turned over to the Board of Tax Assessors for approval on the date requested by the Board of Assessors.
- (4) The county appraisal staff shall prepare annual appraisals on all tax exempt property in the county and shall submit such appraisals to the Board of Tax Assessors.
- (5) Each county appraisal staff member shall successfully complete at least forty (40) hours of training courses prepared and offered by the State Revenue Commissioner during each two (2) years of tenure as staff appraiser. Such training courses shall be offered at least annually in regional locations the sites and dates to be determined by the Revenue Commissioner. Each year the Commissioner shall furnish a listing of the locations and dates of such courses to the Board of Tax Assessors of each county.
- (6) The requirements of paragraphs 1, 2, and 3 of this Regulation shall not be effective until such time as the county shall have reached full minimum staff employment as required by law.

- (7) (a) Individuals performing services under assessment contracts to render advice or assistance to the county board of tax assessors in the assessment and equalization of taxes the establishment of property valuations, or the defense of such valuations shall adhere to state mandated appraisal laws and regulations required under Title 43 including any appraisal certification and training required under Title 43 of Georgia Code. In addition, such individuals shall successfully complete 4 hours of approved appraisal courses annually as follows:
- (i) courses designed for appraisers and offered regionally by the State Revenue Commissioner, or
 - (ii) courses offered as a part of the annual short course for tax assessors through the University of Georgia and the Carl Vinson Institute of Government, or
 - (iii) courses offered online in partnership with the Department of Revenue and the University of Georgia and Carl Vinson Institute of Government, or
 - (iv) courses offered by and approved by the International Association of Assessing Officers, or
 - (v) courses approved by the Georgia Department of Revenue and offered by the Georgia Association of Assessing Officials,
- (b) The annual training requirement in this regulation shall not apply to any employee or vendor who is only performing administrative tasks; who is only collecting data to be used by a county's appraisal staff in the appraisal process; or to any vendor or employee of a vendor who is only providing mapping services as opposed to creating and updating assessment records in addition to mapping.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.28

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-263](#), [48-5-265](#).

History. Original Rule entitled "County Appraisal Staff-Duties" was filed on May 25, 1973; effective June 14, 1973.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-2-.29. County Appraisal Staff-Employment.

- (1) Minimum county appraisal staff, as required by law and the terms of these Regulations, shall be employed by the Board of Tax Assessors in each county subject to the approval of the governing authority of each county.
- (2) When a Class I county enters into a contract with a person(s) to render advice or assistance to the county board of tax assessors and the local board of equalization in the

assessment and equalization of taxes or to perform such other ministerial duties as are necessary and appropriate, per Georgia Code Ann. 91A-1407, said person(s) shall possess not less than those qualifications for an Appraiser III or have not less than five (5) years experience in mass appraisal work.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.29

Authority: Ga. L. 1978, pp. 309-324 (Ga. Code Ann. Sec. 91A-215); Ga. L. 1978, pp. 309, 432 (Ga. Code Ann. Ch. 14).

History. Original Rule entitled "County Appraisal Staff--Employment" was filed on May 25, 1973; effective June 14, 1973.

Amended: Rule repealed and a new rule of the same title adopted. Filed June 20, 1980; effective July 10, 1980.

Rule 560-11-2-.30. County Appraisal Staff-State Payments.

- (1) The State Revenue Commissioner shall, in accordance with the requirements of law setting forth minimum staff requirements, make an annual payment to the counties not later than June 1 each year. Eligibility for and the amount of such payments shall be based on parcel counts and staff requirements as of January 1 of the calendar year in which such payments are made. Provided, however, the State Revenue Commissioner shall be authorized to make the aforementioned annual payment to any county, which shows to the Commissioner's satisfaction, that at any time on or after October 1 of the year in question said county was unable to comply with the minimum staff requirements due to the death or voluntary resignation of a member or members of said county's appraisal staff.
- (2) In the event that the classification of a county, per substantive regulation [560-11-2-.24](#), changes due to an increase in the number of parcels of real property in said county, said county shall have one (1) year in which to comply with the minimum staff requirements before said county becomes ineligible to receive future state payments.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.30

Authority: Ga. L. 1978, pp. 309-324 (Ga. Code Ann. Sec. 91A-215); Ga. L. 1978, pp. 309, 432 (Ga. Code Ann., Ch. 14).

History. Original Rule entitled "County Appraisal Staff-State Payments" was filed on May 25, 1973; effective June 14, 1973.

Amended. Rule repealed and a new rule of the same title adopted. Filed June 20, 1980; effective July 10, 1980.

Rule 560-11-2-.31. County Board of Tax Assessors-Qualifications.

- (1) 'Approved Appraisal Courses' under O.C.G.A. § [48-5-291](#) shall be only those courses approved by the Local Government Services Division of the Georgia Department of Revenue.

- (2) 'Two Calendar Years of Tenure' under § [48-5-291](#) shall mean any calendar twenty-four (24) month period beginning on the date the assessor is appointed.
- (3) 'Certificate' as issued by the Commissioner under O.C.G.A. § [48-5-291](#) shall mean a certificate issued by the Revenue Commissioner officially and specifically for the purpose of designating an assessor as certified pursuant to § [48-5-291\(a\)\(5\)](#). 'Certificate' shall not mean any certificate issued specifically for the successful completion of approved appraisal courses. No duties or responsibilities may be executed by a board of tax assessors having a majority of members who do not have a valid 'Certificate.' A 'Certificate' shall be:
- (a) Issued to each board of assessor member upon the Revenue Commissioner's receipt of the oath of office signed by the assessor member along with, if available, proof of high school education;
 - (b) Printed with an expiration date coinciding with the tax assessor's term of office;
 - (c) Posted in a prominent location readily viewable by the public in the office of the board of tax assessors; and
- 1. A Certificate may be revoked for a direct and clear violation of state law and regulations governing the duties and responsibilities of the board of tax assessors.
 - (i) Revenue Commissioner or his delegates shall have the authority to revoke.
 - (ii) A board of tax assessor whose 'Certificate' has been revoked may not vote in any legal Board of Assessors meeting and their attendance shall not count as a member necessary to constitute a quorum. Any attendance by such revoked member shall be duly noted in the minutes of that meeting.
 - (I) Notice of revocation will be provided to:
 - (A) The individual board of assessor member whose certificate is revoked;
 - (B) The county board of tax assessors Chairperson; and
 - (C) The county governing authority.
- (iii) Revocation of a Certificate shall remain in effect until such time as the ex-board member becomes compliant with Georgia law and regulations governing the duties, certification, training requirements, and qualifications of the board of tax assessors and

certification has been reinstated by the Revenue Commissioner or his delegates.

- (iv) Revocation of an assessor member's Certificate pursuant to subsection (b) of Code Section [48-5-295](#) may be grounds for permanent removal from a county's board of tax assessors by the Revenue Commissioner.
- (v) Revocation of a Certificate may be appealed by the assessor member in writing to the Revenue Commissioner, by way of the Director of the Local Government Services Division. All evidence and arguments to be considered must be included in the written appeal.
 - (I) Appeals must be filed within 30 days of revocation date printed on the notice.
 - (II) Extensions to the 30 day appeal filing period may be granted by the Director of Local Government Services.

- (4) A member of a county board of tax assessors may be reappointed to succeed himself as a member of the board so long as the reappointment does not act to circumvent the certification, training requirements, and qualifications of O.C.G.A. § [48-5-290](#), O.C.G.A. § [48-5-291](#), O.C.G.A. § [48-5-292](#) and this Regulation.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.31

Authority: O.C.G.A. Sess. 48-5-290, 48-5-291, 48-5-292, 92-8405, 8406, 8409, 8427.

History. Original Rule entitled "County Board of Tax Assessors-Qualifications of Members" was filed on May 17, 1973; effective June 6, 1973.

Amended: F. Jun. 20, 1980; eff. July 10, 1980.

Repealed: New Rule entitled "County Board of Tax Assessors-Qualifications" adopted. F. Mar. 3, 2011; eff. Mar. 23, 2011.

Rule 560-11-2-.32. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.32

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, p. 1095, *et seq*

History. Original Rule entitled "County Boards of Equalization -- Creation and Number" was filed on July 18, 1973; effective August 7, 1973.

Repealed: F. Mar. 3, 2011; eff. Mar. 23, 2011.

Rule 560-11-2-.33. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.33

Authority: Ga. L. 1937-35, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 95-8405, 8406, 8409, 8427; Ga. L. 1972, pp. 1095, *et seq.* Effective August 7, 1973.

History. Original Rule was filed on July 18, 1973; effective August 7, 1973.

Repealed: F. Mar. 3, 2011; eff. Mar. 23, 2011.

Rule 560-11-2-.34. County Boards of Equalization-Definitions.

- (1) 'Uniform Appeal Form' referred to O.C.G.A. § [48-5-311](#) shall be known as form PT-311.
- (2) 'Taxability' under O.C.G.A. § [48-5-311](#) shall mean whether property is exempt from ad valorem taxation as provided under law.
- (3) 'Uniformity of Assessment' under O.C.G.A. § [48-5-311](#) shall have the meaning as provided for in the Georgia Constitution, Article VII, Section I, Paragraph III.
- (4) 'Value' under O.C.G.A. § [48-5-311](#) shall mean the fair market value as defined in O.C.G.A. § [48-5-2\(3\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.34

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended: GA O.C.G.A. Secs. [48-5-311](#), 92-8405, 8406, 8409, 8427; Ga. L. 1972, pp. 1095, *et. Seq.* Effective August 7, 1973.

History. Original Rule was filed on July 18, 1973; effective August 7, 1973.

Repealed: New Rule entitled "County Boards of Equalization-Definitions" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-2-.35. County Boards of Equalization-Disqualification.

- (1) Before any appeal is heard by the members of a County Board of Equalization, each member of the Board shall certify, either verbally or in writing to all other members of the Board hearing the appeal, that he or she is not disqualified from hearing the appeal by virtue of the requirements as provided in O.C.G.A. § [48-5-311\(j\)](#).
- (2) Pursuant to O.C.G.A. § [48-5-311\(j\)](#), either party to the appeal may ask that those members of the Board hearing the appeal, to answer questions relating to his or her ability to serve as a member of the Board for that particular appeal, such as:
 - (a) Are you related by blood or marriage to the appellant in this case, or to any member of the Board of Tax Assessors or its staff?
 - (b) Are you related by blood or marriage to any person duly appointed to represent the appellant or the county's board of tax assessors in this case?
 - (c) Are you employed, or is any member of your immediate family employed, by the parties in this case?

- (d) Do you have any financial or legal interest in the property subject to appeal in this case?
 - (e) Have you formed any opinion that precludes you from setting a valuation on the property in question in accordance with Georgia law, which requires all property to be appraised at its fair market value, or from equalizing the assessments at 40% of fair market value?
 - (f) Have you discussed the facts of this appeal with anyone other than a fellow Board of Equalization member?
 - (g) Do you know of any other reason that you cannot render a fair and just decision regarding the property in question?
- (3) The members of a Board of Equalization shall answer all such questions under the previously taken oath pursuant to O.C.G.A. § [48-5-311\(c\)\(5\)](#).
 - (4) The Judge of Superior Court shall make necessary determinations of disqualification on the request of either party made as required by law.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.35

Authority: Ga. L. 1937-38, Extra Sess., pp.77, et. Seq., as amended; GA. O.C.G.A. Secs. [48-5-311](#), 92-8405, 8406, 8409, 8427, Ga. L. 1972, pp. 1095, *et seq.* Effective August 7, 1973.

History. Original Rule was filed on July 18, 1973; effective August 7, 1973.

Repealed: New Rule of same title adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-2-.36. County Boards of Equalization-Chairman.

- (1) Prior to a hearing of the Board of Equalization, the members of each Board of Equalization may designate one of its members to serve as Chairman. The Appeal Administrator shall decide which hearings each regular and alternate member of the Board of Equalization shall preside over.
- (2) The Chairman shall be responsible for certifying all documents with respect to any matter heard by the Board. The Chairman shall have the authority to sign on behalf of the Board any notifications setting the location of a hearing and the hearing's date(s).
- (3) The Chairman shall have the authority to administer oaths, grant continuances, and reprimand or exclude from the hearing any person for any improper conduct.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.36

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-311](#).

History. Original Rule was filed on July 18, 1973; effective August 7, 1973.

Repealed: New Rule of the same title adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-2-.37. Property Tax Credit - Ad Valorem Tax Bills.

Beginning with the tax year 1975, each county tax commissioner or collector shall prepare and furnish to each taxpayer owing State, County or County School taxes a tax bill showing the total amount of such taxes levied for the current tax year, the dollar amount of property tax credit computed for the taxpayer, the net amount of such taxes due by the taxpayer for the current year, the amount of the total property tax relief grant authorized to the county not credited to taxpayers under the terms of the Act of the General Assembly, a statement that the tax credit is a result of the passage of the Act of the General Assembly, and a statement of the taxpayer claiming his entitlement to the credit and certifying that all credits claimed do not exceed \$1,000. Appropriate standard tax bill forms shall be furnished by the State Revenue Commissioner. Provided, however, that any county tax commissioner or collector desiring to prepare and furnish tax bill forms other than the standard form furnished by the State Revenue Commissioner is hereby authorized to do so provided the form actually used reflects the information required herein, including the taxpayer certification form, and provided the tax commissioner or collector receives prior written approval from the State Revenue Commissioner before such forms are used. In those instances where county property taxes are authorized by law to be paid to the tax collector or commissioner in installment payments, the property tax relief provided for herein shall be calculated and shown as a credit against the last installment of county property taxes owed for the current year. In those instances where the county property taxes are paid to the county tax collector or commissioner by a mortgagee (lender) for its borrowers, the mortgagee (lender) may make the required certification to the tax collector or commissioner on behalf of its borrowers at the time the taxes are paid for the current tax year. Such certifications made by mortgagees (lenders) shall be in a form acceptable to the tax collector or tax commissioner. Provided, however, that under the terms of the Act granting such credits and under the terms of this Regulation, the responsibility of the mortgagee who pays taxes on behalf of its borrowers extends only to making the certification on behalf of its borrowers at the time the taxes are paid as required herein, and the responsibility for the correctness of such certification on behalf of individual taxpayers rests with the taxpayers.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.37

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Act No. 610, 1975 Session of General Assembly.

History. Original Rule was filed on May 17, 1973; effective June 6, 1973.

Amended: Filed June 11, 1975; effective July 1, 1975.

Rule 560-11-2-.38. Property Tax Credit-Calculation.

- (1) Each year, on or before June 1, the State Revenue Commissioner shall furnish to the governing authority of each county and to the tax commissioner or collector of each county, from information certified to him by the several county tax receivers and tax commissioners, the total amount of property tax relief funds allocated to that particular

county for the current tax year as authorized by Act of the General Assembly, and that portion of such total amount of property tax relief funds, allocated to that particular county for the current tax year, to be used for homestead credit purposes as authorized by Act of the General Assembly.

- (2) Once the county tax digest has been compiled for the current year as required by law, the governing authority of each county shall determine the appropriate tax rate to be levied for county general operations as is normally done.
- (3) Once the county tax digest has been approved by the State Revenue Commissioner for the current year as required by law, the county tax collector or tax commissioner shall calculate the appropriate tax credits as follows:
 - (a) Determine the amount of property tax credit authorized against county ad valorem property taxes for each "homestead" tangible property located within the county, which credit shall equal an amount computed by dividing the grant authorized for homestead purposes for the county by the number of homesteads in the county for the current year; provided, however, that no credit authorized as homestead relief shall exceed one-half of the credit recipient's county government maintenance and operation tax liability.
 - (b) Determine the total amount of property tax relief credited against county ad valorem maintenance and operation taxes for all "homestead" property within the county.
 - (c) The amount of property tax relief authorized for homestead purposes for the county in excess of the amount calculated in accordance with subparagraphs (a) and (b) of subsection (3) of this Section shall be used as a pro rata property tax credit against the ad valorem county maintenance and operation property taxes on all tangible property subject to taxation in the county for the current tax year, except motor vehicles and trailers, and except that property required by law to be returned to the State Revenue Commissioner.
 - (d) The county-wide pro rata property tax credit shall be calculated as a percentage of county government maintenance and operation taxes levied, which percentage shall be computed by dividing the total amount of property tax relief funds available for distribution to the county after deducting the total amount of property tax relief granted by the "homestead" property tax credits under subparagraphs (a) and (b) of subsection (3) of this Section by the total taxes levied against tangible property authorized to receive credit for general county purposes after the "homestead" property tax credits have been deducted. The percentage thus derived shall be applied against the total county maintenance and operation taxes levied for each property for general county tax purposes after deduction for any "homestead" property tax credit, if any, to which the taxpayer may be entitled; provided, however, that no credit claimed in any county, or combination of credits claimed in all counties wherein the taxpayer owns property, shall exceed the lesser

of \$1,000 or the credit recipient's total tax liability for county government ad valorem maintenance and operation property taxes; further provided, that where a taxpayer cannot claim entitlement to any or all of the credit calculated for a particular county because of the total credit maximum state wide, the taxpayer shall certify to the tax collector or commissioner in a form acceptable to the tax collector or commissioner in that county the amount of the credit, if any, to which he is entitled.

- (e) Determine the total amount of property tax relief credited pro rata against county government ad valorem maintenance and operation taxes within the county.
- (f) All property tax credits authorized shall be calculated based upon the tax digest for the current tax year approved by the State Revenue Commissioner as required by law. Any property not returned for taxation as required by law which is assessed by the board of tax assessors after the digest for the current year has been approved by the State Revenue Commissioner shall not be entitled to such property tax credits for the current year. Provided, however, that when the assessment of any property is under appeal at the time the digest is approved by the Commissioner and the assessment is not yet finalized for the current year, that property shall be considered by the county at the value assessed by the board of tax assessors when making the property tax relief calculations required by law and in accordance with this Regulation. If the final determination of the assessed value of such property results in an assessment higher than that of the board of tax assessors, the additional property tax credits shall be granted to the taxpayer. If the final determination of the assessed value of such property results in an assessment lower than that of the board of tax assessors, the excess property tax credits calculated for said property shall become county funds and shall be retained by the governing authority of the county.
- (g) All property tax credits authorized but not distributed due to erroneous or duplicate assessments or other errors whereby assessments are subsequently removed from the digest approved by the State Revenue Commissioner for the current year shall become county funds and shall be retained by the governing authority of the county, and any excess of the total grant authorized but not utilized after complete compliance with the terms of the Act shall become county funds and shall be retained by the governing authority of the county.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.38

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427. Act. No. 610, 1975 Session of General Assembly.

History. Original Rule was filed on May 17, 1973; effective June 6, 1973.

Amended: Filed June 11, 1975; effective July 1, 1975.

Rule 560-11-2-.39. Property Tax Credit-Reports.

- (1) Beginning with the tax year 1975, the governing authority of each county shall, prior to the time the tax bills for the current year are furnished to the taxpayers of the county, certify to the State Revenue Commissioner on a form to be furnished by the State Revenue Commissioner the total amount of property tax relief credited against county ad valorem property taxes for all "homestead" property located within the county calculated in accordance with subsections 3(a) and (b) of Regulation No. [560-11-2-.38](#), the total amount of pro rata property tax relief credited against ad valorem county property taxes on all tangible property, except motor vehicles and trailers, and except property required by law to be returned to the State Revenue Commissioner, located within the county calculated in accordance with subsection (3)(d) of Regulation No. [560-11-2-.38](#), the amount of the total grant authorized to the county not credited under the terms of the Act of the General Assembly and that the calculations of the individual taxpayers' tax relief credits against county government maintenance and operation taxes have been made in strict compliance with the provisions of the Act and the Regulations adopted pursuant thereto.
- (2) The State Revenue Commissioner shall not authorize the appropriate State fiscal officer to disperse property tax relief grant funds authorized by Act of the General Assembly to any county until the certification required in Subsection (1) of this Section has been received and approved.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.39

Authority: Ga. L. 1937-38, Extra Sess., p. 77. *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Act No. 610, 1975 Session of General Assembly.

History. Original Rule was filed on May 17, 1973; effective June 6, 1973.

Amended: Filed June 11, 1975; effective July 1, 1975.

Rule 560-11-2-.40. Designated County Appraisers-State Payments.

For any fiscal year in which funds are appropriated salary supplements will be paid by the State Revenue Commissioner to county staff appraisers employed by county governments under the provisions of the Act of the General Assembly, requiring such appraisers (Ga. Laws, 1972, p. 1104, as amended). The amount of such salary supplements shall be as follows: For those persons employed as full time county staff appraisers under the provisions of the Act as herein cited, who have earned the Certified Assessment Evaluator designation or the Certified Personalty, Evaluator designation, both of which are conferred by the International Association of Assessing Officers, the salary, supplement shall be \$1,000.00 per year. For those persons employed as full time county staff appraisers under the provisions of the Act as herein cited, who have earned the Georgia Certified Appraiser designation conferred by the Georgia Association of Assessing Officials, the salary supplement shall be \$750.00 per year.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.40

Authority: Ga. L. 1937-38, pp. 77. *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, *et seq.*, as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).

History. Original Rule entitled "Designated County Appraisers--State Payments" was filed on May 30, 1978;

effective June 19, 1973.

Rule 560-11-2-.41. Designated County Appraisers - Qualification.

Qualifications and requirements which are established as necessary to earn the Georgia Certified Appraiser designation must be approved by the State Revenue Commissioner before any salary supplements are paid for such designation. Any changes in such qualifications and requirements must also be thus approved by the State Revenue Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.41

Authority: Ga. L. 1937-38, pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, *et seq.*, as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).

History. Original Rule entitled "Designated County Appraisers--Qualification" was filed on May 30, 1978; effective June 19, 1978.

Rule 560-11-2-.42. Designated County Appraisers-Certification.

Before salary supplements are paid to any person qualified hereunder, such person must make proper application to the State Revenue Commissioner certifying that:

- (a) The applicant is employed or was employed by the county in accordance with the Act of the General Assembly which requires such employment for the applicable time period for which the salary supplement is claimed. Substantiation of such employment shall be furnished signed by the Chairman, Board of Tax Assessors and the Chairman, County Governing Authority.
- (b) The applicant has earned one of the designations which will qualify him for salary supplement. A copy of the certificate conferred upon the applicant shall be furnished.
- (c) The applicant meets all qualifications required by the Act of the General Assembly requiring such appraiser employment by the county to entitle him to be employed as full time county appraiser.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.42

Authority: Ga. L. 1937-18, pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, *et seq.*, as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).

History. Original Rule entitled "Designated County Appraisers--Certification" was filed on May 30, 1978; effective June 19, 1978.

Rule 560-11-2-.43. Designated County Appraisers-Time of Payment.

Salary supplements shall be paid by the State Revenue Commissioner to qualified applicants twice each year. Payment covering the period July 1 to December 31 shall be made on or before

January 31 of the succeeding calendar year. Payment made covering the period January 1 to June 30 will be made on or before July 30 of that year.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.43

Authority: Ga. L. 1937-38, pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, *et seq.*, as amended (Ga. Code Ann., Sec. 92-7009a, 92-7012a).

History. Original Rule entitled "Designated County Appraisers--Time of Payment" was filed on May 30, 1978; effective June 19, 1978.

Rule 560-11-2-.44. Designated County Appraisers-Employment Covered.

Salary supplements will be paid by the State Revenue Commissioner only for the period of time during the year that the applicant held the appropriate designation and was otherwise qualified to receive the supplement.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.44

Authority: Ga. L. 1937-38, pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, *et seq.*, as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).

History. Original Rule entitled "Designated County Appraisers--Employment Covered" was filed on May 30, 1978; effective June 19, 1978.

Rule 560-11-2-.45. Designated County Appraisers-Payment Period.

Salary supplements will be paid for each month during the year. An applicant shall become qualified to receive the supplement on the first day of the month following the month during which the applicant became qualified. An applicant shall no longer be entitled to receive the supplement on the last day of the month during which the applicant becomes disqualified for whatever reason.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.45

Authority: Ga. L. 1937-38, pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, *et seq.*, as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).

History. Original Rule entitled "Designated County Appraisers--Payment Period" was filed on May 30, 1978; effective June 19, 1978.

Rule 560-11-2-.46. Designated County Appraisers-Disqualification.

The State Revenue Commissioner shall deny, the application and withhold the salary supplement from any applicant who does not meet the qualifications as required hereunder, and he shall notify said applicant of such denial.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.46

Authority: Ga. L. 1937-38, pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, *et seq.*, as amended (Ga. Code Ann., Sec. 92-7009a, 92-7012a).

History. Original Rule entitled "Designated County Appraisers--Disqualification" was filed on May 30, 1978;

effective June 19, 1978.

Rule 560-11-2-.47. Designated County Appraisers-Appropriation Requirement.

No salary supplements shall be paid to qualified applicants in any year in which funds for this purpose are not appropriated.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.47

Authority: Ga. L. 1937-38, pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1972, pp. 1104, *et seq.*, as amended (Ga. Code Ann., Secs. 92-7009a, 92-7012a).

History. Original Rule entitled "Designated County Appraisers--Appropriation Requirement" was filed on May 30, 1978; effective June 19, 1978.

Rule 560-11-2-.48. School Tax Homestead-Application.

- (1) In order for a taxpayer to be a "qualified individual" for the School Tax Homestead Exemption under O.C.G.A. § [48-5-52](#), such taxpayer shall:
 - (a) Be an "Applicant" as defined by O.C.G.A. § [48-5-40\(1\)](#);
 - (b) Have timely filed an application and affidavit with:
 1. In the case of residents of county school districts, the county tax receiver or tax commissioner,; or
 2. In the case of residents of independent school districts, the governing authority; and
 - (d) Be sixty-two (62) years of age or older as of January 1 of the year in which the application and affidavit is filed; and
 - (e) Not have a net income exceeding \$10,000 for the immediately preceding taxable year for income tax purposes.
- (2) "Homestead" shall have the meaning as provided for in O.C.G.A. § [48-5-40](#).
- (3) The governing authority of each municipality, where there is an independent school district, shall designate, in writing, an official who will receive taxpayer applications and affidavits for the School Tax Homestead Exemption within that municipality. The named official shall receive all such applications unless the municipality's governing authority designates, in writing, another official to receive said applications and affidavits.
 - (a) Each municipality shall immediately transmit a copy of its written designation to the Director of Local Government Services.

- (4) In order for a county or municipal tax official to make a determination of eligibility, an application and affidavit shall include, but not be limited to, the following information:
- (a) The age of applicant on January 1 of the year in which the application and affidavit is filed.
 - (b) The income of the applicant including the income of the spouse, if applicable, who also occupies the homestead.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.48

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et Seq.*, as amended; Ga. Code Ann. 48-5-40, 48-5-52, 92-8405, 92-8406, 92-8409, 92-8457; Ga. L. 1974, pp. 183 *et seq.*

History. Original Rule was filed on January 15, 1975; effective February 4, 1975.

Amended: F. May 9, 2011; eff. May 29, 2011.

Rule 560-11-2-.49. School Tax Homestead Exemption-Qualifications.

- (1) The applicant must be 62 years of age or older on or before January 1 of the year for which the exemption is claimed.
- (2) The applicant's total gross income from all sources, including the gross income from all sources of all members of the family residing within the homestead, for the immediately preceding calendar year shall not exceed \$6,000.
 - (a) For the purposes of this exemption, the term "gross income from all sources" shall mean and include all income from wherever and whatever source derived, including (but not limited to) the following items:
 - 1. compensation for services, including fees, commissions, and similar items;
 - 2. gross income derived from business;
 - 3. gains derived from dealings in property;
 - 4. interest;
 - 5. rents;
 - 6. royalties;
 - 7. dividends;
 - 8. alimony and separate maintenance payments;
 - 9. income from life insurance and endowment contracts;

10. annuities;
 11. pensions;
 12. income from discharge of indebtedness;
 13. distributive share of partnership gross income;
 14. income from an interest in an estate or trust;
 15. Federal old-age, survivor, or disability benefits.
- (b) Income for all members of the family residing within the homestead shall be measured using the same definitions as used to measure claimant's income.
- (c) For the purposes of this exemption, the term "all members of the family" shall mean and include all persons related, in any degree, to the claimant by blood, marriage, or otherwise by law (e.g. adoption).

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.49

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1974, pp. 183, *et seq.*

History. Original Rule was filed on January 15, 1975; effective February 4, 1975.

Rule 560-11-2-.50. School Tax Homestead Exemption - Failure to File.

Failure to make proper application for the school tax homestead exemption within the time provided shall constitute a waiver of the exemption for that tax year. Provided, however, that said taxpayer who fails to make proper application within the time provided or whose application is denied for any reason shall be entitled to homestead exemption for school tax purposes in an amount to which he is otherwise entitled for State and county tax purposes.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.50

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1974, pp. 183, *et seq.*

History. Original Rule was filed on January 15, 1975; effective February 4, 1975.

Rule 560-11-2-.51. School Tax Homestead Exemption - Applicability of Other Provisions of Law.

All provisions of law governing application, definitions, and determination of eligibility applicable to the homestead exemption granted by Ga. Laws 1946, p. 12, shall apply, insofar as

practicable, to the school tax homestead exemption unless such provisions are in conflict with Ga. Laws 1974, p. 183 or these Regulations promulgated thereunder.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.51

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "School Tax Homestead Exemption - Applicability of Other Provisions of Law" adopted. F. Jan. 15, 1975; eff. Feb. 4, 1975.

Rule 560-11-2-.52. School Tax Homestead Exemption - Amount.

The value of the homestead, but not to exceed \$10,000 of its assessed valuation, shall be exempt from county school tax or independent school district tax as provided by law. Said amount shall be exempted from all ad valorem taxes for educational purposes levied by, for, or in behalf of any such school system, including taxes to retire bonded indebtedness.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.52

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "School Tax Homestead Exemption - Amount" adopted. F. Jan. 15, 1975; eff. Feb. 4, 1975.

Rule 560-11-2-.53. School Tax Homestead Exemption - Information to Be Furnished to State Revenue Commissioner.

Each year, on or before August 1 or at the time the county tax digest for that year is submitted to the State Revenue Commissioner, the county tax receiver or tax commissioner and the appropriate municipal official shall forward to the State Revenue Commissioner copies of all school tax homestead exemption applications where the exemption has been granted or a listing of all such approved applications which listing shall contain name of applicant, social security number of the applicant, and the names and social security numbers of all members of the family residing within the homestead whose income was considered in the income determination.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.53

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "School Tax Homestead Exemption - Information to Be Furnished to State Revenue Commissioner" adopted. F. Jan. 15, 1975; eff. Feb. 4, 1975.

Rule 560-11-2-.54. Homestead Exemption of \$4,000 for Certain Elderly Persons - Income Exclusions.

For the purposes of determining eligibility for increased homestead exemption from all State and county taxes in the amount of \$4,000 for certain elderly persons as provided in Article VII, Section I, Paragraph IV of the Constitution, the term "net income" shall not include income received as retirement, survivor or disability benefits under the Federal Social Security Act or under any other public or private retirement, disability or pension system, or any combination of

benefits received from the herein named sources, except such income which is in excess of the maximum amount authorized to be paid to an individual and his spouse, on January 1 of the year for which the exemption is sought, under the Federal Social Security Act. Income from such sources, or any combination of such sources, which is in excess of such maximum amount shall be included as net income for the purposes of determining eligibility for the increased homestead exemption.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.54

Authority: Ga. Code Ann. Secs. 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Homestead Exemption of \$4,000 for Certain Elderly Persons - Income Exclusions" adopted. F. Jan. 15, 1975; eff. Feb. 4, 1975.

Rule 560-11-2-.55. Annual Notice of Assessment - Contents.

- (1) Form PT-306, as prescribed by the Commissioner, shall be the annual notice of current assessment sent to the taxpayer in accordance with the requirements as set forth in O.C.G.A. § [48-5-306](#).
 - (a) A county's board of tax assessors shall also send form PT-306 when any corrections or changes, including valuation increases or decreases or equalizations have been made by the board to personal property tax returns.
 - (b) Any alteration or deviation from form PT-306 must receive written approval from the Commissioner prior to use by a county board of tax assessors.
 - (c) Requests for consideration for an alternate design shall be submitted in writing to the Director of Georgia Department of Revenue's Local Government Services Division. The Local Government Services Division Director shall respond in writing within sixty (60) days of request. Failure of the Local Government Services Division Director to respond within sixty (60) days does not constitute acceptance of the alternate design.
- (2) A county board of tax assessors may elect to provide electronic transmissions of all notices required under O.C.G.A. § [48-5-306](#) to the taxpayer.
 - (a) If so provided, the electronic transmission system must have secure file transfer and the capability to ensure authentication and verification of receipt by the taxpayer.
 - (b) A county's board of tax assessors may request guidance and review from the Commissioner regarding the selected means of electronic transmissions. The county board of tax assessors' responsibility is the security, authentication, and verification of the electronic transmissions.
- (3) The terms on form PT-306 shall have the following meaning:

- (a) Notice Date - Actual mailing date of notice.
 - (b) Property Owner and Mailing Address - Property Owner's name as appears on the deed of transfer and the mailing address for which the tax bill is to be sent.
 - (c) Covenant Year - Beginning year and abbreviated code for specialized assessment valuation notation as indicated in the following:
 - (i) EZ-Enterprise Zone,
 - (ii) PREF-Preferential,
 - (iii) HIST-Historical,
 - (iv) BR-Brownfield,
 - (v) FLPA-Forest Land Protection Act, and
 - (vi) CU-Conservation Use, which includes the categories below:
 - (I) Environmentally Sensitive,
 - (II) Residential Transitional, and
 - (III) Conservation Use Covenant.
 - (d) Homestead - If homestead exists, the text "YES" plus the code associated with type of exemption, if no homestead exists, the text "NONE."
 - (e) Other Value - Taxable value of property pursuant to any specialized assessment program or covenant.
 - (f) Reasons for Notice - Code and associated description containing a simple, nontechnical description of the basis for the new current assessment.
 - (g) Taxing Authority - Jurisdiction levying taxes; fee description; Title for subtotals for total county due and total city due.
 - (h) Other Exemption - Assessed Value reduction resulting from any non-homestead reason such as current use assessment or Freeport Exemption.
 - (i) Estimated Tax - Taxes calculated based on jurisdiction's ad valorem tax millage rate, multiplied by the net taxable value; or in the case of fees, the amount of the fee; total county due and/or total city due. All taxes and fees are rounded to two (2) decimal places.
- (4) Should a taxpayer elect to appeal their annual assessment, Form PT-311A may be used.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.55

Authority: Ga. Code Ann. Secs. 91A-14, 91A-215.

O.C.G.A. Secs. [48-5-306](#), 91A-14, 91A-215.

History. Original Rule entitled "Annual Assessment Notice - Contents" adopted. F. June 20, 1980; eff. July 10, 1980.

Amended: F. Aug. 22, 1980; eff. Sept. 11, 1980.

Repealed: New Rule entitled "Annual Notice of Assessment - Contents" adopted. F. Nov. 30, 2010; eff. Dec. 20, 2010.

Repealed: New Rule of same title adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-2-.56. Review of County Tax Digest by the State Revenue Commissioner.

(1) General.

- (a) County boards of tax assessors are required by the State Constitution and state law to continuously maintain assessments of property that are reasonably uniform and that are based on fair market value as defined in § [48-5-2](#) (except as otherwise stated in § [48-5-6](#) and § [48-5-7](#)(c.3)). The Department is required by law to periodically review the county digests to determine if the digests are in compliance with such laws.
- (b) This Regulation imposes no additional requirements on the county boards of tax assessors. It merely sets forth the statistical and other methods that are used by the Department in making its determination. The Department does not determine when to revalue property. Each county board of tax assessors determines for itself when it believes a revaluation of property is necessary for legal compliance. Failure to revalue property shall not in and of itself be a basis for assessment of any penalty.
- (c) Any digest submitted shall be reviewed utilizing information established by the State Auditor to determine whether or not the county tax digest is in accordance with the uniformity requirements of § [48-5-343](#).

(2) Review of County Tax Digest by the State Revenue Commissioner.

- (a) **County Notification:** In the event a county fails to meet the standards set forth in paragraphs (c) through (k) of subparagraph (2) of this Regulation, the Commissioner shall immediately notify the county. The notification shall include the findings of the State Auditor regarding assessment bias and assessment ratio, and any additional information the Commissioner believes would be of assistance to the county board of tax assessors to establish uniform values.
- (b) **Property Classes:** For purposes of this regulation the real and personal property of each county shall be classified into five classes of property:
 - 1. Residential (including Residential Transitional and Historic);

2. Agricultural (including Preferential, Conservation Use, Environmentally Sensitive)
 3. Commercial;
 4. Industrial; (including Brownfield)
 5. Utility.
- (c) Average Level of Assessment: The Commissioner shall maintain uniformity among the classes of property by setting standards for the average level of assessment for each.
- (d) Standard For Level of Assessment: The standard for level of assessment for all classes of property will be in compliance with the Code if the upper limit of a ninety-five percent confidence interval about the average level of assessment, as established by the State Auditor, is equal to or greater than thirty-six percent, or the lower limit of a ninety-five percent confidence interval about the average level of assessment as established by the State Auditor, is less than forty-four percent.
- (e) Uniformity Within a Class of Property: The average assessment variance for each class of property shall be ensured by the coefficient of dispersion of the sample for each class, as established by the State Auditor.
- (f) Standard for Uniformity: The standard for uniformity will be deemed to have been met if the resulting coefficient does not exceed fifteen percent for the residential class of property or twenty percent for the non-residential classes of property.
- (g) Residential Class of Property: If the State Auditor adds non-residential observations to the residential sample to determine statistics applicable to the residential class of property, the standard of uniformity for the residential class of property shall be the same as for the non-residential classes of property.
- (h) Assessment Bias: The level of assessment bias within each class of property shall be measured by the price-related differential as established by the State Auditor. It shall be deemed to be in compliance if the resulting price-related differential is in the range of 0.95 to 1.10, inclusive.
- (i) Magnitude of Deficiency: If a class of property constitutes ten percent or less of the assessed value of the total digest, and does not meet the uniformity requirements the Commissioner may approve the digest if, in his judgment, the approval will not substantially violate the concept of uniformity and equalization.

- (j) Overall Average Assessment: The overall average assessment ratio for the county shall be the weighted mean of the average level of assessment of the classes of property as established by the State Auditor.
- (k) Deviation of Overall Average Assessment: If the overall average assessment ratio is less than thirty-six percent, the digest shall be deemed to deviate substantially from the proper assessment ratio. The Commissioner shall assess against the county governing authority additional state tax in an amount equal to the difference between the amount the state's levy of one-quarter mill would have produced if the digest had been at the proper assessment ratio, and the amount the digest actually used for collection purposes would produce.

(3) Digest Review by Department.

- (a) County boards of tax assessors are required by the State Constitution and state law to continuously maintain assessments of property that are reasonably uniform and that are based on fair market value. The Department is required by law to periodically review the county digests to determine if the digests are in compliance with such laws.
- (b) The Department does not determine when to revalue property. Each county board of tax assessors determines for itself when all classes of property should be valued in accordance with § [48-5-299\(a\)](#). This regulation imposes no additional requirements on the county boards of tax assessors. The Department's digest review cycle is only established to validate that counties are meeting the 40% of fair market value requirement of § [48-5-7](#), and no particular period or schedule of revaluations is required of the counties by the Department for approval of a county digest. Failure to revalue property shall not in and of itself be a basis for assessment of any penalty.
- (c) The digest review cycle for each county commencing January 1, 2008, shall be as follows:
 - 1. January 1, 2010 and every third January 1 thereafter for the following counties: Atkinson, Bacon, Baker, Baldwin, Barrow, Bibb, Bulloch, Carroll, Chattahoochee, Cherokee, Clarke, Clinch, Coffee, Dougherty, Emanuel, Fannin, Fayette, Franklin, Fulton, Gilmer, Glascock, Glynn, Gordon, Greene, Hall, Haralson, Irwin, Jasper, Jenkins, Johnson, Lumpkin, McIntosh, Meriwether, Murray, Muscogee, Newton, Oglethorpe, Paulding, Peach, Pickens, Pike, Putnam, Randolph, Screven, Stewart, Sumter, Tattnall, Tift, Toombs, Turner, Twiggs, Union and Wheeler.
 - 2. January 1, 2008 and every third January 1 thereafter for the following counties: Bartow, Bleckley, Brooks, Calhoun, Candler, Chatham, Chattooga, Cobb, Colquitt, Cook, Crawford, Dawson, Douglas, Early, Echols, Effingham, Forsyth, Grady, Gwinnett, Habersham, Harris, Hart,

Henry, Houston, Jones, Lamar, Lanier, Laurens, Lee, Liberty, Lincoln, Long, Lowndes, Macon, Madison, Marion, McDuffie, Monroe, Montgomery, Pierce, Polk, Rockdale, Spalding, Taliaferro, Terrell, Treutlen, Upson, Ware, Warren, Wayne, Wilcox, Wilkes and Worth.

3. January 1, 2009 and every third January 1 thereafter for the following counties: Appling, Banks, Ben Hill, Berrien, Brantley, Bryan, Burke, Butts, Camden, Catoosa, Charlton, Clay, Clayton, Columbia, Coweta, Crisp, Dade, Decatur, DeKalb, Dodge, Dooly, Elbert, Evans, Floyd, Hancock, Heard, Jackson, Jeff Davis, Jefferson, Miller, Mitchell, Morgan, Oconee, Pulaski, Quitman, Rabun, Richmond, Schley, Seminole, Stephens, Talbot, Taylor, Telfair, Thomas, Towns, Troup, Walker, Walton, Washington, Webster, White, Whitfield and Wilkinson.
- (4) If all three of the following circumstances exist, the Commissioner may require the county tax receiver or tax commissioner to submit the digest being used for the collection of taxes. That digest may be reviewed by the Commissioner to determine if the valuations are reasonably uniform and equalized between and within counties and to determine if any grants should be withheld or any specific penalty assessed:
 - (a) The county tax receiver or tax commissioner has failed to submit the digest by the due date and has exhausted any extensions of the due date granted by the Commissioner;
 - (b) The county governing authority has successfully petitioned the superior court under § [48-5-310](#) to authorize the temporary collection of taxes on the basis of a temporary digest; and
 - (c) The property under appeal or subject to appeal is less than the maximum allowable under § [48-5-304\(a\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.56

Authority: O.C.G.A. §§ [48-2-1](#), [48-2-7](#), [48-2-12](#), [48-5-1](#) to [48-5-3](#), [48-5-7](#), [48-5-9](#), [48-5-260](#), [48-5-263](#), [48-5-274](#), [48-5-299](#), [48-5-340](#) through [48-5-349.5](#).

History. Original Rule entitled "Review of County Tax Digest by the State Revenue Commissioner" adopted. F. June 9, 1989; eff. June 29, 1989.

Amended: F. Aug. 4, 1992; eff. Aug. 24, 1992.

Repealed: New Rule of same title adopted. F. Nov. 16, 2001; eff. Dec. 6, 2001.

Amended: F. Aug. 1, 2008; eff. Aug. 21, 2008.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-2-.57. Homeowner Tax Relief Grants.

(1) For the purposes of implementing Chapter 89 of Title 36 of the Official Code of Georgia Annotated and this Rule, the following terms are defined to mean:

- (a) "Applicable rollbacks" means a rollback of an ad valorem tax millage rate pursuant to O.C.G.A. § [48-8-91\(a\)](#) in a county or municipality that levies a local option sales tax, a rollback of an ad valorem tax millage rate pursuant to O.C.G.A. § [36-70-24](#), a subtraction from an ad valorem millage rate pursuant to O.C.G.A. § [20-2-334](#) in a local school system that receives a state school tax credit, and a reduction of an ad valorem tax millage rate pursuant to O.C.G.A. § [33-8-8.3\(a\)\(2\)](#) in a county that collects insurance premium tax.
- (b) "Constitutional homestead exemption" means all statewide homestead exemptions and all local homestead exemptions that are authorized in or pursuant to the Constitution of the State of Georgia.
- (c) "County millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by a county for county maintenance and operations purposes and applying to a qualified homestead, but shall not include any ad valorem tax millage rate levied for purposes of bonded indebtedness or any ad valorem tax millage rate levied within a special tax district that was not created or reported on the 2004 ad valorem tax digest certified to and received by the State Revenue Commissioner on or before December 31, 2004.
- (d) "Current year's tax digest" means the roll of tangible properties within a county, including the qualified homesteads, that are made subject to ad valorem taxation during the calendar year that ends within the fiscal year for which the General Assembly appropriates a homeowner tax relief grant.
- (e) "Eligible assessed value" means the amount of the assessed value of a qualified homestead that the General Assembly may fix in the General Appropriations Act to serve as the basis for determining the portion of the homeowner tax relief grant that is due each owner of a qualified homestead appearing on each county's current year's tax digest.
- (f) "Homeowner tax relief credit" means the amount applied to reduce the otherwise applicable tax liability on a qualified homestead on a dollar-for-dollar basis, but shall not in any case exceed the amount of the otherwise applicable tax liability on a qualified homestead after the granting of all applicable constitutional homestead exemptions and millage rollbacks.
- (g) "Local billing authority" means the county tax commissioner when the taxes that are eligible for the homeowner tax relief credit are collected by such tax commissioner. Local billing authority means the municipal fiscal authority when the taxes that are eligible for the homeowner tax relief credit are collected by such municipal fiscal authority.

- (h) "Maximum eligible credit" means the homeowner tax relief credit amount that results when the eligible assessed value of a qualified homestead is multiplied times the applicable state, county, and school millage rates.
 - (i) "Municipal fiscal authority" means the person authorized to collect taxes for a local independent school system. This would be the county tax commissioner in a county that has contracted with a local independent school system to collect taxes, otherwise it is a person authorized by a local independent school system to collect taxes on behalf of such system.
 - (j) "Municipal millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by a municipality for maintenance and operations purposes and applying to a qualified homestead, but shall not include any ad valorem tax millage rate levied for purposes of bonded indebtedness or any ad valorem tax millage rate levied within a special tax district that was not created or reported on the 2004 ad valorem tax digest certified to and received by the State Revenue Commissioner on or before December 31, 2004.
 - (k) "Prior year's tax digest" means the roll of tangible properties within a county, including the qualified homesteads, that were made subject to ad valorem taxation during any calendar year that precedes the calendar year to which the current year's tax digest applies.
 - (l) "Qualified homestead" means a homestead qualified for the state \$2,000 homestead exemption authorized in O.C.G.A. § [48-5-44](#), and actually receiving such exemption or any other increased state homestead exemption authorized in Part 1 of Article 2 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated.
 - (m) "School millage rate" means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by or on behalf of a local school system for school maintenance and operations purposes and applying to a qualified homestead. School millage rate shall not include any ad valorem tax millage rate levied for purposes of bonded indebtedness or, in the case of local independent school systems, the school millage rate shall not include any millage rate levied by the municipality for purposes other than the maintenance and operation of such independent school system.
 - (n) "State millage rate" means the ad valorem tax millage rate levied annually by the Governor with the assistance of the State Revenue Commissioner pursuant to O.C.G.A. § [48-5-8](#).
- (2) In each year that the General Assembly provides for homeowner tax relief grants, the local billing authority shall determine the individual homeowner tax relief credit to appear on each tax bill they prepare for a qualified homestead. The total amount of credit to be allowed each such taxpayer shall be determined as follows:

- (a) The maximum state homeowner tax relief credit shall be determined by multiplying the eligible assessed value of the qualified homestead by the state millage rate.
 - (b) The state tax liability shall be determined by multiplying the net assessed value after deducting all constitutional homestead exemptions by the state millage rate.
 - (c) The state homeowner tax relief credit shall be the lower of the maximum state homeowner tax relief credit or the state tax liability computed in subparagraphs (a) and (b) of this paragraph.
 - (d) The county homeowner tax relief credit shall be determined by repeating subparagraphs (a) and (b) of this paragraph substituting the county millage rate for the state millage rate and then selecting the lower of the maximum county homeowner tax relief credit or the county tax liability.
 - (e) The school homeowner tax relief credit shall be determined by repeating subparagraphs (a) and (b) of this paragraph substituting the school millage rate for the state millage rate and then selecting the lower of the maximum school homeowner tax relief credit or the school tax liability.
 - (f) The total homeowner tax relief credit shall be determined by adding together the state, county, and school homeowner tax relief credits as determined in subparagraphs (c), (d) and (e) of this paragraph.
 - (g) The municipal homeowner tax relief credit shall be determined by repeating subparagraphs (a) and (b) of this paragraph substituting the municipal millage rate for the state millage rate and then selecting the lower of the maximum municipal homeowner tax relief credit or the municipal tax liability.
 - (h) The credit allowed the taxpayer may be reduced to 85 percent of the amount that would ordinarily be due if the property is still under appeal at the time the bills are computed. When the appeal is resolved, the taxpayer's credit shall be adjusted accordingly.
- (3)
- (a) For any owner of a qualified homestead who would, absent the homeowner tax relief credit, have an ad valorem tax liability on such homestead, the local billing authority or municipal fiscal authority shall be required to prepare and furnish a tax bill in accordance with the provisions of this subparagraph. Such bill shall be prepared even if there is no remaining tax liability after the credit has been applied. Such tax bill shall include the following information:
 - 1. The total amount of homeowner tax relief credit, labeled "HTRG Credit" on the bill; and

2. A prominent notice in substantially the following form:

"The 'HTRG Credit' reduction shown on your bill is the result of homeowner tax relief enacted by the Governor and the General Assembly of the State of Georgia."

- (b) Any homeowner tax relief credit allowed a taxpayer shall be shown on the digest extension where the net tax due is shown.
- (4)
- (a) Immediately following the actual preparation of ad valorem property tax bill amounts the tax commissioner shall provide to, if not previously provided to, the State Revenue Commissioner a copy of the digest in a computer readable format acceptable to the State Revenue Commissioner. Such copy shall contain either the following information, or information acceptable to the Commissioner from which the following information may be determined for each qualified homestead:
 1. The name of the owner(s);
 2. The parcel identification number;
 3. The tax district where such qualified homestead is located;
 4. The code for each property class and stratum as such class and stratum are defined in Rule [560-11-2-.21](#), 40 percent value and, where applicable, acres for each property class;
 5. The separate homestead codes and 40 percent values for state, county and school maintenance and operations purposes;
 6. The separate amounts of state, county and school tax liability before the homeowner tax relief credit; and
 7. The separate amounts of state, county and school homeowner tax relief credit allowed the taxpayer.
 - (b) The local billing authority shall also certify to the Commissioner on forms provided by the Department the following information:
 1. The total number of qualified homesteads;
 2. The county millage rate and school millage rate;
 3. The total amount of homeowner tax relief credits actually allowed on the tax bills for the current tax year; and

4. The net amount of homeowner tax relief credits allowed taxpayers for any prior year's tax digest, when such credits have not been previously certified. Such net amount shall be determined by deducting any homeowner tax relief credits determined to have been illegally or erroneously allowed taxpayers from any homeowner tax relief credits determined to have been illegally or erroneously denied taxpayers. Such net amount shall be accompanied by an itemized listing containing the information required in subparagraph (a) of this paragraph along with a brief explanation of the basis for each adjustment.
- (c) For those counties providing for the collection and payment of taxes in installments, the certification required in this paragraph shall be made immediately following the preparation of ad valorem tax bills for each installment. If only one bill is prepared showing the several installments, then such certification shall be made immediately following the preparation of such bill.
- (d) For those counties issuing ad valorem tax bills under temporary collections pursuant to O.C.G.A. § [48-5-310](#), the certification required in this paragraph shall be made immediately following the preparation of ad valorem tax bills for the temporary billing. The final certification shall be made immediately following the preparation of ad valorem tax bills for the final billing.
- (e) For the purposes of this paragraph, the actual preparation of the tax bill amounts means those steps and calculations necessary for the local billing authority to definitively determine the amount of homeowner tax relief credit due each qualified homestead and the total of such credits. The bills are not required to be actually printed or mailed before the certification required by this paragraph may be made to the Commissioner.
- (5) Within 60 days of receipt of the certification required by paragraph (4)(b) of this Rule, the State Revenue Commissioner shall remit to the local billing authority the homeowner tax relief grants for the state, county and school system based on the amounts certified in subparagraph (4)(b)3. and subparagraph (4)(b)4. of this Rule, unless during that time the State Revenue Commissioner determines the certification to be in error. In such an event, the State Revenue Commissioner shall require the local billing authority to provide a corrected certification and the time allowed for the State Revenue Commissioner to make the remittance shall begin anew.
- (6) The local billing authority shall distribute, after deducting appropriate commissions, the homeowner tax relief grants to the state, county, school system, and municipality as if such grants represented ad valorem taxes collected directly from the taxpayers.
- (7)
 - (a) The local billing authority shall recover any credit that is erroneously or illegally granted in the same manner as other delinquent ad valorem taxes are collected.

The local billing authority shall maintain a separate ledger or bank account entitled "Homeowner Tax Relief Credit Adjustments Account" to account for any homeowner tax relief credits that have been determined to have been illegally or erroneously granted and that have been withheld or recovered from taxpayers.

- (b) The local billing authority shall allow a taxpayer a homeowner tax relief credit when it is determined that such credit has been illegally or erroneously denied such taxpayer on the current year's tax digest. The local billing authority shall be further authorized, to the extent there are funds available in the Homeowner Tax Relief Credit Adjustments Account, to distribute such allowed credits in accordance with paragraph (6) of this Rule. When there are insufficient funds available in such account to distribute such allowed credits, the local billing authority shall not be required to distribute such credits in accordance with paragraph (6) of this Rule until such time as additional homeowner tax relief grants for this specific purpose are appropriated by the General Assembly and distributed by the State Revenue Commissioner to the local billing authority.
- (c) Any balance in the Homeowner Tax Relief Credit Adjustments Account shall be certified by the local billing authority in accordance with subparagraph (4)(b)4. of this Rule, and shall be deducted by the State Revenue Commissioner from the current year's homeowner tax relief grant distribution made in accordance with paragraph (5) of this Rule. The local billing authority shall then transfer such balance to his or her regular tax collection accounts to be added to the balance of the current year's homeowner tax relief grants, when received from the State Revenue Commissioner, and distributed in accordance with paragraph (6) of this Rule.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.57

Authority: O.C.G.A. Secs. [20-2-334](#), [33-8-8.3](#), [36-89-1](#) to [36-89-6](#), [48-2-12](#), [48-5-8](#), [48-5-44](#), [48-5-310](#), [48-8-91](#), [48-8-104](#).

History. Original Rule entitled "Homeowner Tax Relief Grants" was adopted as ER. 560-11-2-0.13-.57. F. May 27, 1999; eff. May 25, 1999, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Aug. 24, 1999; eff. Sept. 13, 1999.

Amended: F. Dec. 30, 2006; eff. Jan. 9, 2007.

Rule 560-11-2-.58. Rollback of Millage Rate When Digest Value Increased by Reassessments.

- (1) Purpose and scope. This Rule has been adopted by the Commissioner pursuant to O.C.G.A. § [48-2-12](#), and O.C.G.A. § [48-5-32.1](#) to provide specific procedures applicable to the certification of assessed taxable value of property to the appropriate authorities, computation of a rollback millage rate, and under certain circumstances, advertising the intent to increase property tax and holding required public hearings.

(2) Definitions. For the purposes of implementing this Rule, the following terms are defined to mean:

- (a) "Certified tax digest" shall mean the total taxable net assessed value on the annual tax digest that has been or will be certified by the tax receiver or tax commissioner to the Department of Revenue.
- (b) "Levying authority" shall mean a county, a municipality, or a consolidated city-county governing authority or other governing authority of a political subdivision of this state that exercises the power to levy property taxes to carry out the governing authority's purposes.
- (c) "Mill" shall mean one one-thousandth of a United States dollar.
- (d) "Millage rate" shall mean the net ad valorem tax levy, in mills, that is established by the recommending or levying authority to be applied to the net assessed value of taxable property within such authority's taxing jurisdiction for purposes of financing, in whole or in part, the recommending or levying authority's maintenance and operating expenses.
- (e) "Millage equivalent" shall mean the number of mills that would result when the total net assessed value added to or deducted by reassessments of existing real property from the prior tax year's assessed value is divided by the certified tax digest for the current tax year and the result is multiplied by the prior tax year's millage rate.
- (f) "Net assessed value" shall mean the taxable assessed value of property after all exemptions have been deducted.
- (g) "Property tax" shall mean a tax imposed by applying a millage rate that has been established by a recommending or levying authority to the net assessed value of real property subject to ad valorem taxation within a taxing jurisdiction.
- (h) "Recommending authority" shall mean a county, independent, or area school board of education that exercises the power to cause the levying authority to levy property taxes to carry out the purposes of such board of education.
- (i) "Rollback rate" shall mean the previous year's millage rate plus or minus the millage equivalent of the total net assessed value added to or deducted by reassessments of existing real property.
 - 1. The rollback rate shall be calculated for the county governing authority and county school board by the county tax commissioner.
 - 2. The rollback rate shall be calculated for the municipal governing authority and independent municipal school by the municipal tax collector.

- (j) "Taxing jurisdiction" shall mean all the real property within a county or municipality, subject to the levy of a specific levying authority or the recommended levy of a specific recommending authority.
 - (k) "Total net assessed value added by reassessments of existing real property" shall mean the total net assessed value added to or deducted from the certified tax digest as a result of revaluation by the board of tax assessors of existing real property that has not been improved since the previous tax digest year. Total net assessed value added to or deducted from reassessments of existing real property shall not include net assessment changes that result from zoning changes or net assessment changes relative to classification or declassification of real property for conservation or preferential agricultural use or for historic preservation purposes.
- (3) Calculation of rollback rate. The rollback rate shall be determined in the manner provided in this paragraph.
- (a) Estimating the certified tax digest. The recommending or levying authority may utilize an estimate of the certified tax digest to facilitate the establishment of a millage rate earlier in the year; however, the accuracy requirements of paragraph (5)(b) of this Rule must still be met before the actual certified tax digest is presented to the Commissioner for approval.
 - (b) Certification of digest to recommending and levying authorities. As soon as the total net assessed value of the certified tax digest can be accurately estimated or determined, the tax receiver or tax commissioner shall certify to the recommending and levying authorities of each taxing jurisdiction the total net assessed value of all taxable property within each respective taxing jurisdiction. Such certification shall separately show the total net assessed value added to or deducted by reassessments of existing real property and the total net assessed value of all remaining taxable property.
 - (c) Determination of rollback rate. Based on the total net assessed value of the actual or estimated certified tax digest for the current year and the actual certified tax digest and millage rate for the previous year, the levying authority or recommending authority shall determine the rollback rate with the assistance of the tax receiver or tax commissioner. The rollback rate shall be calculated using Form PT-32.1 as provided by the Department and in the manner defined in subparagraph (i) of paragraph (2) of this Rule.
- (4) Advertisement of rollback rate, press release and public hearing. The procedures for the advertising of the rollback rate, issuing the required press release and holding public hearings shall be as provided in this paragraph.
- (a) Procedure when rollback rate not exceeded. Whenever a recommending or levying authority proposes to adopt a millage rate that does not exceed the rollback rate calculated as defined in subparagraph (i) of paragraph (2) of this Rule, such

authority shall adopt the millage rate at an advertised public meeting and at a time and place which is convenient to the taxpayers of the taxing jurisdiction, in accordance with O.C.G.A. § [48-5-32](#).

- (b) Procedure when rollback rate is exceeded. Whenever a recommending or levying authority proposes to establish a general maintenance and operation millage rate that would require increases beyond the rollback rate calculated in subparagraph (i) of paragraph (2) of this Rule, such authority shall advertise its intent to do so and conduct at least three public hearings in accordance with O.C.G.A. § [48-5-32.1](#) and this subparagraph.
 - 1. Schedule of public hearings. The recommending or levying authority shall schedule the public hearings required by O.C.G.A. § [48-5-32.1](#) at convenient times and places to afford the public an opportunity to respond to the notice of property tax increase and make their opinions on the increase known to such authority. The scheduling shall conform to the following requirements:
 - (i) Convenient public hearings. Two of the three public hearings required by this paragraph shall be held at times and places that are convenient to the public and at least five business days apart. One of the three public hearings required by this paragraph shall begin between 6 PM and 7 PM, inclusive, on a business weekday. Such public hearing may be held on a day in which another public hearing under this Rule also is scheduled, but only if such other hearing is to begin no later than 12:00 noon.
 - (ii) Combination with other public hearings. A public hearing required by this paragraph may be combined with the public hearing required by O.C.G.A. § [36-81-5\(f\)](#) to be held at least one week prior to the meeting of the governing authority at which adoption of the budget ordinance or resolution will be considered. Additionally, a public hearing required by this paragraph may be combined with the meeting at which the levying or recommending authority will be setting a millage rate that must be advertised in accordance with the provisions of O.C.G.A. § [48-5-32](#).
 - (iii) Timing of public hearings. All public hearings required by this paragraph shall be held before the millage rate is finally established.
 - 2. Advertisement of public hearings. The recommending or levying authority shall advertise the public hearings required by O.C.G.A. § [48-5-32.1](#) in a manner that affords the public a timely notice of the time and place where the public hearings on the intention of such authority to increase taxes will be held. The advertisements shall conform to the following requirements:

- (i) Location of advertisement. Each advertisement for a public hearing required by O.C.G.A. § [48-5-32.1](#) shall be prominently displayed in a newspaper of general circulation serving the residents of the unit of local government placing the advertisement and shall not appear in the section of the newspaper where legal notices appear. The recommending authority or levying authority shall post such advertisement on its website at least one week prior to each hearing.
- (ii) Size of Advertisement. Each published advertisement required by O.C.G.A. § [48-5-32.1](#) must be 30 square inches or larger.
- (iii) Frequency of advertisement. Each advertisement for a public hearing required by O.C.G.A. § [48-5-32.1](#) shall be published on a date that precedes the date of such public hearing by at least one week. Each advertisement shall be at least five business days apart, however, when two public hearings required by O.C.G.A. § [48-5-32.1](#) have been scheduled on the same day in accordance with subparagraph (4)(b)(1)(i) of this Rule, both hearings may be advertised in the same day's edition of the newspaper provided they are combined in such a manner that makes it clear to the public that two separate hearings on the same subject matter are being held.
- (iv) Combining with other advertisements. The advertisements required by this subparagraph may be combined with the advertisements required by O.C.G.A. § [36-81-5\(e\)](#) and O.C.G.A. § [48-5-32\(b\)](#), provided the notice required to be published by O.C.G.A. § [48-5-32.1](#) precedes and appears at the top of the report required to be published by O.C.G.A. § [48-5-32](#).
- (v) Form of advertisement. The advertisements required by this Rule shall read exactly as provided by this Rule and not be reworded in any manner, with the exception that a brief reason or explanation for the tax increase may be included. The advertisements required of this Rule shall read as follows, with the heading that reads "**NOTICE OF PROPERTY TAX INCREASE**" appearing in all upper case and in either a bold font or a font size that is larger than the remaining body of the notice:

NOTICE OF PROPERTY TAX INCREASE

The (name of recommending authority or levying authority) has tentatively adopted a millage rate which will require an increase in property taxes by (percentage increase over rollback rate) percent.

All concerned citizens are invited to the public hearing on this tax increase to be held at (place of meeting) on (date and time).

Times and places of additional public hearings on this tax increase are at (place of meeting) on (date and time).

This tentative increase will result in a millage rate of (proposed millage rate) mills, an increase of (millage rate increase above the roll-back rate) mills. Without this tentative tax increase, the millage rate will be no more than (roll-back millage rate) mills. The proposed tax increase for a home with a fair market value of (average home value from previous year's digest rounded to the nearest \$25,000) is approximately \$(increase) and the proposed tax increase for nonhomestead property with a fair market value of (average nonhomestead property value from previous year's digest rounded to nearest \$25,000) is approximately \$(increase).

- (vi) Determination of average dollar increase. The proposed tax increase for an average home shall be calculated by multiplying the millage rate increase above the rollback rate times the average current year taxable value for properties which are granted homestead exemption. The proposed tax increase for an average nonhomestead property shall be calculated by multiplying the millage rate increase above the rollback rate times the average current year taxable value for real property which has not been granted homestead exemption.
- (vii) Determination of percentage increase. The "percentage increase over rollback rate" number that appears in the advertisements required by this subparagraph shall be determined by subtracting or adding the rollback rate from the proposed millage rate, dividing this difference by the rollback rate and expressing the results as a percentage.
- (viii) Press release. At the same time the first advertisement is made in accordance with this Rule, the recommending or levying authority shall also provide a press release to the local media that announces such authority's intention to seek an increase in property taxes and the dates, times, and locations of the public hearings thereon. The press release may contain such other information as the

recommending or levying authority deems may help the public understand the necessity for and purpose of the hearings.

- (5) Certification to Commissioner to accompany digest. Upon the submission by the tax receiver or tax commissioner of the tax digest and accompanying certifications, the Commissioner will make a determination of whether the recommending and levying authorities have complied with the provisions of O.C.G.A. § [48-5-32.1](#) and this Rule before issuing an authorization to collect taxes pursuant to O.C.G.A. § [48-5-345](#).
- (a) Evidence of compliance. The Commissioner shall not accept for review or issue an order authorizing the collection of taxes for any certified tax digest from any county tax receiver or tax commissioner that does not simultaneously submit evidence that the provisions of O.C.G.A. § [48-5-32.1](#) and this Rule have been met. Such evidence shall include Form PT-32.1 showing the calculation of the rollback rate, the actual millage rate established, a statement from the chairman of the board of tax assessors attesting to the total net assessed value added by the reassessment of existing real property, a statement from the tax collector or tax commissioner attesting to the accuracy of the digest information appearing on the form, and a statement from a responsible authority attesting to the fact that the hearings were actually held in accordance with such published advertisements. When the actual millage rate exceeds the rollback rate, such evidence shall also include copies of the published "Notice of Property Tax Increase" showing the times and places when and where the required public hearings were held and a copy of the required press release provided to the local media. A copy of the web-based publication of the Notice of Tax Increase advertisement must be certified by the respective governing or recommending authority establishing such tax increase.
- (b) Incorrectly determined rollback rate. When the Commissioner determines that the recommending or levying authority has incorrectly determined the rollback rate and has established a millage rate that is in excess of the correct rollback rate and failed to advertise a notice of tax increase and held the required public hearings or has advertised a percentage tax increase that is less than the actual tax increase, the Commissioner shall not accept the digest for review or issue an Order authorizing the collection of taxes, except in that instance when such incorrect rollback rate overestimates the taxes that may be levied without the required public hearings by less than 3 percent, in which case the digest may be accepted for review if all other digest submission requirements have otherwise been met.
- (c) Reductions to advertised millage rates. When the recommending authority or levying authority adopts a final millage rate below the rate that has been the subject of the hearings required by O.C.G.A. § [48-5-32.1](#), such authority shall not be required to begin anew the procedures and hearings required by O.C.G.A. § [48-5-32.1](#) and this Rule.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.58

Authority: O.C.G.A. Secs. [36-81-5](#), [48-2-12](#), [48-5-32](#), [48-5-32.1](#), [48-5-304](#), [48-5-311](#), [48-5-345](#), [50-13-4](#), [50-13-6](#).

History. Original Rule entitled "Rollback of Millage Rate When Digest Value Increased by Reassessments" adopted as ER. 560-11-2-0.14-.58. F. June 7, 2000; eff. June 5, 2000, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter is adopted, as specified by the Agency.

Amended: Permanent Rule adopted. F. Oct. 25, 2000; eff. Nov. 14, 2000.

Amended: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Amended: F. May 9, 2011; eff. May 29, 2011.

Rule 560-11-2-.59. Repealed and Reserved.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.59

Authority: O.C.G.A. §§ [48-2-12](#), [48-5B-1](#).

History. Original Rule entitled "Definitions - Moratorium on Valuation Increases" adopted as ER. 560-11-2-0.42-.59. F. and eff. July 30, 2009, the date of adoption.

Amended: Permanent Rule entitled "Definitions" adopted. F. Sept. 15, 2009; eff. Oct. 5, 2009.

Repealed: F. May 30, 2014; eff. June 19, 2014.

Rule 560-11-2-.60. Effective Date; Limitations on Valuation Increases.

- (1) For any county that has or has fully implemented a Comprehensive County-wide Revaluation Plan, the limitations imposed by O.C.G.A. § [48-5B-1](#) shall be effective beginning with the 2010 tax year.
 - (a) In all other situations, such limitations shall be effective for the 2009 tax year.
- (2) During the county's Moratorium Period, the county's right to increase a property's value for any later tax year is limited as set forth in subsections (c) through (g) of O.C.G.A. § [48-5B-1](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.60

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5B-1](#).

History. Original Rule entitled "Effective Date; Limitations on Valuation Increases - Moratorium on Valuation Increases" adopted as ER. 560-11-2-0.42-.60. F. and eff. July 30, 2009, the date of adoption.

Amended: Permanent Rule entitled "Effective Date; Limitations on Valuation Increases" adopted. F. Sept. 15, 2009; eff. Oct. 5, 2009.

Rule 560-11-2-.61. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.61

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5B-1](#).

History. Original Rule entitled "Digest Reporting - Moratorium on Valuation Increases" adopted as ER. 560-11-2-0.42-.61. F. and eff. July 30, 2009, the date of adoption.

Amended: Permanent Rule entitled "Digest Reporting" adopted. F. Sept. 15, 2009; eff. Oct. 5, 2009.

Repealed: F. Mar. 3, 2011; eff. Mar. 23, 2011.

Rule 560-11-2-.62. Appraisal Staff Definitions.

"Assessment contractor" means a person or individual who contracts with a county to render advice or assistance to the county board of tax assessors in the assessment and equalization of taxes, the establishment of property valuations, or the defense of such valuations. Such contracted services may include timber appraisals, real and personal property appraisals, personal property auditing, and tax parcel mapping; but shall not include legal services, or clerical, and administrative services. Persons or individuals performing services as an Assessment Contractor must meet education requirements as set forth in Department regulations.

"Chief appraiser" means a fulltime member of a county appraisal staff who has received the designation of Appraiser III or IV from the Georgia Department of Revenue Georgia Certification Program for Tax Officials and who has been designated by such county board of assessors as chief appraiser.

"County appraisal staff" are individuals employed by a county to perform tax appraisals for the purpose of producing an annual ad valorem tax digest. The governing authorities of any two or more counties may execute an intergovernmental agreement to provide for the sharing of one or more individual appraisal staff members following consultation with the county boards of assessors.

"Designated county appraiser", as used in Georgia Code Section [48-5-267](#), means a county appraisal staff member who has earned the Certified Assessment Evaluator or Certified Personal Evaluator designation as conferred by the International Association of Assessing Officials or the Georgia Certified Appraiser designation conferred by the Georgia Association of Assessing Officials.

"Joint County Appraisal Staff" means individuals employed under an intergovernmental agreement between two or more counties to perform tax appraisals for the purpose of producing the annual ad valorem tax digests for each participating county subject to such intergovernmental agreement.

Cite as Ga. Comp. R. & Regs. R. 560-11-2-.62

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-269](#).

History. Original Rule entitled "Appraisal Staff Definitions" adopted. F. Jan. 4, 2016; eff. Jan. 24, 2016.

Subject 560-11-3. FORMS.

Rule 560-11-3-.01. Request for Forms.

Requests for forms may be made, in person or by mail, at the Department of Revenue, Property Tax Unit, State Office Building, Atlanta, Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.01

Authority: Ga. L. 1937-38. Extra Sess., pp. 77. *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Request for Forms" was filed and effective on June 30, 1965.

Rule 560-11-3-.02. Application for State Financial Assistance.

Forms are available to apply for state financial assistance and for approval to secure a commercial loan. The applications, available in the above office, should be filed in triplicate with the State Revenue Commissioner. These forms shall be used by the county seeking state assistance. It shall list the appraisal firms, the bids received and the firm to which the appraisal contract has been awarded. It shall be signed by the County Board of Commissioners of Roads and Revenues, Commissioner of Roads and Revenues, or Ordinary.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Application for State Financial Assistance" was filed and effective on June 30, 1965.

Rule 560-11-3-.03. Contract.

The form of agreement to be used as the contract between the contracting firm and the county shall be the one supplied by the Property Tax Unit, which is available at the above address and should be filed with the Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.03

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Contract" was filed and effective on June 30, 1965.

Rule 560-11-3-.04. Public Utility Financial Report-Form PT-29.

This report is filed by public utilities and reports the financial condition of the public utility as of January 1. This report must be filed by March 1.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.04

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Public Utility Financial Report - Form PT-29" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.05. Power Company Annual Return for Taxation- Form PL-56.

This return is filed by power companies and reports all property owned by the power company on January 1. This return must be filed by March 1.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.05

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Power Company Annual Return for Taxation-Form PL-56" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.06. Gas or Water Company Annual Return for Taxation - Form PT-57.

This return is filed by gas or water companies and reports all property owned by the gas or water company on January 1. This return must be filed by March 1.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Gas or Water Company Annual Return for Taxation-Form PT-57" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.07. Railroad Company Annual Return for Taxation -Form PT-58.

This return is filed by railroad companies and reports all property owned by the railroad company on January 1. This return must be filed by March 1.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.07

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Railroad Company Annual Return for Taxation-Form PT-58," was filed on May 25, 1971, effective June 14, 1971.

Rule 560-11-3-.08. Telephone or Telegraph Company Annual Return for Taxation-Form PT-59.

This return is filed by telephone or telegraph companies and reports all property owned by the telephone or telegraph company on January 1. This return must be filed by March 1.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.08

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Telephone or Telegraph Company Annual Return for Taxation-Form PT- 59" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.09. Intangible Property Tax Return-Form PL-159.

This return is filed by individuals, partnerships, associations, fiduciaries and corporations and reports all intangible property owned as of January 1. This return must be filed by April 15.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.09

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Intangible Property Tax Return-Form PL-159" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.10. Report of Corporation's Stockholders and Bondholders-Form PL-160.

This form is filed by domestic and foreign corporations and reports all stockholders and bondholders of the corporation as of January 1.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.10

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Report of Corporation's Stockholders and Bondholders-Form PL-160" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.11. Summary Report to Accompany Form PL-160- Form PL-161.

This verifies and is attached to the PL-160 forms filed by the corporation. This report, together with all PL-160 forms, must be filed by March 1.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.11

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Summary Report to Accompany Form PL-160-Form- PL 161" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.12. Report of Intangible Property Held for Georgia Residents-Form PL-170.

This report is filed by public officials, corporations, co-partnerships, individuals, trustees or pledgees, and reports all securities held on January 1 for the use, benefit or accommodation of any person or firm residing in Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.12

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Report of Intangible Property Held for Georgia Residents-Form PL-170" was filed

on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.13. Summary Report to Accompany Form PL-170- Form PL-171.

This report verifies and is attached to the PL-170 forms filed. This report, together with all PL-170 forms, must be filed by March 1.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.13

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Summary Report to Accompany Form PL-170-Form PL-171" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.14. Estate Tax Return Form.

A copy of the Federal Estate Tax Return Form is filed with the Property Tax Unit.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.14

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427).

History. Original Rule entitled "Estate Tax Return Form" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.15. Real Estate Transfer Tax Form-PT-61.

This form is completed by the seller or the seller's authorized agent and must be submitted in quadruplicate (1 original and 3 copies) to the Clerk of Superior Court before any lands, tenements or other realty transferred can be filed for record or recorded by the Clerk of Superior Court. This form discloses the value of property conveyed or transferred and amount of tax due.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.15

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L 1967, pp. 788, 790, as amended; O.C.G.A. Secs. [48-2-1](#), [48-2-7](#), [48-2-12](#), [48-5-15](#), [48-5-20](#), [48-5-269](#), [48-6-1](#) to [48-6-10](#).

History. Original Rule entitled "Real Estate Transfer Tax Form-PT-61" was filed on May 25, 1971; effective June 14, 1971.

Amended: F. Jun. 9, 1989; eff. Jun. 29, 1989.

Repealed: New Rule, same title, adopted. F. Nov. 9, 1993; eff. Nov. 29, 1993.

Rule 560-11-3-.16. Monthly Reporting Form-Real Estate Transfer Tax-PT-62.

This form is completed monthly by the Clerk of Superior Court and accompanies all forms PT-61 to the Revenue Commissioner. This form provides for the documentation by the Clerk of total

number of taxable transactions, total tax collected, and amount of commissions retained by the Clerk for collecting the tax.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.16

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1967, pp. 788, 790, as amended.

History. Original Rule entitled "Monthly Reporting Form-Real Estate Transfer Tax-PT-62" was filed on May 25, 1971; effective June 14, 1971.

Rule 560-11-3-.17. Property Tax Bill-General Property Tax-PT- 63.

This form is prepared annually by the county tax commissioner or collector and furnished to each taxpayer who owes State, county or county school tax for the current tax year. The form shows the total amount of such taxes levied on property owned by the taxpayer, the amount of property tax credit granted by Act of the 1973 Session of Georgia's General Assembly, and the net amount of such taxes due for the current tax year.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.17

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga Code Ann. Secs. 92-8405, 8406, 8409, 8427); Act No. 229, 1973 Session of General Assembly.

History. Original Rule entitled "Property Tax Bill-General Property Tax-PT-63" was filed on May 17, 1973; effective June 6, 1973.

Rule 560-11-3-.18. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.18

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-105.1](#).

History. Original Rule entitled "Tangible Personal Property Tax Return -Form PT-50" was filed on Oct. 5, 1982; eff. Oct. 25, 1982.

Amended: Rule repealed, new Rule same title adopted. F. June 6, 1983; eff. June 26, 1983.

Repealed: F. Feb. 2, 2000; eff. Feb. 22, 2000.

Rule 560-11-3-.19. Farm Property Preferential Assessment/Application/Covenant Form.

- (1) In order for tangible real property to qualify for the preferential assessment provided for in O.C.G.A. Sections [48-5-7](#) and [48-5-7.1](#), its primary use must be the good faith commercial production of agricultural products. Such land must be devoted to bona fide agricultural purposes, which as a general rule, contemplates both the usage of multiple acre tracts and an overall pursuit of profit. The mere ownership of multiple acres whose primary use is not the good faith commercial production of agricultural products but is only used in the limited, occasional or sporadic production of agricultural products would not qualify for the preferential assessment.

- (2) For purposes of this regulation, the following terms are defined to mean:
- (a) "Bona fide agricultural purposes" means the production, as a part of an overall business pursuit engaged in for profit of one or more types of agricultural products including horticultural products, floricultural products, forestry products, dairy products, livestock products, poultry products, apiarian products, and any other form of farm product.
 - (b) "Good faith commercial production" means an overall business pursuit factually and genuinely engaged in for the primary purpose of producing agricultural products for a profit.
 - (c) "Primary use" means that use which is the principal, chief and leading use or activity to which the property is devoted.
 - (d) "Storage or processing of agricultural products" means to put or set aside agricultural products for safekeeping or for use when needed or the act or series of acts performed upon agricultural products to transform such products into a different state of condition.
- (3) O.C.G.A. Section [48-5-7.1](#) requires the State Revenue Commissioner to annually submit a report to the Governor and General Assembly which, among other things, shows the fiscal impact of preferential assessment and the assessed value eliminated from each county's digest as a result of such assessment. To aid in the collection of such data for statistical accounting purposes, tangible real property which receives the preferential assessment shall utilize an identification code of A-3 and improvements which are devoted to the storage or processing of agricultural products from or on such property shall utilize an identification code of A-1.
- (4) All applications for the preferential assessment of tangible real property devoted to bona fide agricultural purposes as set forth in O.C.G.A. Section [48-5-7.1](#) and O.C.G.A. Section [48-5-7.1](#) as well as the covenant described therein shall be made upon the form adopted by the State Revenue Commissioner for that purpose. Form PT-230 set forth below has been adopted by the Commissioner for said purpose.

PT 220 (7-83) APPLICATION FOR PREFERENTIAL AGRICULTURAL ASSESSMENT FOR OFFICIAL USE ONLY

NAME OF OWNER		PARCEL IDENTIFICATION NUMBER	
NAME OF FAMILY FARM CORPORATION (if applicable)		TAXPAYER ACCOUNT NUMBER	
MAILING ADDRESS		COUNTY NO. YEAR NO.	
CITY	STATE	ZIP CODE	
TO THE BOARD OF TAX ASSESSORS OF _____ COUNTY		DATE FILED	
IN ACCORDANCE WITH THE PROVISIONS OF THE STATE CONSTITUTION AND LAWS AUTHORIZING PREFERENTIAL ASSESSMENT OF BONA FIDE AGRICULTURAL PROPERTY AT 75% OF THE VALUE WHICH OTHER TANGIBLE REAL PROPERTY IS ASSESSED, I HEREBY MAKE APPLICATION FOR PREFERENTIAL ASSESSMENT ON THE FOLLOWING DESCRIBED PROPERTY.		DATE APPROVED DATE DENIED	
PHYSICAL ADDRESS OF PROPERTY		DATE NOTIFIED DATE APPEALED	
NUMBER OF ACRES LAND DISTRICT OR G.M.D. LAND LOT		YEAR COVENANT BEGINS ENDS	
RECORDED DEED BOOK AND PAGE		TAX DISTRICT	

PLEASE STATE THE NUMBER AND TYPE OF STORAGE AND PROCESSING BUILDINGS LOCATED ON THE PROPERTY:

Please state the number of acres used for the following purposes:

Horticultural	Dairy	Applan Products
Forestry	Livestock	Agriculture Products
	Poultry	Other Farm Products

COVENANT AGREEMENT

In consideration of my receipt of the preferential assessment provided for in O.C.G.A. § 48-5-7 and 7-1, the undersigned, do hereby solemnly swear, covenant and agree that:

I am the lawful owner of the property described on the reverse side of this document or, if said property is owned by a family-farm corporation, I am authorized to execute this document on behalf of said corporation.

I have personal knowledge of the property described thereon and that the primary use of said property is good faith commercial production of agricultural products with a sincere intention to produce products for profit.

I have not received or made a pending application for preferential assessment in this county or any other county with respect to any property, which taken together with this property, would exceed 2000 acres.

No person who has a beneficial interest in this property, including any interest in the nature of stock ownership, will receive any benefit of preferential assessment as to more than 2000 acres in any one year.

I agree to maintain and use this property in bona fide agricultural purposes as defined by O.C.G.A. § 48-5-7, 1 (a) for a period of at least 10 years. Said 10 year period shall begin on January 1st of the year immediately following the year in which this covenant is executed and shall continue through and including the last day of December of the 10th succeeding year.

I hereby agree to immediately notify the Board of Tax Assessors, in writing, in the event there is a change in use or ownership of said property.

I understand that, if this covenant is breached, a penalty shall be imposed as provided for by law. Said penalty shall be interest as provided for by law and that said penalties and interest shall constitute a lien against the property described hereon.

If said property is owned by a family-farm corporation, 80% or more of its gross income for the year immediately preceding the year for which this covenant will begin was derived from bona fide agricultural purposes carried out on tangible real property located in this state, which property is devoted to bona fide agricultural purposes.

All the data contained on this form is true, correct and complete.

Given under my hand and seal this _____ day of _____, 19____.

(Notary Public) _____ (Authorized Signature) (Seal)

(Unaffiliated Witness)

Georgia law, O.C.G.A. Section 48-5-7, 1, provides that, if this application is denied, the applicant may appeal. Such appeal shall be made in the same manner that other property tax appeals are made pursuant to Code Section 48-5-311.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.19

Authority: O.C.G.A. Secs. [48-5-7](#), [48-5-7.1](#).

History. Original Rule entitled "Farm Property Preferential Assessment/Application/Covenant Form" was filed on October 28, 1983; effective November 17, 1983.

Rule 560-11-3-.20. Property Tax Bill - Electronic Election.

In the discretion of the tax commissioner, the taxpayer may make an election on form prescribed by the Commissioner to receive tax bills or subsequent delinquent notices via electronic transmission in lieu of, or in addition to, receiving a paper bill via first-class mail. Following such election, the tax bill shall be transmitted to the taxpayer via e-mail, with delivery or read receipt requested, in portable document format using all e-mail addresses provided by the taxpayer, and the date shown on such transmission shall serve as a postmark. In any instance where such transmission proves undeliverable, the tax commissioner shall mail such tax bill or subsequent delinquent notice to the address of record as found in the county board of tax assessors' records.

Cite as Ga. Comp. R. & Regs. R. 560-11-3-.20

Authority: O.C.G.A. Secs. [48-2-12](#), [48-3-3](#).

History. Original Rule entitled "Property Tax Bill - Electronic Election" adopted. F. Jan. 4, 2016; eff. Jan. 24, 2016.

Subject 560-11-4. REPEALED.

Rule 560-11-4-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.01

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Definitions" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule entitled "Application of Chapter" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: New Rule of same title adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Rule 560-11-4-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.02

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Qualification Requirements" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule entitled "Definitions" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Rule 560-11-4-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.03

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Applications" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule entitled "Qualification Requirements" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Rule 560-11-4-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.04

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Change of Qualifying Use" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule entitled "Applications" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: New Rule of same title adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Repealed: New Rule of same title adopted. F. Feb. 24, 1997; eff. Mar. 16, 1997.

Repealed: New Rule of same title adopted. F. Mar. 10, 1999; eff. Mar. 30, 1999.

Amended: F. Feb. 2, 2000; eff. Feb. 22, 2000.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Rule 560-11-4-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.05

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Breach of Covenant" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule entitled "Change of Qualifying Use" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Rule 560-11-4-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.06

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Valuation of Qualified Property" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule entitled "Breach of Covenant" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Rule 560-11-4-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.07

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Appeals" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule entitled "Valuation of Qualified Property" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Rule 560-11-4-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.08

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Table of Conservation Use Land Values" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule entitled "Appeals" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Rule 560-11-4-.09. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-11-4-.09

Authority: O.C.G.A. Secs. [48-2-1](#), [48-2-12](#), [48-5-7](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Table of Conservation Use Land Values" adopted. F. May 28, 1993; eff. June 17, 1993.

Amended: F. Jan. 24, 1994; eff. Feb. 13, 1994.

Repealed: New Rule of same title adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Repealed: New Rule of same title adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996.

Repealed: New Rule of same title adopted. F. Feb. 24, 1997; eff. Mar. 16, 1997.

Repealed: New Rule of same title adopted. F. Jan. 27, 1998; eff. Feb. 16, 1998.

Repealed: New Rule of same title adopted. F. Mar. 10, 1999; eff. Mar. 30, 1999.

Amended: F. Feb. 2, 2000; eff. Feb. 22, 2000.

Amended: F. Apr. 20, 2001; eff. May 10, 2001.

Repealed: Rule reserved. F. Mar. 11, 2002; eff. Mar. 31, 2002.

Subject 560-11-5. TAXATION OF STANDING TIMBER.

Rule 560-11-5-.01. Forms.

- (1) The Commissioner shall prepare and furnish a form, herewith adopted and designated as PT-283T, to be used by purchasers and sellers of standing timber to report taxable sales or harvests under this Chapter. Reports of unit price sales filed with the local county authorities shall be confidential, shall not be revealed to any persons other than authorized tax officials, and shall be exempt from disclosure under Article 4 of Chapter 18 of Title 50 of the Official Code of Georgia.
- (2) The Commissioner shall prepare and furnish a form, herewith adopted and designated as PT-283TQ, to be used by purchasers when filing with the Commissioner the composite quarterly report required by Regulation [560-11-5-.05\(2\)](#), of all purchases of standing timber by lump sum sales reflecting total volumes and total prices paid for the various timber product classes purchased during the preceding calendar quarter.
- (3) A computer generated form PT-283T and form PT-283TQ may be used by any person reporting timber sales and harvests if the computer generated forms provide the necessary information and have been approved by the Commissioner.
- (4) All form PT-283T reports and all approved computer generated PT-283T reporting forms filed with the county tax collector or tax commissioner and the board of tax assessors shall be retained for a period of three years after the date of receipt after which these may be disposed of consistent with any records disposition standards adopted by the appropriate authority of the county.

Cite as Ga. Comp. R. & Regs. R. 560-11-5-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-2](#), [48-5-7.4](#), [48-5-7.5](#).

History. Original Rule entitled "Forms" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule of same title adopted. F. Jan. 27, 1998; eff. Feb. 16, 1998.

Rule 560-11-5-.02. Definitions.

- (1) For the purpose of implementing O.C.G.A. Section [48-5-7.5](#) and these regulations, the following terms are defined to mean:
 - (a) "Applicable millage rates" shall mean the millage levied by the taxing authority on tangible property for the preceding calendar year.
 - (b) "Sale" of standing timber shall mean the arm's length, bona fide sale of standing timber for harvest separate and apart from the underlying land and shall not include the simultaneous sale of a tract of land and the standing timber thereon.
 - (c) "Standing timber" shall be defined to include softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood. Such term shall not include any of the following:
 1. Orchard trees, ornamental or Christmas trees;

2. By-products of standing timber such as straw, cones, leaves or turpentine;
 3. By-products of harvesting such as bark or stumps that are not included in the consideration between buyer and seller in lump sum or unit price sales;
or
 4. Fuel wood harvested by the owner from his own property which is used exclusively for heating purposes within the premises occupied by said owner.
- (d) "Timber product classes" shall be defined as follows:
- 1) softwood pulpwood,
 - 2) hardwood pulpwood,
 - 3) softwood chip-n-saw,
 - 4) softwood saw timber,
 - 5) hardwood saw timber,
 - 6) softwood poles,
 - 7) softwood posts,
 - 8) hardwood posts,
 - 9) softwood fuel wood chips,
 - 10) hardwood fuel wood chips,
 - 11) softwood fuel wood firewoodand
 - 12) hardwood fuel wood firewood.
- (e) "Total property tax digest" means the total net assessed value to which the levy for maintenance and operations purposes shall be applied, and consists of all taxable tangible real and personal property appearing on the county tax digest for the applicable tax year including motor vehicle property, mobile home property and property of railroad and public utility companies.

Cite as Ga. Comp. R. & Regs. R. 560-11-5-.02

Authority: Ga. L. 1937-38, Ex. Sess. p. 77 (Ga. Code Sec. [48-2-12](#)); Ga. L. 1991, p. 1903 (Ga. Code Sec. [48-5-7.4](#)).

History. Original Rule entitled "Definitions" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule, same title, adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996.

Rule 560-11-5-.03. Taxable Timber Sales and Harvests.

- (1) Where standing timber is sold by timber deed, contract, lease, agreement, or otherwise to be harvested within a three-year period after the date of the sale and for a lump sum price, the standing timber to be harvested within said three-year period shall be assessed for taxation as of the date of the sale. The tax shall be levied based upon the total lump sum price paid by the purchaser in an arm's length bona fide sale.
 - (a) Ad valorem taxes shall be assessed as of the date of the sale and shall be payable by the seller who shall remit the amount of the taxes due to the purchaser in the form of a negotiable instrument payable to the tax collector or tax commissioner. The purchaser shall remit the seller's negotiable instrument to the tax collector or tax commissioner within five business days after receipt from the seller along with a report of the sale using form PT-283T or a computer generated form PT-283T as approved by the Commissioner, and the tax collector or tax commissioner shall promptly deliver a receipt to the seller showing the tax has been paid. The purchaser shall be personally liable for the tax if he does not remit the seller's negotiable instrument as required or if he fails to collect the negotiable instrument from the seller and in any event he shall remit the taxes due to the tax collector or tax commissioner within five business days of the date of the sale. With said remittance, a copy of the report form PT-283T or a computer generated form PT-283T as approved by the Commissioner, shall also be furnished by the purchaser to the board of tax assessors.
 - (b) Any standing timber described in any sale instrument which is not harvested within three years after the date of the sale shall later be assessed for taxation following its future harvest or sale. In the event it is later harvested by the original purchaser, the board of tax assessors shall use the table of values prescribed by the Commissioner in Regulation [560-11-5-.05\(1\)](#), and the taxes shall be paid by the original purchaser; otherwise, upon its sale or harvest after three years, the procedures for taxation shall be according to the manner in which such timber is sold or harvested.
 - (c) The ad valorem taxes on lump sum sales shall be paid to the tax collector or tax commissioner prior to and as a prerequisite for the filing for record with the clerk of superior court any instrument conveying the standing timber upon which taxes are due and payable, and no such instrument shall be recorded unless it has entered upon or attached thereto a certificate from the tax collector or tax commissioner showing that the taxes have been paid.
- (2) Where standing timber is sold, in an arm's length, bona fide sale, by timber deed, contract, lease, agreement, or otherwise by unit prices, the purchaser shall furnish to the seller and to the board of tax assessors a report form PT-283T or a computer generated

form PT-283T as approved by the Commissioner, reflecting the total dollar value paid to the seller as well as the individual volumes of timber harvested identified by timber product classes. The report shall cover all timber harvested through the last business day of the immediately preceding calendar quarter and it shall be furnished to the seller and the board of tax assessors within 45 days after the end of the calendar quarter during which the timber is harvested. A copy of the report PT-283T or a computer generated form PT-283T as approved by the Commissioner shall also be furnished by the seller to the board of tax assessors within 60 days after the end of each calendar quarter.

- (a) Ad valorem taxes shall be payable to the tax collector or tax commissioner as specified by Regulation [560-11-5-.04\(3\)](#) based upon the fair market value of the harvested timber which shall be the total dollar values paid by the purchaser in the arm's length, bona fide sale.
- (3) Where standing timber is harvested by the owner of such timber from his own land, the owner shall, within 45 days after the end of the calendar quarter, file with the board of tax assessors a report form PT-283T or a computer generated form PT-283T as approved by the Commissioner of the volumes harvested through the last business day of the calendar quarter.
 - (a) Ad valorem taxes on owner harvest timber shall be payable to the tax collector or tax commissioner within 45 days after the end of the calendar quarter, based upon the fair market value of the harvested timber which shall be the total dollar values calculated using the average standing timber price schedule specified by Regulation [560-11-5-.05\(1\)](#).
- (4) Every sale and every harvest of standing timber occurring on or after January 1, 1992 that has not been previously taxed shall be a taxable event, with the exception of those sales of standing timber not to be harvested within three years. Where standing timber is sold or harvested (excepting only a sale not for harvest within three years) in any manner which is not a reportable taxable event under these Regulations as a lump sum sale, a unit price sale, or an owner harvest, such timber shall be subject to ad valorem taxation. Any such sale or harvest shall be reported and taxed under whichever provisions of this Regulation is most nearly applicable.
 - (a) Where, at the time of harvest, the standing timber owner does not own the underlying land and has not acquired such timber under a taxable lump sum or unit price sale, as would be the case where timber has been acquired prior to January 1, 1992, the harvest of such timber shall be a taxable event and shall be treated as an owner harvest, with the exception that the reporting requirement and the payment of taxes due shall be the responsibility of the owner of the standing timber instead of the underlying landowner.

Cite as Ga. Comp. R. & Regs. R. 560-11-5-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-2](#), [48-5-7.4](#), [48-5-7.5](#).

History. Original Rule entitled "Taxable Timber Sales and Harvest" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule of same title adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996.

Repealed: New Rule of same title adopted. F. Jan. 27, 1998; eff. Feb. 16, 1998.

Rule 560-11-5-.04. Procedures for Timber Taxation.

- (1) Standing timber shall be assessed for ad valorem taxation only once upon its sale or harvest as required by O.C.G.A. [48-5-7.5](#) and these Regulations. Said tax shall be levied upon the 100% fair market value of such timber as prescribed using applicable millage rates for each taxing jurisdiction.
- (2) Where, with respect to any taxable event, the board of tax assessors has reason to believe that the reported sale is other than an arm's length, bona fide sale or that the reported volumes or values of the transaction are incorrect, the board may inquire into the transaction and make corrections to the fair market value of the timber in the same manner as changes to the fair market value of other taxable, tangible property are made. In any such instance, the taxpayer notification procedures, the appeal rights and remedies, and the hearing procedures shall all be accomplished in the same manner that other ad valorem tax assessments and appeals are accomplished.
- (3) The tax collector or tax commissioner shall prepare and mail, on a quarterly basis, tax bills for ad valorem taxes due on sales and harvests other than lump sum sales and owner harvests. Except as otherwise provided in these Regulations, such taxes shall be payable by the landowner within 30 days after receipt of the tax bill. For the purpose of this Regulation, receipt of the tax bill shall be presumed to have occurred within one day after the date of mailing for taxpayers who are residents of the county and within three days after the date of mailing for taxpayers who are not residents of the county.

Cite as Ga. Comp. R. & Regs. R. 560-11-5-.04

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7.4](#).

History. Original Rule entitled "Procedures for Timber Taxation" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule of same title adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996.

Rule 560-11-5-.05. Average Standing Timber Price Schedule.

- (1) Within 60 days after the end of each calendar year, the Commissioner shall provide the board of tax assessors of each county with a table of the weighted average prices paid for the various timber product classes in each county or region of the State. In preparing this table of standing timber values, the Commissioner, so far as is reasonable and applicable, shall consider reports received by the Department of prices paid, as well as information prepared by and recommendations received from the Georgia Forestry Commission. The Commissioner may also consider commercially available sources of average sales prices. The most recent table of standing timber values furnished by the Commissioner shall be used by the board of tax assessors to determine the fair market value of harvested timber subject to taxation for taxable events other than taxable lump sum sales or taxable unit

price sales. Taxpayer appeals of such determinations by the board of tax assessors shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section [48-5-311](#).

- (2) In addition to the filing with appropriate county authorities of reports of standing timber harvests and sales, purchasers shall, within 45 days after the end of the quarter, file with the Commissioner composite quarterly reports, using form PT-283TQ, of all purchases by county of standing timber by lump sum sales and unit price sales reflecting total volumes and total prices paid for the various timber product classes purchased during the preceding calendar quarter. Such quarterly reports shall not be subject to the penalty provisions of O.C.G.A. Section [48-5-7.5](#). Such quarterly reports shall be subject to the confidentiality provisions of O.C.G.A. Section [48-2-15](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-5-.05

Authority: Ga. L. 1937-38, Ex. Sess. p. 77 (Ga. Code Sec. [48-2-12](#)); Ga. L. 1991, p. 1903 (Ga. Code Sec. [48-5-7.4](#)).

History. Original Rule entitled "Average Standing Timber Price Schedule" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Repealed: New Rule, same title, adopted. F. Jan. 29, 1996; eff. Feb. 18, 1996.

[Rule 560-11-5-.06. County Digest Timber Supplement.](#)

Where the total property tax digest for any county for tax years 1992 through 1995 is so affected by the new method of ad valorem taxation of standing timber that a supplement to the digest is authorized by O.C.G.A. Section [48-5-7.5](#), the supplemental assessment shall be assessed and taxes shall be levied against the land underlying the standing timber so removed from the digest. The supplemental assessment shall be assessed against each such property in a pro rata manner based upon the value of standing timber on each such property that was removed from the digest.

Cite as Ga. Comp. R. & Regs. R. 560-11-5-.06

Authority: Ga. L. 1937-38, Ex. Sess. p. 77 (Ga. Code Sec. [48-2-12](#)); Ga. L. 1991, p. 1903 (Ga. Code Sec. [48-5-7.4](#)).

History. Original Rule entitled "County Digest Timber Supplement" adopted. F. Jan. 21, 1992; eff. Feb. 10, 1992.

Subject 560-11-6. CONSERVATION USE PROPERTY.

[Rule 560-11-6-.01. Application of Chapter.](#)

Regulations in this Chapter apply to the current use valuation of property provided for in Georgia Code [48-5-7.4](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.01

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Application of Chapter" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: New Rule of same title adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Rule 560-11-6-.02. Definitions.

For the purposes of implementing O.C.G.A. Section [48-5-7.4](#), O.C.G.A. Section [48-5-269](#) and these Regulations, the following terms are defined to mean:

- (a) "Beneficial interest," in addition to legal ownership or control, means the right to derive any profit, benefit, or advantage by way of a contract, stock ownership or interest in an estate;
- (b) "Contiguous" means real property within a county that abuts, joins, or touches and has the same undivided common ownership. If an applicant's tract is divided by a public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track, then the applicant has, at the time of the initial application, a one-time election to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track.
- (c) "Continued Covenant" means a covenant entered and carried forward, for the remainder of the original or renewal covenant term, by a qualified subsequent owner who has acquired all or a part of a property;
- (d) "Good Faith Production" means:
 - 1. A viable utilization of the property for the primary purpose of any good faith production, including, but not limited to, subsistence farming or commercial production, from or on the land of agricultural products or timber;
 - 2. The primary use of the property shall include, but not be limited to:
 - (i) Raising, harvesting, or storing crops;
 - (ii) Feeding, breeding, or managing livestock or poultry;
 - (iii) Producing plants, trees, fowl, or animals;
 - (iv) Production of aquaculture, horticulture, floriculture, forestry, dairy, livestock, poultry, or apiarian products; or
 - (v) Land conservation and ecological forest management in which commercial production of wood and wood fiber products may be undertaken primarily for conservation and restoration purposes rather than financial gain.
 - 3. Factors which may be considered in determining if such property is primarily used for good faith production of agricultural products or timber may include, but are not limited to:

- (i) The nature of the terrain;
 - (ii) the density of the marketable product on the land;
 - (iii) the past usage of the land;
 - (iv) the economic merchantability of the agricultural product; and
 - (v) the utilization or non-utilization of recognized care, cultivation, harvesting, and like practices applicable to the product involved and any implemented plans thereof;
- (e) "Maintenance in its natural condition" means to manage the land in such a manner that would not ruin, erode, harm, damage, or spoil the nature, distinctiveness, identity, appearance, utility or function that originally characterized the property as environmentally sensitive under O.C.G.A. Section [48-5-7.4\(a\)\(2\)](#);
- (f) "Mineral exploration" means the examination and investigation of land by drilling, boring, sinking shafts, driving tunnels, or other means, for the purpose of discovering the presence and extent of valuable minerals. Such term does not include the excavation of any such minerals after discovery;
- (g) "Primary purpose or primary use" means the principal use to which the property is devoted, as distinct from an incidental, occasional, intermediate or temporary use for some other purpose not detrimental to or in conflict with its primary purpose, i.e., the devotion to and utilization of the property for the full time necessary and customary to accommodate the predominant use, e.g. the growing season, the crop cycle or planting to harvest cycle;
- (h) "Qualifying use" means the primary use to which the property is devoted that qualifies the property for current use valuation under O.C.G.A. Section [48-5-7.4](#);
- (i) "Renewal Covenant" means an additional ten year covenant entered upon the expiration of a previous ten year covenant; provided, however, that the owner may enter into a renewal contract in the ninth year of a covenant period;
- (j) "Tract" means a parcel of property, less underlying property excluded from the covenants for residences, that is delineated by legal boundaries, levying authorities tax district boundaries, or other boundaries designated by the tax assessors to facilitate the proper identification of property on their maps and records.
- (k) "Underlying Property" means the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less for which the taxpayer has provided documents which delineate the legal boundaries so as to facilitate the proper identification of such property on the board of tax assessors maps and records.

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.02

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Definitions" adopted. F. May 28, 1993; eff. June 17, 1993.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Amended: F. May 18, 2015; eff. June 7, 2015.

Rule 560-11-6-.03. Qualification Requirements.

In addition to those requirements of O.C.G.A. [48-5-7.4](#), the following qualification requirements shall apply:

- (a) Property that otherwise qualifies for current use valuation as bona fide agricultural property shall exclude the entire value of any residence and its 'underlying property'. This provision for excluding the 'underlying property' of a residence from eligibility in the conservation use covenant shall only apply to property that is first made subject to a covenant or is subject to the renewal of a previous covenant. Additionally, the taxpayer shall provide any one of the following types of legal descriptions regarding such 'underlying property':
 1. A plat of the 'underlying property' prepared by a licensed land surveyor, showing the location and measured area of the 'underlying property' in question;
 2. A written legal description of the 'underlying property' delineating the legal metes and bounds and measured area of the 'underlying property' in question; or
 3. Such other alternative property boundary description as mutually agreed upon by the taxpayer and county assessor. An acceptable alternative property boundary description may include a parcel map drawn by the county cartographer or GIS technician.
- (b) The owner of a tract, lot, or parcel of land totaling less than 10 acres, after the appropriate underlying property is excluded for residential use, shall be required by the tax assessor to submit additional relevant records regarding proof of bona fide conservation use for qualified property that is either first made subject to a covenant or is subject to a renewal of a previous covenant and the following provisions shall apply:
 1. If the owner of the subject property provides proof that such owner has filed with the Internal Revenue Service a Schedule E, reporting farm related income or loss, or a Schedule F, with Form 1040, or, if applicable, a Form 4835, pertaining to such property, the provisions requiring additional relevant records regarding proof of bona fide conservation use, shall not apply to such property;
 2. Prior to a denial of eligibility for conservation use assessment, the tax assessor shall conduct and provide proof of a visual on-site inspection of the property; and

3. The tax assessors shall provide reasonable notice to the property owner before conducting such visual, on-site inspection of the property for the purposes of determining final eligibility.
- (c) No property shall qualify for current use valuation as residential transitional property unless it is devoted to use by a single family and occupied more or less continually by the owner as the primary place of abode and for which the owner is eligible to claim a homestead exemption. The property that otherwise qualifies for current use valuation as residential transitional property shall be limited to the real property consisting of the residential improvement and no more than the contiguous five acres of land;
- (d) In determining whether or not an applicant or the property in question qualifies for current use valuation provided for environmentally sensitive properties, the board of tax assessors shall require the applicant to submit a certification by the Department of Natural Resources as required by O.C.G.A. [12-2-4\(k\)](#) that the specific property is environmentally sensitive property as defined by O.C.G.A. [48-5-7.4](#). Additionally, the board of tax assessors may require accompanying documentation or information including but not limited to:
1. Evidence of the legal ownership of the property;
 2. Evidence that the past usage of the property demonstrates it has not been developed or significantly altered or otherwise rendered unfit for its natural environmental purpose; and
 3. Evidence that the property has been and will continue to be maintained in its natural condition;
- (e) In determining whether or not an applicant or the property in question qualifies for current use valuation provided for constructed storm water wetland conservation use properties, the board of tax assessors shall require the applicant to submit a certification by the Department of Natural Resources as required by O.C.G.A. [12-2-4](#) that the specific property is constructed storm-water wetlands of the free-water surface type property as defined by O.C.G.A. [48-5-7.4](#). Additionally, the board of tax assessors may require accompanying documentation or information including but not limited to:
1. Evidence of the legal ownership of the property;
 2. A plat of the tract in question prepared by a licensed land surveyor, showing the location and measured area of the tract;
 3. A certification by a licensed professional engineer that the specific design used for the constructed storm-water wetland was recommended by the engineer as suitable for such site after inspection and investigation; and

4. Information on the actual cost of constructing and an estimated cost of operating the storm-water wetland, including without limitation a description of all incorporated materials, machinery, and equipment.
- (f) No property shall maintain current use valuation as constructed storm water wetland conservation use property unless the owner of such property files with the board of tax assessors on or before the last day for filing ad valorem tax returns for each tax year for which conservation use valuation is sought an annual inspection report from a licensed professional engineer certifying that as of the date of such report the property is being maintained in a proper state of repair so as to accomplish the objectives for which it was designed.
- (g) No property shall qualify for current use valuation as conservation use property if such valuation would result in any person who has a beneficial interest in such property receiving any benefit from current use valuation on more than 2,000 acres in this state in any tax year. Any person so affected shall be entitled to the benefits of current use valuation on no more than 2,000 acres of such land in this state;
- (h) Except as necessary to effect the provisions of the 2,000 acre limitation, a taxing jurisdiction boundary, or to exclude any property which is under a separate covenant as residential transitional property, each covenant must encompass the entire tract of property for which the conservation use valuation is sought. In those instances where inclusion of the total acreage of a tract would cause the owner to exceed the 2,000 acre limitation, the owner shall be permitted to designate so much of a contiguous area of the tract that will equal but not exceed the 2,000 acre limitation.

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.03

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Qualification Requirements" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Rule 560-11-6-.04. Applications.

- (1) All applications for current use assessment shall be made using forms adopted by the commissioner for that purpose. Forms PT-283A, PT-283E, PT-283R, PT-283S (Rev. 09/06) and applicable questionnaires are hereby adopted and prescribed for use by the applicant seeking current use assessment. The application shall be filed with the board of tax assessors of the county in which the property is located. A board of tax assessors may not require additional information from an applicant for purposes of determining eligibility of property for current use assessment except as otherwise provided in O.C.G.A. § [48-5-7.4](#) and these regulations. However, the board of tax assessors must consider any additional information submitted by the applicant in support of their application for current use assessment.

- (2) In those counties where U.S. Department of Agriculture, Natural Resources Conservation Service soil survey maps are available, it shall be the responsibility of the board of tax assessors to delineate the soil types on the tax records of the applicant's property.
- (3) In those counties where the board of tax assessors has not been able to obtain U.S. Department of Agriculture, Natural Resources Conservation Service soil survey maps, the board of tax assessors shall determine the soil types of the applicant's property using the best information available.
- (4) Applications for current use valuation provided for environmentally sensitive properties may be filed without certification by the Department of Natural Resources; provided, however, that the specific property is stipulated to be environmentally sensitive. Failure to file such certification with the board of tax assessors within thirty (30) days of the last day for filing the application for current use assessment may result in the application being denied by the board of tax assessors.
- (5) Applications for current use valuation provided for constructed storm water wetland conservation use properties shall not be certified as meeting the criteria of bona fide constructed storm-water wetlands of the free-water surface type unless an authorized employee or agent of the local governing authority has inspected the site before, during, and after construction of the storm-water wetland to determine that the property is being used for controlling or abating pollution of surface or ground waters of this state by storm-water runoff or by otherwise enhancing the water quality of surface or ground waters of this state.
- (6) Application for conservation use value assessment may be withdrawn prior to the current year's "final assessment" as defined in these regulations.
- (7) If a qualified owner has entered into an original bona fide conservation use covenant and subsequently acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the ten-year period of the original covenant subject to the following provisions:
 - (a) The subsequently acquired qualified property shall be less than 50 acres; and
 - (b) Such subsequently acquired property may not be subject to another existing current use covenant or preferential assessment.
 - (c) For the purpose of establishing the entry date of the original covenant, the assessor shall use the January 1st assessment date of the first year for which the original covenant is in effect.
 - (d) The covenant application for the contiguous acreage to be added to an existing covenant shall be made for the add-on acreage only and shall reference the existing original covenant by parcel number.

- (8) When property receiving current use assessment and subject to a conservation use covenant is transferred to a new owner and the new owner fails to apply for continuation of the current use assessment on or before the deadline for filing tax returns in the year following the year in which the transfer occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event the board of tax assessors shall send to both the transferor and the transferee a notice of the board's intent to assess a penalty for breach of the covenant. The notice shall be entitled "Notice of Intent to Assess Penalty for Breach of a Conservation Use Covenant" and shall set forth the following information:
- (a) the requirement of the new owner of the property to apply for continuation of the current use assessment within thirty (30) days of the date of postmark of the notice;
 - (b) the requirement of the new owner of the property to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant;
 - (c) the change to the assessment if the covenant is breached; and
 - (d) the amount of penalty if the covenant is breached.
- (9) In the event the new owner fails to apply during the period provided for in paragraph (7) of this regulation, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the new owner's lack of qualification or intent not to continuously devote the property to an applicable bona fide qualifying use. In such event the board of tax assessors shall be authorized to declare the covenant in breach and assess a penalty.
- (10) When property receiving current use assessment and subject to a conservation use covenant is transferred to an estate or heirs by virtue of the death of a covenant owner, and the estate or heirs fail to apply for a continuation of the current use assessment on or before the deadline for filing tax returns in the year following the year in which the death occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event in which case the board of tax assessors shall send to any remaining parties to the covenant, whether the estate or the heirs a notice entitled "Notice of Intent to Terminate a Conservation Use Covenant." The notice shall set forth the following:
- (a) the requirement of the estate or heirs to the property currently receiving current use assessment to apply for a continuation of the current use assessment within thirty (30) days of the date of postmark of the notice;
 - (b) the requirement of the estate or heirs to the property currently receiving current use assessment to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant; and
 - (c) the change to the assessment if the covenant is breached.

- (11) In the event the estate or heirs fail to apply during the period provided for in paragraph (9) of this regulation, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the estate or heirs' lack of qualification or intent not to continuously devote the property to an applicable bona fide qualifying use. In such event the board of tax assessors shall be authorized to declare the covenant in breach without penalty.
- (12) All approved applications for current use assessment shall be filed with the clerk of the superior court in the county where the property is located.
- (a) the fee of the clerk of the superior court for recording approved applications shall be paid by the owner of the property with the application for current use assessment.
 - (b) the board of tax assessors shall collect the recording fee from the applicant seeking current use assessment and such recording fee to be in the amount provided for in Article 2 of Chapter 6 of Title 15 and shall be paid to the clerk of the superior court when the application is filed with the clerk.
 - (c) if the application for current use assessment is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to O.C.G.A. § [48-5-306](#) and shall return any filing fee paid by the applicant.
- (13) At such time as property ceases to be eligible for current use assessment, the owner of the property shall file an application for release of current use assessment with the county board of tax assessors.
- (a) The board of tax assessors shall approve the release upon verification that all taxes and penalties have been satisfied.
 - (b) The board of tax assessors shall file the approved release in the office of the clerk of the superior court in the county in which the original covenant for current use assessment was filed. No fee shall be paid to the clerk of the superior court for recording such release.

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.04

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7](#), [48-5-7.4](#), [48-5-269](#), [48-5-306](#).

History. Original Rule entitled "Applications" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: New Rule of same title adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Repealed: New Rule of same title adopted. F. Feb. 24, 1997; eff. Mar. 16, 1997.

Repealed: New Rule of same title adopted. F. Mar. 10, 1999; eff. Mar. 30, 1999.

Amended: F. Feb. 2, 2000; eff. Feb. 22, 2000.

Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004.

Amended: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Repealed: New Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Rule 560-11-6-.05. Change of Qualifying Use.

- (1) During the covenant period the owner may change, without penalty, the use of the property from one qualifying use to another qualifying use, such as from timber land to agricultural land, but such owner shall be required to give notice of any such change to the board of tax assessors on or before the last day for the filing of a tax return in the county for the tax year for which the change is sought. Failure to so notify the board of tax assessors of the change in use may constitute a breach of covenant effective upon the date of discovery of the breach.
- (2) When the qualifying use of property receiving current use assessment and subject to a conservation use covenant is changed to another qualifying use and the owner fails to notify the board of tax assessors on or before the deadline for filing tax returns in the year following the year in which the change in use occurred, such failure may be taken by the board of tax assessors as evidence that a breach of the covenant has occurred. In such event the board of tax assessors shall send to the owner a notice of the board's intent to assess a penalty for the breach of the covenant. The notice shall be entitled "Notice of Intent to Assess Penalty for Breach of a Conservation Use Covenant" and shall set forth the following information:
 - (a) the requirement of the owner of the property currently receiving current use assessment to notify the board of tax assessors of the current qualifying use of the property within thirty (30) days of the date of postmark of the notice;
 - (b) the requirement of the new owner of the property currently receiving current use assessment to continuously devote the property to an applicable bona fide qualifying use for the duration of the covenant;
 - (c) the change to the assessment if the covenant is breached; and
 - (d) the amount of penalty if the covenant is breached.
- (3) In the event the new owner fails to respond to the notice provided for in paragraph (2) of this regulation by providing information concerning the change in use of the property to the board of tax assessors, such failure may be taken by the board of tax assessors as further evidence the covenant has been breached due to the owner's lack of response. The board of tax assessors shall be authorized to declare the covenant in breach and assess a penalty.
- (4) In those instances where the property owner has duly notified the tax assessors that the use of the property has been changed from one qualifying use to another qualifying use, the board of tax assessors shall re-calculate the current use valuation of the property for said tax year in accordance with the valuation standards and tables prescribed by these Regulations for the new qualifying use. However, the limitation on valuation increases or decreases provided for by O.C.G.A. § [48-5-269](#) shall be applied to the recomputed

valuation as if the owner had originally covenanted the property in the new qualifying use.

- (5) In addition to the provisions for property subject to the covenant to lie fallow or idle pursuant to O.C.G.A. § [48-5-7.4\(p\)\(2\)](#), allowing conservation use property to lie fallow due to economic or financial hardship shall not be considered a change of qualifying use nor a breach of the covenant provided the owner notifies the board of tax assessors on or before the last day for filing a tax return in the county of the land lying fallow and does not allow the land to lie fallow for more than two years within any five-year period.

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.05

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Change of Qualifying Use" adopted. F. May 28, 1993; eff. June 17, 1993.

Amended: F. Dec. 20, 2006; eff. Jan. 9, 2007.

Repealed: New Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Rule 560-11-6-.06. Breach of Covenant.

- (1) If a breach of covenant occurs during a tax year but before the tax rate is established for that year, the penalty for that partially completed year shall be calculated based upon the tax rate in effect for the immediately preceding tax year. However, the tax due for the partially completed year shall be the same as would have been due absent a breach.
- (2) If a breach occurs on all or part of the property that was the subject of an original covenant and was transferred in accordance with O.C.G.A. § [48-5-7.4\(i\)](#), then the breach shall be deemed to have occurred on all of the property that was the subject of the original covenant. The penalty shall be assessed pro rata against each of the parties to the covenant in proportion to the tax benefit enjoyed by each during the life of the original covenant.
- (3) The breach shall be deemed to occur upon the occasion of any event which would otherwise disqualify the property from receiving the benefit of current use valuation. The lien against the property for penalties and interest shall attach as of the date of such disqualifying event.
- (4) If a covenant is breached by the original covenantor or a transferee who is related to the original covenantor within the fourth degree of civil reckoning, and where such breach occurs during the sixth through tenth years of a renewal covenant, the penalty imposed shall be the amount by which current use assessment has reduced taxes otherwise due for each year in which such renewal covenant was in effect, plus interest at the rate specified in O.C.G.A. § [48-2-40](#) from the date the covenant was breached.
- (5) Before a penalty is assessed, notice shall be provided to the taxpayer by the board of tax assessors that the covenant has been breached. This notice shall include the specific

grounds of the breach, provide to the taxpayer notice to cease and desist the alleged breach activity, and notify the taxpayer that they have thirty (30) days to correct the breach.

- (6) If the board of tax assessors determines that a breach has occurred and the taxpayer has not corrected the situation within the time limit specified, the taxpayer has the right to appeal the determination of the breach to the board of equalization as provided in O.C.G.A. § [48-5-311](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.06

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-40](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Breach of Covenant" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: New Rule of same title adopted. F. Mar. 10, 1999; eff. Mar. 30, 1999.

Repealed: New Rule of same title adopted. F. Dec. 9, 2008; eff. Dec. 29, 2008.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Rule 560-11-6-.07. Valuation of Qualified Property.

Annually, and in accordance with the provisions and requirements of O.C.G.A. [48-5-269](#), the Commissioner shall propose and promulgate by regulation as specified by the Georgia Administrative Procedure Act, tables and standards of value for current use valuation of properties whose qualifying use is as bona fide conservation use properties. Once adopted by the Commissioner, these tables and standards of value shall be published and otherwise furnished to the boards of tax assessors and shall serve as the basis upon which current use valuation of such qualified properties shall be calculated for the applicable tax year.

- (a) Conservation use land shall be divided into two use groups consisting of nine soil productivity classes each. These two use groups shall be agricultural land (crop land and pasture land) and timber land. The Commissioner shall determine the appropriate soil characteristics or site index factors for each of these eighteen soil productivity classes for use as a guide for the assessors. In those counties where the Soil Conservation Service of the U.S. Department of Agriculture has classified the soil according to its productivity, the Commissioner shall instead prepare and publish a table converting the Soil Conservation Service's codes into the eighteen soil productivity classes.
- (b) The state shall be divided into the following areas for the purpose of accumulating the income and market information necessary to determine conservation use values:
1. For the purpose of determining the income of crop land and pasture land, the state shall be divided into an appropriate grouping of the nine crop-reporting districts as delineated by the Georgia Agricultural Statistical Service and which shall be referred to as agricultural districts;
 2. For the purpose of determining the income of timber land, the agricultural districts shall be combined into timber zones as follows: agricultural districts #1, #2 and #3

shall compose timber zone #1, agricultural districts #4, #5 and #6 shall compose timber zone #2, and agricultural districts #7, #8 and #9 shall compose timber zone #3;

3. For the purpose of determining the market value of agricultural land and timber land, the state shall be divided into an appropriate grouping of the nine crop-reporting districts as delineated by the Georgia Agricultural Statistical Service. Such areas shall be referred to as market regions.
- (c) Sixty-five percent of the conservation use value shall be attributable to the capitalization of net income from the property and this component of total value shall be determined as follows:
1. For crop land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre net income from those major predominant acreage crops harvested in at least 125 counties of Georgia ("base crops"). In making this calculation, the Commissioner, utilizing the latest information either published or about to be published in the Georgia Department of Agriculture's edition of Georgia Agricultural Facts and the United States Department of Agriculture Economic Research Service's Costs of Production-Major Field Crops, shall:
 - (i) For each year, determine for each of the nine agricultural districts the yield per acre for each of the base crops;
 - (ii) For each year, determine for each of the nine agricultural districts the acres harvested of each of the separate base crops and the total acres harvested of all the base crops;
 - (iii) For each year, determine a state-wide price received per unit of yield for each of the base crops;
 - (iv) For each year, determine a state-wide cost of production consisting of the typical costs incurred in the production of the base crops, including, but not limited to, the reasonable cost of planting, harvesting, overhead, interest on operating loans, insurance and management;
 - (v) For each year, using the determinations herein, compute for each of the nine agricultural districts, the weighted net income per acre by summing the results of the computation of each base crop's net income obtained by multiplying the yield per acre times the percentage of total acreage times the price received and then making a reduction to account for the cost of production;
 - (vi) Compute for each of the nine agricultural districts, the per acre income valuation by capitalizing the average per acre weighted net income before

property taxes, utilizing the rate of capitalization provided for in O.C.G.A. [48-5-269](#) plus the effective ad valorem tax rate;

2.
 - (i) For pasture land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre rental rates of pasture property. In making this calculation, the Commissioner, utilizing the latest information available, shall:
 - (ii) Compute for each of the nine agricultural districts, the per acre income valuation by capitalizing the average per acre rental rates weighted by the acreage of hay harvested each year utilizing the rate of capitalization provided for in O.C.G.A. [48-5-269](#);
3.
 - (i) The income valuation derived for crop land and pasture land shall be combined into the income valuation for agricultural land by calculating and applying a weighted average of all crop and pasture acreage in each agricultural district.
 - (ii) Using soil productivity data from the Soil Conservation Service of the U.S. Department of Agriculture, determine productivity influence factors by calculating the relationships between the volumes of corn that will grow on the soils contained within each of the nine productivity classes. Apply these factors to the per acre income valuation of agricultural land to determine the income valuations for each of the nine soil productivity classes.
4. For timber land, the income valuation increment of the conservation use valuation shall be based on the five-year weighted average of per-acre net income from hardwood and softwood harvested in Georgia. In making this calculation the Commissioner shall:
 - (i) For each timber category and zone, determine for the immediately preceding five years for which information is available, the unit prices received by the sellers of standing timber in Georgia from reports received by the Commissioner of actual sales, from information furnished by the Georgia Forestry Commission, from commercially prepared publications of average sales prices, or from a combination of these sources;
 - (ii) For each timber category and zone, determine the average volumes of the various types of timber harvested annually in Georgia;
 - (iii) For each timber category and zone, compute the gross income each year from the harvests of timber by multiplying the unit price for each year times the annual average harvest volumes of each type of timber harvested;

- (iv) For each timber zone, determine the acres of softwood timber land and hardwood timber land;
 - (v) For each timber zone, compute the weighted gross income per acre for each year by dividing the gross income from the harvest of softwoods each year by the acreage of softwood timberland; dividing the gross income from the harvest of hardwoods each year by the acreage of hardwood timberland and weighting the two resulting per acre gross incomes by the percentage of acres of softwood and hardwood timberland to total acres of timberland;
 - (vi) For each timber zone, determine the costs of production of timber for each year including, but not limited to, the cost of site preparation, planting, seedlings, prescribed burnings, management, marketing costs and ad valorem taxes due on the harvest or sale of timber;
 - (vii) For each timber zone, determine the acreages of timberland annually receiving production treatments, i.e. site preparation, planting and burning;
 - (viii) For each timber zone, compute the production expenses per acre incurred each year by multiplying the expense by the appropriate factor, i.e. multiply the cost of site preparation per acre by the percentage of acres annually receiving this treatment, multiply the harvest tax millage by the weighted gross income per acre;
 - (ix) For each timber zone, compute the net income per acre for each year by subtracting the production expenses incurred during the year from the weighted gross income per acre for that year;
 - (x) For each timber zone, calculate the per acre income valuation by capitalizing the average per acre net income before property taxes, utilizing the rate of capitalization provided for in O.C.G.A. [48-5-269](#) plus the effective ad valorem tax rate;
 - (xi) Determine productivity influence factors by calculating the relationships between the volumes of Loblolly Pine grown on each of the nine productivity classes of soil and apply these factors to the per acre income valuation for the benchmark land, to determine the income valuations for each of the nine soil productivity classes.
- (d) Thirty-five percent of the conservation use value shall be attributable to values produced by a market study consisting of sales data from arms length bona fide sales of comparable real property with and for the same existing use. In determining this increment of total value, the Commissioner shall:

1. Gather a statistically valid sample of qualified sales of agricultural and timber properties;
 2. Calculate a residual land value for each sale in the sample by adjusting the sales price to remove any portion representing value attributable to any component of the sale other than the land;
 3. Utilizing the residual land value sale prices, determine, as far as is practical, the relationships between the average sales price per acre for each of the nine soil productivity classes in each of the market regions.
- (e) Environmentally sensitive properties and constructed storm water wetland conservation use properties shall be classified by the board of tax assessors as being within the timber land use group and shall be valued according to the current use value determined for timber land of the same or similar soil productivity class.
- (f) The current use value for land lying under water, such as ponds, lakes or streams, shall be the value determined for the lowest productivity level of the predominate adjacent land use.
- (g) Land utilized for an orchard or vineyard shall be classified as crop land. The trees, shrubs or vines shall be considered an improvement to the land and separately valued.
- (h) Current use valuation for qualified bona fide residential transitional property shall be determined annually by the board of tax assessors by the consideration, as applicable, of the current use of such property, its annual productivity, if any, and sales data of comparable real property with and for the same existing use.
- (i) Except as otherwise provided, the total current use valuation for any property, including qualified improvements, whose qualifying use is as bona fide conservation use property for any year during the covenant period shall not be increased or decreased by more than three percent from the current use valuation for the immediately preceding tax year or be increased or decreased during the entire covenant period by more than 34.39 percent from its current use valuation for the first year of the covenant period. The limitations imposed herein shall apply to the total value of all the conservation use property that is the subject of an individual covenant including any improvements that meet the qualifications set forth in O.C.G.A. [48-5-7.4\(a\)\(1\)](#); provided, however, that in the event the owner changes the use of any portion of the land, such as from timber land to agricultural land, or adds or removes therefrom any such qualified improvements, the limitations imposed by this subsection shall be recomputed as if the new uses and improvements were in place at the time the covenant was originally entered. This limitation on increases or decreases shall not apply to the current use valuation of residential transitional property.

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.07

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Valuation of Qualified Property" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Rule 560-11-6-.08. Appeals.

- (1) Applications for current use valuation as conservation use property or residential transitional property provided by O.C.G.A. Section [48-5-7.4](#) shall be approved or denied by the county board of tax assessors. If the application is denied, the board of tax assessors shall notify the applicant in the same manner that notices of assessment are given pursuant to O.C.G.A. Section [48-5-306](#). Such notice shall include the following simple non-technical assessment reason in bold font "**CONSERVATION USE COVENANT APPLICATION DENIED.**" Appeals from the denial of an application shall be made in the same manner, according to the same time requirements, and decided in the same manner that other ad valorem tax assessment appeals are made pursuant to O.C.G.A. Section [48-5-311](#).
- (2) For the first year of the covenant period the taxpayer shall be notified by the board of assessors of the current use valuation placed on the property for that year. Appeals shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section [48-5-311](#).
- (3) During the covenant period the taxpayer shall be given notification of any change in the current use valuation made by the board of tax assessors for the then current tax year. Appeals shall be made and decided in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section [48-5-311](#).
- (4) Appeals regarding the current use valuation of conservation use property under paragraphs (2) and (3) of this regulation may be made contesting the board of tax assessor's initial determination or subsequent change of the qualifying use of the property, the soil classification of any part or all of the qualified property, the valuation of any qualified improvements, the assessment ratio utilized with regard to the qualified property; as well as with regard to any alleged errors that may have been made by the assessors in the application of the tables and standards of value prescribed by the Commissioner. An appeal, however, may not be made to the local board of tax assessors concerning the tables or standards of value prescribed by the Commissioner pursuant to Regulation [560-11-6-.09](#).
- (5) The tax assessors shall continue to notify the taxpayer of any changes to the fair market value of the covenanted property, and such notice shall conform to the provisions of O.C.G.A. Section [48-5-306](#). A taxpayer desiring to appeal such changes shall do so in the same manner as other assessment appeals are made pursuant to O.C.G.A. Section [48-5-311](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.08

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7.4](#), [48-5-269](#), [48-5-306](#), [48-5-311](#).

History. Original Rule entitled "Appeals" adopted. F. May 28, 1993; eff. June 17, 1993.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Rule 560-11-6-.09. Table of Conservation Use Land Values.

- (1) For the purpose of prescribing the 2024 current use values for conservation use land, the state shall be divided into the following nine Conservation Use Valuation Areas (CUVA 1 through CUVA 9) and the following accompanying table of per acre land values shall be applied to each acre of qualified land within the CUVA for each soil productivity classification for timber land (W1 through W9) and agricultural land (A1 through A9):
- (a) CUVA #1 counties: Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Murray, Paulding, Polk, Walker, and Whitfield. Table of per acre values: W1 1,014, W2 910, W3 827, W4 758, W5 695, W6 643, W7 603, W8 553, W9 504, A1 1,844, A2 1,743, A3 1,616, A4 1,481, A5 1,334, A6 1,193, A7 1,061, A8 931, A9 796;
 - (b) CUVA #2 counties: Barrow, Cherokee, Clarke, Cobb, Dawson, DeKalb, Fannin, Forsyth, Fulton, Gilmer, Gwinnett, Hall, Jackson, Lumpkin, Oconee, Pickens, Towns, Union, Walton, and White. Table of per acre values: W1 1,374, W2 1,245, W3 1,121, W4 1,015, W5 935, W6 878, W7 828, W8 760, W9 689, A1 2,020, A2 1,801, A3 1,602, A4 1,415, A5 1,266, A6 1,133, A7 1,014, A8 920, A9 828;
 - (c) CUVA #3 counties: Banks, Elbert, Franklin, Habersham, Hart, Lincoln, Madison, Oglethorpe, Rabun, Stephens, and Wilkes. Table of per acre values: W1 1,348, W2 1,173, W3 1,057, W4 1,015, W5 935, W6 855, W7 719, W8 585, W9 489, A1 1,537, A2 1,398, A3 1,251, A4 1,108, A5 966, A6 871, A7 715, A8 597, A9 504;
 - (d) CUVA #4 counties: Carroll, Chattahoochee, Clayton, Coweta, Douglas, Fayette, Haralson, Harris, Heard, Henry, Lamar, Macon, Marion, Meriwether, Muscogee, Pike, Schley, Spalding, Talbot, Taylor, Troup, and Upson. Table of per acre values: W1 991, W2 887, W3 804, W4 737, W5 641, W6 597, W7 519, W8 449, W9 364, A1 1,259, A2 1,128, A3 1,034, A4 923, A5 810, A6 672, A7 582, A8 451, A9 323;
 - (e) CUVA #5 counties: Baldwin, Bibb, Bleckley, Butts, Crawford, Dodge, Greene, Hancock, Houston, Jasper, Johnson, Jones, Laurens, Monroe, Montgomery, Morgan, Newton, Peach, Pulaski, Putnam, Rockdale, Taliaferro, Treutlen, Twiggs, Washington, Wheeler, and Wilkinson. Table of per acre values: W1 843, W2 781, W3 717, W4 657, W5 592, W6 533, W7 466, W8 403, W9 334, A1 933, A2 811, A3 754, A4 689, A5 614, A6 522, A7 428, A8 337, A9 245;
 - (f) CUVA #6 counties: Bulloch, Burke, Candler, Columbia, Effingham, Emanuel, Glascock, Jefferson, Jenkins, McDuffie, Richmond, Screven, and Warren. Table of per acre values: W1 834, W2 766, W3 699, W4 637, W5 568, W6 503, W7 436, W8 367, W9 299, A1 1,058, A2 929, A3 851, A4 781, A5 689, A6 573, A7 466, A8 357, A9 250;

- (g) CUVA #7 counties: Baker, Calhoun, Clay, Decatur, Dougherty, Early, Grady, Lee, Miller, Mitchell, Quitman, Randolph, Seminole, Stewart, Sumter, Terrell, Thomas, and Webster. Table of per acre values: W1 894, W2 813, W3 740, W4 664, W5 586, W6 511, W7 436, W8 357, W9 281, A1 1,230, A2 1,115, A3 991, A4 862, A5 738, A6 619, A7 477, A8 361, A9 243;
- (h) CUVA #8 counties: Atkinson, Ben Hill, Berrien, Brooks, Clinch, Coffee, Colquitt, Cook, Crisp, Dooly, Echols, Irwin, Jeff Davis, Lanier, Lowndes, Telfair, Tift, Turner, Wilcox, and Worth. Table of per acre values: W1 972, W2 880, W3 788, W4 699, W5 607, W6 519, W7 427, W8 337, W9 273, A1 1,245, A2 1,176, A3 1,061, A4 946, A5 831, A6 717, A7 553, A8 449, A9 330;
- (i) CUVA #9 counties: Appling, Bacon, Brantley, Bryan, Camden, Charlton, Chatham, Evans, Glynn, Liberty, Long, McIntosh, Pierce, Tattnall, Toombs, Ware, and Wayne. Table of per acre values: W1 984, W2 887, W3 804, W4 715, W5 621, W6 535, W7 443, W8 354, W9 273, A1 1,152, A2 1,110, A3 997, A4 887, A5 776, A6 664, A7 553, A8 440, A9 330.

Cite as Ga. Comp. R. & Regs. R. 560-11-6-.09

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7](#), [48-5-7.4](#), [48-5-269](#).

History. Original Rule entitled "Table of Conservation Use Land Values" adopted. F. May 28, 1993; eff. June 17, 1993.

Repealed: New Rule of same title adopted. F. May 13, 1994; eff. June 2, 1994.

Repealed: New Rule of same title adopted. F. Mar. 1, 1995; Mar. 21, 1995.

Repealed: New Rule of same title adopted. F. Jan. 28, 1996; eff. Feb. 18, 1996.

Repealed: New Rule of same title adopted. F. Feb. 24, 1997; eff. Mar. 16, 1997.

Repealed: New Rule of same title adopted. F. Jan. 27, 1998; eff. Feb. 16, 1998.

Repealed: New Rule of same title adopted. F. Mar. 10, 1999; eff. Mar. 30, 1999.

Amended: F. Feb. 2, 2000; eff. Feb. 22, 2000.

Amended: F. Apr. 20, 2001; eff. May 10, 2001.

Repealed: New Rule of same title adopted. F. Apr. 17, 2002; eff. May 7, 2002.

Repealed: New Rule of same title adopted. F. May 19, 2003; eff. June 8, 2003.

Repealed: New Rule of same title adopted. F. Mar. 4, 2004; eff. Mar. 24, 2004.

Amended: F. Mar. 29, 2005; eff. Apr. 18, 2005.

Repealed: New Rule of same title adopted. F. Mar. 1, 2006; eff. Mar. 21, 2006.

Amended: F. Feb. 21, 2007; eff. Mar. 13, 2007.

Amended: F. Apr. 21, 2008; eff. May 11, 2008.

Repealed: New Rule of same title adopted. F. Apr. 15, 2009; eff. May 5, 2009.

Repealed: New Rule of same title adopted. F. Mar. 15, 2010; eff. Apr. 4, 2010.

Repealed: New Rule of same title adopted. F. Mar. 3, 2011; eff. Mar. 23, 2011.

Amended: F. Apr. 24, 2012; eff. May 14, 2012.

Amended: F. Jun. 10, 2013; eff. Jun. 30, 2013.

Amended: F. Apr. 22, 2014; eff. May 12, 2014.

Amended: F. May 18, 2015; eff. June 7, 2015.

Amended: F. Feb. 23, 2016; eff. Mar. 14, 2016.

Amended: F. Mar. 24, 2017; eff. Apr. 13, 2017.

Amended: F. Mar. 6, 2018; eff. Mar. 26, 2018.

Amended: F. Feb. 1, 2019; eff. Feb. 21, 2019.

Amended: F. Mar. 6, 2020; eff. Mar. 26, 2020.

Amended: F. Mar. 4, 2021; eff. Mar. 24, 2021.

Amended: F. May 4, 2022; eff. May 24, 2022.
Amended: F. Mar. 13, 2023; eff. Apr. 2, 2023.
Amended: F. Jan. 22, 2024; eff. Feb. 11, 2024.

Subject 560-11-7. MOTOR VEHICLE VALUE APPORTIONMENT.

Rule 560-11-7-.01. Purpose of Regulations.

- (1) These regulations have been adopted by the Commissioner pursuant to O.C.G.A. Section [48-2-12](#) in order to promulgate specific policies and procedures of the Department applicable to the administration and collection of ad valorem tax on motor vehicles pursuant to O.C.G.A. Section [48-5-471](#) when such motor vehicles are engaged in interstate commerce and subject to apportionment.
- (2) This regulation shall apply to all motor vehicles subject to ad valorem taxation for the calendar year beginning January 1, 1995.

Cite as Ga. Comp. R. & Regs. R. 560-11-7-.01

Authority: O.C.G.A. Secs. [48-5-442](#)- [48-5-445](#), [48-5-450](#), [48-5-471](#).

History. Original Rule entitled "Purpose of Regulations" adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Rule 560-11-7-.02. Forms.

The Commissioner shall prepare and furnish a form, herewith adopted and designated as PT-95, to be used by all persons seeking apportionment of ad valorem assessments on motor vehicles and trollers used in interstate commerce under this regulation.

Cite as Ga. Comp. R. & Regs. R. 560-11-7-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-269](#), [48-5-442](#)- [48-5-445](#), [48-5-471](#).

History. Original Rule entitled "Forms" adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Rule 560-11-7-.03. When Apportionment Permitted.

- (1) Motor vehicles and trollers subject to ad valorem tax under O.C.G.A. Section [48-5-471](#) may acquire an ad valorem tax situs in states other than Georgia if, pursuant to their use in interstate commerce, such motor vehicles and trollers are used throughout the previous calendar year either along fixed or regular routes or, alternatively, are habitually employed within a non-domiciliary state, albeit upon irregular routes.
- (2) Upon a proper showing of such circumstances to the tax authorities for the county where such property is returnable by law, the Georgia fair market value assessed upon such vehicle shall be the value otherwise assessed, multiplied by the "apportionment ratio" set forth in Regulation [560-11-7-.03\(3\)](#).

- (3) The "apportionment ratio" for a particular tax year shall be equal to one (1) minus the ratio of the total miles driven or traversed during the previous calendar year in those states other than Georgia in which the motor vehicle or trailer, as of January 1 of the tax year in question, has acquired an ad valorem tax situs, to the total miles driven or traversed in all states during the previous calendar year. The tax commissioner may use accumulated mileage of the tax payer's fleet of those vehicles based in Georgia on January 1 of the tax year in question as opposed to individual vehicle mileage to determine the apportionment ratio if the fleet mileage is deemed to fairly and reasonably indicate the correct situs of the value to be apportioned for the specific vehicle being registered in the county.
- (4) For purposes of this regulation, "state" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States and any political subdivision of the foregoing jurisdictions.

Cite as Ga. Comp. R. & Regs. R. 560-11-7-.03

Authority: O.C.G.A. Secs. 48-5442-48-5-445, [48-5-471](#).

History. Original Rule entitled "When Apportionment Permitted" adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Rule 560-11-7-.04. Procedures.

- (1) Any owner seeking apportionment of ad valorem assessments on motor vehicles and trollers used in interstate commerce shall file form PT-95 with the tax commissioner at the time the motor vehicle registration form is submitted.
- (2) The tax commissioner shall require the owner seeking apportionment of ad valorem assessments on motor vehicles and trollers to properly complete the form PT-95 which will serve as an affidavit of the correctness of the information. Additionally, the tax commissioner may require accompanying documentation sufficient to demonstrate that the owner's motor vehicles or trollers have acquired a tax situs in another state. Examples of such documentation may include the following:
 - (a) Evidence of individual or fleet vehicle mileage records such as those submitted to the Department of Revenue for apportionment of registration fees under the International Registration Plan (IRP);
 - (b) Evidence that ad valorem taxes were paid to another state with respect to such vehicle if such state imposes an ad valorem tax;
 - (c) Evidence that highway use or motor fuel taxes were paid to another state with respect to such vehicle;
 - (d) Evidence that registration fees (apportioned or unapportioned) were paid to another state.

- (3) The tax commissioner shall consider the evidence submitted with the form PT-95 and shall make the initial determination as to whether the value of the motor vehicle should be apportioned and shall make the assessment accordingly. The tax commissioner shall enter upon the form PT-95 the amount and date of such assessment. A copy of the form PT-95 shall be furnished to the taxpayer and shall serve as notice of the assessment of the vehicle made by the tax commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-11-7-.04

Authority: O.C.G.A. Secs. [48-5-444](#), [48-5-445](#), [48-5-471](#) - [48-5-475](#).

History. Original entitled "Procedures adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Rule 560-11-7-.05. Appeals.

- (1) Any owner who contests the apportionment decision of the tax commissioner made pursuant to Regulation [560-11-7-.04\(3\)](#) may appeal such decision by either filing with the tax commissioner an affidavit of illegality as outlined in Regulation [560-11-7-.05\(2\)](#) or filing an appeal with the board of tax assessors as outlined in Regulation [560-11-7-.05\(3\)](#).
- (2) The motor vehicle license plate may be obtained without payment of the ad valorem tax, as outlined in O.C.G.A. Section [48-5-450](#), by filing with the tax commissioner an affidavit of illegality to the assessment; and filing either
 - 1) a surety bond issued by a State authorized surety company or
 - 2) a bond approved by the clerk of superior court of the county or
 - 3) a cash bond.
 - (a) The bond shall be in the amount equal to the tax and any penalties and interest which may be found to be due.
 - (b) The bond shall be made payable to the tax commissioner.
 - (c) The affidavit and bond are to be transferred by the tax commissioner immediately to the superior court to be tried as affidavits of illegality are tried in tax cases.
- (3) As an alternative to filing an affidavit of illegality, any owner requesting apportionment who contests the value assessment of a motor vehicle may appeal such assessed value in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section [48-5-311](#).
 - (a) The time allowed for the filing of a written appeal shall be 45 days from the date of the tax commissioner's initial assessment as reflected on the form PT-95, or from the deadline date for the payment of the tax, whichever date occurs first.

- (b) The time allowed for the filing of an appeal shall be 30 days rather than 45 days in those counties providing for the collection and payment of ad valorem taxes in installments.
- (c) Upon receipt of an appeal, the tax assessors shall immediately notify the tax commissioner that an appeal has been tiled by the taxpayer. If the appeal is filed before the payment of the tax, the tax commissioner shall issue a "temporary ad valorem tax bill" for the collection of the ad valorem tax and all tag fees. The temporary ad valorem tax amount shall be based on 85% of the current year's valuation or the previous year's valuation, whichever is higher. Such temporary tax bill shall be accompanied by a notice to the taxpayer that the bill is temporary pending the outcome of the appeal process and also indicate there may be additional tax or refund due based on the resolution of the appeal.
- (d) Once a final determination is made of the value on appeal, any interest due on additional tax or payable on a refund is to be made as provided in O.C.G.A. Section [48-5-311](#).
- (e) Further appeals to the board of equalization and superior court are to be handled as provided in O.C.G.A. Section [48-5-311](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-7-.05

Authority: O.C.G.A. Secs. [48-5-269](#), [48-5-450](#), [48-5-311](#).

History. Original Rule entitled "Appeals" adopted. F. Mar. 1, 1995; eff. Mar. 21, 1995.

Rule 560-11-7-.06. Distribution of Alternative Ad Valorem Tax on Apportionable Vehicles.

- (1) The commissioner shall annually distribute the alternative ad valorem tax on apportionable vehicles as provided by Code Section [40-2-152](#) from the separate, segregated fund as soon as is reasonably practicable, subject to the following deadlines:
 - (a) For distribution year 2015, not later than August 1, 2015;
 - (b) For distribution years 2016, 2017, 2018, and 2019, no later than April 1 of the calendar year immediately following the calendar year in which such taxes were paid to the commissioner; and
 - (c) For distribution years 2020 and thereafter, no later than August 1 of the calendar year immediately following the calendar year in which such taxes were paid to the commissioner.
- (2) To qualify for the alternative ad valorem tax distribution, each tax jurisdiction shall:

- (a) Certify that such jurisdiction is a county, municipality, county school district, or independent school district which levies or causes to be levied for its benefit a property tax on real and tangible personal property; and
 - (b) Submit to the commissioner a Form PT-38 or its equivalent, along with any other documentation requested by the commissioner, no later than March 31 of each distribution year.
- (3) When a qualified tax jurisdiction becomes disqualified for any reason, the commissioner shall distribute the applicable portion of the alternative ad valorem tax proceeds of the disqualified tax jurisdiction among the remaining qualified jurisdictions within the county.

Cite as Ga. Comp. R. & Regs. R. 560-11-7-.06

Authority: O.C.G.A. §§ [40-2-11](#), [40-2-152](#), [48-2-12](#).

History. Original Rule entitled "Distribution of Alternative Ad Valorem Tax on Apportionable Vehicles" adopted. F. June 26, 2015; eff. July 16, 2015.

Subject 560-11-8. INTANGIBLE RECORDING TAX.

Rule 560-11-8-.01. Purpose of Regulations.

These regulations have been adopted by the Commissioner pursuant to O.C.G.A. Section 48-212 in order to promulgate specific policies and procedures of the Department applicable to the administration and collection of intangible recording tax pursuant to O.C.G.A. Section [48-6-60](#). These regulations are administrative regulations applicable to a class of instruments within the meaning of O.C.G.A. Section [48-6-71](#) and, as contemplated by such section, shall constitute a determination of the Commissioner with respect to each such class of instruments described herein and may be relied upon as such.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-6-60](#)-[48-6-77](#).

History. Original Rule entitled "Purpose of Regulations" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.02. Tax Payment and Rate.

An intangible recording tax is due and payable on each instrument securing one or more long-term notes at the rate of \$1.50 per each \$500.00 or fraction thereof of the face amount of all notes secured thereby in accordance with O.C.G.A. Section [48-6-61](#) and these regulations. This tax is assessed on the security instrument securing one or more long-term notes secured by real property, to be paid upon the recording thereof, and must be paid within 90 days from the date of the instrument executed to secure the note or notes. The maximum tax on a single security instrument is \$25,000.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.02

Authority: O.C.G.A. Secs. [48-2-12](#), 48-6.61.

History. Original Rule entitled "Tax Payment and Rate" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.03. Definitions.

- (1) "Collecting officer" means the tax collector or tax commissioner of the county; provided, however, that in each county of this state having a population of 50,000 or more according to the United States Decennial Census of 1990 or any future such census, collecting officer means the Clerk of Superior Court of the county.
- (2) "Instrument" or "security instrument" means any written document presented for recording for the purpose of conveying or creating a lien or encumbrance on real estate for the purpose of securing a long-term note secured by real estate.
- (3) "Long-term note secured by real estate" shall mean any note representing credits secured by real estate by means of mortgages, deed to secure debt, purchase money deeds to secure debt, bonds for title, or any other form of security instrument, when any part of the principal of the note falls due more than three years from the date of the note or from the date of any instrument executed to secure the note and conveying or creating a lien or encumbrance on real estate for such purpose.
- (4) "Short-term note secured by real estate" shall mean any note which would be a long-term note secured by real estate were it not for the fact that the whole of the principal of the note falls due within three years from the date of the note or from the date of any instrument executed to secure the note.
 - (a) A short-term note is reported as of January 1 of each year, as intangible personal property on Form PL-159 and taxed at the rate of 10 cents per thousand.
 - (b) A short-term note remains classified as short-term according to its terms, as long as it remains outstanding, although the indulgence of the creditor allows it to extend beyond a three year period.
 - (c) A renewal note in payment of an existing short-term note is to be classified according to its own terms as to whether it is short-term or long-term.
 - (d) A short-term note, with option to renew or extend by the borrower, where any part of the principal or interest of the note *becomes due or may become due* more than three years from execution is classified as long-term.
 - (e) A "bona fide demand note" is always a short-term note according to its terms; provided however, that a note denominated as a "demand" note where the maturity date as determined from the instrument extends or may extend beyond three years, is nevertheless a long-term note. For purposes of this regulation, a "bona fide

demand note" is a note payable unconditionally on demand whose maturity date is not determined by any contingency other than the demand of the holder.

- (f) A note which matures the same month and date as executed only three (3) years later, is a short-term note.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.03

Authority: O.C.G.A. Secs. 48-6-21, 48-6-23, 48-6-23(a)(1), [48-6-60](#)--48-6-64, 48-6-70.

History. Original Rule entitled "Definitions" adopted. F. Jun. 17, 1996; eff. July 7, 1996

Rule 560-11-8-.04. Modification.

Intangible recording tax is not required to be paid on any instrument that modifies by extension, transfer, assignment or renewal, or gives additional security for an existing note, when the intangible recording tax has been paid on the original instrument or the original note or holder of the original instrument was exempt.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.04

Authority: O.C.G.A. Secs. [48-6-62\(b\)](#), [48-6-65](#).

History. Original Rule entitled "Modifications" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.05. Refinancing.

- (1) Intangible recording tax is not required to be paid on that part of the face amount of a new instrument securing a long-term note secured by real estate which represents a refinancing by the original lender and original borrower of unpaid principal of an existing instrument securing a long-term note secured by real estate still owned by the original lender, if the intangible recording tax was paid on the original instrument or the original holder of the instrument was exempt.
 - (a) The new instrument must contain a statement of what part of the face amount represents a refinancing of unpaid principal. This information must be disclosed on the face of the instrument or in the alternative may be submitted in the form of an affidavit indicating which part of the face amount represents a refinancing of unpaid principal.
- (2) Where two or more instruments securing long-term notes, secured by separate deeds to secure debt and held by the original borrower and the original lender, are consolidated, with no new money advanced, into a single instrument securing a long-term note with a single deed to secure debt, intangible recording tax is due, up to the statutory maximum, on that portion of the indebtedness secured by the new instrument, if any, that does not represent unpaid principal on the consolidated notes.

- (3) Where instruments securing long-term and short-term notes, secured by separate deeds to secure debt and held by the original borrower and the original lender, are consolidated, with no new money advanced, into a single instrument securing a long-term note with a single deed to secure debt, intangible recording tax is due, up to the statutory maximum, on that portion of the indebtedness secured by the new instrument, if any, that does not represent unpaid principal on the long-term note or notes.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.05

Authority: O.C.G.A. Secs. 48-2-20, [48-6-61](#)--48-6-69.

History. Original Rule entitled "Refinancing" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.06. Additional Advance.

- (1) In the case of a new note or a modification of a preexisting note, representing an additional extension of credit to be secured by a previously recorded instrument which otherwise requires no further recording, the intangible tax is determined according to the terms of the new note.
- (2) In lieu of recording a new or amended security instrument, the holder of the note may elect alternatively to execute an affidavit setting forth the amount of the additional advance, in words and figures, and the correct date on which the additional advance falls due, and the page and book of the previously recorded instrument.
- (3) The collecting officer of the county where the tax was first paid shall collect the intangible recording tax due and shall enter upon or attach to the affidavit the certificate that the intangible recording tax has been paid, the date, and the amount of the tax, and such affidavit shall be recorded and attached to the previously recorded instrument.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.06

Authority: O.C.G.A. Sec. [48-6-62\(b\)](#).

History. Original Rule entitled "Additional Advance" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.07. Multi-State Property.

- (1) Resident holder: If the holder of an instrument conveying property located both within and without the State of Georgia to secure a long-term note, is a resident of Georgia, the amount of the tax required is that amount that would be due were the property located wholly within the State of Georgia. The maximum amount of Georgia intangible recording tax payable with respect to the instrument is \$25,000.
- (2) Nonresident holder: A nonresident, if a business entity, for the purposes of this regulation is defined as any business entity that is incorporated or organized under law other than the law of Georgia and maintains its principal place of business in a state other than Georgia.

- (a) If the holder of an instrument conveying property located both within and without the State of Georgia is a nonresident of Georgia, the amount of tax due would be \$1.50 per \$500.00 or fraction thereof of the principal of the note, times (x) the ratio of the value of real property located in Georgia to the value of all real property, in-state and out-of-state, securing the note.
 - (b) All values must be certified under oath by the holder presenting the instrument for recording. The application of the \$25,000 cap is made after the above referenced computation is completed. An example follows:

\$100,000,000 =	Total Loan Amount
10%	= % of FMV of Real Property located within Ga.
90%	= % of FMV of Real Property located outside Ga.
\$300,000	= Tax on Loan Amount (\$100,000,000 x .003)
30,000	= Tax on 10% of Loan Amount (Ga. portion)
25,000	= Tax (after application of the cap)
- (3) Resident and nonresident holders: Where a single security instrument secures long-term notes held by both residents and nonresidents and the long-term notes held by the residents and the nonresidents are clearly identifiable from the security instrument, the nonresident holders will be allowed to apportion their tax paid based on the apportionment formula described in subsection (2)(b).
- (a) Resident holders in the same transaction, however, will be required to pay the intangible recording tax as if the property were located wholly within the State of Georgia on that portion of indebtedness represented by the long-term notes they hold. The maximum amount of Georgia intangible recording tax payable with respect to the indebtedness is \$25,000.
 - (b) If the notes held by residents and nonresidents cannot be distinguished from the face of the security instrument, no holder, resident or nonresident, will be allowed to apportion their tax paid based on the apportionment formula described in subsection (b).

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.07

Authority: O.C.G.A. Secs. [48-6-61](#), [48-6-69](#).

History. Original Rule entitled "Multi-state Property" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.08. Multi-County Property.

- (1) With respect to any instrument given as security for a long-term note wherein the real property is located in more than one county, the intangible recording tax shall be paid to each county in which the instrument is recorded. The value of the real property located in

each county must be certified under oath by the holder of the note presenting the instrument for recording.

- (2) The collecting officer in each county shall certify that the proper intangible recording tax has been paid along with any penalties assessed on the instrument.
- (3) If the holder desires to record the instrument simultaneously in more than one county, the holder should submit a counterpart of the instrument for recording in each individual county. The counterpart should contain the appropriate description of the property that is encumbered in the subject county along with an affidavit that sets forth the value of the real property encumbered in every county being secured by the instrument.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.08

Authority: O.C.G.A. Secs. §§ [48-2-12](#), [48-6-4](#), [48-6-8](#), [48-6-60](#), [48-6-61](#), [48-6-62](#), and [48-6-64](#) *et seq.*.

History. Original Rule entitled "Multicounty Property" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Amended: F. Jan. 3, 2013; eff. Jan. 23, 2013.

Rule 560-11-8-.09. Wrap-around Note.

Intangible recording tax is due on the entire face amount of a security instrument securing a "wrap-around" note which is otherwise a long-term note secured by real estate. This type of transaction is not a modification by extension, transfer, assignment, or renewal as defined in Revenue Rule [560-11-8-.04](#) above and does not fall within the provisions of Revenue Rule [560-11-8-.04](#) since there is a new lender.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.09

Authority: O.C.G.A. Secs. [48-6-60](#)- [48-6-77](#).

History. Original Rule entitled "Wrap-around Note" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.10. Interest Included in Note-Add On.

If a deed to secure debt reflects an amount secured, that is greater than the principal amount of the note, and the description of the note contained in the security instrument does not clearly indicate what part of the face amount of the note is principal and what part represents other charges, the holder may at the time of recording, present a sworn affidavit itemizing the principal amount of the note and the other charges. The collecting officer shall then use the principal amount from the sworn affidavit in determining the proper tax liability.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.10

Authority: O.C.G.A. Sec. [48-6-61](#).

History. Original Rule entitled "Interest Included in Note-Add On" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.11. Adjustable Rate Mortgages ("ARM").

Where an instrument secures a long-term note which contemplates the extension of credit based upon an adjustable interest rate, the intangible tax due is computed as follows:

- (a) Where the instrument contemplates negative amortization, the intangible tax is based upon the total amount of the credit contemplated within the instrument, if determinable. In some cases, this will be reflected as a percentage of the initial principal balance and in some cases it will be a fixed dollar amount.
- (b) If the instrument does not contain a ceiling, or negative amortization may occur based on some future rate index, then the total credit contemplated cannot be determined. The intangible recording tax is then due on the initial principal balance as shown on the face of the instrument, and if negative amortization occurs, the holder of the instrument must execute and submit an affidavit as provided for in Revenue Rule [560-11-8-.05](#) concerning the intangible recording tax computation on additional advances and pay the intangible recording tax on the additional credit extended.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.11

Authority: O.C.G.A. Secs. [48-2-12](#), [48-6-62](#).

History. Original Rule entitled "Adjustable Rate Mortgage ("ARM") adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.12. Instrument Securing Short-Term and Long-Term Notes.

Where a single instrument secures both long-term and short-term notes, intangible recording tax is due on the sum of the amounts of both the long-term and short-term notes, up to the maximum tax allowed per instrument.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.12

Authority: O.C.G.A. Secs. [48-6-60](#)- [48-6-77](#).

History. Original Rule entitled "Instrument Securing Short-Term and Long-Term Notes" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.13. Secured Lines of Credit.

- (1) Intangible recording tax is due and payable by the note holder, upon the recording of an instrument securing a long-term revolving line of credit secured by real estate, a long-term line of credit secured by real estate or long-term equity line of credit secured by real estate on the total amount of the line of credit, whether advanced or not.
- (2) The determination of whether the revolving line of credit, secured line of credit, or equity line of credit is long-term is made at the time of recording from the face of the instrument. If the term of the revolving line of credit, secured line of credit, or the equity line of credit will extend beyond a three year period, notwithstanding when advances will be advanced or repaid, the revolving line of credit, the secured line of credit, or equity line of credit, will be deemed long-term.

- (3) The \$25,000 maximum intangible tax limit provided for in O.C.G.A. Section [48-6-61](#) shall apply with respect to the total amount of credit contemplated by the line of credit. No additional tax will be due on subsequent advances secured by the instrument as long as the principal outstanding at any one time does not exceed the maximum amount permitted to be outstanding as determined from the face of the instrument.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.13

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Secured Lines of Credit" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.14. Exemptions.

Any mortgage, deed to secure debt, purchase money deed to secure debt, bond for title or any other form of security instrument is not subject to intangible recording tax where any of the following applies:

- (a) Where any of the following is a party: The United States, the State of Georgia, any agency, board, commission, department or political subdivision of either the United States or this state, any public authority, any non-profit public corporation, or any other publicly held entity sponsored by the government of the United States or this state.
- (b) Where any of the following is Grantee: a federal credit union, a state of Georgia chartered credit union, or a church.
- (c) Where the instrument is given as additional security, to correct a previously recorded instrument, or to substitute real estate; provided the body of the new instrument identifies the existing instrument and specifically states the purpose of the new instrument.
- (d) Where the instrument does not secure a note, (e.g., guaranty agreement; bail bond; performance agreement; bond issue; indemnity agreement; divorce decree; letter of credit).
- (e) In the case of a transfer or assignment, where the original note or the holder of the original note was exempt.
- (f) Where the instrument is recorded pursuant to a plan of reorganization confirmed under Chapter II of the U.S. Code and where the instrument is accompanied by documentation verifying confirmation of the plan of reorganization.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.14

Authority: O.C.G.A. Secs. [48-5-41\(a\)\(1\)\(A\)](#), [48-6-22](#), [48-6-60](#), [48-6-65\(a\)](#), [48-6-65\(a\)\(2\)](#), [48-6-65\(b\)\(1\)](#).

History. Original Rule entitled "Exemptions" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.15. Determination Letter Requests.

Requests for determination letter rulings by the Commissioner should always include a copy of the deed to as notes and financial agreements may also be helpful in making a decision.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.15

Authority: O.C.G.A. Sec. [48-6-71](#).

History. Original Rule entitled "Determination Letter Requests" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Rule 560-11-8-.16. Claim for Refund.

- (1) Any taxpayer who disputes the taxability of an instrument or the amount of tax assessed by the collecting officer may pay the tax under Protest. The Protest must be filed at the moment the instrument is recorded and tax is paid. It cannot be filed after the instrument has been recorded. The Protest must be filed in duplicate and signed by the collecting officer at the time of recording. One copy should be attached to the instrument being recorded with the second copy forwarded by the collecting officer to the Department of Revenue at the address indicated on the Protest form.
- (2) The collecting officer who receives the protested payment shall deposit it into a special escrow account.
- (3) A taxpayer who files a Protest must file a Claim for Refund in order to "perfect" the Protest. The Claim for Refund must be filed no later than thirty days from the date of the Protest. It may also be executed at the time the Protest is filed. The Claim for Refund shall be filed in triplicate with the Department of Revenue and sent to the address indicated on the Claim for Refund form. A fourth copy shall be filed with the collecting officer who recorded the instrument under Protest.
- (4) Any taxpayer whose Protest and Claim for Refund is denied, in whole or in part, has the right to bring an action for refund of the amount so claimed and not approved against the collecting officer who received the payment and recorded the instrument. The action must be filed in the Superior Court of the county in which the instrument was recorded under Protest or in the Georgia Tax Tribunal.
- (5) If the Claim for Refund is approved, in whole or in part, the collecting officer who collected the tax shall refund to the taxpayer the amount approved without interest.

Cite as Ga. Comp. R. & Regs. R. 560-11-8-.16

Authority: O.C.G.A. Sec. [48-2-1248-6-76](#).

History. Original Rule entitled "Claim for Refund" adopted. F. Jun. 17, 1996; eff. July 7, 1996.

Amended: F. Jan. 3, 2013; eff. Jan. 23, 2013.

Subject 560-11-9. UNIFORM PROCEDURES FOR MOBILE HOMES.

Rule 560-11-9-.01. Purpose and Scope.

- (1) These regulations have been adopted by the Commissioner pursuant to O.C.G.A. Section [48-2-12](#) and O.C.G.A. Section [48-5-442](#) in order to provide specific policies and procedures of the Department applicable to the valuation and collection of ad valorem tax on mobile homes pursuant to Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated.
- (2) The procedures prescribed by Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated and these rules and regulations for returning mobile homes for taxation, determining applicable rates for taxation, and collecting the ad valorem tax on mobile homes shall be exclusive of all other property.
- (3) These regulations shall become effective January 1, 1998.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-440](#) through [48-5-451](#), [48-5-490](#) through [48-5-495](#).

History. Original Rule entitled "Purpose and Scope" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Rule 560-11-9-.02. Definitions.

As used in these regulations, the term:

- (1) Reserved.
- (2) "Mobile home" means a manufactured home or relocatable home as defined in Part 2 of Article 2 of Chapter 2 of Title 8 of the Official Code of Georgia Annotated. Any mobile home which qualifies the taxpayer for a homestead exemption under the laws of this state and any mobile home held in inventory for sale by a dealer engaged in the business of selling mobile homes at wholesale or retail shall not be subject to these regulations.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.02

Authority: O.C.G.A. Secs. [8-2-131](#), [48-2-12](#), [48-5-440](#) through [48-5-442](#), [48-5-444](#) through [48-5-448](#), [48-5-450](#), [48-5-451](#), [48-5-490](#) through [48-5-495](#).

History. Original Rule entitled "Definitions" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 3, 2000; eff. May 23, 2000.

Rule 560-11-9-.03. Return of Mobile Homes.

- (1) Every mobile home owned in this state on January 1 is subject to ad valorem taxation by the various taxing jurisdictions authorized to impose an ad valorem tax on property. Taxes shall be charged against the owner of the mobile home, if known, and, if unknown, against the specific mobile home itself.

- (2) On or before April 1 of each year, or at the time of the first sale or transfer before April 1, every owner of a mobile home shall return such mobile home for taxation and pay the taxes due on the mobile home in the county where the mobile home is situated on January 1.
- (a) In those instances where a mobile home is primarily used in connection with an established business where there is a reasonable expectation that the mobile home will be moved about in such a manner that it will not be more or less permanently situated in a single county as of January 1, such mobile home shall be returned and the taxes due paid in the county where the business is located.
 - (b) In those instances where a mobile home has been moved from the county where it was more or less permanently located on January 1, it shall nevertheless be returned and the taxes paid in such county, however, the owner may submit reasonable evidence of such tax payment to the tax commissioner of the county where the mobile home is now situated and that tax commissioner shall issue a mobile home location permit for such county.
 - (c) Where there has been a sale or transfer of a mobile home and the new owner seeks a mobile home location permit in a county other than that in which the previous owner was required to return the mobile home and pay the taxes due, the new owner, in the absence of satisfactory evidence obtained from the old owner that taxes have been paid, may request from the tax commissioner of such county a certificate indicating that all taxes outstanding have been paid. Upon receipt of the certificate from the new owner, the tax commissioner of the county where the mobile home is now situated shall issue the required mobile home location permit.
 - (d) Upon sale of a mobile home by a dealer after January 1, the dealer shall complete and provide to the purchaser Form PT-41. The purchaser shall submit Form PT-41 to the tax commissioner at the time the mobile home location permit is obtained. Upon receipt of Form PT-41, the tax commissioner shall collect any outstanding taxes from prior years that may be unpaid, and shall then issue the required mobile home location permit for the current year without payment of tax. The tax commissioner shall retain one copy of Form PT-41 and distribute a copy to the purchaser, the dealer, the board of tax assessors, and the Motor Vehicle Division.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.03

Authority: O.C.G.A Secs. [48-2-12](#), [48-5-440](#) through [48-5-448](#), [48-5-450](#), [48-5-451](#), [48-5-490](#) through [48-5-495](#).

History. Original Rule entitled "Return of Mobile Homes" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 3, 2000; eff. May 23, 2000.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-9-.04. Issuance of Permits; Display of Decals.

- (1) Each year every owner of a mobile home subject to taxation under Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated shall on or before April 1 and at the time of returning such mobile home for taxation, pay all taxes due to the tax commissioner on such mobile home and obtain a mobile home location permit.
- (2) The tax commissioner shall not issue such location permit until all outstanding taxes due on the mobile home, including delinquent taxes, interest and penalties, are paid.
- (3) The tax commissioner shall give the taxpayer a decal as evidence of the payment of all outstanding taxes and the issuance of a mobile home location permit.
 - (a) The mobile home decal shall be in the color and form prescribed each year by the Commissioner and shall reflect the county of issuance and the calendar year for which the permit is issued.
 - (b) The mobile home decal shall be attached to the mobile home of the owner immediately after receiving it from the tax commissioner. The local governing authority may by local ordinance provide for a uniform manner of displaying such decal that facilitates the enforcement of this Regulation. In the absence of such an ordinance, the decal shall be prominently displayed on the mobile home in a manner that makes it clearly visible to appraisal officials that come on the premises to inspect the mobile home.
- (4) Any person acquiring a mobile home after January 1 of each year shall obtain from the tax commissioner a mobile home location permit by April 1 or within 45 days of acquisition, whichever occurs later, upon satisfactory evidence that all outstanding taxes due on the mobile home, including delinquent taxes, interest and penalties, if any, have been paid.
- (5) Each year every owner of a mobile home situated in this state on January 1 which is not subject to taxation under Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, by virtue of its qualifying the owner for a homestead exemption or if acquired from a dealer after January 1, shall nevertheless obtain a mobile home decal from the tax commissioner by April 1, or within 45 days of acquisition, whichever occurs later. The decal shall be designed, attached and displayed as provided in this Regulation.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.04

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-440](#) through [48-5-442](#), [48-5-444](#) through [48-5-448](#), [48-5-450](#), [48-5-451](#), [48-5-490](#), [48-5-492](#) through [48-5-495](#).

History. Original Rule entitled "Issuance of Permits; Display of Decals" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 3, 2000; eff. May 23, 2000.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-9-.05. Inspections and Citations.

- (1) It shall be the duty of the county property appraisal staff to annually inspect each mobile home located in the county to determine if the owner is properly displaying the decal evidencing the issuance of a mobile home location permit. The staff may schedule the inspections throughout the year or during any portion of the year as meets their annual workflow management needs.
- (2) The property appraisal staff shall notify the owner, if known, or the occupant, if the owner is not known, of each mobile home for which a decal is not properly displayed, of the requirements of O.C.G.A. Section [48-5-492](#) and these regulations to secure and display such decal. The notice shall also describe the penalty under O.C.G.A. Section [48-5-493](#) and Regulation [560-11-9-.11](#) for failure to properly display such decal.
- (3) The county governing authority may appoint an agent authorized under O.C.G.A. Section [15-10-63](#) to issue citations to owners failing to properly display mobile home decals. Such agent may be a member of the board of tax assessors, a member of the appraisal staff or some other designee suitable to the county governing authority. The county governing authority shall notify the county appraisal staff of the name of the authorized agent within 5 days of the agent's appointment.
- (4) Within 30 days after the end of each calendar quarter, or more frequently at the property appraisal staff's discretion, the property appraisal staff shall forward to the tax commissioner and the authorized agent, if one has been appointed, a list of mobile homes discovered during the quarter, if any, that are not displaying the required mobile home decal. The list shall contain the information set forth in Regulation [560-11-9-.08\(1\)](#) to enable these officials to locate and identify each mobile home thereon.
- (5) The authorized agent, if one has been appointed, upon receipt of the list set forth in this Regulation, shall issue a citation to the owner of each mobile home for which a mobile home decal is not attached. If the authorized agent is a member of the board of tax assessors or the property appraisal staff, the notice required in Section 2 of this Regulation and the citation required in this Section may be issued to the owner simultaneously.
- (6) Within 30 days of the date the citation is issued, but not earlier than 15 days from the date the citation is issued, the county shall impose the appropriate fines upon and prosecute the subject of the citation as provided in O.C.G.A. Section [48-5-493](#).
- (7) Nothing in this Regulation shall prohibit or limit the county authorities from providing other methods for prosecution of an owner failing under O.C.G.A. Section [48-5-492](#) and these regulations to secure and display a mobile home decal.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.05

Authority: O.C.G.A. Secs. [15-10-60](#) through [15-10-66](#), [48-2-12](#), [48-5-263](#), [48-5-299](#), [48-5-440](#) through [48-5-442](#), [48-5-444](#) through [48-5-448](#), [48-5-450](#), [48-5-451](#), [48-5-490](#), [48-5-492](#) through [48-5-495](#).

History. Original Rule entitled "Inspections and Citations" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 3, 2000; eff. May 23, 2000.

Rule 560-11-9-.06. Transporting Mobile Homes.

- (1) It shall be unlawful for any person to move or transport any mobile home which is required to and which does not have attached and displayed thereon the mobile home decal required by O.C.G.A. Section [48-5-492](#).
- (2) Any person who violates Section 1 of this regulation shall be guilty of a misdemeanor and shall be prosecuted as provided in O.C.G.A. Section [48-5-493](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.06

Authority: O.C.G.A. Secs. [48-5-492](#), [48-5-493](#).

History. Original Rule entitled "Transporting Mobile Homes" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Rule 560-11-9-.07. Valuation Methods.

- (1) Beginning January 1, 1999 and effective for the tax year 1999 and each subsequent tax year, the fair market value of all mobile homes subject to taxation under Article 10 of Chapter 5 of Title 48 shall be determined by the county board of tax assessors in accordance with these regulations. For the tax year 1998, the tax commissioner shall continue to use the procedures as shown in the manual provided by the Commissioner to determine the fair market value of all mobile homes.
- (2) The valuation methods employed by the county board of tax assessors shall result in a fair market value, as fair market value is defined in O.C.G.A. Section [48-5-2](#), of each mobile home as of January 1 of the tax year for which the digest is being prepared.
- (3) The county board of tax assessors may use any combination of the following when arriving at the value for each mobile home, however, the approach used may not differ substantially from that employed to arrive at the value for a mobile home subject to tax under Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated. For any valuation guides that may be used, the board shall select those most likely to reflect the value of each mobile home as of January 1 and make any further adjustments deemed necessary to arrive at a January 1 valuation.
 - (a) The appropriate periodic edition of the National Automobile Dealers Association's Manufactured Housing Appraisal Guide;
 - (b) The appropriate periodic edition of the Marshall & Swift Residential Valuation System; and
 - (c) Any other valuation model using commonly accepted appraisal techniques including, but not limited to, quality classes, unit cost, observed obsolescence and value tables for structural additions.

- (4) Each mobile home shall be assessed at 40 percent of the fair market value determined in accordance with this Regulation.
- (5) Reserved.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-2](#), [48-5-7](#), [48-5-440](#) through [48-5-448](#), [48-5-450](#), [48-5-451](#), [48-5-490](#) through [48-5-495](#).

History. Original Rule entitled "Valuation Methods" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 3, 2000; eff. May 23, 2000.

Rule 560-11-9-.08. Mobile Home Digest.

- (1) On the tenth day of each month, a county's tax commissioner shall report to the board of tax assessors a list of all mobile homes for which during the preceding month:
 - (a) Location permits were issued, and
 - (b) Returns for taxation were sent.
- (2) The monthly reporting requirement may be changed by a signed written agreement between the tax commissioner and the board of tax assessors, but shall not be sent less than once per calendar year or later than December 1st.
 - (a) The list sent by the county's tax commissioner shall contain the following information regarding each mobile home:
 - (1) Manufacturer, model, and year;
 - (2) Serial number;
 - (3) Size;
 - (4) Owner's name and address;
 - (5) Map and parcel number (if a map and parcel number has previously been assigned by the board of tax assessors);
 - (6) The mobile home's physical location, street address, lot number, and park name (if applicable and known);
 - (7) Tax district; and
 - (8) Assessment (if set by the board of tax assessors).

- (3) On or before January 5th of each year, and before the county's digest is submitted to the tax commissioner, a county's board of tax assessors shall meet to receive and inspect the tax returns and location permits for the county's mobile homes that have been reported to the tax commissioner during the preceding twelve months.
 - (a) If any mobile homes have not been reported or returned to the tax commissioner by January 5th of each year, then the county board of tax assessors shall have the authority to add those mobile homes to the county's digest.
- (4) For each mobile home listed in a county's digest, the county's board of tax assessors shall develop a valuation which, in the board's judgment, best represents the fair market value that the mobile home will have as of January 1 of the tax year for which the digest is being prepared.
 - (a) This valuation shall include any improvements to the mobile home and shall reflect any changes to the value of the mobile home resulting from market changes or physical depreciation as of January 1 of the tax year for which the digest is being prepared.
- (5) On or before January 5th of each year, a county's board of tax assessors shall return to the tax commissioner the mobile home digest with the proposed assessments.
- (6) The total assessed value of the mobile home digest shall be added to the county's consolidated summary at the time the county's official digest is transmitted to the Revenue Commissioner, or at such other time as the digest is required to be compiled.
 - (a) The assessed value on the mobile home digest shall be used by the tax commissioner for the purpose of calculating tax bills.
- (7) Effective January 1, 1999, when a mobile home is returned for taxation after the mobile home digest has been delivered by the board of tax assessors to the county's tax commissioner, the county's tax commissioner shall, within 10 days of receipt of the return, forward it to the county's board of tax assessors. Within 10 days of receiving the return, the county's board of tax assessors shall assess the mobile home's fair market value and notify the county's tax commissioner of the assessment.
 - (a) The tax commissioner shall then bill the owner pursuant to Regulation [560-11-9-.10](#).
 - (b) The owner of the mobile home shall be afforded an opportunity to appeal and receive a temporary bill pursuant to Regulation [560-11-9-.09](#).
 - (c) Such returns shall be designated "Not On Digest" by the tax commissioner and accounted for as such in their official accounts.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.08

Authority: O.C.G.A. Secs. [48-5-311](#), [48-5-442](#), [48-5-448](#), [48-5-450](#).

History. Original Rule entitled "Mobile Home Digest" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 9, 2011; eff. May 29, 2011.

Rule 560-11-9-.09. Appeals.

- (1) A mobile home owner who disagrees with the county board of tax assessor's assessment of their mobile home(s) on the ad valorem property tax bill may challenge such assessment by either electing to:
 - (a) Appeal the assessed value of the mobile home in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. Section [48-5-311](#) as follows:
 1. Filing a notice of appeal with the county's board of tax assessors within 45 days of date printed on the ad valorem property tax bill, or by April 1st, whichever occurs later.
 2. After an appeal has been filed, the county's board of tax assessors shall notify the county's tax commissioner within 10 days of said appeal. A temporary tax bill, like those in O.C.G.A. § [48-5-311\(E\)\(6\)\(d\)\(iii\)\(I\)](#), shall be issued for every mobile home which is on appeal. A mobile home owner shall pay their temporary tax bill by April 1, if the appeal is not yet resolved, or upon receipt, if temporary tax bill is issued after April 1. Upon payment of temporary tax bill, the county's tax commissioner shall issue a mobile home location permit. Nothing in this Regulation shall prevent the county's tax commissioner from assessing penalties and interest against a mobile home owner who receives a temporary tax bill after April 1 because said owner failed to return their mobile home by April 1.
 3. Once there is a determination regarding the appeal, the county's board of tax assessors shall, within 10 days, notify the county's tax commissioner of the final assessment established by such appeal. If necessary, the county's tax commissioner shall then, within 10 days, bill the taxpayer for any additional ad valorem property taxes due or issue a refund, if there has been an overpayment of taxes.
 - (b) Secure a location permit for the year in question by filing with the county's tax commissioner an affidavit of illegality and by filing either 1) a surety bond issued by a State authorized surety company or 2) a bond approved by the clerk of superior court of the county or 3) a cash bond, pursuant to O.C.G.A. Section [48-5-450](#).
- (2) If the owner of a mobile home, subsequent to paying the tax without having filed an appeal or affidavit of illegality, believes that the tax has been illegally or erroneously assessed and collected, then the owner may file with the county governing authority a

request for a refund. Such request may be filed within three years of the date of payment of the tax under the provisions of O.C.G.A. § [48-5-380](#).

- (a) Only errors of fact or law which have resulted in erroneous or illegal taxation shall be considered. A mobile home owner's claim based on mere dissatisfaction with an assessment shall not constitute that the assessment was erroneous or illegal within the meaning of O.C.G.A. § [48-5-380](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-311](#), [48-5-380](#), [48-5-442](#), [48-5-450](#).

History. Original Rule entitled "Appeals" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 9, 2011; eff. May 29, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-9-.10. Collection of Tax.

- (1) It shall be the duty of the tax commissioner to issue tax bills using form PT-40 to each owner of a mobile home appearing on the mobile home digest on or after January 1 of each calendar year, but not later than February 1.
- (2) Reserved.
- (3) Ad valorem taxes imposed on mobile homes shall be based on the assessments as determined from the procedures shown in the manual provided by the Commissioner for the tax year 1998 and as determined by the board of tax assessors pursuant to Regulation [560-11-9-.07](#) for tax year 1999 and thereafter, and the mill rate levied by the taxing authority on tangible property for the previous calendar year.
- (4) The tax commissioner shall collect all ad valorem taxes imposed on mobile homes irrespective of the tax authority levying the taxes. No other official shall be authorized to collect such taxes.
- (5) The tax commissioner collecting the ad valorem taxes on mobile homes shall remit to the tax authority imposing the tax such sums as have been collected, less the commissions, on or before the fifteenth day of the month following the month of collection, or on a more frequent basis at the tax commissioner's election.
- (6) The tax commissioner shall withhold from each taxing authority commissions on all net ad valorem tax collections made for the jurisdiction on mobile homes during any calendar year. Such commissions shall be withheld as prescribed in O.C.G.A. Section [48-5-447](#) and, along with any fees collected, shall be retained by the tax commissioner or disposed of in accordance with those general laws and local Acts specifically providing for the disposition of such fees and commissions.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.10

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-440](#) through [48-5-448](#), [48-5-450](#), [48-5-451](#), [48-5-490](#), [48-5-492](#) through [48-5-495](#).

History. Original Rule entitled "Collection of Tax" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 3, 2000; eff. May 23, 2000.

Rule 560-11-9-.11. Penalties.

- (1) Every owner of a mobile home subject to these regulations, in addition to the ad valorem tax due on the mobile home, shall be liable for a penalty of 10 percent of the tax due or \$ 5, whichever is greater, for their failure to make the return or pay the tax by April 1 of each year.
- (2) Reserved.
- (3) Every owner of a mobile home located in a county on January 1 and subject to these regulations, in addition to the ad valorem tax due on the mobile home, if applicable, and the penalty, if applicable, for failure to make the return or pay the tax by April 1 of each year, shall be guilty of a misdemeanor if they fail to secure, attach and display on a mobile home the decal that is required by Regulation [560-11-9-.04](#). Upon conviction thereof, the owner shall be punished by a fine of not less than \$ 100.00 nor more than \$ 300.00, except that upon receipt of proof of purchase of a decal prior to the date of the issuance of a summons, the fine shall be \$ 50.00 provided, however that in the event such person owns more than one mobile home in an individual mobile home park, the maximum fine under this paragraph for such person with respect to such mobile home park shall not exceed \$1,000.00. The county governing authority may, by local ordinance, provide for penalties for owners who locate a mobile home in the county after January 1 and fail to secure, attach and display on a mobile home the decal that is required by Regulation [560-11-9-.04](#).
- (4) Any person who moves or transports a mobile home which is required to and which does not have attached and displayed thereon the decal required by Regulation [560-11-9-.04](#) shall be guilty of a misdemeanor and shall be punished by a fine of not less than \$ 200.00 nor more than \$ 1,000.00 or by imprisonment for not more than 12 months, or both.
- (5) The tax commissioner may issue executions for nonpayment of mobile home taxes in the manner prescribed in Georgia Code Section [48-3-3](#). The collection of such executions shall follow the procedures prescribed in Chapter 3 of Title 48 of the Official Code of Georgia Annotated. Such executions shall bear interest at the rate prescribed by Georgia Code Section [48-2-40](#) once issued.

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.11

Authority: O.C.G.A. Secs. [48-2-12](#), [48-2-40](#), [48-3-3](#), [48-5-440](#) through [48-5-442](#), [48-5-444](#) through [48-5-448](#), [48-5-450](#), [48-5-451](#), [48-5-490](#), [48-5-492](#) through [48-5-495](#).

History. Original Rule entitled "Penalties" adopted. F. Dec. 5, 1997; eff. Dec. 25, 1997.

Amended: F. May 3, 2000; eff. May 23, 2000.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-9-.12. Notice of Right to Appeal Mobile Home Valuation.

Any proposed assessment or ad valorem property tax bill sent to an owner of a mobile home(s), by a county's board of tax assessor, shall contain the following sentence in bold:

"If you feel that your mobile home's value is too high for ad valorem taxation purposes, you should file an appeal or tax return with County Board of Tax Assessors for an opportunity to have your mobile home's value reduced."

Cite as Ga. Comp. R. & Regs. R. 560-11-9-.12

Authority: O.C.G.A. Sec. [48-5-311](#).

History. Original Rule entitled "Notice of Right to Appeal Mobile Home Valuation" adopted. F. May 9, 2011; eff. May 29, 2011.

Subject 560-11-10. APPRAISAL PROCEDURES MANUAL.

Rule 560-11-10-.01. Purpose and Scope.

- (1) **Purpose.** This appraisal procedures manual has been developed in accordance with Code section [48-5-269.1](#) which directs the Revenue Commissioner to adopt by rule, subject to Chapter 13 of Title 50, the "Georgia Administrative Procedure Act," and maintain an appropriate procedural manual for use by the county property appraisal staff in appraising tangible real and personal property for ad valorem tax purposes.
- (2) **Specific procedures.** In order to facilitate the mass appraisal process, specific procedures are provided within this Chapter which are designed to arrive at a basic appraisal value of real and personal property. These specific procedures are designed to provide fair market value under normal circumstances. When unusual circumstances are affecting value, they should be considered. In all instances, the appraisal staff will apply Georgia law and generally accepted appraisal practices to the basic appraisal values required by this manual and make any further valuation adjustments necessary to arrive at the fair market values.
- (3) **Board of tax assessors.** The county board of tax assessors shall require the appraisal staff to observe the procedures in this manual when performing their appraisals. The county board of tax assessors may not adopt local procedures that are in conflict with Georgia law or the procedures required by this manual. The county board of tax assessors must consider the appraisal staff information in the performance of their duties. In each instance, however, the assessment placed on each parcel of property shall be the assessment established by the county board of tax assessors as provided in Code section [48-5-306](#).

- (4) **Other appraisal procedures.** The appraisal staff may use those generally accepted appraisal practices set forth in the Uniform Standards of Professional Appraisal Practice, published by the Appraisal Foundation, and the standards published by the International Association of Assessing Officers, as they may be amended from time to time, to the extent such practices do not conflict with this manual and Georgia law.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-269](#), [48-5-269.1](#), [48-5-306](#).

History. Original Rule entitled "Purpose and Scope" adopted. F. Sept. 20, 1999; eff. Oct. 10, 1999.

Rule 560-11-10-.02. Definitions.

- (1) Definitions. When used in this Chapter, the definitions found in this Rule shall apply.
- (a) Absorption rate. "Absorption rate" means the rate at which the real estate market can absorb real property of a given type.
 - (b) Appraiser. "Appraiser" means a member of the county appraisal staff, who serves the board of tax assessors and whose position was created pursuant to Part 1 of Article 5 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated. This term does not limit its meaning to a single appraiser and may mean one or more members of the county appraisal staff.
 - (c) Basic cost approach. "Basic cost approach" means a cost approach procedure, used in the mass appraisal of personal property, which uses standard estimates of the most common factors affecting the value of such property. The basic cost approach is intended to provide a uniform estimate of personal property value.
 - (d) Depreciation. "Depreciation" means the loss of value due to any cause. It is the difference between the market value of a structural improvement or piece of equipment and its reproduction or replacement cost as of the date of valuation. Depreciation is divided into three categories, physical deterioration, functional obsolescence, and economic obsolescence. Depreciation may be further characterized as curable or incurable depending upon the difficulty or practicality of restoring the lost value through repair or maintenance.
 - (e) Economic life. "Economic life" means the period during which property may reasonably be expected to perform the function for which it was designed or intended.
 - (f) Economic obsolescence. "Economic obsolescence" means a form of depreciation that measures a loss of value from negative influence external to the real or personal property. It results when the desirability or useful life of real or personal property is impaired due to forces such as changes in optimum use, legislative

enactment that restricts or impairs productivity, and changes in supply and demand relationships. Economic obsolescence is normally incurable.

- (g) Effective age. "Effective age" means the age of an improvement to property as compared with other property performing like functions. It is the actual ageless the age that has been taken off by face-lifting, structural reconstruction, removal of functional inadequacies, modernization of equipment, and similar repairs and overhauls. It is an age that reflects a true remaining life for the property, taking into account the typical life expectancy of buildings or equipment of its class and usage.
- (h) Fair market value. "Fair market value" means fair market value as defined in Code section [48-5-2\(3\)](#).
- (i) Final assessment. "Final assessment" means the assessed value of real property as stated on the Annual Notice of Assessment as approved by the Board of Assessors. Amendments to "Final assessment" for real property are prohibited absent a clerical error or some other lawful basis; and in the case of personal property, the appraisal staff has completed its audit of the personal property pursuant to Rule [560-11-10-.08\(4\)\(d\)](#) within the three year statute of limitations.
- (j) Functional obsolescence. "Functional obsolescence" means a form of depreciation that measures a loss of value from a design deficiency or appearance in the market of a more innovative design. Some functional obsolescence may be curable and some functional obsolescence may be incurable.
- (k) Inventory. "Inventory", means goods held for sale or lease or furnished under contracts for service; also, supplies, packing materials, spare parts, raw materials, work in process or materials used or consumed in a business.
- (l) Large acreage tract. "Large acreage tract" means a rural land tract that is greater in acreage than the small acreage break point.
- (m) Mass appraisal. "Mass appraisal" means the process of valuing a universe of properties as of a given date using standard methodology, employing common data and allowing for statistical testing.
- (n) Most Recent Arm's Length Sale. As referenced in OCGA [48-5-2\(3\)](#), transactions must occur prior to the statutory date of valuation to become eligible for the value limitations imposed in 48-5-2(3). Furthermore, where the exchange of property is defined as an arm's length transaction, the sum of the value of the exchanged real estate property components, land and improvements, in the year following the property exchange shall not exceed the transaction's sale price adjusted for non-real estate values such as but not limited to, timber, personal property, etc. The adjustment to the value of the real estate shall remain in effect for at least the digest year following the transaction. With respect to changes in the exchanged

real estate property components since the time of exchange (sale date), the value of new improvements, value of additions to existing improvements (footprint of exchanged structure has been altered), major remodeling or renovations to existing structures (footprint of exchanged structure has not been altered), and adjustments to land due to consolidation of tracts, new surveys, zoning changes, land use changes, etc. shall be added to the sales price adjusted values. In the event an exchanged real estate property structure is renovated or remodeled, the term major shall be construed such that both the property owner and BOA would reasonably conclude a major renovation/remodeling has occurred. If either party, acting reasonably, could debate that the renovation/remodeling effort was not major in nature, the renovation/remodeling effort does not qualify and shall not be added to the sales price adjusted values. Any modifications made to the exchanged real estate property after the sale date that result in a lower value of the exchanged property shall be considered in the final valuation of property for the digest.

- (o) Original cost. "Original cost" means, in the case of machinery, equipment, furniture, personal fixtures, and trade fixtures in the hands of the final user, all the direct costs associated with acquiring, transporting and installing such property at the site where it is to be used. This includes the cost of the property to the property owner, the cost of transporting the property to its present site, the cost of any on-site assembly or customized modification of the property, the cost of installing the property, the cost of installing personal fixtures and trade fixtures necessary for the proper operation of the property, and any sales or use tax paid on the property. Original cost is equivalent to original cost new if the property owner was the first to put the personal property into service.
- (p) Original cost new. "Original cost new" means, in the case of machinery, equipment, furniture, personal fixtures, and trade fixtures in the hands of the final user, all the direct costs associated with acquiring, transporting and installing such property at the site where it is to be used. This includes the historical cost of the property at the time it was first put into service new, the cost of transporting the property to its present site, the cost of any on-site assembly or customized modification of the property, the cost of installing the property, the cost of installing personal fixtures and trade fixtures necessary for the proper operation of the property, and any sales or use tax paid on the property. Original cost new is equivalent to original cost if the property owner was the first to put the personal property into service.
- (q) Paired sales analysis. "Paired sales analysis" means the comparing of the sale prices of similar properties, some with and some without a particular characteristic, in order to determine what portion of the difference in sales price might be attributable to such characteristic.
- (r) Personal fixtures. "Personal fixtures" means personal property that has been set-up or installed on land or in a building or in a group of buildings and is not

permanently attached to such land or buildings. A consideration for whether personal property is a personal fixture is whether its removal would cause significant damage to such property or to the real property on which it has been set-up or installed. The term personal fixtures shall not include trade fixtures. Personal fixtures are classified as personal property. Examples of personal fixtures are desks, shelving, display cases and gondolas.

- (s) Personal property. "Personal property" means tangible personal property that may be seen, weighed, measured, felt, or touched or which is in any other manner perceptible to the senses. Personal property shall include trade fixtures. For the purposes of this Rule, personal property shall not include the capital stock of all corporations; money, notes, bonds, accounts, or other credits, secured or unsecured; patent rights, copyrights, franchises, and any other classes and kinds of property defined by law as intangible personal property.
- (t) Physical deterioration. "Physical deterioration" means a form of depreciation that measures the loss of utility of real or personal property over time from wear and tear, age, and exposure to the elements. Some physical deterioration may be curable and some physical deterioration may be incurable.
- (u) Ready market. "Ready market" means a market, possibly global, where exchanges of machinery, equipment, personal fixtures and trade fixtures occur with such regularity and under such conditions as to provide a reliable measure of fair market value. Five conditions that may indicate a ready market are: the items of personal property being sold within the market are reasonable substitutes for each other; there are an adequate number of buyers and sellers of the personal property in the market, no one of whom can measurably affect price; there is an absence of artificial restraints and unusual incentives in the market; the item of personal property is reasonably free to be moved where it will receive the greatest return and buyers are reasonably free to buy where the price is lowest; and buyers and sellers are knowledgeable and informed about market conditions.
- (v) Real estate. "Real estate" means the physical parcel of land, improvements to the land, improvements attached to the land, real fixtures and appurtenances such as easements.
- (w) Real fixtures. "Real fixtures" means personal property that has been installed or attached to land or a building or group of buildings and is intended to remain permanently in its place. A consideration for whether personal property is a real fixture is whether its removal would cause significant damage to such property or to the real property to which it is attached. The term real fixtures shall not include trade fixtures. Real fixtures are classified as real property. Examples of real fixtures are plumbing, heating and cooling, and lighting fixtures.
- (x) Real property. "Real property" means the bundle of rights, interests, and benefits connected with the ownership of real estate. Real property does not include the

intangible benefits associated with the ownership of real estate, such as the goodwill of a going business concern.

- (y) Replacement cost. "Replacement cost" for real property means the cost required to construct a similar structure with like utility as the subject property using modern design, materials, and workmanship. Replacement cost for personal property means the current cost of a similar new item having the nearest equivalent utility as the subject property.
- (z) Reproduction cost. "Reproduction cost" for real property means the cost required to construct an identical or exact replica structure of the subject property. Reproduction cost for personal property means the current cost of duplicating an identical new item.
- (aa) Residual value. "Residual value" means the value of personal property that is at the end of its normally expected economic life but still in use.
- (bb) Rural land. "Rural land" means any land that normally lies outside corporate limits, planned subdivisions, commercial sites, and industrial sites.
- (cc) Salvage value. "Salvage value" means the value of personal property that is at the end of its normally expected economic life and has been taken out of use.
- (dd) Small acreage break point. "Small acreage break point" means the point, expressed as a number of acres, at which the slope of a trend line, drawn through the plotted qualified sales of rural land on a graph, reflects a distinct and pronounced change. Such graph uses the dollars per acre on the vertical axis and numbers of acres on the horizontal axis. The small acreage break point should show the point below which the market factors of accessibility and desirability of the land primarily influence value, and above which the productivity of the soil and suitability for timber growth primarily influence value.
- (ee) Small acreage tract. "Small acreage tract" means a rural land tract that is equal to or smaller in acres than the small acreage break point.
- (ff) Tax situs. "Tax situs" means the location of personal property for ad valorem tax purposes.
- (gg) Trade fixtures. "Trade fixtures" means fixtures that are owned and temporarily installed or attached to a rented space or building by a tenant and used in conducting a business. For personal property to be classified as trade fixtures the lease or rental agreement has to show intent for the fixtures to be removed by the owner at the termination of the lease. Fixtures that revert to the landlord when the lease is terminated are not trade fixtures. Property shall not be classified as a trade fixture when the cost of removal, or damage that removal would cause to the realty, or to the fixture itself, clearly indicates that a tenant is unlikely to

remove such fixture at the termination of the lease. Trade fixtures shall be classified as personal property.

- (hh) Transitional real property. "Transitional real property" means any real property that is undergoing a change in use, such as residential, agricultural, commercial, or industrial, and has not been firmly established in its new use. Change in use may be evidenced by recent zoning changes, purchase by a known developer, affidavits of intent, or close proximity to property exposed to these market factors.
- (ii) Trend. "Trend" means an observable tendency of behavior such as stable economic direction over extended periods despite temporary fluctuations.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-2](#), [48-5-264](#), [48-5-269](#), [48-5-269.1](#), [48-5-291](#), [48-5-292](#), [48-5-295](#).

History. Original Rule entitled "Definitions" adopted. F. Sept. 20, 1999; eff. Oct. 10, 1999.

Amended: ER. 560-11-10-0.2-.02 adopted. F. Jan. 19, 2011; eff. Jan. 20, 2011, as specified by the Agency.

Amended: F. Nov. 9, 2011; eff. Nov. 29, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-10-.03. Reserved.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.03

Rule 560-11-10-.04. Reserved.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.04

Rule 560-11-10-.05. Reserved.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.05

Rule 560-11-10-.06. Reserved.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.06

Rule 560-11-10-.07. Reserved.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.07

Rule 560-11-10-.08. Personal Property Appraisal.

(1) **Personal property identification.** The appraisal staff shall identify personal property, determine its taxability, and classify it for addition to the county ad valorem tax digest in accordance with this paragraph.

(a) **Distinguishing personal property.** The appraiser shall be required to correctly identify personal property and distinguish it from real property where the proper valuation procedures, as set forth in this Rule, may be followed.

1. **Examples.** As used in this Chapter, personal property shall be that property defined in Rule [560-11-10-.02\(1\)\(r\)](#). This Rule shall provide illustrations to assist the appraiser in the proper interpretation of the definition. However, these illustrations should not be construed in a manner that conflicts with the definition. Examples of personal property are tangible items such as aircraft; boats and motors; inventories of retail stock, finished manufactured or processed goods, goods in process, raw materials and supplies; furniture, personal fixtures, trade fixtures, machinery and equipment.

2. **Identification of trade fixtures.** When property the appraiser believes is a trade fixture has not been returned by the tenant, the appraiser shall require the tenant to produce their lease agreement and shall carefully review the agreement before making a recommendation to the board of tax assessors regarding the classification of the property in question. The appraiser shall inform the tenant that they may redact, at their option, any information relating to the payments that are required by the lease agreement.

(b) **Assessment date.** Code section [48-5-10](#) provides that each return by a property owner shall be for property held and subject to taxation on January 1 of the tax year. The appraisal staff shall base their decisions regarding the taxability, tax situs, uniform assessment, and valuation of personal property on the circumstances of such property on January 1 of the tax year for which the assessment is being prepared. When personal property is transferred to a new owner or converted to a new use, the circumstances of such property on January 1 shall nevertheless be considered as controlling.

(c) **Freeport exemptions.**

1. **Mailing applications.** The appraisal staff shall, by U. S. mail, send a new freeport exemption application to any person, firm or corporation that was approved for freeport exemption by the board of tax assessors for the tax year proceeding the tax year for which the application is to be made. The application provided by the appraisal staff shall be deposited with the local post office no later than the 15th day after the official who is responsible for receiving returns has opened the books for returns. The failure of the appraisal staff to comply with this requirement shall not relieve a person, firm or corporation from the responsibility to timely file a freeport application.

2. **Reviewing applications.** The appraisal staff shall, upon receipt of a freeport application, reconcile the figures reported on such form to any inventory totals that may have been returned by the property owner. The appraisal staff may obtain relevant information as is available from financial records or other records of the property owner when needed to reconcile the figures reported on the application. Once the appraisal staff has completed the reconciliation of the freeport application, they shall forward the application and their recommendations, along with any supporting documentation, to the board of tax assessors. When the appraisal staff recommends the freeport application be denied, in whole or in part, they shall include the reasons for their recommendation.

(d) **Tax situs.** The appraisal staff shall inquire into the proper tax situs of personal property before preparing the proposed assessment to ensure that the property owner is made subject to only those taxes that may legally be levied. The tax situs inquiry shall be sufficiently specific to determine whether the property is subject to tax by each of the authorities authorized to levy taxes in the county.

1. **General tax situs.** Unless otherwise provided in subparagraph (d) of this paragraph, the appraisal staff shall consider the tax situs of personal property to be as provided in this subparagraph.

(i) **Tax situs of personal property of Georgia residents.** The appraisal staff shall consider the tax situs of personal property owned by a Georgia resident as being the domicile of the owner unless such property has acquired a business situs elsewhere. The appraisal staff shall consider the tax situs of personal property owned by a Georgia resident and used in connection with a business as being the location of the business. In making the determination of tax situs, the appraisal staff shall consider such factors as the principal location of the personal property, the base from which its operations normally originate and whether the personal property is connected with some business enterprise that is situated more or less permanently in the county, as distinguished from an enterprise whose location is merely transitory or temporary. When personal property used in connection with a business is moved about in such a manner that it is not predominantly located during the year in one place, the appraisal staff shall consider the headquarters of the business as the tax situs.

(ii) **Tax situs of personal property of non-residents.** The appraisal staff shall consider the tax situs of personal property owned by non-residents as being where the property is located. The appraisal staff shall recommend to the board of tax assessors a "no tax situs" status for any personal property owned by a nonresident who does not

maintain a place of business in Georgia and who gives the personal property to a commercial printer in Georgia for printing services to be performed in Georgia.

2. **Tax situs of boats.** In accordance with Code section [48-5-16\(d\)](#), the appraisal staff shall consider the tax situs of a boat to be the tax district wherein lies the domicile of the owner, even when the boat is located within another tax district in the county. When the boat is functionally located for recreational or convenience purposes for 184 days or more in a county other than where the owner is domiciled, the appraisal staff shall consider the tax situs of the boat to be where it is functionally located.
 3. **Tax situs of aircraft.** In accordance with Code section [48-5-16\(e\)](#), the appraisal staff shall consider the tax situs of an aircraft to be the tax district wherein lies the domicile of the owner, even when the aircraft is located within another tax district in the county. When the aircraft's primary home base is in a county other than where the owner is domiciled, the appraisal staff shall consider the tax situs of the aircraft to be where it is principally hangered or tied down and out of which its flights normally originate.
 4. **Tax situs of foreign merchandise in transit.** The appraisal staff shall recommend to the board of tax assessors a "no tax situs" status for foreign merchandise that is in transit through this state. The recommendation of "no tax situs" shall be made regardless of the fact that while the foreign merchandise is in the warehouse it is assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled, or repackaged. The grant of "no tax situs" status shall be liberally construed. In deciding whether goods are foreign, the appraisal staff shall determine if the point of origin is a non-domestic shipping port. In deciding whether goods are in transit, the appraisal staff shall consider whether the interruption in the transport of the goods may be characterized as having a business purpose or advantage, rather than just being an incidental interruption in the continuity of transit.
- (e) **Assessments of personal property used on state contracts.** Under Code section [50-17-29\(e\)\(1\)](#), the appraisal staff shall not propose an assessment upon the personal property of any contractor or subcontractor as a condition to or result of the performance of a contract, work, or services by such contractor or subcontractor in connection with any project being constructed, repaired, remodeled, enlarged, serviced, or destroyed for, or on behalf of, the state or any of its agencies, boards, bureaus, commissions, and authorities. The appraisal staff shall inquire into the nature of the use of such property and prepare their proposed assessment in accordance with this Subparagraph.

1. **Personal property located in headquarters' county.** When the tax situs of the personal property being used on state projects is in the same county as where the property owner's permanent business headquarters and administrative offices are located, and such property is not used exclusively for the state projects contemplated by Code section [50-17-29\(e\)\(1\)](#), the appraisal staff shall not apportion their proposed assessment of the property. When such property is used exclusively for such state projects, such property is made exempt by Code section [50-17-29\(e\)\(1\)](#) from ad valorem taxation by the county and the appraisal staff shall treat such property as exempt property is treated.
 2. **Personal property not located in headquarters' county.** When the tax situs of the personal property being used on state projects is in a county other than where the property owner's permanent business headquarters and administrative offices are located, and such property would not be located in the county absent the state projects, then the appraisal staff shall apportion their proposed assessment of such property as follows: The exempt portion of the personal property being used on state projects shall be that pro rata portion of the total value of such property that represents the percentage the contractor or subcontractor can reasonably demonstrate is likely to represent the portion of their business that will result from state projects during the tax year. The appraisal staff may consider the percentage of income, production output, or time attributable to state projects during the preceding year. The appraisal staff shall consider any information submitted by the property owner regarding the basis for the apportionment. The appraisal staff shall not apportion the personal property when the property owner fails to provide reasonable evidence necessary to determine the portion of the property owner's business that will result from state projects during the year.
- (f) **Partial assessments.** Unless specifically provided by law and this Rule, the appraisal staff shall not prepare a partial appraisal based on the fact that personal property is owned or used during the year in a manner that would make it exempt part of the year and taxable part of the year.
- (2) **Classification.** The appraisal staff shall classify personal property as provided in Rule [560-11-2-.21](#) for inclusion in the county tax digest.
 - (3) **Return of personal property.** In accordance with Code section [48-5-299\(a\)](#), the appraisal staff, on behalf of the board of tax assessors, shall investigate diligently and inquire into the property owned in the county for the purpose of ascertaining what real and tangible personal property is subject to taxation in the county and to require the proper return of the property for taxation. The appraisal staff shall make such investigation as may be necessary to determine the value of any property upon which for any reason all taxes due the state or the county have not been paid in full as required by

law. In all cases where taxes are assessed against the owner of property, the appraisal staff shall prepare a proposed assessment on the property according to the best information obtainable.

- (a) **Information sources.** The appraisal staff should develop and maintain information sources for the discovery of unreturned personal property.
- (b) **Returns.** Property owners shall use Department of Revenue authorized return forms when returning personal property. No other forms shall be provided for this purpose to property owners by the county official responsible for receiving returns unless previously approved in writing by the Revenue Commissioner.
 - 1. **Authorized return forms.** The returns described in this subparagraph shall be authorized for use when returning personal property.
 - (i) **Form PT-50P.** The return form PT-50P, entitled "Business Personal Property Tax Return," may be used for the return of business personal property
 - (ii) **Form PT-50PF.** The return form PT-50PF, entitled Application for Freeport Exemption," may be used for the application for freeport exemption.
 - (iii) **Form PT-50MA.** The return form PT-50MA, entitled "Marine / Aircraft Personal Property Tax Return," may be used for the return of boats or aircraft.
 - 2. **Obtaining returns from receiver.** Each year, after the deadline for filing returns, the appraisal staff shall secure the returns from the official responsible for receiving returns on or before the tenth day following such deadline.
 - 3. **Automatic returns.** In accordance with Code section [48-5-20](#), the appraisal staff shall deem any property owner that does not file a return by the deadline as returning for taxation the same property as was returned or deemed to have been returned in the preceding tax year at the same valuation as the property was finally determined to be subject to taxation in the preceding year.
- (c) **Reporting schedules.** Property owners shall use Department of Revenue authorized reporting schedules when reporting supporting information for authorized return forms. No other reporting schedules shall be provided for this purpose to property owners by the county official responsible for reviewing returns unless previously approved in writing by the Revenue Commissioner. A property owner may attach other schedules or documents that provide further support for the value they have placed on their personal property return. The appraisal staff shall consider all additional information submitted by the property

owner with the return and reporting schedules. The reporting schedules required by Rule [560-11-10-.08\(3\)\(c\)](#) and appropriate for the type of personal property being returned and any other information submitted with the return by the property owner are made confidential by Code section [48-5-314](#) and shall be treated as such by the appraisal staff. The appraisal staff shall not consider as fully returned any property that is omitted, misrepresented, or undervalued on the supporting reporting schedules and accompanying property owner documents, as these provide the basis for the property owner's declarations of value on the return and are necessary for the board of assessors to carry out their responsibility under Code section [48-5-299](#) to, through their appraisal staff, ascertaining what personal property is subject to taxation in the county and to require the proper return of the property for taxation.

1. **Authorized reporting schedules.** The reporting schedules described in this subparagraph shall be authorized for use when reporting information to support the return of personal property.
 - (i) **Schedule A.** The reporting schedule entitled "Schedule A" may be used to list and describe any furniture, trade fixtures, personal fixtures, machinery and equipment that is included on the property owner's return.
 - (ii) **Schedule B.** The reporting schedule entitled "Schedule B" may be used to list and describe any inventory that is included on the property owner's return.
 - (iii) **Schedule C.** The reporting schedule entitled "Schedule C" may be used to list and describe any construction in progress that is included on the property owner's return.
 - (iv) **Schedule D.** The reporting schedule entitled "Schedule D" may be used to list and describe any boats or aircraft that are included on the property owner's return.
- (4) **Verification.** The appraisal staff shall review and audit the returns in accordance with policies and procedures set by the county board of tax assessors consistent with Georgia law and this Rule.
 - (a) **Omissions and undervaluations.** If not otherwise prohibited by law or this Rule, the appraisal staff shall recommend an additional assessment to the board of tax assessors when any review or audit reveals that a property owner has omitted from their return any property that should be returned or has failed to return any of their property at its fair market value. The appraisal staff shall recommend a reduced assessment to the board of tax assessors when any review or audit reveals that a property owner has overstated the amount of personal property subject to taxation.

- (b) **Reassessments.** The appraisal staff shall recommend to the board of tax assessors a new assessment when the property owner has omitted personal property from their return or failed to return personal property at its fair market value, when such omission or undervaluation has been discovered by an audit conducted pursuant to Rule [560-11-10-.08\(4\)\(d\)](#). The appraisal staff shall not be precluded from conducting such an audit merely because a change of assessment has been made on the personal property as a result of a review conducted pursuant to Rule [560-11-10-.08\(4\)\(c\)](#). However, the appraisal staff may not recommend to the board of tax assessors a reassessment of the same personal property for which an audit has been conducted pursuant to Rule [560-11-10-.08\(4\)\(d\)](#) and a final assessment has already been made by the board.
- (c) **Review.** The purpose of a review is to determine if a property owner has correctly and fully completed their return and reporting schedules. It is based upon the good-faith disclosures of the property owner and information that is readily ascertainable by the appraisal staff. The review of an owner's return may consist of, but is not limited to, an analysis of any improper omissions or inclusions, improperly applied or omitted depreciation, and improperly applied or omitted inflation or deflation of the value of the owner's property. The examination should include a comparison of the current return information with return information from prior years. The appraiser should contact the owner or their agent by an on-site visit, telephone call, or written correspondence to attempt to resolve any questionable items. Returns with unresolved discrepancies, unexpected values, or incomplete information should be escalated to an audit.
- (d) **Audits.** The purpose of an audit is to gather information that will allow the appraiser to make an accurate determination of the fair market value of the property owned by the property owner and subject to taxation. An audit is an examination of the records of the property owner to make an independent determination of the fair market value of such property where such determination does not solely depend upon the good-faith disclosures of the property owner and information that is readily ascertainable by the appraisal staff. The appraisal staff shall perform, consistent with Georgia Law and policies that are established by the board of tax assessors, audits of the records of the property owners to verify the returns of personal property. These audits may take place at any time within the seven-year statute of limitations, which begins on the date the personal property was required by law to be returned.
1. **Scope of audit.** The audit may be an advanced desk audit of certain additional property owner records that are voluntarily submitted or obtained by subpoena from the property owner or a complex on-site detailed audit of the property owner's books and records combined with a physical inspection of the personal property. The documents the appraisal staff should secure include, but are not limited to, schedules A, B, and C of form PT-50P; a balance sheet or other type of financial record that for a particular location

reflects the business' book value as of January 1 of the tax year being audited; a ledger of capitalized personal property items held on January 1 of the tax year being audited; and an income statement.

- (i) **Use of subpoena.** The appraiser should request the board of tax assessors to subpoena, within the limitations of their subpoena powers, any existing documents the property owner fails to provide voluntarily, when these documents are deemed by the appraiser to be critical to the audit. Since the appraiser may not request a subpoena for documents that do not presently exist in the format needed, the appraiser should seek existing documents held by the property owner and solicit the owner's voluntary cooperation in obtaining these documents.
- 2. **Contracts with auditing specialists.** The appraiser shall secure non-disclosure statements from any contracted audit specialist to ensure that such specialist shall conform with the confidentiality provisions of Code section [48-5-314](#) and shall not disclose the property owner's confidential records to unauthorized persons or use such confidential records for purposes other than the county's review for ad valorem tax purposes of the tax return and supporting documentation. The appraisal staff shall provide a copy of such non-disclosure statement to the property owner upon such owner's request. The appraiser shall not recommend to the board of tax assessors any contract or agreement with an audit specialist that provides for such specialist to contingently share a percentage of the tax collected as a result of any audits such specialist may perform.
 - (i) **Notice to property owner.** The lead appraiser shall ensure the property owner is sent a notice they have been selected for an audit of their personal property holdings for ad valorem tax purposes. The notice shall, at a minimum, indicate the following: the purposes and goals of the audit and the law authorizing the audit; the name of the lead appraiser who is primarily responsible for the conduct of the audit; the names of the members of the audit team that will be performing the audit; the number of years that will be audited; a description of the type records that should be made available; a description of how the audit will be conducted; the range of dates desired for the audit; and contact information should the property owner wish to contact the lead appraiser. The notice shall contain a statement that the lead appraiser will be contacting the property owner by telephone to establish the date and time of the audit and to determine the availability and location of records. At the conclusion of the audit, if there is sufficient evidence to warrant a recommended change of assessment, the lead appraiser shall have prepared a list of

preliminary audit findings and provide such list to the property owner to afford them an opportunity to meet and discuss the findings and view any supporting schedules and documents relied upon by the individuals conducting the audit. After any such meeting requested by the property owner, the lead appraiser shall have prepared the final audit report and proposed assessment and provide a copy to the property owner and the board of tax assessors.

- (e) **Audit selection criteria.** The appraisal staff shall recommend to the board of tax assessors a review and audit selection criteria, and the appraisal staff shall follow such criteria when adopted by the board. The criteria should be designed to maximize the number of personal property returns that may be reviewed or audited with existing resources. The criteria should be fair, unbiased, and developed consistent with the requirements of Code section [48-5-299](#). All personal property accounts should be reviewed or audited at least once every three years.
- (f) **Property owner records.** The appraisal staff should first endeavor to obtain the records necessary to substantiate the information returned or reported by the property owner through the voluntary cooperation of the property owner. When such voluntary cooperation is not forthcoming, and the records requested from the property owner are believed by the appraiser to be critical to a proper appraisal of the personal property, the appraiser may request that the board of tax assessors issue an appropriate subpoena for such records. The appraiser may request that the board of tax assessors issue an appropriate subpoena for the testimony of any individuals the appraiser believes poses knowledge critical to determination of the fair market value of the property owner's personal property.
 - 1. **Record types.** The types of records the appraisal staff may request the board of tax assessors to issue subpoenas for include, but are not limited to, the following: chart of accounts, general ledger, detailed subsidiary ledgers, journals of original entry, balance sheet, income statement, annual report, Securities Exchange Commission Form 10K. The types of records the appraisal staff may not request the board of tax assessors to issue subpoenas for include the following:
 - (i) **Income tax returns.** Forms and schedules authorized by the Internal Revenue Service or the revenue collecting agencies of the several states for use in filing income tax returns to those agencies;
 - (ii) **Property appraisals.** A property appraisal that the property owner has obtained prior to any appeal that is filed as a result of a change of assessment being made to the property owner's personal property;

- (iii) **Insurance policies.** An insurance policy that may contain valuation estimates of the insured personal property; or
 - (iv) **Tenant sales information.** A rent roll or document containing the individual tenant sales information on the property owner's rented or leased personal property.
- (5) **Valuation procedures.** The appraisal staff shall follow the provisions of this paragraph when performing their appraisals. Irrespective of the valuation approach used, the final results of any appraisal of personal property by the appraisal staff shall in all instances conform to the definition of fair market value in Code section [48-5-2](#) and this Rule.
 - (a) **General procedures.** The appraisal staff shall consider the sales comparison, cost, and income approaches in the appraisal of personal property. The degree of dependence on any one approach will change with the availability of reliable data and type of property being appraised.
 - 1. **Information presented by property owner.** The appraisal staff shall consider any timely information presented by the property owner that may have reasonable relevance to the appraisal of the owner's personal property. The appraisal staff shall consider the effect of any factors discovered during the review or audit of the return or directly presented by the property owner that may reduce the value of the owner's personal property, including, but not limited to all forms of depreciation, shrinkage, theft and damage.
 - 2. **Selection of approach.** With respect to machinery, equipment, personal fixtures, and trade fixtures, the appraisal staff shall use the sales comparison approach to arrive at the fair market value when there is a ready market for such property. When no ready market exists, the appraiser shall next determine a basic cost approach value. When the appraiser determines that the basic cost approach value does not adequately reflect the physical deterioration, functional or economic obsolescence, or otherwise is not representative of fair market value, they shall apply the approach or combination of approaches to value that, in their judgment, results in the best estimate of fair market value. All adjustments to the basic cost approach shall be documented to the board of tax assessors.
 - 3. **Rounding.** The appraisal staff may express the final fair market value estimate to the board of tax assessors in numbers that are rounded to the nearest hundred dollars.
 - (b) **Special procedures.** The appraisal staff shall observe the procedures in this Subparagraph when appraising inventory and construction in process.

1. **Valuation of inventory.** When appraising inventory, the appraisal staff shall consider the value of inventory to consist of all the charges incurred from its original state as raw material to its final resting place for ultimate consumption, including such items as freight and other overhead charges, with the exception of the cost of the final sale. The appraisal staff shall also consider factors contributing to any loss of value including, but not limited to, obsolescence, shrinkage, theft and damage.
2. **Construction in progress.** Property owners who are constructing or installing a large piece or line of production equipment may be required by generally accepted accounting principles to accrue the total costs associated with such equipment in a holding account until the construction or installation is complete and the equipment is ready for production, at which time, the property owner is permitted by such principles to post the total cost to a fixed asset account, taking appropriate depreciation. If such holding account is maintained by the property owner, the appraisal staff shall consider the total cost reported in the property owner's holding account when appraising such property. Construction in progress shall be appraised in the same manner as other similar personal property taking into account that there may be little or no physical deterioration on such property and that the fair market value may be diminished due to the incomplete state of construction. If comparable sales information of personal property under construction is generally not available and there is no other specific evidence to measure the probable loss of value if the property is sold in an incomplete state of construction, the appraisal staff may multiply the identified total cost of construction by a uniform market risk factor of .75.
3. **Overhauls.** When appraising machinery, equipment, furniture, personal fixtures, and trade fixtures, the appraisal staff shall consider the cost of all expenditures, both direct and indirect, relating to any efforts to overhaul an asset to modernize, rebuild, or otherwise extend the useful life of such asset. The following procedure is to be used by the appraisal staff to estimate the value of an overhauled asset: An adjustment to the original cost of the asset is made to reflect the cost of the components that have been replaced. The cost of the overhaul is divided by an index factor representing the accumulated inflation or deflation from the year of acquisition of the asset on which the overhaul was performed to the year of the overhaul. This amount is then subtracted from the original cost of the asset being overhauled. The remainder is then multiplied by the composite conversion factor for the year of the original acquisition as specified in Rule [560-11-10-.08\(5\)\(f\)\(4\)\(iii\)](#) of this section. The current year's composite conversion factor is then applied to the cost of the overhaul, and these two figures are combined to represent the estimate of value for the overhauled asset.

- (c) **Level of trade.** The appraisal staff shall recognize three distinct levels of trade: the manufacturing level, the wholesale level, and the retail level. The appraiser shall take into account the incremental costs that are added to a product as it advances from one level to another that may increase its value as a final product. The appraisal staff shall value the property at its level of trade.
- (d) **Ready markets.** When the appraiser lacks sufficient evidence to demonstrate the existence of a ready market, he or she shall consider any evidence submitted by the property owner demonstrating that a ready market is available. When the property owner cannot prove the existence of a reliable ready market, the appraiser may use other valuation approaches as authorized by law and Rule [560-11-10-.08\(5\)](#).
1. **Liquidation sales.** The appraisal staff should recognize that those liquidation sales that do not represent the way personal property is normally bought and sold may not be representative of a ready market. For such sales, the appraisal staff should consider the structure of the sale, its participants, the purchasers, and other salient facts surrounding the sale. After considering this information, the appraisal staff may disregard a sale in its entirety, adjust it to the appropriate level of trade, or accept it at face value.
- (e) **Sales comparison approach.** The sales comparison approach uses the sales of comparable properties to estimate the value of the subject property being appraised.
1. **Widely used pricing guides.** The appraisal staff should make a reasonable effort to obtain and use generally accepted pricing guides that are published and widely used within the market. When using such a guide to estimate the comparative sales approach value, the appraiser shall begin with the listed retail price and then make any value adjustments as provided in the guide instructions, based on the best information available about the subject property being appraised.
 2. **Lesser-known pricing guides.** The property owner may submit, and the appraisal staff shall consider, lesser known publications, periodicals and price lists of the specific types of personal property being returned. Such lists should be regularly consulted by buyers of the type personal property reported, and should list prices at which sellers, who regularly deal in the types of property reported, typically offer such property for sale.
 - (i) **Validation of lesser pricing guides.** In all cases where unpublished, unrecognized, or unverified sales data are submitted by the property owner, the steps the appraiser may take to validate such data include, but are not limited to, the following:

- (I) **Arm's length transactions.** as defined in OCGA [48-5-2\(.1\)](#):
"Arm's length, bona fide sale' means a transaction which has occurred in good faith without fraud or deceit carried out by unrelated or unaffiliated parties, as by a willing buyer and a willing seller, each acting in his or her own self-interest, including but not limited to a distress sale, short sale, bank sale, or sale at public auction." Transactions where the lien holder receives or repossesses the property, and deed under power of sale transactions are not to be applied as an arm's length transaction.
 - (II) **Representativeness.** Verify that the sales data submitted is either all-inclusive or has been randomly selected, so as to be unbiased and fairly represent the market for the personal property being appraised. This may be accomplished by contacting known dealers of the subject personal property to determine whether other significant market data exists that supports the data submitted by the property owner.
 - (III) **Financing.** Adjust the sale price of the subject property for non-conventional financing.
 - (IV) **Time of sale.** Adjust the sale price of the subject property for the date of sale in order to estimate the value as of the January 1 assessment date.
 - (V) **Discounts.** Adjust the sale price to remove trade and cash discounts.
 - (VI) **Comparability.** Adjust the sale price of the subject property for characteristics of the subject not found in the sales to which it is being compared, such as condition, use, and extra or missing features.
3. **Other factors.** To finalize the sales comparison approach, the appraiser shall consider any other factors, appropriate to the approach, which may be affecting the value. When the comparative sales approach is used as the basis for the appraisal of personal property, the appraiser shall not make further adjustments to the value to reflect economic obsolescence, functional obsolescence, or inflation.

(f) **Cost approach.** The cost approach arrives at an estimate of value by taking the replacement or reproduction cost of the personal property and then reducing this cost to allow for physical deterioration, functional and economic obsolescence.

1. **General procedure.** In applying the cost approach to personal property during a review or audit of a return, the appraiser shall identify the year acquired, and total acquisition costs, including installation, freight, taxes, and fees. The acquisition costs shall then be adjusted for inflation and deflation and then depreciated as appropriate to reflect current market values.
2. **Book value.** The appraiser should recognize that the appraisal and accounting practices for depreciating personal property might differ. Accounting practices provide for recovery of the cost of an asset, whereas appraisal practices strive to estimate the fair market value related to the current market. The appraiser should consider depreciation in the forms of physical deterioration, functional obsolescence, and economic obsolescence, which may not necessarily be reflected in the book value. The appraiser should consider that accounting practices of property owners might also differ.
3. **Valuation as a whole.** The appraiser may arrange the individual items of personal property into groups with similar valuation characteristics and value such group as a whole when the itemized appraisals of each item of personal property will not add substantially to the accuracy of the determination of the cost approach value.
4. **Basic cost approach.** The appraisal staff shall determine the basic cost approach value of machinery, equipment, furniture, personal fixtures, and trade fixtures using the following uniform four-step valuation procedures: Determine the original cost new of the item of personal property to the property owner; determine the uniform economic life group for the item of personal property; and multiply the original cost new times the uniform composite conversion factor appropriate for the economic life group and actual age of the item of personal property. Then determine a salvage value of any item of personal property when it is taken out of use at the end of its expected economic life.
 - (i) **Original cost new.** The appraisal staff shall determine the original cost new of the item of machinery, equipment, furniture, personal fixtures, and trade fixtures. Any real improvements to the real property, including real fixtures that had to be installed for the proper operation of the property, shall be included in the appraisal of the real property and not included in the basic cost approach value of the personal property. Those portions of transportation costs and

installation costs that do not represent normal and customary costs for the type personal property being appraised shall be excluded from the original cost new when determining the basic cost approach value.

- (ii) **Economic life groups.** When determining the basic cost approach value of machinery, equipment, furniture, personal fixtures, and trade fixtures, the appraisal staff shall separate the individual items of property into four economic life groupings that most reasonably reflect the normal economic life of such property as specified in this subparagraph. The appraiser shall use Table B-1 and B-2 of Publication 946 of the U.S. Treasury Department Internal Revenue Service, as revised in 1998, to classify the individual asset into the appropriate economic life group. For property that does not appear in such publication, the appraisal staff may determine the appropriate economic life group based on the best information available, including, but not limited to, the property owner's history of purchases and disposals.
 - (I) **Group I.** The appraisal staff shall place into Group I any assets that have a typical economic life between five and seven years.
 - (II) **Group II.** The appraisal staff shall place into Group II any assets that have a typical economic life between eight and twelve years.
 - (III) **Group III.** The appraisal staff shall place into Group III any assets that have a typical economic life of thirteen years or more.
 - (IV) **Group IV.** The appraisal staff shall place into Group IV any assets that have a typical economic life of four years or less. The appraisal staff shall also place into Group IV those assets classified as Asset Class 00.12 in Publication 946 of the U.S. Treasury Internal Revenue Service, Table B-1, as revised in 1998.
- (iii) **Composite conversion factors.** The appraisal staff shall, in accordance with this Rule, use the composite conversion factors as provided in this subparagraph and apply the appropriate factor to the original cost new of personal property to arrive at the basic cost approach value. The last composite conversion factor in each economic life group shall not be trended and shall represent the residual value.

- (I) **Group I composite conversion factors.** The following composite conversion factors shall be applied to Group I assets to arrive at the basic cost approach value for years one through seven: Y1-.87, Y2-.74, Y3-.58, Y4-.43, Y5-.32, Y6-.26, Y7-.21. Thereafter the residual composite conversion factor shall be .20.
- (II) **Group II composite conversion factors.** The following composite conversion factors shall be applied to Group II assets to arrive at the basic cost approach value for years one through eleven: Y1-.92, Y2-.85, Y3-.78, Y4-.70, Y5-.63, Y6-.54, Y7-.44, Y8-.34, Y9-.28, Y10-.25, Y11-.25. Thereafter the residual composite conversion factor shall be .20.
- (III) **Group III composite conversion factors.** The following composite conversion factors shall be applied to Group III assets to arrive at the basic cost approach value for years one through sixteen: Y1-.95, Y2-.91, Y3-.87, Y4-.82, Y5-.79, Y6-.75, Y7-.70, Y8-.63, Y9-.57, Y10-.52, Y11-.47, Y12-.41, Y13-.35, Y14-.31, Y15-.29, Y16-.28. Thereafter the residual composite conversion factor shall be .20.
- (IV) **Group IV composite conversion factors.** The following composite conversion factors shall be applied to Group IV assets to arrive at the basic cost approach value for years one through three: Y1-.67, Y2-.54, Y3-.31. Thereafter the residual composite conversion factor shall be .10.
- (iv) **Basic cost approach value.** The basic cost approach value shall be determined by multiplying the composite conversion factor times the original cost new of operating machinery, equipment, furniture, personal fixtures, and trade fixtures.
- (v) **Salvage value.** Once personal property is taken out of service at or after the end of its typical economic life, it shall be considered salvage until disposed of and the appraiser shall determine a basic cost approach value by taking ten percent of the original cost new of such property. The basic cost approach value for property withdrawn from active use but retained as backup equipment shall be one-half the basic cost approach value otherwise applicable for such property.

5. Further depreciation to basic cost approach value.

- (i) **Physical deterioration.** The appraiser shall consider any evidence presented by the property owner demonstrating physical deterioration that is unusual for the type of personal property being appraised.
 - (ii) **Functional obsolescence.** The appraisal staff shall consider any evidence presented by the property owner demonstrating functional obsolescence for the type of personal property being appraised. One method the appraisal staff may use to determine the amount of functional obsolescence is to trend the original cost new for inflation to arrive at the reproduction cost new, and then deduct the cost of a newer replacement model with similar or improved functionality.
 - (iii) **Economic obsolescence.** The appraisal staff shall consider any evidence presented by the property owner demonstrating economic obsolescence for the type of personal property being appraised. One method the appraisal staff may use to determine the amount of economic obsolescence is to capitalize the difference between the economic rent of an item of personal property before and after the occurrence of the adverse economic influence.
- (g) **Income approach.** The income approach to value estimates the value of personal property by determining the current value of the projected income stream. This approach is most applicable to machinery, equipment, furniture, personal fixtures, and trade fixtures. The approach should only consider the income directly attributable to the personal property being valued and not the income attributable to the real or intangible personal property forming the same business. The appraisal staff may use one of the following methods when using the income approach for the appraisal of applicable personal property:
 - 1. **Straight-line capitalization method.** The straight-line capitalization method estimates the income approach value of personal property by computing the investment necessary to produce the net income attributable to the personal property. In essence, it is determined by first computing the potential gross income for a subject property by taking the monthly rent, when that is the rental basis, and multiplying that total by twelve months. The potential gross income is then adjusted to a net operating income by subtracting any expenses that legitimately represent the costs necessary for production of that income. The net operating income will represent the amount of revenue left after operating expenses that is available to return the investment, pay property tax on the property, and return a profit to the owner.
 - (i) **Income and expense analysis.** While complete data is not required on each individual property, there must be sufficient data to develop

typical unit rents, typical collection loss ratios, and typical expense ratios for various type properties. Income and expense figures used in the income approach must reflect current market conditions and typical management. Actual figures may be used when they meet this criterion. When actual figures are not available or appear to be unrepresentative, typical figures should be used. Income and expense analysis builds upon the following important components: typical unit rent, potential gross rent, collection loss, typical gross income, typical expenses, and typical net income. Excluded are expenses such as depreciation charges, debt service, income taxes, and business expenses not associated with the property.

- (ii) **Capitalization.** Capitalization involves the conversion of typical net income into an estimate of value. The estimated income is divided by the capitalization rate to arrive the estimated income approach value. The capitalization rate consists of three components. The discount rate, the recapture rate, and the effective tax rate. The discount rate represents the amount of return a prudent investor could reasonably expect on an investment in the subject property. The recapture rate represents the return of the potential investment. The effective tax rate represents the portion of the income stream allocated to pay resulting ad valorem taxes on the property.
- (I) **Discount rate.** The appraiser should calculate the appropriate discount rate through a method known as the band of investment. The band of investment represents the weighted-average cost of the money needed to purchase the applicable personal property. The appraiser determines the percentage of the cost typically borrowed and multiplies this percentage times the typical cost of borrowing. The appraiser then determines the remaining percentage of the cost typically contributed by an investor and multiplies this percentage times the expected rate of return to the investor. An analysis of similar properties might reveal the discount rate typical for a property of a given type.
- (II) **Recapture rate.** The appraiser should calculate the recapture rate by dividing one by the number of years remaining in the economic life of the subject property. The resulting percentage is the current year's recapture rate.
- (III) **Effective tax rate.** The appraiser should calculate the effective tax rate by multiplying the forty percent assessment level times the tax rate in the jurisdiction in which the subject property is located. The effective tax rate is included in the capitalization rate because

market value is yet unknown and property taxes can be addressed as a percentage of that unknown value in lieu of their inclusion as an expense in calculation of net annual income.

2. **Direct sales analysis method.** The direct sales analysis method estimates the income approach value of personal property by computing the relationship between income and sales data. This relationship is expressed as a factor. The method represents a blend of the sales comparison and income approaches because it involves application of income data in conjunction with sales data. Sales of items similar to the subject property are divided by the gross rents, for which they or identical properties are leased, to develop gross income multipliers. A gross income multiplier is selected as typical for the market, and multiplied against the gross income of the subject, or that of an identical property, to result in an estimated value. Limiting the income to rental income only produces a gross rental multiplier.
 - (i) **Gross income or rent multiplier.** The appraiser should compute the gross income multiplier by dividing the typical gross income on the personal property by the typical sales price of the personal property. The appraiser should compute the gross rent multiplier by dividing the typical gross rent on the personal property by the typical sales price of the personal property. The appraiser must identify the specific item of personal property to be valued and determine the typical gross income as gross income is determined in Rule [560-11-10-.08\(5\)\(g\)\(1\)\(i\)](#). The item is then stratified according to its typical use. Typical use strata may include, but are not limited to, office equipment, light-duty manufacturing equipment, heavy-duty manufacturing equipment, retail sales equipment, furniture, personal fixtures, trade fixtures, restaurant equipment, or any other stratum the appraiser believes will have similar sensitivity to market fluctuations as the subject item. The appraiser may develop an individual multiplier on a single item of personal property when there are sufficient sales and rent information. This multiplier may then be used for similar items of personal property for which there may be limited sales and rent information. The income approach value estimate is computed by multiplying the estimated gross income times the gross income multiplier or the gross rent times the gross rent multiplier.
 - (I) **Adjustments.** Income data and sales prices used in the development of income multipliers should be reasonably current. Older sales may be matched against recent income

figures when the sales are adjusted for time. Sales must also be adjusted for financing, condition, optional equipment, and level-of-trade.

- (6) **Final estimate of fair market value.** After completing all calculations, considering the information supplied by the property owner, and considering the reliability of sales, cost, income and expense information, the appraiser will correlate any values indicated by those approaches to value that are deemed to have been appropriate for the subject property and form their opinion of the fair market value. The appraisal staff shall present the resulting proposed assessment, along with all supporting documentation, to the board of tax assessors for an assessment to be made by that board.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.08

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-2](#), [48-5-5](#), [48-5-10](#), [48-5-11](#), [48-5-12](#), [48-5-16](#), [48-5-18](#), [48-5-20](#), [48-5-105](#), [48-5-105.1](#), [48-5-264](#), [48-5-269](#), [48-5-269.1](#), [48-5-291](#), [48-5-292](#), [48-5-295](#), [48-5-299](#), [48-5-300](#), [48-5-314](#), [50-17-29](#).

History. Original Rule entitled "Personal Property Appraisal" adopted. F. Sept. 20, 1999; eff. Oct. 10, 1999.

Amended: ER. 560-11-10-0.2-.08 adopted. F. Jan. 19, 2011; eff. Jan. 20, 2011, as specified by the Agency.

Amended: F. Nov. 9, 2011; eff. Nov. 29, 2011.

Amended: F. Mar. 24, 2017; eff. Apr. 13, 2017.

Rule 560-11-10-.09. Real Property Appraisal.

- (1) Real property - Introduction. The appraisal staff shall follow the provisions of this Rule when performing their appraisals of real property. Irrespective of the valuation approach used, the result of any appraisal of real property by the appraisal staff shall conform to the definition of fair market value.
- (a) General valuation procedures. The appraisal staff shall consider the sales comparison, cost, and income approaches in the appraisal of real property. The degree of dependence on any one approach will change with the availability of reliable data and type of property being appraised. The appraisal staff may express the final fair market value estimate to the board of tax assessors in numbers that are rounded to the nearest hundred dollars.
- (b) Real property identification. The appraisal staff shall identify real property, determine its taxability, and classify it for addition to the county ad valorem tax digest in accordance with this subparagraph.
1. Distinguishing real property. The appraiser shall be required to correctly identify real property and distinguish it from personal property where the proper valuation procedures, as set forth in this Rule, may be followed.

- (i) Real property examples. As used in this Rule, real property shall be that property defined in Rule [560-11-10-.02\(1\)\(w\)](#). This Rule shall provide illustrations to assist the appraiser in the proper interpretation of the definition. However, these illustrations should not be construed in a manner that conflicts with the definition. Examples of real property are tangible items such as land, all improvements attached to land, real fixtures, and leasehold interests in real property.
 - (ii) Identification of real fixtures. When property the appraiser believes to be a real fixture has not been returned by the landlord, the appraiser shall require the landlord to produce their lease agreement and shall carefully review the agreement before making their recommendation to the board of tax assessors regarding the classification and taxability of the property in question. The appraiser shall inform the landlord that they may redact, at their option, any information relating to the payments that are required by the lease agreement.
 - 2. Assessment date. Code section [48-5-10](#) provides that each return by a property owner shall be for property held and subject to taxation on January 1 of the tax year. The appraisal staff shall base their decisions regarding the taxability, uniform assessment, and valuation of real property on the circumstances of such property on January 1 of the tax year for which the assessment is being prepared. When real property is transferred to a new owner or converted to a new use, the circumstances of such property on January 1 shall nevertheless be considered as controlling.
 - 3. Classification. The appraisal staff shall classify real property as provided in Rule [560-11-2-.21](#) for inclusion in the county tax digest. Real property may be further stratified and categorized as appropriate for aggregating comparable properties for an appraisal.
- (2) Return of real property. In accordance with Code section [48-5-299\(a\)](#), the appraisal staff, on behalf of the board of tax assessors, shall investigate diligently and inquire into the property owned in the county, for the purpose of ascertaining what real and tangible personal property is subject to taxation in the county and to require the proper return of the property for taxation. The appraisal staff shall make such investigation as may be necessary to determine the value of any property upon which for any reason all taxes due the state or the county have not been paid in full as required by law. In all cases where taxes are assessed against the owner of property, the appraisal staff shall prepare a proposed assessment on the property according to the best information obtainable.
- (a) Information sources. The appraisal staff should develop and maintain information sources for the discovery of unreturned real property.

- (b) Returns. The county appraisal staff shall review the returns in accordance with policies and procedures set by the county board of tax assessors consistent with Georgia law and this Rule. Each year, after the deadline for filing returns, the appraisal staff shall secure the returns from the official responsible for receiving returns on or before the tenth day following such deadline.
1. New returns. Department of Revenue form PT-50R is authorized for use by property owners when returning real property. No other form shall be provided for this purpose to property owners by the county official responsible for receiving returns unless previously approved in writing by the Revenue Commissioner.
 2. Automatic returns. In accordance with Code section [48-5-20](#), the appraisal staff shall deem any property owner that does not file a return by the deadline as returning for taxation the same property as was returned or deemed to have been returned in the preceding tax year at the same valuation as the property was finally determined to be subject to taxation in the preceding year.
 3. Real estate transfer declaration forms. The Department of Revenue has established Form PT-61 for owners to declare the real estate transfer tax due when property is transferred from one owner to another. The appraisal staff shall review all PT-61 forms filed with the clerk of superior court to discover new owners of property and to ascertain if their property has been returned for taxation. When a property owner acquires real property by transfer in the preceding tax year and does not file a return on such property for the current tax year, the appraisal staff shall follow the procedures of this subparagraph to determine if the newly acquired property has been properly returned for taxation.
 - (i) When real estate transfer tax declaration form properly completed. For the purposes of subparagraph (2)(b)(3) of this Rule, the PT-61 form shall be deemed properly completed when all applicable information required by the instructions on the form has been entered on the form, it has been signed by the new owner and filed in quadruplicate with the clerk of superior court. A PT-61 form shall not be deemed properly completed when the appraisal staff determines any of the required information on the form is omitted, false, or misleading.
 - (ii) When transferred property deemed returned. When a property owner acquires by transfer real property that has not been subdivided from the preceding tax year, and such owner properly completes a real estate transfer tax PT-61 form and pays any real estate transfer tax that may be due as provided in Article 1 of Chapter 6 of Title 48 of

the Code, the appraisal staff shall deem the owner as having returned the property acquired by transfer at the same value finally determined to be applicable to such property for the preceding year.

(iii) When transferred property deemed unreturned. The appraisal staff shall not deem as returned any property:

- (I) That is an improvement made since January 1 of the preceding tax year to property that has been transferred;
- (II) That has been transferred and for which the real estate transfer tax PT-61 form has not been properly completed;
- (III) That has been transferred and for which the real estate transfer tax PT-61 form has not been filed with the clerk of superior court on or before the deadline for returning property in the year following the year the property is transferred; and
- (IV) That has been transferred and for which the real estate transfer tax has not been paid.

(c) Reassessments. The appraisal staff may not recommend to the board of tax assessors a reassessment of the same real property for which a final assessment has already been made by the board. For the purposes of this subsection, the appraisal staff shall presume that a final assessment on real property includes both the land and any improvements to the land.

1. Recently appealed real property. The appraisal staff shall observe the provisions of Code section [48-5-299\(c\)](#) and this subparagraph before recommending a change to the assessment of real property that was the subject of an appeal on either the immediately preceding tax digest or the next immediately preceding tax digest. Such property shall be designated in the appraisal staff's records as recently appealed property for the two tax years following the year of the appeal. This subparagraph shall not apply when such property has been returned by the taxpayer at a value different from the appeal-established value.
2. Changing assessment of recently appealed real property. In the two tax years following an appeal, the appraisal staff may not recommend an increase of assessment for the sole purpose of changing the valuation established or decision rendered in an appeal to the board of equalization, hearing officer, arbitration, or superior court. Rather a new appraisal must be accompanied by an on-site inspection to determine the occurrence of any substantial

additions, deletions, or improvements to such property, errors in the appraisal staff's records or material factors that substantially affect the current fair market value of such property since the appeal was heard that established the value of the property. The appraisal staff may recommend, consistent with the provisions of this subparagraph, to the board of tax assessors a change of assessment on the property that was the subject of the appeal when an appraisal based on current market conditions indicates the value has changed substantially from the value established by the recent appeal. Such appraisal shall be accompanied by a written statement attesting to the fact that an appraiser has conducted the required on-site inspection of the subject property and setting forth the reasons why the appraiser believes that a change of assessment is authorized under Code section [48-5-299\(c\)](#) and this subparagraph. The written statement shall attest to at least one of the following: substantial additions, deletions, or improvements to such property has occurred since January 1 of the appeal year; an error has been discovered in the property records regarding the description or characteristics of the subject property; or an occurrence of other material factors that substantially affect the current fair market value of the subject property. With respect to the term 'substantial'; when making determinations of whether to increase a recently appealed property the appraiser shall consider the subject property components since the time of appeal (appeal hearing date), such as the value of new improvements, value of additions to existing improvements (footprint of exchanged structure has been altered), major remodeling or renovations to existing structures (footprint of exchanged structure has not been altered), and adjustments to land due to consolidation of tracts, new surveys, zoning changes, land use changes. In the event an appealed property is renovated or remodeled, the term 'substantial' shall be construed such that both the property owner and BOA would reasonably conclude a major renovation/remodeling has occurred. Any modifications made to the appealed property after the appeal hearing date that result in a lower value of the appealed property shall be considered in the final valuation of property for the subsequent January 1 assessment.

- (d) Collecting and maintaining property information. The appraisal staff shall keep a record of information relevant to the ownership and valuation of all real property in the county and shall follow the procedures in this subparagraph when collecting and maintaining such real property data.
 - 1. Description of property information. The type of information the appraisal staff shall maintain includes, but is not limited to, property ownership, location, size, use, physical characteristics, sales prices, construction costs, rents, and operating expenses to the extent such information is available. The appraisal staff shall, consistent with this subparagraph, recommend to

the board of tax assessors a uniform policy regarding the information to be included in their records.

- (i) Geographic information. Cadastral maps or computerized geographic information systems are to be maintained by the appraisal staff for all real property located in the county. In the event the county governing authority has established a separate mapping office and the maps maintained by such office conform with the requirements of this subparagraph, the appraisal staff may provide relevant information to such mapping office and still be in compliance with this subparagraph. Minimum mapping specifications shall include the following: all streets and roads plotted and identified; property lines delineated for each real property parcel; unique parcel identifier for each parcel; and physical dimensions or acreage estimate for each parcel. The appraisal staff shall use the parcel identifiers to link the real property records to the maps. The appraisal staff shall notify the Revenue Commissioner of all proposed changes to existing parcel-numbering systems before implementing such changes.
- (ii) Sales information. The appraisal staff shall maintain a record of all sales of real property that are available and occur within the county. The appraisal staff should also familiarize themselves with overall market trends within their immediate geographical area of the state. They should collect and analyze sales data from other jurisdictions having market and usage conditions similar to their county for consideration when insufficient sales exist in the county to evaluate a property type, especially large acreage tracts. The Real Estate Transfer Tax document, Department of Revenue Form PT-61, shall be a primary record source. However, the appraisal staff may also review deeds of transfer and security deeds recorded in the Office of the Superior Court Clerk, and probated wills recorded in the Office of the Probate Judge to maintain a record of relevant information relating to the sale or transfer of real property. Records required to be maintained shall include at a minimum the following information: map and parcel identifier; sale date; sale price; buyer's name; seller's name; deed book and page number; vacant or improved; number of acres or other measure of the land; representativeness of sale using the confirming criteria provided in Rule [560-11-2-.56\(1\)\(d\)](#); any income and expense information reasonably available from public records; property classification as provided in Rule [560-11-2-.21](#), and; when available, the appraised value for the tax year immediately following the year in which the sale occurred

- (iii) Property characteristics. The appraisal staff shall maintain a record of real property characteristics. This record shall include, but not be limited to, sufficient property characteristics to classify and value the property. In addition, the following criteria may be considered when determining which characteristics should be gathered and maintained: factors that influence the market in the location being considered; requirements of the valuation approach being employed; digest classification and stratification; requirements of other governmental and private users; and marginal benefits and costs of collecting and maintaining each property characteristic.
 - (iv) Land and location characteristics. The appraisal staff shall maintain a record of the land and location characteristics. The record should include, but not be limited to, location, frontage, width, depth, shape, size, topography, landscaping, slope, view, drainage, hydrology, off-site improvements, soil condition, soil productivity, zoning, absorption, nuisances, use, covenants, neighborhood, corner influence, proximity to recreational water, and quality of access.
 - (v) Improvement characteristics. The appraisal staff shall maintain a record of the characteristics of the improvements to land. The record shall include, but not be limited to, the location, size, actual use, design, construction quality, construction materials, age and observed condition.
2. Collecting property information. The appraisal staff shall, consistent with the policies of the board of tax assessors and this subparagraph, physically inspect properties when necessary to gather the information required by Rule [560-11-10-.09\(2\)\(d\)](#).
- (i) Field inspections. The appraisal staff shall develop and present to the board of tax assessors for approval procedures that provide for periodic field inspections to identify properties and ensure that property characteristics information is complete and accurate. The procedures shall include guidelines for the physical inspection of the property by either appraisers or specially trained data collectors. The format should be designed for standardization, consistency, objectivity, completeness, easy use in the field, and should facilitate later entry into a computer assisted mass appraisal system, when one is used. When interior information is required, the procedures shall include guidelines on how and when to seek access to the property along with alternative procedures when such access is not permitted or feasible.

3. Maintaining property characteristics information. The appraisal staff shall systematically update the property characteristics information in response to changes brought about by new construction, new parcels, remodeling, demolition, and destruction. The appraisal staff shall physically measure and update their records to reflect all such changes to real properties in the county.
 4. Records retention schedules. The appraisal staff shall develop, in accordance with the provisions of Code section [50-18-99](#), records retention schedules for each series of documents maintained in their office and have such schedules approved by the board of tax assessors before submitting the schedules to the State Records Committee for official approval pursuant to Code section [50-18-92](#).
 - (i) Building permits. In counties that issue building permits, no appraisal shall be based solely on declarations of proposed construction cost made by the person obtaining such building permits.
 - (ii) Aerial photographs. New aerial photographs should be compared to previous aerial photographs, if such photographs exist, to discover new or previously unrecorded construction.
 - (iii) Field review frequency. All real property parcels should be physically reviewed at least once every three years to ascertain that property information records are current.
- (3) Land valuation. The appraisal staff shall estimate land values by use of the sales comparison or income approach to value as provided in this subparagraph giving preference to the sales comparison approach when adequate sales are available. The appraisal staff shall identify and describe the property, collect site-specific information, make a study of trends and factors influencing value and obtain a physical measurement of the site. Once the subject is analyzed, the appraisal staff shall classify the land for valuation. Once land values have been estimated, such appraisals should be regularly reviewed and updated.
- (a) Land analysis and stratification. The appraisal staff shall appraise land separately from the improvements both to consider the trends and factors affecting each and to arrive at a separate assessment for the difference. In no event, however, may the separate appraisals of the land and improvements exceed the fair market value of the land and improvements when considered as a whole. For appraisal purposes, land shall be separated into different categories based on its use and sales within the market.
 1. Site analysis. The appraisal staff shall utilize the trends and factors affecting the value of the subject property, such as its accessibility and desirability. The existing zoning, existing use, existing covenants and use restrictions in the deed and in law shall be applied. The other factors the appraiser shall apply include, but are not limited to, environmental, economic, governmental, and social factors. Site-specific information that may be considered includes, but is not limited to, location, frontage, width, depth, shape, size, topography, landscaping, slope, view, drainage,

hydrology, off-site improvements, soil condition, soil productivity, zoning, absorption, nuisance use, covenants, neighborhood, corner influence, proximity to recreational water, and the quality access.

2. Market research and verification. The appraisal staff shall build and maintain an up-to-date file system of qualified sales as provided in Rule [560-11-10-.09\(2\)\(d\)\(1\)\(ii\)](#). Other preferred information to be considered is the motivations of the buyer and seller, as obtained from actual interviews of the parties to the sales. Adjustments to the sales to be considered by the appraiser include, but are not limited to, time of sale; location; physical characteristics; partial interest not conveyed; trades or exchanges included; personal property included; leases assumed; incomplete unbuilt community property; atypical financing; existing covenants; deed restrictions; environmental, economic, governmental and social factors affecting the sale property and the subject parcel. These adjusted qualified sales may then be used to appraise the subject property.
- (b) Acreage tract valuation. The appraisal staff shall determine the small acreage break point to differentiate between small acreage tracts and large acreage tracts and develop or acquire schedules for the valuation of each. When this small acreage break point cannot easily be determined, the appraisal staff shall recommend to the board of tax assessors a reasonable break point of not less than five acres nor more than twenty-five acres. The base land schedules should be applicable to all land types in a county. The documentation prepared by the appraisal staff should clearly demonstrate how the land schedule is applied and explain its limitations.
1. Small acreage tract valuation schedule. After the appraisal staff has performed the site analysis, as provided in Rule [560-11-10-.09\(3\)\(a\)\(1\)](#), they shall analyze the market to identify groups of comparable properties that may be combined in the valuation process, as provided in Rule [560-11-10-.09\(4\)\(b\)\(3\)](#). The appraisal staff shall then analyze the sales to establish a representative base price per acre, and adjustment factors for reflecting value added by the characteristics discovered in the site analysis. Using such base value and the adjustment factors, the appraisal staff shall develop the small acreage schedule for all acreage levels through the small acreage break point.
 2. Large acreage tract valuation schedule. After the appraisal staff has performed the site analysis, as provided in Rule [560-11-10-.09\(3\)\(a\)\(1\)](#), they shall analyze the market to identify groups of comparable properties that may be combined in the valuation process, as provided in Rule [560-11-10-.09\(4\)\(b\)\(3\)](#). The appraisal staff shall then analyze the sales to establish a representative benchmark price per acre, and adjustment values for reflecting incremental value associated with different productivity levels, sizes, and locations, as discovered in the site analysis. Using such benchmark values and adjustment values, the appraisal staff shall develop the large acreage schedule for all acreage levels above the small acreage break point.
 - (i) Land productivity values. The appraisal staff should analyze sales of large acreage tracts to extract the value of all improvements, crop allotments, standing timber, and any other factors that influence the value above the base land value. The appraisal staff should then stratify sales into two categories of open land and woodland. The base land values should be further stratified into up to nine productivity grades for each category of land, with grade one being the best, using the productivity classifications of the United States Department of Agriculture.

Natural Resources Conservation Service, where available. Where soil productivity information is not available, the appraisal staff may consult with the local United States Department of Agriculture Natural Resources Conservation Service Supervisor. Alternatively, the appraisal staff may use any acceptable means by which to determine soil productivity grades including, but not limited to, aerial and infrared photography, historical soil productivity information, and present use. The appraisal staff should analyze sales within strata and determine benchmark values for as many productivity grades as possible. The missing strata values are then determined by extrapolating between grades. In the absence of sufficient benchmark values, a system of productivity factors may be developed from crop and timber production based on ratings provided by the United States Department of Agriculture Natural Resources Conservation Service.

- (ii) Pond values. The appraisal staff should analyze sales of large acreage tracts containing ponds to extract the value of ponds. The appraisal staff should develop up to three grades of ponds based upon the quality of construction with regard to the dam, the amount of tree clearing within the pond body, and the nature of the waterline around the pond.
- (iii) Location and size adjustments. The appraisal staff should plot sales on an index map of the county where trends in sales prices based on size and location may be analyzed. From this analysis, the appraisal staff should develop adjustments for each homogeneous market area which are based on a tract's location within the county. Within each identified homogeneous market area, sales should also be analyzed to develop adjustment factors for ranges of tract sizes where the market reflects a relationship between the value per acre and the number of acres in a tract. Such factors should be calculated to the fourth decimal place and should extend from the small acreage break point to the tract acreage point where size no longer appears to have a significant impact on the price paid per acre. The appraiser should select an acreage point between these two points that represents a typical agricultural use tract and assign it an index factor value of 1.0000. Such adjustments should be supported by clearly identifiable changes in selling prices per acre. Finally, large acreage tracts that have sold within the most recent 24 months, unless no such sale has occurred in which case the look back period should be 48 months, should be appraised using the schedule of adjustment factors and a sales ratio study performed to test for uniformity and conformity to the schedule to Rule [560-11-2-.56](#), and if the schedule thus conforms, the adjustments should then be applied to all other large acreage tracts that are within the scope of the schedule being tested.
- (iv) Adjustments for absorption. When insufficient large tract sales are available to create a reliable schedule of factors, the appraisal staff may use comparable sales to develop values for the size tracts for which comparables exist, and then adjust these values for larger tracts by (1) estimating a rate of absorption for the smaller tracts for which data exists, (2) dividing the large tract into smaller, marketable sections, (3) developing a sales schedule with estimated income by year reflecting the absorption rate and the value characteristics of each of the smaller tracts, (4) discounting the income schedule to the present using an

appropriate discount rate, and (5) summing the resulting values to arrive at an estimated value for the property.

- (v) **Standing Timber Value Extraction.** When determining the market value of land underlying standing timber, where such standing timber is taxed in accordance with Code section [48-7.5](#), the appraiser shall not rely exclusively on the sales prices of such land that has recently had the timber harvested. Rather he or she shall also consider sales of land with standing timber after the value of such standing timber has been determined in accordance with this subparagraph and deducted from the selling price.
 - (I) **Determine timber value from buyer and seller.** For all types of timber, the value of the standing timber on recently sold land should be determined from reliable information from the buyer and seller clearly segregating the value of the standing timber from the underlying land. In the absence of such information, the appraiser may use one of the following methods to determine the value of the standing timber if in his or her judgment the results are reasonably consistent with other sales where buyer and seller information is known:
 - I. **Calculate value of merchantable timber.** For all types of merchantable timber, the value of the standing timber may be determined by multiplying estimated volumes by product class, such as softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood, of timber on the property by prices for each product class as obtained from the table of weighted average prices paid for harvested timber applicable to the year during which the sale occurred and prepared by the Commissioner pursuant to paragraph (g) of Code section [48-5-7.5](#). For the purposes of this subparagraph, merchantable timber shall include stands that have been in production for more than fifteen years. Estimated volumes by product class may be obtained by one of the following methods: reliable information from the buyer or seller or from specially trained data collectors who have estimated volumes from a visual on-site inspection or from an aerial survey.
 - II. **Calculate value of pre-merchantable planted pine timber.** For pre-merchantable planted pine timber, the value of the standing timber may be determined by estimating the value of the timber at the age of merchantability and then prorating this value to the actual age of the pre-merchantable stand. The appraiser may arrive at this estimate using the following steps:
 - A. For each applicable timber product class, multiply the estimated tons of timber volume yield per acre for each product class at the age of merchantability times the locally prevailing timber price per ton of such product classes. Sum the individual results of the timber product class calculations into a single result.

- (A) In the absence of reliable locally prevailing timber price per ton information, the appraiser may use timber price per ton from the table of weighted average prices paid for harvested timber prepared by the Commissioner pursuant to paragraph (g) of Code section [48-5-7.5](#).
- (B) In the absence of specific yield information to the contrary, the appraiser may estimate timber volume yields at an average yield of 52.2 tons per acre or preferably by using the land productivity classifications established by Rule [560-11-10-.09\(3\)\(b\)\(2\)\(i\)](#) and the following tables of estimated yields of fully stocked planted timber stands at age fifteen, and then adjusting the yields according to the actual stocking density of the timber stand.

<u>Loblolly Pine - Lower Coastal Plain</u>					
Georgia Tax Productivity Rating	Georgia Tax Adjusted Site Index Range	Site Index Used For Growth Projections	Tons/Acre @ Age 15	Pulpwood	Chip- n- Saw
1	90 - 101	96	139	125	14
2	85 - 89	87	110	99	11
3	81 - 84	83	98	88	10
4	80	80	90	81	9
5	75 - 79	77	81	73	8
6	70 - 74	72	69	66	3
7	60 - 69	65	53	51	2
8	10 - 59	45	19	19	0
9	0 - 9	0	0	-	-
<u>Loblolly Pine - Upper Coastal Plain</u>					
Georgia Tax	Georgia Tax	Site Index Used	Tons/Acre @ Age	Pulpwood	Chip- n- Saw

Productivity Rating	Adjusted Site Index Range	For Growth Projections	15		
1	90 - 101	96	129	116	13
2	85 - 89	87	103	93	10
3	81 - 84	83	93	84	9
4	80	80	85	77	8
5	75 - 79	77	78	70	8
6	70 - 74	72	67	63	4
7	60 - 69	65	52	49	3
8	10 - 59	45	18	18	0
9	0 - 9	0	0	-	-

Loblolly Pine - Piedmont

Georgia Tax Productivity Rating	Georgia Tax Adjusted Site Index Range	Site Index Used For Growth Projections	Tons/Acre @ Age 15	Pulpwood	Chip- n- Saw
1	90 - 101	96	123	111	12
2	85 - 89	87	98	88	10
3	81 - 84	83	88	79	9
4	80	80	81	73	8
5	75 - 79	77	74	66	8
6	70 - 74	72	62	59	3
7	60 - 69	65	48	46	2
8	10 - 59	45	17	17	0
9	0 - 9	0	0	-	-

<u>Slash Pine - Lower Coastal Plain</u>					
Georgia Tax Productivity Rating	Georgia Tax Adjusted Site Index Range	Site Index Used For Growth Projections	Tons/Acre @ Age 15	Pulpwood	Chip- n- Saw
1	90 - 101	96	155	139	16
2	85 - 89	87	114	103	11
3	81 - 84	83	98	88	10
4	80	80	87	78	9
5	75 - 79	77	77	69	8
6	70 - 74	72	61	58	3
7	60 - 69	65	42	40	2
8	10 - 59	45	11	11	0
9	0 - 9	0	0	-	-

<u>Slash Pine - Upper Coastal Plain</u>					
Georgia Tax Productivity Rating	Georgia Tax Adjusted Site Index Range	Site Index Used For Growth Projections	Tons/Acre @ Age 15	Pulpwood	Chip- n- Saw
1	90 - 101	96	150	135	15
2	85 - 89	87	113	102	11
3	81 - 84	83	99	89	10
4	80	80	87	78	9
5	75 - 79	77	77	69	8
6	70 - 74	72	62	59	3

7	60 - 69	65	43	41	2
8	10 - 59	45	12	12	0
9	0 - 9	0	0	-	-

- (C) In the absence of reliable local information on typical timber product class volume yields at the age of merchantability, the appraiser may assume that ninety percent (90%) of the timber will be pulpwood and ten percent (10%) will be chip-n-saw.
- B. Multiply the result in subparagraph A. by the number of acres of pre-merchantable timberland.
- C. Deduct from the result in subparagraph B. the normal cost to establish a timber stand on cut over woodland, which shall be known as the base value. Normal cost may be determined from planters, local site preparation and planning contractors and other reliable sources.
- D. Divide the result in subparagraph C. by the age of merchantability to determine the average annual timber growth value. In the absence of reliable local information to the contrary, the age of merchantability shall be fifteen years.
- E. Multiply the result in subparagraph D. by the actual age of the standing timber to arrive at the value of the accumulated timber growth.
- F. Add back the base value deducted in subparagraph C. to the result in subparagraph E. to yield the total value of the pre-merchantable standing timber.
- III. Determine value of other pre-merchantable timber.

For types of pre-merchantable timber other than planted pine, the value of the standing timber may be determined from the best information available. In the absence of local reliable information to the contrary, the value of other pre-merchantable timber may be estimated as follows:

- A. Natural stands less than five years of age should be assigned no value.

- B. Natural pre-merchantable stands five years of age and older should be valued in the same manner as planted pine timber is valued, except the appraiser should make no adjustments for the base cost of establishing the timber stand; yields for natural pine stands should be estimated at fifty percent of the volume determined for a planted pine stand; and yields for hardwood stands should be estimated at forty percent of the value determined for a planted pine stand.
- (c) Site valuation. The appraisal staff may use the valuation methods in this subparagraph to appraise sites that have been developed for residential, commercial or industrial use.
 - 1. Valuation methods with sufficient sales. The appraisal staff shall use one, or a combination of more than one, of the valuation methods in this subparagraph when sufficient sales are available to reliably support the appraisal. These methods may be used to value the land directly.
 - (i) Comparative unit method. To use the comparative unit method, the appraisal staff shall stratify the land sales into a stratum comparable in market area or use type to the subject parcel. The appraiser then determines a land comparison unit by which the subject parcel is normally bought and sold in the market place and converts the sales price of the comparable properties to a typical per comparison unit value, using the median measure of central tendency. Per-measurement-unit, lump sum, and percentage adjustments are then made as needed to reflect the value of subject land features that differ from the base land features. The appraiser may use one of the following five basic comparison units: front foot, square foot, acre, site or lot, and units buildable. The appraisal staff may rely upon the comparative unit method for areas where parcels vary in size but are fairly homogeneous in other aspects, as opposed to areas where the sites are similar in size but vary substantially in site characteristics. The reliability of the analysis should be verified by a calculation of the coefficient of dispersion and the price related differential. These statistical indicators should fall within the standards of Rule [560-11-2-.56](#) before the appraiser relies upon the selected sales to appraise the subject parcel.
 - (ii) Base lot method. To use the base lot method, the appraisal staff shall appraise the base parcel in each stratum using the comparative unit method, with the base lot serving as the subject parcel. Once the base-lot's appraised value is established, it is used as a benchmark to appraise other individual parcels. The appraiser may use the base-lot method when the site characteristics are generally similar. Adjustments shall be developed using paired-sales analysis or other forms of market research. Then, the appraiser shall adjust the comparable to the base lot, calculate the measure of central tendency, and select a representative base-lot appraised value. The reliability of the analysis may be verified by a calculation of the coefficient of dispersion and the price related differential. These statistical indicators should

fall within the standards of Rule [560-11-2-.56](#) before the appraiser relies upon the selected sales to select a base-lot appraised value.

- (iii) Cost-of-development method. To use the cost-of-development method, the appraisal staff shall estimate the total development costs and subtract these costs from the projected sale prices of the developed lots to indicate the appraised value for the raw land. The projected improvements must represent the most probable use of the land. Estimated costs should include the direct costs of site preparation, utility hookups, all indirect costs, and a reasonable allowance for owner profit. The appraiser may use this method to directly value land in transition from agricultural use to residential or commercial use when there are insufficient sales to apply the comparative unit or base lot methods.
2. Valuation methods with insufficient sales. When vacant land sales are limited, the appraisal staff may use alternative methods to determine residual land values. These residual land values may be used in the same way as vacant land sales in order to establish comparative unit or base lot value. The appraisal staff shall not use these methods to establish land values directly. The alternative methods that may be used are allocation, abstraction, capitalization of ground rent, and land residual capitalization.
- (i) Allocation method. Using this method, the appraisal staff estimates the typical percentage combined land and improvement value attributable to the land alone. This land percentage estimate should be based on knowledge of the market for properties of the class being appraised and the appraiser should take into consideration the site value in previous years before being improved, the land-to-improvement ratios in similar neighborhoods, and an analysis of new construction on similarly classified sites.
 - (ii) Abstraction method. Using this method, the appraisal staff estimates the land residual value by subtracting the depreciated replacement cost of improvements from the sale price of an improved property.
 - (iii) Capitalization of ground rents method. Using this method, the appraisal staff determines market rent of the subject site, computes a net income, selects a capitalization rate, and computes the present worth of the future benefits of the subject parcel. The appraiser should not use this method when there is insufficient market information available to estimate the income potential of the subject parcel.
 - (iv) Land residual capitalization method. Using this method, the appraisal staff develops the annual net operating income attributable to the property and develops capitalization rates for both the land and the improvements to the land. The estimated improvement value is multiplied by the improvement capitalization rate and the result is deducted from the forecasted annual net operating annual income. The remaining income, the residual amount attributable to the land, is then capitalized, using the land capitalization rate, into a value indicator for the land. The appraiser should only use the land residual capitalization method on new income-producing improved properties either when the improvement has little or

observed depreciation of any kind and a well-supported improvement value can be developed, or when an improvement can be hypothesized and its cost and net operating income reliably estimated.

3. Special procedures. The appraisal staff shall observe the special procedures contained in this subparagraph when appraising the described property types.
 - (i) Transitional land. The appraisal staff shall analyze any unusual sale amount for a single parcel of land that seems to indicate a transition from one type land use to another type land use, such as from agricultural to residential or from residential to commercial and conversely. The appraisal staff should consider that a single sale might not necessarily indicate a changing market. The appraisal staff should analyze such sales to ensure that the new use is clearly indicated by a pattern of sales before qualifying and adjusting such sales for use as comparables for appraising the remaining comparable land.
 - (ii) Absorption rates. When appraising a subdivision, the appraisal staff shall use discounted cash-flow analysis in conjunction with the cost-of-development method to appraise the unsold parcels when it is anticipated that the parcels will require several more years of exposure to the market to sell. The appraisal staff may consider typical holding periods, marketing, and management practices when estimating anticipated revenues and allowable expenses.
- (4) Improvement valuation. Except as provided in subparagraph (a) of this subparagraph, the appraisal staff will use the following three approaches when appraising real property: the direct sales comparison approach, the cost approach, and the income approach. In determining the reliability and representativeness of each approach or combination of approaches, the appraisal staff shall consider those factors most likely to influence buyers and sellers when those buyers and sellers are determining exchange prices in the market place, and the sufficiency of available sales, cost, income and expense information to reliably quantify those factors. However, irrespective of the valuation approach used, the final results of any appraisal of real property by the appraisal staff shall in all instances comply with the definition of fair market value in Code section [48-5-2](#).
 - (a) Cost approach. The appraisal staff shall use the following three steps when applying the cost approach: Estimate the cost new of the improvements, subtract accrued depreciation, and add the value of the land.
 1. Estimating cost new. In estimating the cost new of any buildings, structures, or other improvements to land, the appraisal staff shall consider the following:
 - (i) Types of costs. The appraisal staff shall include both direct and indirect costs that would be incurred to build and market the property, including normal overhead and profit. The approach would normally

produce the replacement cost. The appraisal staff may consider the reproduction cost, and adjust for depreciation accordingly, when appraising an unusual or special-purpose property.

- (I) Comparative unit method. Unless otherwise provided under Rule [560-11-10-.09\(4\)\(a\)\(1\)\(i\)](#), the appraisal staff shall determine benchmark per-square-foot, per-cubic-foot, or other per-measurement-unit costs for base structures using cost guides or local cost information. Such benchmark per-measurement-unit costs may then be applied to the subject improvements to determine typical replacement cost new. Per-measurement-unit, lump sum, and percentage adjustments are then made as needed to reflect the value of subject improvements features that differ from the base structures. All forms of depreciation are then applied as a lump sum factor based on the age and useful life of the subject improvements.
- (II) Unit-in-place method. The appraisal staff may use the unit-in-place method when making adjustments in the comparative unit method. This method determines costs of individual construction components on a per-measurement-unit, in-place basis. The total cost of each component of the subject improvement is then found by multiplying the various per-measurement-unit costs by the number of actual measurement units installed in the subject improvement. The appraisal staff may also use this method when estimating costs for unusual or special-purpose improvements, in which case the component costs would be summed and combined with applicable indirect costs to obtain an estimate of the total replacement cost new of the subject improvements. All forms of depreciation are then applied as a lump sum factor based on the age and useful life of the subject improvements
- (III) Quantity survey method. The appraisal staff may separately itemize all various labor, material, and indirect costs when it is desirable to produce the reproduction cost new. All forms of depreciation are then applied separately based on the physical deterioration, functional obsolescence, and economic obsolescence observed by the appraiser. The appraisal staff may use this method in the development and trending of comparative unit and unit-in-place costs.
- (IV) Trended original cost method. When determining the cost of structures where the comparative unit or unit-in-place

methods are inapplicable, the appraisal staff may trend the original costs over time by factors obtained from a construction cost index guide. The appraisal staff shall not use this method when the original cost figures are not accurate or complete.

- (ii) Sources of cost information. The appraisal staff may obtain cost information by directly collecting information from contractors, builders, developers, property owners, and other market place participants. Cost information may be obtained from firms that compile and publish construction information, with the appraisal staff supplementing or modifying such information with locally gathered cost information. The appraisal staff may obtain cost manuals specifically developed for the county by construction cost services and mass appraisal firms.
 - (iii) Updating costs. Cost information shall be updated by the appraisal staff as necessary to reasonably reflect current construction costs for the various construction classes. Indexing may be used in the short term to update cost information, but in no event shall the appraisal staff rely on indexing alone for more than three years.
 - (iv) Location modifiers. The appraisal staff shall develop base construction cost tables. Modifiers, in the form of factors to be applied to the cost tables, may then be developed for areas to reflect local market conditions. Different sets of modifiers may be necessary to reflect the market for different property types within a county.
 - (v) Cost models. The appraisal staff shall develop or acquire representative cost models that contain the manual or automated cost factor tables used in the cost approach. The models should be applicable to all building types in a county and be based on actual updated costs as defined in Rule [560-11-10-.09\(4\)\(a\)\(1\)\(iii\)](#). The models should clearly identify included indirect costs, contain depreciation estimation guidelines, and provide for systematic cost estimation on manual or automated forms. The documentation prepared by the appraisal staff should clearly demonstrate how the cost model is applied and explain its limitations.
2. Estimating depreciation. The appraisal staff shall estimate the depreciation by determining the difference between replacement or reproduction cost new and the current market value of an improvement. This determination

shall require an analysis by the appraiser of physical deterioration, functional obsolescence and economic obsolescence present, keeping in mind that physical deterioration and functional obsolescence may include curable and incurable components. The appraiser may estimate depreciation as a total amount or as a percentage of replacement or reproduction cost new. Improvements with special circumstances may be treated on an exception basis. The appraisal staff shall use the effective age of improvements, when different from the actual age, when estimating depreciation. The methods the appraisal staff may use to estimate depreciation include, but are not limited to, the following four methods:

- (i) Sales comparison method. To apply the sales comparison method, the appraisal staff develops estimates of total depreciation from market-derived schedules. To develop such schedules, the appraiser stratifies the sales information by type of construction and other relevant features. The appraiser then computes building residuals by deducting estimated land values from the sales prices and expressing the building residuals as a percentage of replacement cost new. The resulting "percent good" factors are then plotted against the effective ages of the properties to develop the depreciation tables. This method may be used when current representative and adequate sales information is readily available.
- (ii) Age/Life method. To apply the age/life method, the appraisal staff develops estimates of physical deterioration and normal functional obsolescence using a simple sliding scale or straight-line calculation and then applies any necessary adjustments for additional functional or economic obsolescence. This method may be used when current representative and adequate sales information is not readily available.
 - (I) Capitalization of income method. To apply the capitalization of income method, the appraisal staff uses income-based appraisals in place of sales and applies these appraisals to the sales comparison method to develop estimates of total depreciation.
 - (II) Observed condition method. To apply the observed condition method, the appraisal staff breaks down depreciation into all its various component parts. This method requires detailed analysis of all forms of depreciation and is generally reserved for "model building," special use properties, or when raised by a property owner during the course of an appeal.

(b) Sales comparison approach. When using the sales comparison approach, the appraisal staff shall estimate value by comparing the subject property to similar properties that have recently sold. The appraisal staff shall use the following four steps when applying the sales comparison approach: market research and verification, selecting appropriate units of comparison, making reasonable adjustments based on the market, and applying the adjusted comparison units to the subject of the appraisal.

1. General considerations. The appraisal staff shall consider the following when applying the sales comparison approach:

(i) Bona fide sales preferred. A bona fide sale of a subject property should be carefully analyzed by the appraisal staff to determine if it is an accurate indicator of such subject property's fair market value. When such a sale is supported by sufficient other sales of similar property to reasonably estimate the market, the appraisal staff shall consider the sale as the best evidence of fair market value. In the absence of such a sale of the subject, sales prices of comparable properties shall be considered the best evidence of fair market value.

(ii) Economic principles affecting approach. When applying the sales comparison approach, the appraisal staff shall rely upon the economic principles of supply and demand, substitution, and contribution. The interaction of supply and demand factors determines property prices. The principle of substitution states that a prudent buyer will pay no more for a property than for a comparable property with similar utility. The principle of contribution as applied to the sales comparison approach means the value of a property component is measured by its contribution to the whole rather than by its cost.

2. Market research and verification. The appraisal staff shall build and maintain an up-to-date file system of qualified sales as provided in Rule [560-11-10-.09\(2\)\(d\)\(1\)\(ii\)](#). Other preferred information to be considered is the motivations of the buyer and seller, as obtained from actual interviews of the parties to the sales. Adjustments to the sales to be considered by the appraiser include, but are not limited to, time of sale; location; physical characteristics; partial interest not conveyed; trades or exchanges included; personal property included; leases included; incomplete or unbuilt community property; atypical financing; existing covenants; deed restrictions; environmental, economic, governmental and social factors affecting the sale property and the subject parcel. These adjusted qualified sales may then be used to appraise the subject parcel.

3. Market analysis and stratification. The appraisal staff shall analyze the market to identify groups of comparable properties that may be combined in the valuation process. Properties may be combined and classified to reflect use, location, neighborhood, or other comparison criteria that have been shown to reflect the interest of buyers and sellers.
4. Comparable sales analysis. When applying the analysis, the appraisal staff should identify a representative number of comparable properties that have recently sold, apply the adjustments indicated by the market research and verification process to such comparables, and then adjust such comparables for physical differences from the subject property. The appraiser may then develop an estimated value of the subject property from the adjusted sales prices of the comparable properties. This process may be computer assisted in a mass appraisal environment.
5. Sales ratio applications. The appraisal staff shall conduct sales ratio studies to periodically measure the quality of their appraisals relative to the market. Such studies should be designed to measure whether appraisals meet the overall legal standards provided in Rule [560-11-2-.56](#) and provide more precise analysis of the quality of appraisals within and between market strata used by the appraisal staff to compare properties. When sales ratio studies reveal excessive inequities within a stratum, the appraisal staff should consider reappraising the properties in the stratum. When such studies reveal excessive inequities between strata, and there is acceptable uniformity within the strata, the appraisal staff should consider trending to correct this uniformity problem.
 - (i) Trending. The appraisal staff shall use the procedures in this subparagraph when applying trend factors to improve uniformity. Stratify properties by property type and neighborhood. Determine the measure of central tendency by computing the median assessment ratio, substituting the aggregate ratio when the properties in the stratum tend to be heterogeneous. Then divide the legal assessment ratio by the calculated measure of central tendency to calculate the trend factor. The appraisal staff should not apply trending factors in excess of 1.15. In such instances, the appraisal staff should correct intra-strata differences by reappraising the properties within the affected strata. Before finalizing the application of trending factors, the appraisal staff should calculate the coefficient of dispersion to verify that uniformity among assessments will be improved by trending.

- (c) Income approach. When using the income approach, the appraisal staff shall estimate value by determining the present value of the projected income stream from the use of the subject property in the future.
1. Income and expense analysis. The appraisal staff shall analyze the income stream and project a future income stream that reflects typical management and current market conditions.
 - (i) Components of income and expense analysis. The appraisal staff may consider the following components when performing the income and expense analysis: typical unit rent, potential gross income, miscellaneous income, effective gross income, vacancy and collection loss, typical expenses, replacement reserves, and net operating income. Expenses such as depreciation charges, debt service, ad valorem taxes, income taxes, and business expenses not associated with the property should not be considered. While complete information is not required on each individual property, the appraisal staff should secure sufficient information to develop typical unit rents, typical vacancy and collection loss ratios, and typical expense ratios for various type properties before applying the income approach.
 - (ii) Analyzing reported data. The appraisal staff may use actual income and expense information when they reflect typical management and current market conditions; otherwise, typical figures should be used. The appraiser may stratify properties and develop typical unit rents, vacancy and collection loss ratios, and expense ratios to evaluate the reasonableness of reported figures for individual properties and to substitute for unreported figures. The appraiser may also use multiple regression analysis to estimate typical rents as a function of such variables as construction quality, age, location, size of building, and other relevant factors. Multiple regression analysis may also be used to estimate typical expense ratios, and other income and expense components. The appraiser should not consider outdated or non-market leases. Percentage leases should be expressed in actual dollar amounts and averaged over a period of years. Periodic expenditures for replacements should be pro-rated over their economic lives.
 2. Capitalization methods. The appraisal staff shall use the procedures in this subparagraph to capitalize the income into an estimate of value. The appraisal staff may utilize the following rates while using the income approach and its various methods and techniques. The discount rate is the annual return on the investment in the property. It is a component of a total capitalization rate. The interest rate is the rate of return on borrowed funds.

It is a component of the discount rate. The equity yield rate is the annual return on the equity portion of the investment in the property. It is a component of the total capitalization rate in the mortgage equity technique.

- (i) Direct capitalization. The appraisal staff shall, when applying this method, use either overall rates or income multipliers. Both require adequate sales data and accurate estimates of potential annual gross income, effective annual gross income, or annual net operating income.
 - (I) Overall rates. Using the most common version of this method, the appraisal staff develops the annual net operating income of a sample of properties that have sold. The individual annual net operating incomes are divided by the individual sale prices resulting in the individual overall rates. A representative overall rate is then selected from the sample and applied to the subject property by dividing its annual net operating income by the selected overall rate resulting in an estimate of value for the property. The appraisal staff may also employ other techniques to develop an overall rate, such as the weighted land to improvement ratio method; the net income ratio method, and the debt coverage ratio method.
 - (II) Income multipliers. Using this method, the appraisal staff may use potential gross income, effective gross income, or annual net operating income from a sample of properties that have sold. Individual sale prices are divided by the selected level of income resulting in individual multipliers. A representative multiplier is then selected from the sample and applied to the subject property by multiplying the selected level of income by the multiplier appropriate to the level of income selected resulting in an estimate of value for the property.
- (ii) Annuity capitalization. Annuity capitalization may be used to apply the income approach when the subject property is under a long-term lease. The appraisal staff develops capitalization rates for both land and improvements to the land. The appropriate residual technique is selected based on the known value of either land or improvement. The land or improvement value is multiplied by the appropriate capitalization rate, and the result is deducted from the annual net operating income. The remaining residual income to either land or improvement is then capitalized by the appropriate rate resulting in an estimate of value for either land or improvement.

- (iii) Sinking fund capitalization. Sinking fund capitalization may be used to apply the income approach when periodic reserves for replacement are set aside in equal amounts, at a safe rate, in order to restore or rebuild the improvements in the future. It is applied in the same manner as annuity or straight-line capitalization.
- (iv) Straight-line capitalization. Straight-line capitalization may be used to apply the income approach when the appraisal staff uses straight-line depreciation schedules. It is applied in the same manner as annuity capitalization and sinking fund capitalization.
- (v) Discounted cash flow analysis. Discounted cash flow analysis may be used to apply the income approach when the appraisal staff is valuing a lease and the residual value of the property at the end of the lease term. Each year's income stream is discounted by applying a present-value factor to the cash flow expected for each year. The estimated property value at the end of the lease term is also discounted. The discounted amounts are summed resulting in an estimate of value for the property.
- (vi) Mortgage equity analysis. Mortgage equity analysis may be used when the appraisal staff can reliably determine mortgage terms and cash flow and reliably estimate the holding period and the percentage by which the property will appreciate or depreciate over the holding period. The appraisal staff computes a constant annual payment from the interest rate and amortization term and selects an appropriate equity yield rate. The estimated cash flow over the holding period is discounted at the equity yield rate, as is the anticipated selling price of the property. The two discounted amounts are added to the present mortgage balance resulting in an estimate the value for the property.
- (vii) Residual capitalization techniques. The appraisal staff may use a residual technique to apply the income approach when either the improvement or land component of the property value can be reliably estimated or documented by sales.
- (viii) Building residual technique. The appraisal staff may use a building residual technique when the land value of the subject property is known and documented by comparable sales. The appraisal staff develops the total annual net operating income attributable to the property and develops capitalization rates for land and improvements to the land. The land value is multiplied by the land capitalization rate and the result is deducted from the total annual

net operating income. The remaining residual income to the improvement is capitalized using the improvement capitalization rate into an indicator of value for the improvement. This is added to the land value resulting in an estimate of value for the property.

- (ix) Land residual technique. The appraisal staff may use this technique when the improvement value is known and documented by current cost figures. It is applied in the same manner as the building residual technique except a residual land income is capitalized into an indication of land value and added to the improvement value resulting in an estimate of value for the property.

- (d) Special procedures. The appraisal staff shall observe the special procedures contained in this subparagraph when appraising the described property types.
 - 1. Valuation of common areas. The appraisal staff shall take into account the extent that the fair market value of individually owned units in a residential subdivision, planned commercial development, or condominium also represents the fair market value of any ownership interest in any common area that is conveyed with the individually owned units. When the appraisal staff determines that the fair market value of the common area is included in the fair market value of the individually owned units, the appraisal staff may recommend a nominal assessment of the common area parcel. When the appraisal staff makes such a determination, the fair market value of residual interests not conveyed to the owners of the individually owned units shall be appraised and an assessment recommended to the board of tax assessors.
 - 2. Construction in progress. Construction in progress shall be appraised in the same manner as other similar real property taking into account that there may be little or no physical deterioration on such property and that the fair market value may be diminished due to the incomplete state of construction. The appraisal staff should attempt to value construction in progress by forecasting the future cash flow a project would generate and discounting at a rate that reflects the risk and uncertainty of that cash flow. If the construction in progress is being financed by a lending institution that has established an account from which funds may be drawn by the builder as construction progresses, the appraisal staff may consider the percentage of such funds expended as of January 1 as a possible indication of percentage completion of construction in progress. In the absence of sufficient information to perform such an analysis, the appraisal staff should estimate the percentage of completion of all construction in progress as of January 1 of the tax year using the best information available. The appraisal staff should then estimate the fair market value of the improvement upon completion. The appraisal staff should then estimate the fair market value as

of January 1 as being the estimated fair market value upon completion multiplied by the percentage of completion on January 1. If comparable sales information of real property under construction is generally not available and there is no other specific evidence to measure the probable loss of value if the property is sold in an incomplete state of construction, the appraisal staff may multiply the identified total cost of construction by a uniform market risk factor of .75.

3. Assemblage. The county appraisal staff shall not combine multiple rural parcels into a single taxable rural parcel unless all the following have been satisfied:
 - (1) parcels must be contiguous or separated by only a stream, creek, non-navigable river, road, street, highway, railroad or other recognized thoroughfare,
 - (2) parcels must be titled in exactly the same name,
 - (3) parcels must fall entirely within the same taxing district, and
 - (4) parcels that are contiguous but lie in different taxing districts and are otherwise eligible for combination shall be valued in the same manner as the total acreage of the combined parcels would dictate.
- (5) Final estimate of fair market value. After completing all calculations, considering the information supplied by the property owner, and considering the reliability of sales, cost, income and expense information, the appraisal staff will correlate any values indicated by those approaches to value that are deemed to have been appropriate for the subject property and form their opinion of the fair market value. The appraisal staff shall present the resulting proposed assessment, along with all supporting documentation, to the board of tax assessors for an assessment to be made by that board.

Cite as Ga. Comp. R. & Regs. R. 560-11-10-.09

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-2](#), [48-5-10](#), [48-5-11](#), [48-5-12](#), [48-5-15](#), [48-5-18](#), [48-5-20](#), [48-5-105](#), [48-5-263](#), [48-5-269](#), [48-5-269.1](#), [48-5-299](#), [48-5-300](#), [48-6-1](#) through [48-6-10](#).

History. Original Rule entitled "Real Property Appraisal" adopted. F. Sept. 20, 1999; eff. Oct. 10, 1999.

Amended: F. Apr. 14, 2004; eff. May 4, 2004.

Amended: ER. 560-11-10-0.2-.09 adopted. F. Jan. 19, 2011; eff. Jan. 20, 2011, as specified by the Agency.

Amended: F. Nov. 9, 2011; eff. Nov. 29, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Note: Correction of non-substantive typographical error, "tables of estimated yields" in section (3)(b)(II)(B) revised, as specified by the Agency. Effective March 7, 2016.

Rule 560-11-10-.10. Reserved.

Subject 560-11-11. FOREST LAND PROTECTION.

Rule 560-11-11-.01. Definitions.

(1) As used in this Regulatory Chapter, the term:

- (a) "Application" shall mean the application for QFLP designation, which includes a three part form consisting of: Section A - Application; Section B - Questionnaire; and Section C -Covenant. All three parts of the application shall be completed by the applicant seeking the QFLP designation.
- (b) "Contiguous" shall mean real property within a county that abuts, joins, or touches and has the same undivided common ownership.
 - 1. If an applicant's tract is divided by a county boundary, public roadway, public easements, public right-of-way, natural boundary, land lot line or railroad tracks then the applicant has, at the time of the initial application, a one-time election to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right-of-way, natural boundary, land lot line or railroad track.
- (c) "Department" shall mean the Georgia Department of Revenue.
- (d) "Entity registered to do business in this state" shall mean any firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision, whether public, private, or quasi-public that is registered to do business with the Secretary of the State of Georgia or that has been created by a court.
- (e) "FLPA" shall mean the Georgia Forest Land Protection Act of 2008 as codified in O.C.G.A. § [48-5-7.7](#).
- (f) "Forest Land" shall mean the timbered area of a tract of land as determined by the Local Board of Tax Assessors.
- (g) "Good Faith Subsistence" shall mean the use of the forest land in a manner that minimizes change or damage to the natural state of the forest land.
- (h) "Local Board of Tax Assessors" shall mean the local board of tax assessors in any county where the application for QFLP designation is filed and the real property is located.

- (i) "Notice of Breach" shall mean the notice sent by the Local Board of Tax Assessors in the county where the breach has occurred.
- (j) "Permissible Breach" shall mean a breach enumerated in O.C.G.A. § [48-5-7.7\(p\)](#), which will serve to terminate the QFLP Covenant. However, the breaching party is not subject to penalties and interest.
- (k) "Plat" shall mean a legible drawing done on, at a minimum, 8 1/2 x 11 20lb paper sufficiently delineating the boundaries of the tract of real property for which QFLP designation is sought.
 - 1. All Plats shall be drawn with the top of the page being north.
- (l) "Primary Use" shall mean a use of the tract which is
 - 1. According to O.C.G.A. § [48-5-7.7\(b\)\(2\)\(C\)](#).
 - 2. As set forth on the Department's application form and is approved by the Local Board of Tax Assessors.
- (m) "QFLP" stands for Qualified Forest Land Property of greater than 200 acres
 - 1. That meets the qualifications set forth in FLPA.
 - 2. That has been approved by the Local Board of Tax Assessors.
 - 3. For which a QFLP Covenant has been
 - (i) Signed on behalf, or by all parties owning an undivided interest in the fee simple tract; and
 - (ii) Recorded in any appropriate county's real property index.
- (n) "QFLP Covenant" shall mean the fifteen (15) year covenant required by O.C.G.A. § [48-5-7.7](#). The form of the covenant shall be in the manner prescribed by the Commissioner.
- (o) "Secondary Use" shall mean secondary uses of the tract as specified in the FLPA as determined by the Local Board of Tax Assessors.
- (p) "Underlying Property" means the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less, for which the taxpayer has provided documents which delineate the property boundaries so as to facilitate the proper identification of such property on the covenant applicant and the board of tax assessors maps and records.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7](#), [48-5-7.7](#), [48-5-271](#).

History. Original Rule entitled "Table of Forest Land Protection Act Land Use Values" adopted. F. Apr. 15, 2009; eff. May 5, 2009.

Amended: ER. 560-11-11-0.40-.01 entitled "Definitions" adopted. F. May 22, 2009; eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Amended: F. May 18, 2015; eff. June 7, 2015.

Rule 560-11-11-.02. Withdrawing or Amending an Application for QFLP.

- (1) An application for QFLP may be amended or withdrawn at any time prior to the initial approval or denial of such QFLP application by the local county board of tax assessors by giving notification of such amendment or withdrawal.
- (2) The notification for amending or withdrawing the application shall be considered received by the local board of assessors when hand delivered or when date stamped by the United States Postal Service.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7.7](#).

History. Original Rule entitled "Withdrawing or Amending an Application for QFLP" adopted as ER. 560-11-11-0.40-.02. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Amended: F. May 18, 2015; eff. June 7, 2015.

Rule 560-11-11-.03. QFLP Qualifications.

- (1) The Local Board of Tax Assessors shall be responsible for approving all QFLP applications.
- (2) Real property for which QFLP designation is sought shall meet all requirements as set forth in O.C.G.A. § [48-5-7.7](#) and
 - (a) At least one-half of area of the applicant's tract of real property for which QFLP designation is sought must be used for a Qualifying Purpose as set forth in O.C.G.A. § [48-5-7.7](#), and Department regulations;
 - (b) The portion of the tract not being used for a Qualifying Purpose must not be used for any other type of business other than as set forth in O.C.G.A. § [48-5-7.7](#); and
 - (c) Uses of any portion of the tract not being used for a Qualifying Purpose may be deemed acceptable uses by the Local Board of Tax Assessors, and therefore not in breach of the QFLP Covenant, provided that

1. The Local Board of Tax Assessors determines that such portion is
 - (i) Minimally managed so that it does not contribute significantly to erosion or other environmental or conservation problems; or
 - (ii) Being used for any secondary uses as listed in O.C.G.A. § [48-5-7.7\(b\)\(2\)\(C\)](#).
- (3) Area around cellular phone tower pads used or maintained as part of the pad, shall not constitute a breach of the QFLP Covenant if
 - (a) The tract is less than 2,000 acres the total area of the pads does not exceed six (6) acres, or
 - (b) For tracts larger than 2,000 acres, the total area of cellular phone tower pads does not exceed six (6) acres for every 2,000 acres.
 - (c) Any roadway to the cellular phone tower pads shall not be included in the determination of the six (6) acre maximum.
- (4) To obtain QFLP designation for a contiguous tract of real property located in multiple counties, the applicant must enter into a single QFLP Covenant for the entire contiguous tract. This QFLP Covenant must be approved and recorded in each county where the contiguous tracts are located.
 - (a) If one or more counties deny a QFLP application, any portions of the contiguous tract which are approved, may still be eligible for QFLP designation provided that
 1. Any remaining tract or tracts meets the minimum qualifications as set forth in O.C.G.A. § [48-5-7.7](#), and Department regulations.
 2. The QFLP Covenant is signed by all owners and the appropriate Local Board(s) of Tax Assessors; and
 3. Recorded in the appropriate county's real property index.
- (5) The QFLP Covenant shall be effective upon the county signing and recording the QFLP Covenant in the real property index.
 - (a) Any appeals to the denial of QFLP designation or failure by the Local Board of Tax Assessors to sign the Covenant, shall be made in the manner provided for in O.C.G.A. § [48-5-311](#).
 1. If an appeal is not resolved until the subsequent year after the filing of the application and the applicant receives a favorable decision on the appeal the

applicant shall be entitled to the benefits derived from the QFLP Covenant beginning in the year for which the application was filed.

- (6) Property that otherwise qualifies for a Forest Land Conservation Use Covenant shall exclude the entire value of any residence and its underlying property. This provision for excluding the underlying property of a residence from eligibility in the conservation use covenant shall only apply to property that is first made subject to a covenant or is subject to the renewal of a previous covenant. Additionally, in conjunction with the covenant application, the taxpayer shall provide any one of the following types of property boundary descriptions regarding such underlying property:
- (a) A plat of the underlying property prepared by a licensed land surveyor, showing the location and measured area of the underlying property in question;
 - (b) A written legal description of the underlying property delineating the legal metes and bounds and measured area of the underlying property in question; or
 - (c) Such other alternative property boundary description as mutually agreed upon by the taxpayer and county assessors. An acceptable alternative property boundary description may include a parcel map drawn by the county cartographer or GIS technician.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7.7](#).

History. Original Rule entitled "QFLP Qualifications" adopted as ER. 560-11-11-0.40-.03. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Amended: F. May 18, 2015; eff. June 7, 2015.

Rule 560-11-11-.04. QFLP Application.

- (1) The Commissioner hereby adopts the form in Regulation [560-11-11-.11](#) Exhibit (A), as the Form to be used by all counties as the application for the FLPA.
- (2) All applicants for QFLP designation shall include with their application
 - (a) A plat of the tract for which QFLP designation is sought.
 - (b) A written legal description of the tract.
- (3) If a legal description or plat is contested by the county, then the county shall have the burden to prove its assertion that the plat or legal description as provided by the applicant is deficient.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.04

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7.7](#).

History. Original Rule entitled "QFLP Application" adopted as ER. 560-11-11-0.40-.04. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Rule 560-11-11-.05. Period for Local Board of Assessors to Approve or Deny QFLP Applications.

- (1) A Local Board of Tax Assessors shall have one hundred twenty days from receipt of an application for QFLP designation to approve or deny such application.
- (2) The application must be filed with the Local Board of Tax Assessors no later than the last day for filing ad valorem tax appeals of the annual notice of assessment, except that in the case of property which is the subject of a tax appeal of the annual notice of assessment under O.C.G.A. § [48-5-311](#), an application for forest land conservation use assessment may be filed at any time while such appeal is pending.
- (3) Upon approval, the Local Board of Tax Assessors must notify the applicant within thirty (30) days of its decision and provide the QFLP Covenant to the applicant for signatures.
- (4) Upon denial of an Application, the Local Board of Tax Assessors must notify the applicant in the manner provided for in O.C.G.A. § [48-5-306](#).
- (5) If an Application is denied by the Local Board of Tax Assessors, any fees advanced by the applicant shall be returned to the applicant within thirty (30) days of the denial by the Local Board of Tax Assessors.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7.7](#), [48-5-306](#).

History. Original Rule entitled "Period for Local Board of Assessors to Approve or Deny QFLP Applications" adopted as ER. 560-11-11-0.40-.05. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Amended: F. May 18, 2015; eff. June 7, 2015.

Rule 560-11-11-.06. QFLP Covenant.

- (1) All contiguous tracts of an owner within a county for which forest land conservation use assessment is sought shall be in a single covenant unless otherwise required by law.
- (2) The QFLP Covenant shall
 - (a) Be signed and recorded in any county where the tract is located and owner(s) have made application and received approval for QFLP designation.

1. The QFLP Covenant shall be signed by all owner(s) of record of the tract.
 2. An individual may sign on behalf of the owner(s) of record by providing that such person has established that individual has sufficient legal authority satisfactory to the Local Board of Tax Assessors, to act on behalf of the owner(s).
- (b) Have an effective date of January 1 of the year for which the application was filed and the QFLP Covenant is signed by all required parties.
- (3) An applicant receiving a favorable ruling for an appeal shall receive all benefits derived from the QFLP Covenant beginning in the year for which the application was filed, irrespective of if the appeal is not resolved until subsequent year(s).
 - (4) The QFLP Covenant and benefits derived therefrom shall not extend to any portion of the tract for which the QFLP Covenant has not yet been signed and recorded in that county's real property index.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.06

Authority: O.C.G.A. §§ [48-5-7.7](#).

History. Original Rule entitled "QFLP Covenant" adopted as ER. 560-11-11-0.40-.06. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Amended: F. May 18, 2015; eff. June 7, 2015.

Rule 560-11-11-.07. Notice of Breach.

- (1) The Notice of Breach shall be sent within thirty (30) days from the day that the breach is reported to or discovered by the Local Board of Tax Assessors to
 - (a) The owner(s) of record of the real property in breach.
 - (b) The Local Board of Tax Assessors in every other county where the QFLP is located.
- (2) The Notice of Breach shall include the following:
 - (a) The location of the breach;
 - (b) The date the breach was reported or discovered;
 - (c) An explanation of the breach;
 - (d) Whether the remedy is remediation or cease and desist of the breach;

- (e) The date by which the remedy must be completed; and
 - (f) The penalty for not remedying or ceasing or desisting the breach.
- (3) The thirty (30) day period for the owner to remedy the breach shall not begin until the owner has received a Notice of Breach that complies with the requirements set forth in this Regulation.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7.7](#).

History. Original Rule entitled "Notice of Breach" adopted as ER. 560-11-11-0.40-.07. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Rule 560-11-11-.08. Notification and Inspection Concerning QFLP in Breach of Covenant.

- (1) The owner(s) of record of the tract of real property in breach shall have thirty (30) days from the date of receipt of the Notice of Breach by any owner of record to remedy the breach as specified in the Notice of Breach.
- (2) Beginning on the first day after the thirty (30) day period for an owner(s) of record of the tract of real property to remedy the breach, the Local Board of Tax Assessors shall have forty-five (45) days in which to conduct a physical inspection of the real property to determine if the prescribed remedy has been completed.
- (3) The Local Board of Tax Assessors shall have fifteen (15) days from the date of the physical inspection or the end of the inspection period, whichever is later, to send a written notice to the owner(s) of record of the tract, and any counties that encompass the tract subject to the breached QFLP Covenant, to inform the owner(s) whether the tract of real property is in compliance with the QFLP Covenant.
 - (a) Failure to inspect the tract of real property shall be deemed a determination that the tract is in compliance with the QFLP Covenant.
- (4) If a QFLP Covenant covers multiple counties then the Local Board of Tax Assessors in the county where the breach has occurred shall send the same written notifications to the Local Board of Tax Assessors in all affected counties where the QFLP Covenant is in force and effect.
 - (a) Such written notifications shall be sent within the same time period, and in the same manner, as the written notification sent to the owner(s) of record notifying them of the breach and the determination of whether or not the tract is in compliance with the QFLP Covenant.

- (5) Appeals concerning notice, inspection or any other issue, must be made in the manner provided for in O.C.G.A. § [48-5-311](#).
- (6) Notifications required by this Regulation that are sent by the Local Board of Tax Assessors to owner(s) of record of the tract subject to QFLP Covenant; and to any other counties where the tract is located and subject to the QFLP Covenant, shall be sent via certified mail by the United States Postal Service, commercial delivery service, commercial courier, or personal service to the last known address of the owner(s) of record.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.08

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7.7](#), [48-5-311](#).

History. Original Rule entitled "Notification and Inspection Concerning QFLP in Breach of Covenant" adopted as ER. 560-11-11-0.40-.08. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

[Rule 560-11-11-.09. Release of Covenant.](#)

- (1) When a tract of real property is no longer eligible as a QFLP due to a non-remedied breach, or at the expiration of the QFLP Covenant, the owner of such tract of real property shall file an application with the Local Board of Tax Assessors for release of the tract of real property from the QFLP Covenant
 - (a) Within sixty (60) days of the last day the tract was eligible as QFLP; or
 - (b) Within sixty (60) days of the last day of the QFLP Covenant.
- (2) The Local Board of Tax Assessors must within fifteen (15) days from receipt of an application for release, determine if all taxes and penalties, if applicable, have been paid and satisfied on the tract of real property.
 - (a) Upon approval of the application for release of the tract real property from the QFLP Covenant, the Local Board of Tax Assessors shall have fifteen (15) days to
 1. Provide written notification to the applicant that the release has been approved.
 2. File the release with the office of the Clerk of Superior Court in the county where the original QFLP Covenant was filed, and provide a copy to the applicant.
- (3) If an application for release is denied, the Local Board of Tax Assessors shall send written notification to the applicant within fifteen (15) days of receipt of such application and it shall include the reason(s) for denial.

- (a) Appeals resulting from denial of release shall be made in the manner provided for in O.C.G.A. § [48-5-311](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-5-7.7](#), [48-5-311](#).

History. Original Rule entitled "Release of Covenant" adopted as ER. 560-11-11-0.40-.09. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Rule 560-11-11-.10. Penalty for Breach.

- (1) If a breach should occur during the QFLP Covenant period then a penalty shall be imposed by the Local Board of Tax Assessors.
 - (a) The method for calculating the amount of the penalty owed is set forth in O.C.G.A. § [48-5-7.7\(m\)](#).
 - (b) Penalties and interest imposed pursuant to O.C.G.A. § [48-5-7.7](#), shall constitute a lien against that portion of the property which is subject of the original covenant, and shall be collected in the same manner as unpaid ad valorem taxes.
- (2) If all or part of the tract subject of the original QFLP Covenant is transferred during a the covenant period to another qualified owner, and following such transfer the acquiring owner and/or transferring owner cause a breach of the covenant, then:
 - (a) Any county affected by the breach must seek recovery of penalties and interest from the breaching party by any judicial means including but not limited to; foreclosure of the breaching party's property.
- (3) Activities listed in O.C.G.A. § [48-5-7.7\(q\)](#) shall not constitute a breach of the QFLP Covenant.
- (4) If a contiguous tract is subject to a QFLP Covenant in multiple counties then a breach occurring in any of the counties where the contiguous tract is located shall constitute a breach of the entire contiguous tract. The owner of the contiguous tract shall be assessed all penalties and interest resulting from the breach of the QFLP Covenant.
- (5) If a breach occurs solely as the result of a Permissible Breach then no penalty shall be assessed but the QFLP Covenant will be terminated.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.10

Authority: O.C.G.A. Sec. [48-5-7.7](#).

History. Original Rule entitled "Penalty for Breach" adopted as ER. 560-11-11-0.40-.10. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Amended: F. Jun. 30, 2011; eff. July 20, 2011.

Rule 560-11-11-.11. Forms.

- (1) The Commissioner hereby adopts
 - (a) Exhibit (A) as the Form for QFLP Application,
 - (b) Exhibit (B) as the Form for the QFLP Covenant,
 - (c) Exhibit (C) as the Form for the Notice of Breach, and
 - (d) Exhibit (D) as the Form for the Application for Release.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.11

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Forms" adopted as ER. 560-11-11-0.40-.11. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Rule 560-11-11-.12. Table of Forest Land Protection Act Land Use Values.

- (1) For the purpose of prescribing the 2024 current use values for conservation use land, the state shall be divided into the following nine Forest Land Protection Act Valuation Areas (FLPAVA 1 through FLPAVA 9) and the following accompanying table of per acre land values shall be applied to each acre of qualified land within the FLPAVA for each soil productivity classification for timber land (W1 through W9):
 - (a) FLPAVA #1 counties: Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Murray, Paulding, Polk, Walker, and Whitfield. Table of per acre values: W1 1,014, W2 910, W3 827, W4 758, W5 695, W6 643, W7 603, W8 553, W9 504;
 - (b) FLPAVA #2 counties: Barrow, Cherokee, Clarke, Cobb, Dawson, DeKalb, Fannin, Forsyth, Fulton, Gilmer, Gwinnett, Hall, Jackson, Lumpkin, Oconee, Pickens, Towns, Union, Walton, and White. Table of per acre values: W1 1,374, W2 1,245, W3 1,121, W4 1,015, W5 935, W6 878, W7 828, W8 760, W9 689;
 - (c) FLPAVA #3 counties: Banks, Elbert, Franklin, Habersham, Hart, Lincoln, Madison, Oglethorpe, Rabun, Stephens, and Wilkes. Table of per acre values: W1 1,348, W2 1,173, W3 1,057, W4 1,015, W5 935, W6 855, W7 719, W8 585, W9 489;
 - (d) FLPAVA #4 counties: Carroll, Chattahoochee, Clayton, Coweta, Douglas, Fayette, Haralson, Harris, Heard, Henry, Lamar, Macon, Marion, Meriwether,

Muscogee, Pike, Schley, Spalding, Talbot, Taylor, Troup, and Upson. Table of per acre values: W1 991, W2 887, W3 804, W4 737, W5 641, W6 597, W7 519, W8 449, W9 364;

- (e) FLPAVA #5 counties: Baldwin, Bibb, Bleckley, Butts, Crawford, Dodge, Greene, Hancock, Houston, Jasper, Johnson, Jones, Laurens, Monroe, Montgomery, Morgan, Newton, Peach, Pulaski, Putnam, Rockdale, Taliaferro, Treutlen, Twiggs, Washington, Wheeler, and Wilkinson. Table of per acre values: W1 843, W2 781, W3 717, W4 657, W5 592, W6 533, W7 466, W8 403, W9 334;
- (f) FLPAVA #6 counties: Bulloch, Burke, Candler, Columbia, Effingham, Emanuel, Glascock, Jefferson, Jenkins, McDuffie, Richmond, Screven, and Warren. Table of per acre values: W1 834, W2 766, W3 699, W4 637, W5 568, W6 503, W7 436, W8 367, W9 299;
- (g) FLPAVA #7 counties: Baker, Calhoun, Clay, Decatur, Dougherty, Early, Grady, Lee, Miller, Mitchell, Quitman, Randolph, Seminole, Stewart, Sumter, Terrell, Thomas, and Webster. Table of per acre values: W1 894, W2 813, W3 740, W4 664, W5 586, W6 511, W7 436, W8 357, W9 281;
- (h) FLPAVA #8 counties: Atkinson, Ben Hill, Berrien, Brooks, Clinch, Coffee, Colquitt, Cook, Crisp, Dooly, Echols, Irwin, Jeff Davis, Lanier, Lowndes, Telfair, Tift, Turner, Wilcox, and Worth. Table of per acre values: W1 972, W2 880, W3 788, W4 699, W5 607, W6 519, W7 427, W8 337, W9 273;
- (i) FLPAVA #9 counties: Appling, Bacon, Brantley, Bryan, Camden, Charlton, Chatham, Evans, Glynn, Liberty, Long, McIntosh, Pierce, Tattnall, Toombs, Ware, and Wayne. Table of per acre values: W1 984, W2 887, W3 804, W4 715, W5 621, W6 535, W7 443, W8 354, W9 273.

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.12

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7](#), [48-5-7.7](#), [48-5-269](#).

History. Original Rule entitled "Table of Forest Land Protection Act Land Use Values" adopted as ER. 560-11-11-0.40-.12. F. and eff. May 22, 2009, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 26, 2009; eff. July 16, 2009.

Repealed: New Rule of same title adopted. F. Mar. 15, 2010; eff. Apr. 4, 2010.

Repealed: New Rule of same title adopted. F. Mar. 3, 2011; eff. Mar. 23, 2011.

Amended: F. Apr. 24, 2012; eff. May 14, 2012.

Amended: F. June 25, 2013; eff. July 15, 2013.

Amended: F. Apr. 22, 2014; eff. May 12, 2014.

Amended: F. May 18, 2015; eff. June 7, 2015.

Amended: F. Feb. 23, 2016; eff. Mar. 14, 2016.

Amended: F. Mar. 24, 2017; eff. Apr. 13, 2017.

Amended: F. Mar. 6, 2018; eff. Mar. 26, 2018.

Amended: F. Feb. 1, 2019; eff. Feb. 21, 2019.

Amended: F. Mar. 6, 2020; eff. Mar. 26, 2020.

Note: Correction of non-substantive typographical error in paragraph (d), "316 W1 882" corrected to "W1 882", as requested by the Agency. Effective March 26, 2020.

Amended: F. Mar. 4, 2021; eff. Mar. 24, 2021.

Amended: F. May 4, 2022; eff. May 24, 2022.

Amended: F. Mar. 13, 2023; eff. Apr. 2, 2023.

Amended: F. Jan. 22, 2024; eff. Feb. 11, 2024.

Rule 560-11-11-.13. Valuation of Additional Qualified Property which is Contiguous to the Property in the Original Covenant.

- (1) If a qualified owner has entered into an original forest land conservation use covenant and subsequently acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the fifteen (15) year period of the original covenant; provided, however, that such subsequently acquired qualified property shall be less than two hundred (200) acres.
- (2) If the qualified owner makes such an election, then additional qualified property shall be valued in accordance with O.C.G.A. § [48-5-269](#).
 - (a) When calculating the additional qualified property's initial value, this initial value shall not be subject to the three percent (3%) limitation provided for in O.C.G.A. [48-5-271\(b\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-11-.13

Authority: O.C.G.A. Secs. [48-5-7.7](#), [48-5-269](#), [48-5-271](#).

History. Original Rule entitled "Valuation of Additional Qualified Property which is Contiguous to the Property in the Original Covenant" adopted. F. Jun. 30, 2011; eff. July 20, 2011.

Exhibit (560-11-11) A. .

To the Board of Tax Assessors of _____ County: In accordance with the provisions of O.C.G.A. § 48-5-7.7, I submit this application and the completed questionnaire on the back of this application for consideration of Forest Land Conservation Use value assessment on the property described herein.

Denied: _____ Date: _____. If denied, O.C.G.A. § 48-5-7.7 provides that the County Board of Tax Assessors shall issue a notice to the owner(s) in the same manner as all other notices are issued pursuant to O.C.G.A. § 48-5-306 which can be appealed pursuant to O.C.G.A. § 48-5-311.

FOREST LAND CONSERVATION ASSESSMENT QUESTIONNAIRE – PT-48-5-7.7

Check Appropriate Ownership Type:

- ☐ One or more individuals (includes executors, administrators and trustees)
- ☐ Entity registered to do business in the State of Georgia (county tax official may request verification of registration: such verification may include sales tax number, FEI number, etc.)

Additional Owner Signatures (if needed)	
Print Name	Signature/Date

OTHER COUNTIES AND ACREAGE included in this application for FOREST LAND PROTECTION COVENANT	
County Name	Property Description/Other County Parcel #/Acreage

In addition to the primary use of the property as specified in the application, specific secondary uses are permitted. Please indicate if any of the following are applicable to the property covered by this application and the total amount of acreage used:

- ☐ Promotion, preservation, or management of wildlife habitat. _____
- ☐ Carbon sequestration. Is the property listed on the Georgia Carbon Sequestration Registry () Yes () No #: _____
- ☐ Mitigation or conservation use banking to restore or conserve wetlands and other natural resources. _____
- ☐ Production or maintenance of ecosystem products and services such as, but not limited to, clean air and water. _____

() Yes () No	Is this property or any portion thereof currently being leased? If yes, briefly explain how the property is being used by the lessee, as well as the amount of acreage of the property leased. _____
() Yes () No	Is the property or any portion thereof currently being used for fishing purposes where admission is charged? If yes, please indicate amount of acreage so used.
() Yes () No	Is the property or any portion thereof being used for production of pine straw? If yes, indicate amount of acreage so used.
() Yes () No	Is there a residence on the property? If yes, provide the street address.
() Yes () No	Are there other real property improvements located on this property? If yes, briefly list and describe these real property improvements on a separate sheet and attach to this application.
() Yes () No	Is there any type of business operated on this property? If yes, indicate business name, type of business, and amount of acreage so used.

Exhibit (560-11-11) B. .

Exhibit B
COVENANT FOR FOREST LAND PROTECTION ACT OF 2008

In consideration of my receiving the preferential assessment of forest land provided in O.C.G.A. § 48-5-7.7, I (We), the undersigned do hereby solemnly swear, and covenant that:

1. I (we) have personal knowledge of the property described herein, and the primary use is good faith subsistence or commercial production of trees, timber, or other wood and wood fiber products.
2. I (we) will maintain this property as forest land conservation use property, as defined by O.C.G.A. § 48-5-7.7, for a period of 15 years to begin on January 1st of the first year for which conservation use assessment is approved, and to continue through the last day of December of the final year of the Covenant period.
3. I (we) will notify the Board of Tax Assessors, in writing, in the event there is a change in the "qualifying use" of said property.
4. I (we) understand that if this Covenant is breached, penalties and interest will be assessed as provided for by law and such penalties and interest levied against myself and against the property will constitute a lien against the property subject of this Covenant.
5. I (we) understand that a breach occurring in one or more counties shall be considered a breach of the entire tract subject to this Covenant, regardless of the nature or the location of the breach.
6. I (we) understand that if the tract is located in more than one county, each county where the tract is located must enter into a Covenant. If a county denies the application, then the land in that county shall not receive Forest Land Protection Act of 2008 designation and the other remaining tract or tracts must meet all the requirements and qualifications set forth in O.C.G.A. § 48-5-7.7, and all applicable regulations.
7. All information set forth on this document is true, correct, and complete.

The following information is for the portion of the tract located in this County.

Parcel Identification Number	County	Physical Address

Detailed description of the use of the property in this County:

We hereby adopt and ratify the Covenant for the tract of real property located in this County and described herein, and adopt the ratification of this Covenant for tracts located in any other counties, if applicable.

Date Signature for the County Board of Assessors

I hereby certify, adopt, and affirm the Covenant for the tract or tracts of real property described herein.

Date Signature of Owner Printed Name of Owner

Sworn to and subscribed before me
This _____ day of _____, _____.

Notary Public

I hereby certify and affirm the Covenant for the tract or tracts of real property described herein.

Date Signature of Owner Printed Name of Owner

Sworn to and subscribed before me
This _____ day of _____, _____.

Exhibit B
COVENANT FOR FOREST LAND PROTECTION ACT OF 2008

Notary Public

I hereby adopt certify and affirm the Covenant for the tract or tracts of real property described herein.

Date Signature of Owner Printed Name of Owner

Sworn to and subscribed before me

This _____ day of _____, _____.

Notary Public

The following information pertains to any other county where the tract is located and for which an application and this Covenant may be filed.

Parcel Identification Number	County	Physical Address
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Detailed description of the use of the property in the county:

We hereby adopt and ratify the Covenant for the tract of real property located in this County and described herein, and adopt the ratification of this Covenant for tracts located in any other counties.

Date Signature for the County Board of Assessors

Parcel Identification Number	County	Physical Address
------------------------------	--------	------------------

Detailed description of the use of the property in the county:

We hereby adopt and ratify the Covenant for the tract of real property located in this County and described herein, and adopt the ratification of this Covenant for tracts located in any other counties.

Date Signature for the County Board of Assessors

Parcel Identification Number	County	Physical Address
------------------------------	--------	------------------

Detailed description of the use of the property in the county:

Exhibit B
COVENANT FOR FOREST LAND PROTECTION ACT OF 2008

We hereby adopt and ratify the Covenant for the tract of real property located in this County and described herein, and adopt the ratification of this Covenant for tracts located in any other counties.

Date

Signature for the County Board of Assessors

Parcel Identification Number	County	Physical Address
------------------------------	--------	------------------

Detailed description of the use of the property in the county:

We hereby adopt and ratify the Covenant for the tract of real property located in this County and described herein, and adopt the ratification of this Covenant for tracts located in any other counties.

Date

Signature for the County Board of Assessors

NOTE: If more than three owners of record or five counties, please attach another covenant form to this one.

If your tract is divided by a publicly owned road, railroad track, or county line, you may make a one-time election to divide the tract using such markers as the boundary. If your tract is so divided and you wish to divide the tract accordingly, please provide the following:

1. An official county, state, or local map showing the dividing line of the tract and the location of the real property.

Exhibit (560-11-11) C. Notice of Breach of Covenant Forest Land Protection Act of 2008.

[Click to view image](#)

EXHIBIT C

NOTICE OF BREACH OF COVENANT
FOREST LAND PROTECTION ACT OF 2008

Name and Mailing Address for Owner of Record:

Property in Breach:

Parcel Identification Number	County	Physical Address
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Description of location on the tract of real property where the breach was discovered:

This is to notify you that the above mentioned property is in breach of the covenant entered into under the Forest Land Protection Act of 2008.

On, _____, 20____, this County learned, or was notified that the property was in breach of the covenant in the following manner:

The breach may be remedied by:

PLEASE NOTE:

- Remediation of the breach must occur within thirty (30) days of receipt of this Notice.
- Failure to remedy the breach may result in penalties and interest and lien on the property, as provided for in O.C.G.A. § 48-5-7.7.

Should you have any questions please contact: _____

Phone: _____ E-mail: _____

Date: _____ Signature: _____

Exhibit (560-11-11) D. Application for Release of Covenant Forest Land Conservation Use Property.

[Click to view image](#)

EXHIBIT D	
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**APPLICATION FOR RELEASE OF COVENANT
FOREST LAND CONSERVATION USE PROPERTY**

To the Board of Tax Assessors of _____ County: I, the owner, or authorized representative, of the below described property, having satisfied all applicable taxes and penalties associated with the covenant filed in this County, do hereby file this application for release of current use assessment. Pursuant to O.C.G.A. § 48-5-7.7, no fee is required for the clerk of superior court to file and index this release in the real property records of the clerk's office.

Name of owner (if more than one individual, or entity, enter names and addresses on a separate sheet and attach to this application):				
Owner's mailing address:			City, State, Zip	Number of acres included in this application.
Property location (Street, Route, Hwy, Land Lots, Metes & Bounds description, etc.)			City, State, Zip	
District	Land Lot	Sublot & Block	Recorded Deed Books/Pages	What is the primary reason for seeking release of the property?

AUTHORIZED SIGNATURE

I, the undersigned, do hereby solemnly swear, covenant and agree that all the information contained above, is true and correct to the best of my knowledge and that the above described property qualifies for release under the ownership and land use provisions of O.C.G.A. § 48-5-7.7. I further swear that I am authorized to sign this application for release on behalf of the owner(s) making application.

Signature of Owner or Owner's Authorized Representative _____

Date Application for Release Filed _____

Signature of Owner or Owner's Authorized Representative
(Please have additional owners sign on reverse side of application)

FOR TAX ASSESSORS USE ONLY

Map(s) and Parcel ID Numbers:	Tax District(s)	Taxpayer Account Number	Total Number of Acres	Covenant # (County Code) (Covenant #)
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Based on the information submitted above, as well as the information provided on the questionnaire, the _____ County Board of Tax Assessors has considered such information and has made the following final determination of this application for release:

Approved: _____ Date: _____

Board of Tax Assessors

Date _____

Denied: _____ Date: _____ If denied, O.C.G.A. § 48-5-7.7 provides that the County Board of Tax Assessors shall issue a notice to the taxpayer in the same manner as all other notices are issued pursuant to O.C.G.A. § 48-5-306 and can be appealed pursuant to O.C.G.A. § 48-5-311.

Subject 560-11-12. COUNTY BOARD OF EQUALIZATION HEARINGS.

Rule 560-11-12-.01. Applicability of Rules.

- (1) The rules in this Chapter shall apply to and govern ad valorem tax assessment appeal hearings held by the county boards of equalization including those formed by intergovernmental agreement.
- (2) The actions, decisions and orders of a county's board of equalization are:

- (a) Subject to the appeals procedures as provided in this section.
- (b) Empowered to exercise the same degree of authority and perform the same actions as hearing officers under O.C.G.A. § [50-13-13](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.01

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#), [48-5-311\(e\)\(1\)\(D\)](#).

History. Original Rule entitled "Applicability of Rules" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-12-.02. Nature of the Proceeding; Hearing Procedure; Burden of Proof.

The hearings held under these Regulations shall only be as formal as is necessary to preserve order and be compatible with the principles of justice.

- (1) Parties shall have the right to be represented by legal counsel.
- (2) The parties have a right to obtain, not less than seven (7) days prior to the date of the hearing, the documentary evidence and the names and addresses of the witnesses to be used at the hearing by making a written request to the Board of Equalization and to the other party not less than 10 days prior to the date of the hearing. Any such documentary evidence or witnesses not provided upon a timely written request may be excluded from the hearing at the discretion of the Board of Equalization.
- (3) The parties shall also have the right to respond and present evidence on all issues involved and to cross examine all witnesses.
- (4) The standard of proof on all issues in the hearing shall be a preponderance of the evidence. A preponderance of the evidence is established when one party's evidence is of greater weight or is more convincing than the evidence offered in opposition to it, in that, the evidence, when taken as a whole, shows that the fact in dispute has been proven by one party to be more probable than not.
- (5) When a hearing is being held regarding a county's board of tax assessors' tax assessment, the county board of tax assessors shall have the burden of proof in regards to value, not taxability.
 - (a) If a hearing is being held regarding a property tax exemption, then the party seeking the property tax exemption shall have the burden of proving entitlement.
- (6) The county board of tax assessors shall present its case first, unless a taxpayer elects to present first.

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.02

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Nature of the Proceeding; Hearing Procedure; Burden of Proof" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-12-.03. Evidence; Official Notice.

- (1) The rules of evidence in hearings covered by this Chapter shall be substantially as follows:
 - (a) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded;
 1. The rules of evidence as applied in the trial of civil non-jury cases in the superior courts shall be followed as far as practicable.
 2. Evidence not admissible under superior court rules may be admitted when necessary to discover facts not reasonably understood from the previously admitted evidence.
 3. Except where precluded by statute, if the evidence presented it is of a type commonly relied upon by reasonably prudent persons, the county board of equalization has discretion as to whether to admit the evidence or not.
 - (b) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available;
 1. Upon request, parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to the superior courts of Georgia;
 - (c) A party may conduct such cross-examination as required for a full and true disclosure of the facts;
 - (d) Official notice may be taken of judicially recognizable facts and generally recognized technical facts or records within the agency's specialized knowledge.
 1. The parties shall be notified of any material so noticed and shall be afforded the opportunity to contest such material at the hearing.

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.03

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Evidence; Official Notice" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-12-.04. Continuances and Postponements.

- (1) Matters set for hearing may be continued or postponed within the sound discretion of the Board of Equalization upon timely motion by either party.
- (2) The Board of Equalization may on its own motion continue or postpone the hearing.

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.04

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Continuances and Postponements" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-12-.05. Subpoena Forms; Service.

- (1) Either party may obtain subpoena forms from Clerk of Superior Court by making a timely request.
- (2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.05

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Subpoena Forms; Service" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-12-.06. Transcripts of Hearing.

- (1) Any party may request that the hearing be conducted before a court reporter, or recorded in audio and/or video.
- (2) The request shall be in writing and include an agreement by the requesting party that he or she shall pay the costs incurred by the request or that he or she shall procure at his or her own cost and on his or her own initiative, the court reporting or recording services for the hearing.
- (3) Regardless of who makes the arrangements or requests the transcript, or tape or video record be made, the original transcript, or tape or video record of the proceedings shall be submitted to the board of equalization chairman prior to the close of the hearing record if the transcript, or tape or video is to be made part of the record.

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.06

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Transcripts of Hearing" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-12-.07. Case Presentment.

In accordance with the Georgia Administrative Procedure Act, a party shall be entitled to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts.

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.07

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#), [50-13-13](#).

History. Original Rule entitled "Case Presentment" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-12-.08. Ruling; Decision.

- (1) The decision of the County Board of Equalization shall clearly state the Board of Equalization's ruling regarding the property's value, uniformity, or taxability, where applicable.
- (2) The decision of the County Board of Equalization shall be rendered pursuant to O.C.G.A. § [48-5-311\(e\)\(6\)\(D\)\(i\)](#).
- (3) When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, the decision of the County Board of Equalization shall be provided to such agent, representative, or attorney pursuant to O.C.G.A. § [48-5-311\(o\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.08

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#), [48-5-311](#).

History. Original Rule entitled "Ruling; Decision" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-12-.09. Hearing Location.

A hearing conducted by a county's board of equalization under this Chapter, shall be held in the county where the property is located unless all parties agree to hold the hearing at a mutually agreed upon location.

Cite as Ga. Comp. R. & Regs. R. 560-11-12-.09

Authority: O.C.G.A. Secs. [48-5-311](#).

History. Original Rule entitled "Hearing Location" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Subject 560-11-13. COUNTY HEARING OFFICERS.

Rule 560-11-13-.01. Applicability of Rules.

- (1) The rules in this Chapter shall apply to and govern ad valorem tax assessment appeal hearings held by a county hearing officer, pursuant to O.C.G.A. § [48-5-311](#).
- (2) The actions, decisions and orders of a county hearing officer are subject to the appeals procedures as provided in this section and O.C.G.A. § [48-5-311](#).
- (3) The county hearing officer is empowered to exercise the same degree of authority and perform the same actions as hearing officers under O.C.G.A. § [50-13-13](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.01

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#), [48-5-311](#).

History. Original Rule entitled "Applicability of Rules" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-13-.02. Nature of the Proceeding; Hearing Procedure; Burden of Proof.

The hearings held under these Regulations shall only be as formal as is necessary to preserve order and be compatible with the principles of justice.

- (1) Parties shall have the right to be represented by legal counsel. Documents or other written evidence to be presented at the hearing by a party must be provided to the other party not less than seven (7) days prior to the time of the hearing and that any failure to comply with this requirement shall be grounds for an automatic continuance or for exclusion of such documents or other written evidence. The decision to continue a proceeding or exclude documents or records shall be within in the discretion of the hearing officer.
- (2) The parties shall also have the right to respond and present evidence on all issues involved and to cross-examine all witnesses.
- (3) The standard of proof on all issues in the hearing shall be a preponderance of the evidence. A preponderance of the evidence is established when one party's evidence is of greater weight or is more convincing than the evidence offered in opposition to it, in that, the evidence, when taken as a whole, shows that the fact in dispute has been proven by one party to be more probable than not.
- (4) When a hearing is being held regarding a county's board of tax assessors' tax assessment, the county board of tax assessors shall have the burden of proof in regards to fair market value and the validity of proposed assessment, not taxability.
 - (a) If a hearing is being held regarding a property tax exemption, then the party seeking the property tax exemption shall have the burden of proving entitlement.
- (5) The county board of tax assessors shall present its case first, unless a taxpayer elects to present first and the hearing officer, in his or her discretion, allows it.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.02

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#), [48-5-311](#).

History. Original Rule entitled "Nature of the Proceeding; Hearing Procedure; Burden of Proof" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-13-.03. Evidence; Official Notice.

- (1) The rules of evidence in hearings covered by this Chapter shall be substantially as follows:
 - (a) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded;
 1. The rules of evidence as applied in the trial of civil non-jury cases in the superior courts shall be followed as far as practicable.
 2. Evidence not admissible under superior court rules may be admitted when necessary to discover facts not reasonably understood from the previously admitted evidence.
 3. Except where precluded by statute, if the evidence presented it is of a type commonly relied upon by reasonably prudent persons, a hearing officer has discretion as to whether to admit the evidence or not.
 - (b) Documentary evidence may be received in the form of copies or excerpts if the original is not readily available;
 1. Upon request, parties shall be given an opportunity to compare the copy with the original or have it established as documentary evidence according to the rules of evidence applicable to the superior courts of Georgia;
 - (c) A party may conduct such cross-examination as required for a full and true disclosure of the facts;
 - (d) Official notice may be taken of judicially recognizable facts and generally recognized technical facts or records within the agency's specialized knowledge.
 1. The parties shall be notified of any material so noticed and shall be afforded the opportunity to contest such material at the hearing.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.03

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Evidence; Official Notice" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-13-.04. Continuances and Postponements.

- (1) Matters set for hearing may be continued or postponed within the sound discretion of the county hearing officer upon timely motion by either party.
- (2) The county hearing officer may on his own motion continue or postpone the hearing.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.04

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Continuances and Postponements" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-13-.05. Subpoena Forms; Service.

- (1) Either party may obtain subpoena forms from the Clerk of Superior Court by making a timely request.
- (2) Service, proof of service and enforcement of subpoenas shall be as provided by Georgia law and shall be the responsibility of the party requesting the subpoena.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.05

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Subpoena Forms; Services" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-13-.06. Transcripts of Hearing.

- (1) Any party may request that the hearing be conducted before a court reporter, or recorded in audio and/or video.
- (2) The request shall be in writing and include an agreement by the requesting party that he or she shall pay the costs incurred by the request or that he or she shall procure at his or her own cost and on his or her own initiative, the court reporting or recording services for the hearing.
- (3) Regardless of who makes the arrangements or requests the transcript, or tape or video record be made, the original transcript, or tape or video record of the proceedings shall be submitted to the county hearing officer prior to the close of the hearing record if the transcript, or tape or video is to be made part of the record.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.06

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Transcripts of Hearing" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-13-.07. Case Presentment.

In accordance with the Georgia Administrative Procedure Act, a party shall be entitled to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.07

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#), [50-13-13](#).

History. Original Rule entitled "Case Presentment" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-13-.08. Ruling; Decision.

- (1) The decision of the county hearing officer shall clearly state the ruling regarding the property's value and uniformity, where applicable.
- (2) The decision of the county hearing officers shall be rendered pursuant to O.C.G.A. § [48-5-311](#)(e.1)(7).
- (3) When a taxpayer authorizes an agent, representative, or attorney in writing to act on the taxpayer's behalf, the decision of the county hearing officer shall be provided to such agent, representative, or attorney pursuant to O.C.G.A. § [48-5-311\(o\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.08

Authority: O.C.G.A. Secs. [48-2-7](#), [48-2-12](#), [48-5-311](#).

History. Original Rule entitled "Ruling; Decision" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Amended: F. Jan. 4, 2016; eff. Jan. 24, 2016.

Rule 560-11-13-.09. Hearing Location.

A hearing conducted by a county hearing officer under this Chapter, shall be held in the county where the property is located unless all parties agree to hold the hearing at a mutually agreed upon location.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.09

Authority: O.C.G.A. Secs. [48-5-311](#).

History. Original Rule entitled "Hearing Location" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-13-.10. Swearing In Witnesses.

- (1) Before a witness is allowed to testify at a hearing, the witness must first be sworn-in by swearing or affirming to tell the truth.
 - (a) The county hearing officer shall be responsible for swearing in all witnesses and must administer the following oath:

"Do you swear or affirm to tell the truth, the whole truth, and nothing but the truth, so help you God?"

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.10

Authority: O.C.G.A. Secs. [48-5-311](#).

History. Original Rule entitled "Swearing in Witnesses" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-13-.11. Hearing Officer Procedural Form.

A county hearing officer shall follow the procedures as outlined in Hearing Officer Procedure Form-1 when conducting an administrative hearing under this Chapter.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.11

Authority: O.C.G.A. Secs. [48-5-311](#).

History. Original Rule entitled "Hearing Officer Procedural Form" adopted. F. Mar. 16, 2011; eff. Apr. 5, 2011.

Rule 560-11-13-.12. Hearing Officers and the Administrative Procedures Act.

The Administrative Procedures Act is not applicable, but where referenced in this Chapter, the Administrative Procedures Act was used as a guideline for the Regulations in order to ensure due process.

Cite as Ga. Comp. R. & Regs. R. 560-11-13-.12

Authority: O.C.G.A. Secs. [48-2-7](#), [48-5-311](#).

History. Original Rule entitled "Hearing Officers and the Administrative Procedures Act" adopted. F. May 9, 2011; eff. May 29, 2011.

Subject 560-11-14. STATE AND LOCAL TITLE AD VALOREM TAX FEE.

Rule 560-11-14-.01. Definitions.

- (1) As used in O.C.G.A. § [48-5C-1](#) and in these regulations, the term:
 - (a) "Commercial motor vehicle" shall have the same meaning as provided for in O.C.G.A. § 40-1-8.3.
 - (b) "Commissioner" means the State Revenue Commissioner.
 - (c) "County tag agent" or "tag agent" means those persons that have been designated as tag agents of the commissioner as provided for in O.C.G.A. § [40-2-23](#).

- (d) "Date of purchase" means the date so provided on the application for certificate of title.
- (e) "Dealer" or "dealership" shall have the same meaning as a dealer of new or used motor vehicles as provided for in O.C.G.A. § [40-3-2\(3\)](#).
- (f) "Department" means the Department of Revenue.
- (g) "Electronic Title and Registration" means an electronic process by which a dealer, through a vendor authorized by the commissioner, initiates the motor vehicle titling and registration process and by which the application for certificate of title is considered received by the county tag agent.
- (h) "Fair market value" means:
 - 1. For a new motor vehicle the retail selling, less any reduction for the trade-in value of another motor vehicle and any rebate. The retail selling price shall include any charges for labor, freight, delivery, dealer fees, and similar charges, tangible accessories, dealer add-ons, and mark-ups, but shall not include any federal retailers' excise tax or extended warranty, service contract, maintenance agreement, or similar products itemized on the dealer's invoice to the customer or any finance, insurance, and interest charges for deferred payments billed separately. No reduction for the trade-in value of another motor vehicle shall be taken unless the name of the owner and the vehicle identification number of such trade-in motor vehicle are shown on the bill of sale;
 - 2. For a motor vehicle that is leased:
 - (A) In the case of a motor vehicle that is leased to a lessee for use primarily in the lessee's trade or business and for which the lease agreement contains a provision for the adjustment of the rental price as described in Code Section [40-3-60](#), the agreed upon value of the motor vehicle less any reduction for the trade-in value of another motor vehicle, including any vehicle(s) owned by the lessor, and any rebate; or
 - (B) In the case of a motor vehicle that is leased other than described in part (1)(h)2.(A) of this regulation, the total of the depreciation plus any amortized amounts pursuant to the lease agreement plus any down payments. The term "any down payments" as used in this subparagraph means cash collected from the lessee at the inception of the lease which shall include cash supplied as a capital cost reduction; shall not include rebates, noncash credits, or net trade allowances; and shall include any upfront payments collected from

the lessee at the inception of the lease except for taxes or fees imposed by law and monthly lease payments made in advance.

3. For a used motor vehicle purchased from a new or used car dealer other than under a seller financed sale arrangement, the retail selling price of the motor vehicle, less any reduction for the trade-in value of another motor vehicle. The retail selling price shall include any charges for labor, freight, delivery, dealer fees and similar charges, tangible accessories, dealer add-ons, and mark-ups, but shall not include any federal retailers' excise tax or extended warranty, service contract, maintenance agreement, or similar products itemized on the dealer's invoice to the customer or any finance, insurance, and interest charges for deferred payments billed separately. No reduction for the trade-in value of another motor vehicle shall be taken unless the name of the owner and the vehicle identification number of such trade-in motor vehicle are shown on the bill of sale.
 4. For a used motor vehicle purchased from a person other than a new or used car dealer or purchased under a seller financed sale arrangement, the average of the current fair market value and the current wholesale value of a motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment manual utilized by the state revenue commissioner and based upon a nationally recognized motor vehicle industry pricing guide for fair market and wholesale market values in determining the taxable value of a motor vehicle under Code Section [48-5-442](#); provided, however, that, if the motor vehicle is not listed in such current motor vehicle ad valorem assessment manual, the fair market value shall be the value from a reputable used car market guide designated by the commissioner and, in the case of a motor vehicle purchased from a new or used car dealer under a seller financed sale arrangement, less any reduction for the trade-in value of another motor vehicle.
- (i) "Immediate family member" means a spouse, parent, child, sibling, grandparent, or grandchild and includes those who have attained such immediate family member status through a legal determination recognized in this state.
 - (j) "International Registration Plan" means the international reciprocal registration agreement for commercial motor vehicles and all amendments thereto as provided for in O.C.G.A. § [40-2-88](#).
 - (k) "Loaner vehicle" means a motor vehicle owned by a dealer which is withdrawn temporarily from dealer inventory for exclusive use as a courtesy vehicle loaned at no charge for a period not to exceed thirty (30) days within a 366-day period to any one customer whose motor vehicle is being serviced by such dealer.

- (l) "Motor vehicle" shall have the same meaning as provided for in O.C.G.A. § [40-1-1\(33\)](#).
- (m) "New motor vehicle" shall have the same meaning as provided for in O.C.G.A. § [40-1-1\(34\)](#).
- (n) "Month" means a period of thirty (30) consecutive calendar days.
- (o) "Owner" shall have the same meaning as provided for in O.C.G.A. § [40-1-1\(39\)](#).
- (p) "Person" means any individual, firm, partnership, cooperative, nonprofit membership corporation, joint venture, association, company, corporation, agency, syndicate, estate, trust, business trust, receiver, fiduciary, or other group or combination acting as a unit, body politic, or political subdivision, whether public, private, or quasi-public.
- (q) "Proceeds" means the combined state ad valorem title tax fee, local ad valorem title tax fee, administrative fee, penalties, and interest.
- (r) "Rebuilt title" shall have the same meaning as provided for in O.C.G.A. § [40-3-37](#).
- (s) "Rental charge" means the title value received by a rental motor vehicle concern for the rental or lease for thirty-one (31) or fewer consecutive days of a rental motor vehicle, including the total cash and nonmonetary consideration for the rental or lease, including, but not limited to, charges based on time or mileage and charges for insurance coverage or collision damage waiver but excluding all charges for motor fuel taxes or sales and use taxes.
- (t) "Rental motor vehicle" means a motor vehicle designed to carry fifteen (15) or fewer passengers and used primarily for the transportation of persons that is rented or leased without a driver.
- (u) "Rental motor vehicle concern" means a person or legal entity which owns or leases five (5) or more rental motor vehicles and which regularly rents or leases such vehicles to the public for value.
- (v) "Salvage motor vehicle" shall have the same meaning as provided for in O.C.G.A. § [40-3-2\(11\)](#).
- (w) "Salvage title" shall have the same meaning as provided for in O.C.G.A. § [40-3-36](#).
- (x) "Sales and use tax" means combined state and local sales and use tax as imposed by Chapter 8 of Title 48, unless otherwise specifically provided for in O.C.G.A. § [48-5C-1](#) or these regulations to refer only to state sales and use tax, or local sales and use tax, respectively.

- (y) "Tax collector" or "tax commissioner" means those persons that have been designated as tag agents of the commissioner as provided for in O.C.G.A. § [40-2-23](#).
- (z) "Used motor vehicle" shall have the same meaning as provided for in O.C.G.A. § [40-1-1\(74\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.01

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Definitions" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Repealed: New Rule of same title adopted. F. Nov. 30, 2017; eff. Dec. 20, 2017.

Amended: F. Dec. 14, 2018; eff. Jan. 3, 2019.

Amended: F. Jan. 29, 2020; eff. Feb. 18, 2020.

Amended: F. Mar. 31, 2022; eff. Apr. 20, 2022.

[Rule 560-11-14-.02. \[Repealed\].](#)

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.02

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Applicability" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Repealed: F. Nov. 30, 2017; eff. Dec. 20, 2017.

[Rule 560-11-14-.03. Rates, Distributions and Collections.](#)

(1) Rate of State and Local Title Ad Valorem Tax Fee

- (a) The rate of the state and local title ad valorem tax fee to be imposed shall be determined by reference to the rate in effect on the date of purchase of the motor vehicle.

(2) Distribution of Proceeds

- (a) The allocation and distribution of proceeds shall be determined pursuant to subsection (c) of O.C.G.A. § [48-5C-1](#).
- (b) Prior to the collection and distribution of any proceeds, the county tag agent must have obtained a written certification of agreement from the county governing authorities, municipal governing authorities, the local board of education and any independent school district within such county, for the purpose of determining the appropriate allocation of the proceeds. Such certification shall occur at least annually.
- (c) In the event a county tag agent receives proceeds which were due to the county tag agent of a different county, such county tag agent incorrectly receiving such

proceeds shall remit said proceeds to the correct county tag agent. If a dispute exists as to which county is due said proceeds, an aggrieved county may seek recourse as provided for in O.C.G.A. § [48-5-17](#).

- (d) The county tag agent shall be authorized to collect proceeds through Electronic Title and Registration and the allocation and distribution of proceeds shall include those proceeds received through Electronic Title and Registration.

(3) Collections

- (a) The commissioner and county tag agent shall each take appropriate enforcement actions to ensure the collection of outstanding proceeds as required by O.C.G.A. § [48-5C-1](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.03

Authority: O.C.G.A. §§ [40-2-12](#), [40-3-3](#), [48-2-12](#), [48-5C-1](#).

History. Original rule entitled "Rates, Distributions and Collections" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Rule 560-11-14-.04. [Repealed].

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.04

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Opt-In Election" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Repealed: F. Nov. 30, 2017; eff. Dec. 20, 2017.

Rule 560-11-14-.05. Family Inheritance, Devise or Bequest.

- (1) If the motor vehicle was subject to ad valorem tax under Chapter 5 of Title 48 upon the death of the owner, such motor vehicle shall continue to be subject to the same unless such immediate family member makes an affirmative written election to instead become subject to the state and local title ad valorem tax fee.
 - (a) Such affirmative written election shall be made on a form prescribed by the commissioner which shall be submitted to the county tag agent along with the application for certificate of title and accompanied by the state and local title ad valorem tax fee. If such form is not so submitted, the motor vehicle shall remain subject to ad valorem taxation under Chapter 5 of Title 48.
- (2) If the motor vehicle was subject to the state and local title ad valorem tax fee upon the death of the owner, such motor vehicle shall be subject to a reduced state and local ad valorem title tax fee rate as provided by subsection (d) of O.C.G.A. § [48-5C-1](#).

- (3) An immediate family member acquiring a motor vehicle by way of inheritance, devise, or bequest from a deceased owner shall complete an affidavit signed before a notary public affirming his or her relationship to the deceased as an immediate family member and entitlement to the vehicle. Such affidavit shall be submitted to the county tag agent accompanied by a copy of letters of testamentary, a copy of the will of the deceased, or other documentation approved by the commissioner to evidence the immediate family member relationship to the deceased and entitlement to the vehicle.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.05

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Family Inheritance, Devise or Bequest" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Repealed: New Rule of same title adopted. F. Nov. 30, 2017; eff. Dec. 20, 2017.

Rule 560-11-14-.06. Family Transfer.

- (1) If the motor vehicle was subject to ad valorem tax under Chapter 5 of Title 48 upon the transfer to the immediate family member, such motor vehicle shall continue to be subject to the same unless such immediate family member makes an affirmative written election to instead become subject to the state and local title ad valorem tax fee.
 - (a) Such affirmative written election shall be made on a form prescribed by the commissioner which shall be submitted to the county tag agent along with the application for certificate of title and accompanied by the state and local title ad valorem tax fee. If such form is not so submitted, the motor vehicle shall remain subject to ad valorem taxation under Chapter 5 of Title 48.
- (2) If the motor vehicle was subject to the state and local title ad valorem tax fee upon the transfer to the immediate family member, such motor vehicle shall be subject to a reduced state and local ad valorem title tax fee rate as provided by subsection (d) of O.C.G.A. § [48-5C-1](#).
- (3) Both the transferor and the transferee shall complete an affidavit signed before a notary public affirming their relationship as immediate family members and the acquiring member's entitlement to the vehicle. Such affidavit shall be submitted to the county tag agent.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.06

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Family Transfer" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Repealed: New Rule of same title adopted. F. Nov. 30, 2017; eff. Dec. 20, 2017.

Rule 560-11-14-.07. Salvage and Rebuilt Motor Vehicles.

- (1) Any person applying for a salvage title shall be subject to the state title ad valorem tax fee rate as provided by O.C.G.A. § [48-5C-1\(b\)\(2\)](#). Such person shall submit the application for a salvage certificate of title together with the state title ad valorem tax fee to the commissioner.
 - (a) Due to the salvage value of motor vehicles not being captured in the assessment manuals utilized by the department, the commissioner shall designate a standardized valuation for salvage motor vehicles to be used for purposes of the state title ad valorem tax fee. Such valuation shall be considered the fair market value of the motor vehicle.
- (2) Any person who acquires a salvage motor vehicle who intends to rebuild such motor vehicle shall make the vehicle available to the commissioner for inspection and shall make application for a rebuilt title to the commissioner. Such person shall be directed to the county tag agent for payment of the state and local title ad valorem tax fee, as applicable.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.07

Authority: O.C.G.A. §§ [40-2-12](#), [40-3-3](#), [48-2-12](#), [48-5C-1](#).

History. Original rule entitled "Salvage and Rebuilt Motor Vehicles" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Amended: F. Jul 10, 2013; eff. July 30, 2013.

Rule 560-11-14-.08. International Registration Plan.

- (1) Motor vehicles registered under the International Registration Plan shall not be subject to state and local title ad valorem tax fees but shall continue to be subject to apportioned ad valorem taxation under Article 10 of Chapter 5 of this title.
- (2) Except as otherwise provided in O.C.G.A. § [48-5C-1](#), all other statutes and regulations governing commercial motor vehicles subject to the International Registration Plan remain in effect and such motor vehicles continue to be subject to the International Fuel Tax Agreement (IFTA).

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.08

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "International Registration Plan" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Repealed: New Rule of same title adopted. F. Nov. 30, 2017; eff. Dec. 20, 2017.

Rule 560-11-14-.09. Loaner Vehicles and Dealer Inventory.

- (1) A motor vehicle used by a dealership as a loaner vehicle shall not be subject to the state and local title ad valorem tax fee so long as such motor vehicle is not withdrawn from inventory beyond the permissible time period as provided by part (2) of this regulation.

- (2) Loaner vehicles are exempt from state and local title ad valorem tax fees when used as a loaner vehicle for 366 days or fewer, commencing on the date such loaner vehicle is registered as a loaner vehicle at the county tag office. Immediately upon the expiration of such 366 day period, if the dealer does not cancel or transfer the registration of such loaner vehicle at the county tag office and return the loaner vehicle to inventory for resale the dealer shall be responsible for remitting the state and local title ad valorem tax fee in the same manner as otherwise required of an owner under O.C.G.A. § [48-5C-1\(d\)\(9\)](#) and shall be subject to the same penalties and interest as an owner for noncompliance.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.09

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Loaner Vehicles and Dealer Inventory" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Repealed: New Rule of same title adopted. F. Nov. 30, 2017; eff. Dec. 20, 2017.

Rule 560-11-14-.10. Non-Profit Organizations.

- (1) Any motor vehicle which is donated to a non-profit organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, shall, when titled in the name of such nonprofit organization, be subject to and local title ad valorem tax fees in the amount of 1% of the fair market value of the motor vehicle.
- (2) In order to obtain the reduced rate, qualifying non-profit organizations shall provide at the time of application for certificate of title proof of their tax exempt status under Section 501(c)(3) of the Internal Revenue Code and shall certify on a form prescribed by the commissioner that such motor vehicle was donated to such organization.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.10

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Non-Profit Organizations" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Amended: F. Jan. 29, 2020; eff. Feb. 18, 2020.

Rule 560-11-14-.11. Rental Motor Vehicle Concern Certification.

- (1) Rental motor vehicle concerns shall qualify for a reduced rate of the state and local title ad valorem tax fee as provided by this regulation.
- (2) In the case of rental motor vehicles owned by such rental motor vehicle concerns:
 - (a) The state and local title ad valorem tax fee rate shall be as provided in O.C.G.A. § [48-5C-1\(d\)](#).
- (3) To qualify for the rates as provided in part (2) of this regulation:

- (a) In the immediately prior calendar year the rental motor vehicle concern must have had an average amount of sales and use tax attributable to the rental charge of each rental motor vehicle of at least \$400.
 - (b) The rental motor vehicle concern must obtain certification by the commissioner as provided by part (4) of this regulation.
- (4) Certification Process
- (a) The application for certification as a qualified rental motor vehicle concern shall be made on a form prescribed by the commissioner.
 - (b) The rental motor vehicle concern shall obtain certification on an annual basis in order to continue to qualify for the rates as provided in part (2) of this regulation. Such certification shall be valid as of March 1 and shall continue until the end of February of the subsequent calendar year.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.11

Authority: O.C.G.A. §§ 40-2-12, [40-3-3](#), [48-2-12](#), [48-5C-1](#).

History. Original rule entitled "Rental Motor Vehicle Concern Certification" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Rule 560-11-14-.12. Exemptions.

- (1) The state and local title ad valorem tax fee shall not apply to:
 - (a) Corrected titles.
 - (b) Replacement titles under O.C.G.A. § [40-3-31](#).
 - (c) Titles reissued to the same owner pursuant to O.C.G.A. §§ [40-3-50](#), [40-3-51](#), [40-3-52](#), [40-3-53](#), [40-3-54](#), [40-3-55](#), or [40-3-56](#).
 - (d) The transfer of a title from one legal entity in which an individual holds an ownership interest of at least 50% to another legal entity in which the same individual holds an ownership interest of at least 50%, provided that the title ad valorem tax has been previously levied on such motor vehicle and has been paid by the transferring entity or such individual.
 - (e) Any other exemption in subsection (d)(15) of O.C.G.A. § [48-5C-1](#).
- (2) Motor vehicles owned or leased by or to the state or any county, consolidated government, municipality, county or independent school district, or other government entity in this state shall not be subject to the state and local title ad valorem tax fees provided for in O.C.G.A. § [48-5C-1](#); provided, however, that such other government

entity shall not qualify for such exclusion unless it is exempt from ad valorem tax and sales and use tax pursuant to general law.

- (3) The state and local title ad valorem tax fee shall not apply to a qualified person as provided in this part:
- (a) Any qualified service connected disabled veteran pursuant to O.C.G.A. § [48-8-3\(30\)](#) when the veteran received a grant from the United States Department of Veterans Affairs to purchase and specially adapt a vehicle to his disability may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their disabled status and receipt of the veteran's grant.
 - (b) Any qualified disabled veteran pursuant to O.C.G.A. § [48-5-478](#) may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their disabled status.
 - 1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a disabled veteran's license plate to such vehicle as provided for in O.C.G.A. § [40-2-69](#).
 - 2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.
 - (c) Any qualified veteran pursuant to O.C.G.A. § [48-5-478.1](#) who is a citizen and resident of Georgia and is a former prisoner of war or their unremarried surviving spouse may apply for an exemption of the state and local title ad valorem tax fee. Such veteran or their unremarried surviving shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating the veteran's designation as a former prisoner of war.
 - 1. A veteran or their unremarried surviving spouse shall be granted an exemption provided that the veteran has met the requirements of O.C.G.A. § [40-2-73](#).

2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.
- (d) Any qualified veteran pursuant to O.C.G.A. § [48-5-478.2](#) who is a citizen and resident of Georgia and was awarded the Purple Heart may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their award of the Purple Heart.
1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a Purple Heart license plate to such vehicle as provided for in O.C.G.A. § [40-2-84](#).
 2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.
- (e) Any qualified veteran pursuant to O.C.G.A. § [48-5-478.3](#) who is a citizen and resident of Georgia and was awarded the Medal of Honor may apply for an exemption of the state and local title ad valorem tax fee. Such veteran shall submit to the county tag agent a form prescribed by the commissioner attesting to their exempt status, the motor vehicle purchase agreement or bill of sale, and documentation approved by the commissioner demonstrating their award of the Medal of Honor.
1. A veteran shall be granted an exemption provided that the veteran has applied for or has transferred a Medal of Honor license plate to such vehicle as provide for in O.C.G.A. § [40-2-68](#).

2. A veteran shall not be granted an exemption for a subsequent vehicle unless the original vehicle which received the exemption is sold, traded or otherwise transferred to another person. If the original vehicle is transferred to an immediate family member by the veteran such transfer shall be subject to the full rate of title ad valorem tax in effect as of the date of the transfer. If such immediate family member subsequently transfers the vehicle to another immediate family member then that subsequent transfer shall receive the reduced rate of title ad valorem tax applicable to immediate family members.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.12

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Exemptions" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Amended: F. July 27, 2015; eff. August 16, 2015.

Repealed: New Rule of same title adopted. F. Nov. 30, 2017; eff. Dec. 20, 2017.

Amended: F. Jan. 29, 2020; eff. Feb. 18, 2020.

Rule 560-11-14-.13. Penalties and Interest; Waivers; Refunds.

- (1) Any penalties or interest incurred and due shall be paid at the time of application for certificate of title or such application shall be deemed incomplete and rejected by the county tag agent.
- (2) Penalties and interest shall be waived in accordance with the following provisions:
 - (a) Upon written approval by the governing authority of the county in accordance part (2)(b) of this regulation and O.C.G.A. § [48-5-242](#), the tax collector or tax commissioner may waive, in whole or in part, the collection of any amount due the taxing authorities for which taxes are collected, when such amount represents a penalty or an amount of interest assessed for failure to comply with the laws governing the assessment and collection of state and local ad valorem title tax fees, when the tax collector or tax commissioner reasonably determines that the default giving rise to the penalty or interest was due to reasonable cause and not due to gross or willful neglect or disregard of the law or of regulations or instructions issued pursuant to the law.
 - (b) The waiver of penalties or interest in accordance with this part shall be subject to the written approval of the county governing authority either on a case-by-case basis or by a resolution delegating the authority of the tax collector or tax commissioner to make the final determinations. Such resolution may establish rules and regulations governing the administration of this regulation and establish guidelines to be followed by the tax collector or tax commissioner when granting such waivers.

- (3) Penalties and interest shall be waived by the tax collector or tax commissioner in accordance with O.C.G.A. § [48-2-39](#) relating to the filing of an application on a Saturday, Sunday or legal holiday.
- (4) Refunds
 - (a) A refund of proceeds shall be made to a taxpayer when such proceeds have been illegally or erroneously assessed.
 - (b) A refund of proceeds shall be made to a taxpayer when such proceeds have been voluntarily or involuntarily overpaid.
 - (c) A request for the refunding of proceeds may be made by a taxpayer in accordance with O.C.G.A. § [48-5-380](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.13

Authority: O.C.G.A. §§ [40-2-12](#), [40-3-3](#), [48-2-12](#), [48-5C-1](#).

History. Original rule entitled "Penalties and Interest; Waivers; Refunds" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Rule 560-11-14-.14. Used Car Market Guide.

The commissioner shall designate a reputable used car market guide for use in determining the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee for a which a value is not listed in the current motor vehicle ad valorem assessment manual.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.14

Authority: O.C.G.A. §§ [40-2-12](#), [40-3-3](#), [48-2-12](#), [48-5C-1](#).

History. Original rule entitled "Used Car Market Guide" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Rule 560-11-14-.15. Fraudulent Transfers and False Information.

- (1) There shall be a penalty imposed on any person who, in the determination of the commissioner, falsifies any information in any bill of sale used for purposes of determining fair market value. Such penalty shall not exceed \$2,500 as a state penalty and \$2,500 as a local penalty as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.
- (2) There shall be a penalty imposed on any person who, in the determination of the commissioner, falsifies any material information in any affidavit required for purposes of title transfers between immediate family members. Such penalty shall not exceed \$2,500 as a state penalty and \$2,500 as a local penalty as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.

- (3) There shall be a penalty imposed on the transfer of all or any part of the interest in a business entity that includes primarily as an asset of such business entity one or more motor vehicles when, in the determination of the commissioner, such payment is done to evade the payment of state and local title ad valorem tax fees. Such penalty shall not exceed \$2,500 as a state penalty per motor vehicle and \$2,500 as a local penalty per motor vehicle as determined by the commissioner. Such penalty shall not relieve a person of the obligation to pay any outstanding proceeds.
- (4) In the event the county tag agent has reason to believe that a violation of this regulation has occurred, or upon request of the commissioner following receipt of information of a possible violation of this regulation, the county tag agent shall provide the commissioner the following items, as applicable: the original or a certified copy of the alleged falsified bill of sale or affidavit, a written statement of the facts of the allegation, and any other supporting evidence relevant to the allegation.
- (5) The commissioner shall make a determination and any assessment of penalties within sixty (60) days from the date the commissioner received information that a violation under this regulation may have occurred.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.15

Authority: O.C.G.A. §§ 40-2-12, [40-3-3](#), [48-2-12](#), [48-5C-1](#).

History. Original rule entitled "Fraudulent Transfers and False Information" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Rule 560-11-14-.16. Appeals.

- (1) Any owner who contests the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee may appeal such decision by either filing with the tax commissioner an affidavit of illegality as outlined in part (2) of this regulation, or by filing an appeal with the board of tax assessors as outlined in part (3) of this regulation, or by appealing the fair market value of the motor vehicle to the county tag agent as provided in Code Section [48-5C-1\(a\)\(1\)\(C\)](#).
- (2) An owner may contest the fair market value of a motor vehicle for purposes of state and local title ad valorem tax fee, by filing an appeal as outlined in O.C.G.A. § [48-5-450](#); provided, however, that the person appealing the fair market value shall first pay the full amount of the state and local title ad valorem tax prior to filing an appeal. Such appeal shall be made by filing with the tax commissioner an affidavit of illegality to the assessment.
- (3) As an alternative to filing an affidavit of illegality, any owner who contests the fair market value of a motor vehicle for purposes of the state and local title ad valorem tax fee may appeal such value in the same manner as other ad valorem tax assessment appeals are made and decided pursuant to O.C.G.A. § [48-5-311](#).

- (a) The time allowed for the filing of a written appeal shall be forty-five (45) days from the deadline date for the payment of the tax.
- (b) The person appealing the fair market value shall first pay the full amount of the state and local title ad valorem tax prior to filing an appeal. Upon receipt of an appeal, the tax assessors shall immediately notify the tax commissioner that an appeal has been filed by the taxpayer.
- (c) Further appeals to the board of equalization and superior court are to be handled as provided in O.C.G.A. § [48-5-311](#).

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.16

Authority: O.C.G.A. §§ [40-3-3](#), [48-5C-1](#).

History. Original rule entitled "Appeals" approved. F. Jan. 4, 2013; eff. Jan. 24, 2013.

Repealed: New Rule of same title adopted. F. Nov. 30, 2017; eff. Dec. 20, 2017.

Rule 560-11-14-.17. Directly Financed Dealer Sale.

- (1) As used in this regulation, the term:
 - (a) "Directly Financed Dealer Sale" means the sale of a motor vehicle by a Georgia used motor vehicle dealer as defined by O.C.G.A. § [43-47-2\(17\)\(A\)](#) which:
 - 1. Is financed by a Direct Finance Dealer or a Related Finance Company;
 - 2. Is financed pursuant to an installment contract evidencing such transaction which allows for a deferred payment price for a minimum of twenty-four (24) months from the date of sale; and
 - 3. Has either the Direct Finance Dealer or Related Finance Company listed as the lienholder on the Certificate of Title Application (Form MV-1).
 - 4. The term does not include leases, rentals, or a retail sale of a motor vehicle in which a person other than the seller provides the financing for the sale and retains a lien on the motor vehicle as collateral.
 - (b) "Direct Finance Dealer" means a Georgia used motor vehicle dealer as defined by O.C.G.A. § [43-47-2\(17\)\(A\)](#) which:
 - 1. Is licensed in accordance with applicable law;
 - 2. Is registered with the department pursuant to part (5) of this regulation; and
 - 3. Sells no less than 90% of its motor vehicle inventory as Directly Financed Dealer Sales.

(c) "Related Finance Company" means an entity having at least 90% common ownership with a Direct Finance Dealer, as determined by the voting rights and value of ownership interests as set forth in the operating agreements or other governing documents of the respective entities, which:

1. Is licensed in accordance with applicable law; and
2. Is registered with the department pursuant to part (5) of this regulation.

(2) Imposition

- (a) Except as otherwise provided in this regulation, any motor vehicle purchased from a Direct Finance Dealer pursuant to a qualifying Directly Financed Dealer Sale shall be subject to the state and local title ad valorem tax at a rate equal to 2.5 percentage points less than the rate in effect pursuant to division (b)(1)(B)(ii) of O.C.G.A. § [48-5C-1](#).
- (b) Any motor vehicle sold by a Direct Finance Dealer that is not a Directly Financed Dealer Sale shall not qualify for the reduced rate identified in part (2)(a) of this regulation.

(3) Transfer of Installment Contracts

- (a) The reduced rate of state and local title ad valorem tax specified in part (2) of this regulation shall only apply to Direct Finance Dealers who retain, either directly or through a qualifying Related Finance Company, no less than 90% of the installment contracts originated from Directly Financed Dealer Sales.

(4) Disqualification

- (a) Prepayment of an installment contract in part or in full by the owner of the motor vehicle before the expiration of the agreed upon term shall not disqualify the owner from the reduced rate of state and local title ad valorem tax provided by this regulation.
- (b) Notwithstanding the allowance of prepayment of an installment contract as provided by part (4)(a) of this regulation, the Direct Finance Dealer may lose the right to provide a reduced rate in the event that their sales of motor vehicles are not at least 90% Directly Financed Dealer Sales. In determining compliance with this part, the department shall base such calculation on the ninety (90) days of business operations prior to the calculation being made. Such calculation shall be made:
 1. Upon initial request for certification by the department;
 2. Annually upon recertification; and

3. At the discretion of the department.

(c) In addition to the requirements of part (4)(b) of this regulation, the Direct Finance Dealer may lose the right to provide a reduced rate in the event that more than 10% of its Directly Financed Dealer Sales have liens released prior to twenty-four (24) months from the date of sale. Such calculation shall be made at the discretion of the department. In determining the percentage of liens that have been released, such calculation shall not take into account the following:

1. Liens foreclosed due to a vehicle being repossessed by the Direct Finance Dealer or Related Finance Company;
2. Liens released due to a vehicle being traded-in;
3. Liens released due to a vehicle being subject to a total loss claim or otherwise rendered as inoperable;
4. Liens released due to a vehicle being relinquished pursuant to O.C.G.A. § [10-1-780](#), *et seq.*, also known as the "Georgia Lemon Law"; and
5. Liens released due to a vehicle being transferred to another owner as part of a legal proceeding.

(d) Upon disqualification pursuant to part (4)(b) or 4(c) of this regulation, the disqualified Direct Finance Dealer shall revert back to the rate specified in division (b)(1)(B)(ii) of O.C.G.A. § [48-5C-1](#) and shall be subject to such rate for a period of ninety (90) days. At the conclusion of the ninety (90) day period, the Direct Finance Dealer may be reinstated once again to the reduced rate upon a showing to the department that during the previous ninety (90) days that the Direct Finance Dealer has made a good faith effort to be in compliance with this regulation. If the Direct Finance Dealer has a subsequent violation of part (4)(b) or 4(c) of this regulation, the commissioner in his discretion may determine an amount of time in which the Direct Finance Dealer will be disqualified to receive the reduced rate in consideration of the facts and circumstances of the violation. Such a determination may be appealed to the commissioner by the Direct Finance Dealer.

(5) Registration

(a) A Direct Finance Dealer and its associated Related Finance Company must each register annually with the department prior to making Directly Financed Dealer Sales at the reduced rate provided by part (2)(a) of this regulation. Registration shall be made on a form prescribed by the commissioner and shall be accompanied by a registration fee equal to \$100.

- (b) In order to be permitted to register, each entity must be in compliance with its state tax obligations.
- (c) The commissioner may develop and implement continuing education programs to ensure compliance with this regulation as well as other applicable policies and procedures.
- (d) The annual registration provisions contemplated by part (5) of this regulation shall be implemented in such manner as the commissioner shall prescribe.

Cite as Ga. Comp. R. & Regs. R. 560-11-14-.17

Authority: O.C.G.A. §§ 40-2-12, [40-3-3](#), [48-2-12](#), [48-5C-1](#).

History. Original Rule entitled "Directly Financed Dealer Sale" adopted. F. Nov. 14, 2013; eff. Dec. 4, 2013.

Subject 560-11-15. ILLEGAL DIGEST ENTRY REVIEW.

Rule 560-11-15-.01. Definitions.

- (1) "Commissioner" means the Commissioner of the Georgia Department of Revenue and shall include any person delegated authority by the Commissioner to administer the provisions of this Chapter and O.C.G.A. § [48-5-342](#).
- (2) "Digest" means the total listing of taxable assessments on the annual tax roll of a given county that has been certified by the tax receiver or county tax commissioner to the Department of Revenue for the purpose of gaining authorization for billing and collecting ad valorem tax.
- (3) "Illegal Digest Entry" means a real property parcel or other interest in real property that is identified by the Commissioner as appearing illegally on a certified digest because such property is not subject to taxation under Chapter 5 of Title 48. The term shall not apply to disputes concerning value or exemptions utilized to calculate taxable value.
- (4) "Same Property" means a real property parcel or other interest in real property, utilizing substantially the same address or county provided description, which was previously determined to be an Illegal Digest Entry.

Cite as Ga. Comp. R. & Regs. R. 560-11-15-.01

Authority: O.C.G.A. § [48-5-342](#).

History. Original Rule entitled "Definitions" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

Rule 560-11-15-.02. Commissioner's Determination of Property Illegally Appearing on a County Digest.

- (1) The Commissioner may, upon his or her own initiative, determine whether any property is illegally appearing on a Digest.
- (2) The Commissioner may, upon a written complaint filed with the Department by a taxpayer, determine whether a property is illegally appearing on a Digest. Complaints as to valuation or exempt status of a particular parcel or other interest in real property shall not be considered under this Chapter.
- (3) Upon making a determination of illegality, the Commissioner shall strike any Illegal Digest Entry from the Digest and return the Digest to the county tax commissioner and county board of tax assessors for removal of the Illegal Digest Entry and resubmission of the Digest to the Commissioner.
- (4) A determination letter shall be issued by the Commissioner to the county board of tax assessors and a copy of such letter will be furnished to the taxpayer.

Cite as Ga. Comp. R. & Regs. R. 560-11-15-.02

Authority: O.C.G.A. § [48-5-342](#).

History. Original Rule entitled "Commissioner's Determination of Property Illegally Appearing on a County Digest" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

Rule 560-11-15-.03. Appeal of Commissioner's Determination.

- (1) The county board of tax assessors may appeal the Commissioner's decision to remove property from the Digest by filing an appeal pursuant to this Chapter.
- (2) The appeal shall be in writing, signed by the chairman of the county board of tax assessors, and filed with the office of the Commissioner by the county board of tax assessors within 45 days of the date of mailing of the Commissioner's letter of determination.
- (3) A copy of the appeal filed with the Commissioner shall be mailed to the taxpayer by the county board of tax assessors.

Cite as Ga. Comp. R. & Regs. R. 560-11-15-.03

Authority: O.C.G.A. § [48-5-342](#).

History. Original Rule entitled "Appeal of Commissioner's Determination" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

Rule 560-11-15-.04. Nature of the Appeal; Hearing Procedure; Evidence.

- (1) The county board of tax assessors shall have the right to an appeal hearing before the Commissioner and shall have the right to be represented by legal counsel and to present evidence.
- (2) Documents or other written evidence to be presented at the appeal hearing must be provided to the Commissioner not less than seven (7) days prior to the time of the hearing. The weight and sufficiency of such evidence shall be determined within the sole discretion of the Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-11-15-.04

Authority: O.C.G.A. § [48-5-342](#).

History. Original Rule entitled "Nature of the Appeal; Hearing Procedure; Evidence" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

Rule 560-11-15-.05. Ruling; Decision.

Upon decision pursuant to an appeal, the Commissioner shall issue a final decision to the county board of tax assessors as to whether the property in question is illegally appearing on the Digest and shall mail a copy to the taxpayer. The decision of the Commissioner shall order the removal or inclusion of the item on the Digest.

Cite as Ga. Comp. R. & Regs. R. 560-11-15-.05

Authority: O.C.G.A. § [48-5-342](#).

History. Original Rule entitled "Ruling; Decision" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

Rule 560-11-15-.06. Recurring Illegal Digest Entries for Same Property; Revocation of Qualified Status; Reinstatement.

- (1) If the Same Property is found by the Commissioner on a Digest within five (5) years of removal under this Chapter, the Commissioner will make a determination on whether the property is an Illegal Digest Entry.
- (2) Where the Commissioner finds such property illegally appearing on the county Digest within five (5) years of removal under this Chapter, the Commissioner shall provide notice in writing to the county board of tax assessors of such finding of illegality. The county board of tax assessors may file an appeal pursuant to this Chapter to the Commissioner's notice no later than 45 days of the date of mailing by the Commissioner of such notice. A copy of such appeal filed with the Commissioner shall be mailed to the taxpayer.
- (3) Where the finding of Illegal Digest Entry is upheld after hearing, or upon failure of the county board of tax assessors to file an appeal, the Commissioner will issue a final decision and serve such final decision on the Department of Community Affairs for appropriate action pursuant to O.C.G.A. § [48-5-342](#). The Commissioner shall return the

Digest to the county for removal of the property and for Digest resubmission Upon resubmission of the corrected Digest by the county and approval by the Commissioner, the Department will notify the Department of Community Affairs of such corrective action pursuant to O.C.G.A. § [48-5-342](#).

- (4) Where the finding of Illegality of Digest Entry is overturned after hearing, the Commissioner will promptly approve the Digest as originally submitted and will issue a final decision in accordance therewith.

Cite as Ga. Comp. R. & Regs. R. 560-11-15-.06

Authority: O.C.G.A. § [48-5-342](#).

History. Original Rule entitled "Recurring Illegal Digest Entries for Same Property; Revocation of Qualified Status; Reinstatement" adopted. F. Nov. 18, 2016; eff. Dec. 8, 2016.

Subject 560-11-16. QUALIFIED TIMBERLAND PROPERTY.

Rule 560-11-16-.01. Application of Subject.

Regulations in this Subject, 560-11-16, apply to the fair market valuation of Qualified Timberland Property (QTP) in accordance with Article VII, Section I, Paragraph III (f.1) of the Constitution of Georgia and provided for in Article 13 of Chapter 5 of Title 48 of the Georgia Code.

Cite as Ga. Comp. R. & Regs. R. 560-11-16-.01

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-600.1](#), [48-5-607](#).

History. Original Rule entitled "Application of Subject" adopted. F. Feb. 5, 2021; eff. Feb. 25, 2021.

Rule 560-11-16-.02. Definitions.

As used in this Article, the term:

- (a) "Bona Fide Production of Trees" means the good faith, real, actual, and genuine production of trees for commercial uses.
- (b) "Contiguous" means real property within a county that abuts, joins, or touches and has the same undivided common ownership. If an applicant's tract is divided by a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track, then the applicant may make an election at the time of application to declare the tract as contiguous irrespective of a county boundary, public roadway, public easement, public right of way, natural boundary, land lot line, or railroad track.
- (c) "Department" means the Georgia Department of Revenue.

- (d) "Forest Management Plan" means a plan written by a registered forester to manage a forest stand in accordance with accepted commercial forestry practices. Forest Management Plans may include, but are not limited to, information about soils, logging methods, disease or insect problems, road conditions, growth and age data, environmental concerns, and recommended silvicultural treatments and their timing.
- (e) "Qualified Owner" means an individual or entity that meets the conditions of Code Section [48-5-603](#).
- (f) "Qualified Timberland Property" (QTP) means timberland property that meets the conditions of Code Section [48-5-604](#). Such property shall be classified as a separate and distinct class of tangible property for ad valorem tax purposes.
- (g) "Timberland Property" means tangible real property that has as its primary use the Bona Fide Production of Trees for commercial uses.

Cite as Ga. Comp. R. & Regs. R. 560-11-16-.02

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-600](#), [48-5-607](#).

History. Original Rule entitled "Definitions" adopted. F. Feb. 5, 2021; eff. Feb. 25, 2021.

Amended: F. Mar. 31, 2022; eff. Apr. 20, 2022.

[Rule 560-11-16-.03. Applications.](#)

- (1) All applications for certification as a Qualified Owner and for QTP certification shall be submitted electronically through the Georgia Tax Center (GTC). No other filing method shall be permitted.
- (2) Applications for certification as a Qualified Owner and for QTP certification must be filed annually with the Revenue Commissioner between January 1 and March 1 of the applicable tax year.
- (3) The applicant shall submit the following documentation to the Revenue Commissioner through GTC:
 - (a) Application for QTP certification;
 - (b) Recorded deed evidencing legal ownership of the property;
 - (c) An affidavit in which the qualified owner attests that the timberland property is used for the bona fide production of trees and is consistently managed with generally accepted commercial forestry practices; and
 - (d) A list of all parcels that contain timberland property and that identifies the specific portions of such parcels that such owner certifies are timberland property, which requirement may be satisfied by

- (i) A parcel map drawn by the county cartographer or GIS technician and signed by the county board of assessors and qualified owner;
 - (ii) A legal description of the property;
 - (iii) A plat of the property prepared by a licensed land surveyor, showing the location and measured area of the parcel;
 - (iv) A written legal description of the property delineating the metes and bounds and measured area; or
 - (v) Such other alternative property boundary description as is mutually agreed upon by the taxpayer and the Department that may accurately represent the parcel which is the subject of the QTP application.
- (4) The applicant may, but is not required to, include a Forest Management Plan demonstrating the use of accepted commercial forestry practices. The Department considers a Forest Management Plan to be prima facie evidence of bona fide commercial production of timber.
- (5) The applicant may also submit an individual soil map delineating the soil types on the property.
- (6) An application for QTP certification may be amended or withdrawn at any time prior to the initial certification or non-certification by the Department by giving written notification of such amendment or withdrawal.

Cite as Ga. Comp. R. & Regs. R. 560-11-16-.03

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-603](#), [48-5-604](#), [48-5-607](#).

History. Original Rule entitled "Applications" adopted. F. Feb. 5, 2021; eff. Feb. 25, 2021.

Amended: F. Mar. 31, 2022; eff. Apr. 20, 2022.

Rule 560-11-16-.04. Appeals.

- (1) A taxpayer or county board of tax assessors may appeal the Revenue Commissioner's decisions related to such taxpayer's status as a Qualified Owner; the certification or non-certification of such taxpayer's timberland as QTP; or the appraised value of such taxpayer's QTP. Such appeals shall be made as an appeal to the Georgia Tax Tribunal in accordance with Chapter 13A of Title 50 within 30 days of the Revenue Commissioner's issuance of such decision.
- (2) If the appraised value is disputed, an appeal may be made contesting the Revenue Commissioner's determination of the soil classification of any part or all of the QTP, as

well as with regard to any alleged errors made by the Revenue Commissioner in the application of the table of values or calculation of the minimum threshold of value prescribed in the Constitution.

- (3) A taxpayer, group of taxpayers, county board of tax assessors, or association representing taxpayers may appeal the commissioner's decisions related to the commissioner's complete parameters for the appraisal of QTP required by Code Section [48-5-602\(d\)\(1\)](#). Such appeals shall be made as an appeal to the Georgia Tax Tribunal in accordance with Chapter 13A of Title 50 within 60 days of the effective date of such manual.

Cite as Ga. Comp. R. & Regs. R. 560-11-16-.04

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-605](#), [48-5-606](#), [48-5-607](#).

History: Original Rule entitled "Appeals" adopted. F. Feb. 5, 2021; eff. Feb. 25, 2021.

Rule 560-11-16-.05. Table of Commercial Timberland Per Acre Values by Ecological Region and Soil Productivity Classification.

- (1) For the purpose of prescribing the 2024 table of values for use in the appraisal of Qualified Timberland Property, the state shall be divided into four ecological regional valuation areas, and per acre values shall be assigned to qualified land according to soil productivity classifications 1 - 9 (W1-W9).

- (a) Ecological region #1 includes the following counties: Appling, Atkinson, Bacon, Brantley, Bryan, Camden, Charlton, Chatham, Clinch, Echols, Effingham, Glynn, Jeff Davis, Lanier, Liberty, Long, McIntosh, Pierce, Ware, and Wayne. The following per acre values shall be applied to each qualified acre according to soil productivity classifications W1 - W9:

W1-1,943, W2-1,591, W3-1,299, W4-1,069, W5-887, W6-726, W7-553, W8-443, W9-367.

- (b) Ecological region #2 includes the following counties: Baker, Ben Hill, Berrien, Bibb, Bleckley, Brooks, Bulloch, Burke, Calhoun, Candler, Chattahoochee, Clay, Coffee, Colquitt, Cook, Crawford, Crisp, Decatur, Dodge, Dooly, Dougherty, Early, Emanuel, Evans, Glascock, Grady, Houston, Irwin, Jefferson, Jenkins, Johnson, Laurens, Lee, Lowndes, Macon, Marion, Miller, Mitchell, Montgomery, Muscogee, Peach, Pulaski, Quitman, Randolph, Richmond, Schley, Screven, Seminole, Stewart, Sumter, Tattnall, Taylor, Telfair, Terrell, Thomas, Tift, Toombs, Treutlen, Turner, Twiggs, Washington, Webster, Wheeler, Wilcox, and Wilkinson. The following per acre values shall be applied to each qualified acre according to soil productivity classifications W1 - W9:

W1-1,349, W2-1,152, W3-979, W4-840, W5-725, W6-638, W7-520, W8-443, W9-388.

- (c) Ecological region #3 includes the following counties: Baldwin, Banks, Barrow, Bartow, Butts, Carroll, Catoosa, Chattooga, Cherokee, Clarke, Clayton, Cobb, Columbia, Coweta, Dade, Dawson, DeKalb, Douglas, Elbert, Fayette, Floyd, Forsyth, Franklin, Fulton, Gordon, Greene, Gwinnett, Habersham, Hall, Hancock, Haralson, Harris, Hart, Heard, Henry, Jackson, Jasper, Jones, Lamar, Lincoln, Madison, McDuffie, Meriwether, Monroe, Morgan, Murray, Newton, Oconee, Oglethorpe, Paulding, Pickens, Pike, Polk, Putnam, Rockdale, Spalding, Stephens, Talbot, Taliaferro, Troup, Upson, Walker, Walton, Warren, White, Whitfield, and Wilkes. The following per acre values shall be applied to each qualified acre according to soil productivity classifications W1 - W9:

W1-1,277, W2-1,173, W3-1,073, W4-979, W5-897, W6-842, W7-755, W8-695, W9-649.

- (d) Ecological region #4 includes the following counties: Fannin, Gilmer, Lumpkin, Rabun, Towns, and Union. The following per acre values shall be applied to each qualified acre according to soil productivity classifications W1 - W9:

W1-2,780, W2-2,582, W3-2,401, W4-2,213, W5-2,043, W6-1,898, W7-1,730, W8-1,605, W9-1,495.

- (2) The appraised value produced using the table of values in paragraph (1) of this Rule shall be determined and, if needed, adjusted so that the final value is at least 175% of such property's forest land conservation use value.

Cite as Ga. Comp. R. & Regs. R. 560-11-16-.05

Authority: O.C.G.A. §§ [48-2-12](#), [48-5-7](#), [48-5-602](#), [48-5-607](#).

History. Original Rule entitled "Table of Commercial Timberland Per Acre Values by Ecological Region and Soil Productivity Classification" adopted. F. Feb. 5, 2021; eff. Feb. 25, 2021.

Amended: F. Mar. 31, 2022; eff. Apr. 20, 2022.

Amended: F. Oct. 4, 2022; eff. Oct. 24, 2022.

Amended: F. Oct. 5, 2023; eff. Oct. 25, 2023.

Appendix 560-11-16-A. Qualified Timberland Property Appraisal Manual.

[Click here to view image](#)

Cite as Ga. Comp. R. & Regs. R. 560-11-16- app 560-11-16-A

Chapter 560-12. SALES AND USE TAX DIVISION.

Subject 560-12-1. ADMINISTRATIVE RULES AND REGULATIONS.

Rule 560-12-1-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.01

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Organization" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Aug. 26, 1974; eff. Sept. 15, 1974.

Amended: F. Feb. 12, 1990; eff. Mar. 4, 1990.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Amended: F. June 17, 1994; eff. July 7, 1994.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-12-1-.02. Adjustments and Replacements.

When any taxable article is returned to the seller for adjustment, replacement or exchange under a warranty as to its quality or service and a new article is given free or at a reduced price pursuant to a guarantee, the sales or use tax shall be computed on the actual additional amount, if any, paid to the seller for the new article.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.02

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Adjustments and Replacements" adopted. F. and eff. June 30, 1965.

Rule 560-12-1-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.03

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Administrative Rulings" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-12-1-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.04

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Authorities Recognized" adopted. F. and eff. June 30, 1965.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-12-1-.05. Rounding Rule for the Collection of Sales and Use Tax.

- (1) The computation of sales and use tax must be carried to the third decimal place.
- (2) The tax must be rounded to a whole cent using a method that rounds up to the next cent whenever the third decimal place is greater than four. When a seller collects and remits both state and local taxes, this rounding rule must be applied to the aggregated state and local taxes.

(3) Sellers may compute the tax due on a transaction on either an item basis or an invoice basis.

(4) Examples.

(a) Dealer sells the following items to Purchaser, and the tax rate is 7%:

1 chair for \$19.65

1 cushion for \$3.56

If Dealer elects to collect tax on a per item basis, the tax on the chair is \$1.38 because $.07 \times \$19.65 = \1.3755 and the third decimal place is greater than four. The tax on the cushion is \$.25 because $.07 \times \$3.56 = \0.2492 and the third decimal place is greater than four.

(b) The facts are the same as paragraph (a) except Dealer elects to collect tax on an invoice basis. The tax is \$1.62 because $.07 \times \$23.21 = \1.6247 and the third decimal place is not greater than four.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-31](#), [48-8-162](#).

History. Original Rule entitled "Brackets for Collection of Tax" adopted. F. and eff. June 30, 1965.

Amended: F. Dec. 2, 1970; eff. Dec. 22, 1970.

Amended: ER. 560-12-1-0.4-.05 adopted. F. Mar. 28, 1989; eff. Apr. 1, 1989, as specified by the Agency.

Amended: Permanent Rule adopted. F. June 22, 1989; eff. July 12, 1989.

Amended: ER. 560-12-1-0.19-.05 entitled "Brackets for the Collection of Sales and Use Tax" adopted. F. Sept. 1, 2004; eff. Oct. 1, 2004, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Oct. 8, 2004; eff. Oct. 28, 2004.

Repealed: Rule entitled "Rounding Rule for the Collection of Sales and Use Tax" adopted. F. Mar. 23, 2012; eff. Apr. 12, 2012.

Rule 560-12-1-.06. Cash or Accrual Basis.

- (1) (a) Any person taxable under the Act for both cash and credit sales may report such sales on either the cash or accrual basis of accounting. Those persons reporting on the accrual basis shall report and remit the tax due on all transactions, whether credit or cash, occurring during the reporting period. The first return filed under the Act shall be deemed an election as to the method of reporting such sales. Provided, however, for the purposes of reporting under the Act, any person who takes a note or other written contract to pay and subsequently sells, assigns or transfers such contract, with or without recourse, shall be deemed to have received cash payment at the time of such sale or discount.

- (b) when any dealer sells, discounts or otherwise disposes of his accounts receivable, or discontinues business, such dealer shall include in his sales and use tax report for the current month the gross amount of such original sales on which sales tax has not been previously remitted to the State, irrespective of the sales price of such accounts.
- (2) After such election shall have been made, no person taxable under the Act shall change to any other basis without first:
 - (a) Making written application to the Commissioner to do so stating reasons therefore in full detail.
 - (b) Being granted permission by the Commissioner to change to such other basis and complying with such reasonable conditions, if any, as the Commissioner may attach to his approval.
- (3) Any person under the accrual basis may claim bad debt deductions where all the surrounding and attending circumstances indicate that such debt is worthless and uncollectible, and legal action to enforce payment would in all probability not result in the satisfaction of execution on a judgment. Any such taxpayer requesting claim for allowance for bad debts must accompany the return with a schedule showing, as to each debt claimed to be worthless and charged off, the amount of said debt together with the name of the person or persons owing such debt, when each was created, when each became due, what efforts were made to collect the same and why they were actually determined to be worthless. Such taxpayers who have established the reserve method of treating bad debts and who maintain proper reserve accounts for bad debts, or who adopt the reserve method of treating bad debts, may deduct from gross sales a reasonable amount for bad debts in lieu of a deduction for specific bad debt items.
- (4) what constitutes a reasonable addition to the reserve for bad debts must be determined in the light of the facts surrounding the particular class of business and in light of general conditions of business experience, and the Commissioner, if he deems any addition to a reserve for bad debts unreasonable, may require such taxpayer to list said individual bad debts as heretofore provided.
- (5) Any collection of bad debts previously taken as deductions shall be included in gross sales for the period in which the collection is made.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.06

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360,385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Amended: Filed August 26, 1974; effective September 15, 1974.

Rule 560-12-1-.07. Casual Sale.

- (1) Invoking the rule of de minimis and because of the difficulties of administration and enforcement, no sales or use tax liability will be enforced against either the sellers or the purchaser in a casual sale transaction as herein defined, except as hereinafter provided.
- (2) A "casual sale transaction" is:
 - (a) A sale in which the tangible personal property involved was not acquired or held by the seller for use in the operation of his business or for resale; or
 - (b) A sale of tangible personal property acquired or held by the seller for use in the operation of his business (not acquired or held for resale) if the total selling price of such sale and all such sales made during the calendar month of such sale and the preceding eleven calendar months does not exceed \$500; or
 - (c) A sale of tangible personal property acquired or held by the seller for use in the operation of his business (not acquired or held for resale) if such sale is made in a complete and bona fide liquidation of a business of the seller. For purposes of this paragraph the term "business" means a separate place of business subject to registration under the Act; the term "a complete and bona fide liquidation" means the sale of all the assets of such business conducted over a period of time not exceeding thirty days from the date of the first sale of such assets, or a longer time if approved by the Commissioner as a bona fide liquidation.
- (3) Notwithstanding any other provision of these regulations, when any seller sells tangible personal property for use or consumption through an agent, broker or other person who is regularly engaged in making sales of tangible personal property, either as a principal or as an agent, then, such a sale will not be deemed a casual sale transaction.
- (4) Notwithstanding any other provision of these regulations, if a sale is made by an individual who is employed by or associated with another person who is regularly engaged in the business of selling the same type of tangible personal property involved in such sale, then, such transaction will not be deemed a casual sale transaction and such individual shall register and comply with the obligations and liabilities of a dealer under the Act.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.07

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a); O.C.G.A. Secs. [48-2-12](#), [42-8-30](#), [48-8-49](#).

History. Original Rule entitled "Casual Sale" was filed and effective on June 30, 1965.

Repealed: New Rule of same title adopted. F. Jun. 11, 1992; eff. July 1, 1992.

Repealed: New Rule, same title, adopted. F. Sept 21, 1993; eff. October 11, 1993.

Rule 560-12-1-.08. Certificate of Exemption.

- (1) All gross sales of a dealer are subject to the tax until the contrary is established. The burden of proof that a sale is not subject to the tax is upon the person who makes the sale, unless he takes from the purchaser a valid Certificate of Exemption. All sales for which exemptions are claimed but which are not supported by a valid Certificate of Exemption will be deemed sales at retail and the dealer or seller will be liable for the tax, unless such sales are:
 - (a) Sales in interstate commerce when the sales agreement requires the seller to ship by common carrier to a point outside Georgia and supporting documents are maintained;
 - (b) professional, insurance, or personal service transactions which involve sales as inconsequential elements for which no separate charges are made or services rendered by repairmen for which a separate charge is made;
 - (c) sales of water delivered to consumers through water mains; lines or pipes, but not including any water put in containers;
 - (d) school lunches sold and served to pupils and employees of public schools;
 - (e) sales of religious papers in Georgia, owned and operated by religious institutions, provided no part of the net profit inures to the benefit of any private person; and
 - (f) sales of feed and drugs for livestock, poultry or fish sold to persons engaged in raising livestock, poultry or fish as a part of a pursuit engaged in for profit.
 - (g) Sales or use of Holy Bibles, Testaments and similar books, commonly recognized as being Holy Scripture, regardless of by or to whom sold.
- (2) Dealers making exempt sales must have on file for ready inspection by the Commissioner, one of the following Certificates of Exemption, properly executed, and taken in good faith by the seller in order to be relieved of the burden of paying the tax.
 - (a) Form ST-4: This Certificate shall be used by out-of-state dealers purchasing tangible personal property in Georgia for resale in another state.
 - (b) Form ST-5: This Certificate shall be used by registered Georgia dealers and/or Georgia purchasers coming under the provisions of this Act, and shall indicate the reason for the exemption.
 - (c) Form ST-6: This Certificate shall be used by Georgia dealers for deliveries made outside of Georgia by the seller.
 - (d) Form ST-7: This Certificate shall be used for the purchases of fuels and supplies for use and consumption aboard ships plying the high seas either in inter coastal trade between ports in Georgia and ports in other states, or in foreign commerce.

- (e) Form ST-8: This Certificate shall be issued by the Commissioner for purchasing motor vehicles by nonresidents who qualify for exemption under Rule [560-12-2-.09\(2\)\(b\)](#).
- (f) ST-M2: This Certificate shall be issued by the Commissioner for purchasing specific manufacturing machinery which qualifies for exemption under Rule [560-12-2-.62](#) of these Rules and Regulations.
- (g) ST-M8: This Certificate shall be issued by the Commissioner for purchasing specific machinery and equipment for reducing air or water pollution which qualifies for exemption under Rule [560-12-2-.87](#).
- (h) ST-FM1: This Certificate shall be used for purchasing specific farm machinery and certain equipment which qualifies for exemption under Rule [560-12-2-.89](#) or Rule [560-12-2-.93](#).
- (i) ST-NH2: This Certificate shall be used by certain Nursing Homes, General or Mental Hospitals for purchasing tangible personal property qualifying for exemption under Rule [560-12-2-.92](#).
- (j) ST-UCS-1: Letter of Authorization. This Certificate of Exemption, Letter of Authorization, shall be used by the subject college, university, secondary or elementary school for purchasing only tangible personal property described in the letter.
 - 1. Misuse of a Certificate of Exemption or a Letter of Authorization shall be sufficient cause for the Commissioner to revoke the Certificate of the seller, purchaser or both.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.08

Authority: Ga. Code Ann. Secs. 91A-45, 91A-215, 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Certificate of Exemption" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Aug. 26, 1974; eff. Sept. 15, 1974.

Amended: F. May 12, 1976; eff. June 1, 1976.

Amended: F. June 30, 1980; eff. July 10, 1980.

Rule 560-12-1-.09. Certificate of Registration.

- (1) **Dealer.** Every dealer, as defined by the Act, is required to file Application for Certificate of Registration, Centralized Taxpayer Registration Forms CRF 002, 004, and 005 for each place of business in this State.
- (2) **Contractor.** Every person who contracts to furnish tangible personal property and perform services thereunder in constructing, altering, remodeling or improving real

property in this State is required to file Application for Certificate of Registration Centralized Taxpayer Registration Forms CRF 002, 004, and 005.

- (3) Any person who entertains doubt as to the requirements for making an application is charged with the burden of securing a ruling from the Commissioner as to whether or not registration is necessary.
- (4) Upon examination and approval of such application, the Commissioner will issue a Certificate of Registration (Form ST-2) bearing the dealer's Certificate of Registration number. The Certificate shall be displayed in a conspicuous place on the premises of the business.
- (5) The Certificate is not transferable and shall not be used at a location different from the location for which the certificate is issued.
- (6) **Certificate of Registration.**
 - (a) Certificate of Registration, on paper determined to be appropriate by the Commissioner, shall be issued to dealers. The registration number thereon shall authorize the dealer to collect sales and use tax and shall be used by the dealer as an identification in executing Sales and Use Tax Forms, including exemption certificates, report forms, etc.
 - (b) Certificate of Registration, on paper determined to be appropriate by the Commissioner, bearing a "214" prefix, shall be issued to contractors. The registration number thereon shall be used by the contractor as an identification for reporting Sales and Use Tax and is not valid for purchasing tangible personal property tax exempt.
- (7) When a dealer discontinues business, changes business location from one county to another, or changes to a different type of business, the certificate must be returned for cancellation along with another application for certificate of Registration, Centralized Taxpayer Registration Forms CRF 002, 004, and 005 for a new Certificate of Registration.
- (8) When a dealer changes trade names without a change in ownership, or changes business location within the same county, the Certificate of Registration must be returned and a new certificate will be issued showing the change.
- (9) No fee is required for the original certificate. A fee of one dollar (\$1.00) shall be collected for the renewal or issuance of a certificate that has been suspended or revoked by the Commissioner.
- (10) All Certificates of Registration are subject to revocation or suspension in accordance with the provisions of O.C.G.A. [48-8-62](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-49](#).

History. Original Rule entitled "Certificate of Registration" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Aug. 26, 1974; eff. Sept. 15, 1974.

Amended: F. May 12, 1976; eff. June 1, 1976.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Repealed: New Rule of same title adopted. F. Nov. 26, 2008; eff. Dec. 16, 2008.

Rule 560-12-1-.10. Certificate of Registration (Special Reporting).

Certificate of Registration, on paper determined to be appropriate by the Commissioner, bearing the symbol "SR" following the certificate number may be issued for the purpose of buying tangible personal property tax exempt for resale or further processing and for reporting and remitting the tax. Such certificate shall be issued only to a person not regularly engaged in making sales at retail in this State and relieves the dealer to whom issued from filing tax returns for months in which no tax is due. However, returns must be filed for each and every month in which tax may be due. The issuance of such certificate will in no way relieve the holder thereof from payment of tax, penalty and interest on taxes not reported and remitted when due.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.10

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Certificate of Registration (Non-Reporting)" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Certificate of Registration (Special Reporting)" adopted. F. Aug. 26, 1974; eff. Sept. 15, 1974.

Repealed: New Rule of same title adopted. F. Nov. 26, 2008; eff. Dec. 16, 2008.

Rule 560-12-1-.11. Collection of Tax.

Every dealer making sales of tangible personal property at retail in this State and every dealer making sales of tangible personal property at retail outside this State for distribution, storage, use or other consumption in this State shall add the amount of tax imposed by the Act upon the purchaser to the sales price or charge, which shall then be a debt from the purchaser or consumer to the dealer until paid, and shall be recoverable at law in the same manner as any other debt.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.11

Authority: Ga. Code Ann. Secs. [94-3438a](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Collection of Tax" adopted. F. and eff. June 30, 1965.

Rule 560-12-1-.12. Consigned Tangible Personal Property.

- (1) Tangible personal property consigned, delivered to or entrusted to a dealer for the purpose of sale is taxable at the time of sale at retail. The retailer is required to collect and remit the tax based upon the sales price.

- (2) When consigned tangible personal property is used for any purpose other than retaining, demonstrating or displaying it for sale, the consignee shall be liable for the tax on the fair market value of the property at the time of its first use.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.12

Authority: Ga. Code Ann. Secs. 94-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Consignments" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Consigned Tangible Personal Property" adopted. F. Aug. 26, 1974; eff. Sept. 15, 1974.

Rule 560-12-1-.13. Consolidated Returns.

Any person operating four or more places of business as a dealer in this State may, with written approval of the Commissioner, file one return for each reporting period showing the consolidated sales and use tax due for all his places of business in this State. Consolidated returns may be filed only upon written permission of the Commissioner for such method of filing. Inserts furnished by the Sales Tax Unit must be attached to such returns and must show the Certificate of Registration number for each location, the gross sales, taxable purchases on which tax is due, itemized allowable exemptions, gross tax due including excess tax collected and net tax due for each location and any other information required by Report Form ST-3.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.13

Authority: Ga. Code Ann. Secs. 94-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Consolidated Returns" adopted. F. and eff. June 30, 1965.

Amended: F. Aug. 26, 1974; eff. Sept. 15, 1974.

Amended: F. May 12, 1976; eff. June 1, 1976.

Rule 560-12-1-.14. Withdrawals from Inventory.

- (1) **Purpose.** This Rule explains the application of sales and use tax to tangible personal property purchased under terms of resale that is subsequently withdrawn from inventory by a retailer, dealer, manufacturer, processor, or converter for any use other than retention, demonstration, or display while holding the property for sale in the regular course of business.
- (2) **Definitions.** For purposes of this Rule, the following definitions and explanations of terms shall apply:
 - (a) "Contractor" means any person who orally, in writing, or by purchase order contracts to furnish tangible personal property and to perform services under the contract.

- (b) "Cost price" means the actual cost of articles of tangible personal property without any deductions for the cost of materials used, labor costs, service costs, transportation charges, or any other expenses of any kind.
- (c) "Dealer" means any person who is a dealer as defined in O.C.G.A. § [48-8-2\(3\)](#), including but not limited to retailers, manufacturers, wholesalers, and distributors.
- (d) "Fair rental value" means the amount a dealer would have charged for an arm's length, bona fide rental or lease of tangible personal property in the regular course of business at the time such property was withdrawn from inventory.
- (e) "Fair market value," for purposes of self-produced property withdrawn from inventory by manufacturers, processors, or converters, is 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. In other words, "fair market value" is the sales price at which property would have been offered for sale in the regular course of business at the time it was withdrawn from inventory. Discounts applied in the regular course of business may be deducted when calculating fair market value. When property is offered for sale at varying prices based on volume discounts, close-out pricing, or other factors, fair market value may be calculated using the average sales price at which the property was offered for sale over the 12 month period before the property is withdrawn. With respect to property when no ready market exists for its sale, taxpayers or the Department may provide additional information that is reasonable, relevant and useful to the determination of fair market value.
- (f) "Industrial materials" means materials that are purchased for future processing, manufacture, or conversion into articles of tangible personal property for resale when the materials become a component part of the finished product. The term also means materials that are coated upon or impregnated into the product at any stage of its processing, manufacture, or conversion, even though such materials do not remain a component part of the finished product for sale. The term "industrial materials" includes "raw materials".
- (g) "Retailer" means every person making sales at retail or for distribution, use, consumption, or storage for use or consumption in this state.
- (h) "Retention, demonstration, or display" means holding property in inventory for sale in the regular course of business, and demonstrating or displaying the property's characteristics while holding the property in resale inventory. The term does not include the use of such property in the day-to-day operations of a business; the personal use of such property by employees or others; or the use of such property where the business lists the property as an asset other than inventory on its books and records, whether or not the listed item is expensed or capitalized, even if the capitalization is recaptured if the item is subsequently sold. Any use

other than retention, demonstration, or display while holding the property for sale in the regular course of business constitutes a taxable use of the property.

- (i) "Sales price," for purposes of self-produced property withdrawn from inventory by manufacturers, processors, or converters, means the total amount for which tangible personal property is sold in the regular course of business without any deduction from the total amount for the cost of the property sold, the cost of materials used, labor or service costs, losses, or any other expenses of any kind. The sales price is deemed to be the price at which purchasers and sellers, both having reasonable knowledge of the property and being under no compulsion, are willing to do business (i.e., the amount a knowledgeable purchaser would pay for the property and a willing seller would accept for the property in an arm's length, bona fide sale).
- (j) "Taxable purpose" means any use other than retention, demonstration, or display while holding property for sale in the regular course of business. The term does not include withdrawals of property from inventory for sale or for further manufacturing or processing.

(3) General Rule.

- (a) A person who purchases tangible personal property under terms of resale without payment of sales and use tax and holds such property for sale at retail in the regular course of business is liable for use tax on the property if such property is subsequently withdrawn from resale inventory and used for a taxable purpose.
- (b) Use tax must be accrued and remitted for the reporting period in which the property is withdrawn from inventory. Local use tax should be accrued in the jurisdiction in which the property is withdrawn from resale inventory. If such property is subsequently used in another local jurisdiction with a higher rate of local tax, the taxpayer must also accrue and remit an additional amount of local use tax equal to the difference between the higher rate in the jurisdiction where the property is used and the lower rate in the jurisdiction where the property was initially withdrawn from inventory.

(4) Withdrawals of Purchased Inventory.

- (a) A dealer who purchases tangible personal property under terms of resale without payment of sales and use tax is liable for use tax on the cost price of such property if it is withdrawn from inventory and used for a taxable purpose.
- (b) If the sole use of property purchased under terms of resale, other than retention, demonstration, or display in the regular course of business, is the rental or lease of the property while holding it for sale or the use of the property to transport persons for hire while holding the property for sale, the dealer may elect to collect sales

tax on the charges for the rental or transportation rather than accruing and remitting use tax on the cost price of the property.

- (c) Notwithstanding any other provision in Rule [560-12-2-.09](#), a dealer who provides property to its sales representatives at no cost is liable for use tax on the cost price of the property. Because the property has been permanently given to the sales representative, the dealer is no longer holding the property in its inventory for sale in the regular course of business. It is immaterial whether the property is used by the sales representative only for demonstration and display purposes or for other purposes in addition to demonstration and display.
- (d) A dealer who withdraws property from its untaxed resale inventory for a taxable purpose and then subsequently sells that property at retail must first accrue and remit use tax on the withdrawal of the property from inventory, and then collect and remit sales tax on any subsequent taxable sale of the property at retail. The initial withdrawal from inventory and the subsequent taxable sale at retail are two separate taxable events.
- (e) Purchases of samples by a dealer from a manufacturer are treated as follows:
 - (i) When a dealer purchases samples from a manufacturer or distributor, and the manufacturer or distributor does not collect sales tax on the sales price of the samples, the dealer is liable for use tax on the cost price of the samples (unless they were purchased under terms of resale).
 - (ii) When a dealer purchases samples under terms of resale and subsequently withdraws them from its untaxed resale inventory and provides them to a customer without charge, the dealer is liable for use tax on the cost price of the sample upon its withdrawal from inventory.
 - (iii) A dealer who purchases samples to distribute without charge is not entitled to purchase such samples under terms of resale. The dealer is liable for use tax on the cost price of the samples if the vendor does not collect sales tax on the invoice. If the dealer subsequently sells the samples at retail, the dealer must collect and remit sales tax on the sales price of the samples unless the sale is otherwise exempt.
- (f) If purchased tangible personal property is withdrawn from inventory outside of Georgia for use or consumption in Georgia and is then used and consumed in Georgia, Georgia use tax is due based on the cost price of the tangible personal property because the withdrawal outside of Georgia constitutes a deemed "retail sale" and the subsequent use or consumption of the tangible personal property occurred within Georgia. However, a credit will be allowed against the Georgia use tax for any tax legally due and paid in the other state on the withdrawal occurring in that state (provided the other state reciprocates the credit).

- (g) If purchased tangible personal property is transferred from inventory in Georgia to an inventory outside of Georgia where it will continue to be held for sale, then no Georgia use tax is due if any tangible personal property is subsequently withdrawn, used, or consumed outside of Georgia since the property remained in inventory no withdrawal, use or consumption ("retail sale") of the tangible personal property occurred in Georgia.
- (h) If purchased tangible personal property is transferred from inventory outside of Georgia to an inventory in Georgia where it will continue to be held for sale, then no Georgia sales or use tax is due until the tangible personal property is either sold at retail in Georgia or is withdrawn, used or consumed ("retail sale") in Georgia.
- (i) Examples.
 - (i) An office supply store purchases 200 rolls of cash register tapes under terms of resale without payment of sales and use tax. Later, an employee removes 5 rolls of cash register tape from inventory to use in the store's registers. The office supply store is liable for use tax on the cost price of the 5 rolls of cash register tape.
 - (ii) A clothing store provides free clothing to its employees, who are required to wear the clothing while at work. The company is liable for use tax on the cost price of the clothing provided to the employees because it is no longer holding the clothing for sale in the regular course of business. It is immaterial whether the clothing is used by the sales representatives for demonstration and display purposes because the employees are free to use the property for other purposes in addition to demonstration and display.
 - (iii) An appliance store removes a microwave from its resale inventory and uses it in its employee lounge. The appliance store purchased the microwave under terms of resale without payment of sales or use tax at a cost price of \$50.00. Because the appliance store removed the microwave from its resale inventory and used it for its own purposes, the appliance store is liable for use tax on the \$50.00 cost price of the microwave. If the appliance store later sells the microwave as a used appliance, it will be required to collect sales tax from the purchaser on the sales price of the microwave unless the sale is otherwise exempt. The withdrawal from inventory and the subsequent sale at retail are two separate taxable events.
 - (iv) A paint manufacturer purchases paint cards that depict its selection of available paint colors without payment of sales and use tax. The manufacturer provides the paint cards to dealers at no charge. The manufacturer is liable for use tax on the cost price of the paint cards. If the manufacturer had self-produced the paint cards instead of purchasing them, the manufacturer would have been liable for use tax on fair market value of the cards.

- (v) A paint store removes a color wheel from its resale inventory and provides it to its in-store decorator for use in custom design projects for customers. The paint store purchased the color wheel under terms of resale without payment of sales or use tax at a cost price of \$5.00. Because the paint store removed the color wheel from its resale inventory and used it for its own purposes, the paint store is liable for use tax on the \$5.00 cost price of the color wheel. If the paint store later sells the color wheel at retail, it will be required to collect sales tax from the purchaser on the sales price of the color wheel unless the sale is otherwise exempt. The withdrawal from inventory and the subsequent sale at retail are two separate taxable events.

(5) Withdrawals of Self Produced Inventory.

- (a) A manufacturer, processor, or converter who purchases industrial materials without payment of sales and use tax is liable for use tax on the fair market value of any property manufactured, processed or converted for sale to third parties if such property is withdrawn from inventory and used for any taxable purpose.
- (b) A manufacturer, processor, or converter who purchases industrial materials without payment of tax is liable for use tax on the cost price of the industrial materials if the industrial materials are withdrawn from inventory and used for any taxable purpose.
- (c) Manufacturers, processors, or converters are liable for use tax on the fair market value of samples of tangible personal property distributed without charge. The samples are deemed to be withdrawn from inventory and used as promotional materials. Manufacturers, processors, or converters who make taxable sales of samples to dealers must collect sales tax on the sales price of the samples.
- (d) A manufacturer, processor, or converter who provides property to its sales representatives at no cost is liable for use tax on the fair market value of the property if the property will not be returned to the dealer's resale inventory. Because the property has been permanently given to the sales representative, the manufacturer, processor, or converter is no longer holding the property in its inventory for sale in the regular course of business. It is immaterial whether the property is used by the sales representatives only for demonstration and display purposes or for other purposes in addition to demonstration and display.
- (e) Contractors that purchase property for use during the performance of services under a contract without payment of sales tax are liable for use tax on the cost price of such property, even if it is subsequently manufactured, processed or converted before it is used during the performance of services under a contract. Because the property is not manufactured, processed or converted for retail sale to a third party, the appropriate measure of tax is the cost price rather than the fair market value.

- (f) If self-produced tangible personal property is withdrawn from inventory outside of Georgia for use or consumption in Georgia and is then used and consumed in Georgia, Georgia use tax is due based on the fair market value of the tangible personal property because the withdrawal outside of Georgia constitutes a deemed "retail sale" and the subsequent use or consumption of the tangible personal property occurred within Georgia. However, a credit will be allowed against the Georgia use tax for any tax legally due and paid in the other state on the withdrawal occurring in that state (provided the other state reciprocates the credit).
- (g) If self-produced tangible personal property is transferred from inventory in Georgia to an inventory outside of Georgia where it will continue to be held for sale, then no Georgia use tax is due if any tangible personal property is subsequently withdrawn, used, or consumed outside of Georgia since the property remained in inventory and no withdrawal, use or consumption ("retail sale") of the tangible personal property occurred in Georgia.
- (h) If self-produced tangible personal property is transferred from inventory outside of Georgia to an inventory in Georgia where it will continue to be held for sale, then no Georgia sales or use tax is due until the tangible personal property is either sold at retail in Georgia or is withdrawn, used or consumed ("retail sale") in Georgia.
- (i) Examples.
 - (i) A manufacturer produces and sells vinyl siding products for sale to wholesalers. The manufacturer also produces vinyl siding display pieces (samples) that are provided at no cost to wholesalers for marketing purposes. The display pieces are made from the same industrial materials as the siding products, so the manufacturer purchases all of its industrial materials without payment of sales or use tax. When the manufacturer provides the display pieces to the wholesalers at no cost, the manufacturer is liable for use tax on the fair market value of the display pieces.
 - (ii) A furniture manufacturer purchases lumber without payment of sales and use tax under terms of resale. The lumber is an industrial material that is regularly purchased and incorporated into the manufacturer's inventory of finished tangible personal property for sale. The manufacturer uses some of the lumber to repair a wall in its manufacturing facility. The manufacturer is liable for use tax on the cost price of the lumber withdrawn from inventory because only purchased industrial materials, rather than self-produced finished goods, were withdrawn from inventory.
 - (iii) A company manufactures tools in Georgia. The tools are customarily offered for sale by the manufacturer at \$20.00 each. To encourage home improvement stores to carry its tools, the manufacturer withdraws a number of finished tools from its resale inventory and provides them at no charge to the home improvement store's managers. The tools are shipped

to store managers in Georgia. The manufacturer is liable for use tax on the fair market value (\$20.00) of each tool given away. Further, if the tools are shipped to store managers outside Georgia, the manufacturer is still liable for use tax on the fair market value (\$20.00) of each tool given away.

When a taxpayer purchases property under terms of resale and then withdraws the property from its resale inventory for any purpose other than retention, demonstration, or display, the taxpayer incurs a use tax liability. Therefore, in this situation, the tool company is liable for Georgia use tax regardless of where the product is shipped because the use occurs in Georgia when the tool is removed from resale inventory in Georgia. Many states will allow a credit against sales and use tax due for any tax legally due and paid in Georgia.

(6) Withdrawals of Inventory Held for Rental or Lease.

- (a) A dealer who purchases property under terms of resale and holds it for rental or lease, and who later withdraws such property from inventory and uses it for any taxable purpose, is liable for use tax on the fair rental value of the property.
- (b) A dealer who periodically withdraws property from inventory for taxable purposes may elect at any time to pay sales or use tax on the original cost price of property held for rental or lease, and no further sales and use tax liability will be incurred on the dealer's subsequent use of the withdrawn property. In other words, the dealer is liable for use tax based on either (1) the amount that would have been received as a rental fee or (2) the full purchase price of the property originally purchased for rental or leasing. However, a dealer who elects to pay use tax on the original cost price of property, after paying use tax on prior withdrawals, is not entitled to a credit for use tax already paid on the prior withdrawals.
- (c) A manufacturer, processor, or converter who rents or leases self-produced property while holding it for sale in the regular course of business may elect to treat the fair rental value, rather than the fair market value, as its sale price. The subsequent sale at retail of property held for rental or lease is taxable based upon the sales price of the property.
- (d) Examples.
 - (i) A dealer purchases a backhoe for purposes of renting or leasing it to customers on a daily basis. The dealer purchases the backhoe without payment of sales or use tax under terms of resale. The dealer occasionally rents the backhoe with an operator (who exclusively controls the backhoe's operation) or uses the backhoe to perform a service. The backhoe is returned to the rental inventory after each "use" by the dealer. The dealer must pay either a use tax on the fair rental value of the periods the dealer used the backhoe or on the cost price of the backhoe held for rental or lease

purposes in the regular course of business. If the dealer pays use tax on the cost price of the backhoe, it will not be liable for use tax on subsequent withdrawals from inventory.

- (ii) A motor vehicle rental company purchases automobiles for the purpose of renting them to customers. The rental company purchases the motor vehicles without the payment of sales and use tax under terms of resale. The rental company withdraws a motor vehicle from its resale inventory to be used exclusively as a company vehicle. The rental company is liable for use tax on the cost price of the vehicle. The company cannot elect to tax the fair rental value of the withdrawal, because the vehicle is not returned to the company's resale inventory after each use.

(7) Withdrawals of Inventory by Service Providers.

- (a) Service providers are dealers who, in addition to providing personal or professional services, may also sell tangible personal property at retail. Special rules apply to service providers because they may sell the same property at retail that they use during the provision of personal or professional services.
- (b) A service provider who purchases tangible personal property, a part of which may be sold at retail and a part of which may be used in the provision of services, may purchase such property without payment of sales tax under terms of resale. To purchase property without payment of sales tax, a service provider must furnish its vendors with a properly executed Certificate of Exemption (Form ST-5).
- (c) Replacement parts, materials, and supplies used or consumed by repairmen in repairing tangible personal property belonging to others are taxable either to the service provider or to the owner of the property being repaired, as follows:
 - (i) If a service provider performing repair work does not separately state, itemize or segregate at a fixed or retail price any tangible personal property provided along with the service, the sales tax will apply to the total charge for the tangible personal property and labor.
 - (ii) If a service provider performing repair work does separately state, itemize, or segregate at a fixed or retail price any tangible personal property provided, stating separately the amount for labor, the tax will apply only to the retail sales price of the parts, materials and supplies listed and itemized. The separately stated charge for labor is exempt from sales and use tax.
- (d) Service providers are deemed to be the consumers of certain tangible personal property used or consumed during the provision of a service if the service provider does not separately charge for such property. This category includes property that loses its identity when used and consumed during the provision of services and

property that is deemed to be an inconsequential element of the service transaction. If such property was purchased under terms of resale, the service provider must accrue and remit use tax because the property is deemed to be withdrawn from inventory for the service provider's use. The service provider must accrue and remit use tax on the cost price of any property withdrawn from inventory.

- (e) The withdrawal from inventory of property used to repair an item under a manufacturer's or retail dealer's warranty that was included in the sales price of the item does not constitute a taxable use by the person performing the repair work. In other words, the manufacturer or dealer is not liable for use tax on the withdrawal of parts or materials used or consumed when making such a repair. The repair parts are deemed to have been part of the original sales price of the warranty accompanying the property.
- (f) The withdrawal from inventory of property used to repair an item under an optional or extended warranty or maintenance agreement that was not included in the sales price of the item constitutes a taxable use by the person performing the repair work. When a manufacturer or dealer withdraws property from inventory to make repairs under the optional or extended warranty or maintenance agreement, the manufacturer or dealer is liable for use tax on the cost price of the property used or consumed if such property was purchased under terms of resale. If the manufacturer or dealer makes a charge for the property used in the repair, the use of the property is not a withdrawal from inventory for the manufacturer's or dealer's own use. Instead, the sale is the taxable event and the manufacturer or dealer must charge sales tax to the purchaser as with any other retail sale. In this case, the property used in the repair would be taxable and any separately stated labor charges would be exempt.
- (g) If a service provider regularly purchases taxable tangible personal property from sellers who do not collect Georgia sales tax, the service provider must register as a dealer and report and remit Georgia use tax to the Department.
- (h) Examples.
 - (i) An automobile dealer sells an automobile to a purchaser for \$10,000, which includes as part of the purchase price a manufacturer's warranty. In addition, the dealer sells the purchaser an optional extended warranty for an additional \$500. The purchaser owes sales tax on the sales price of the automobile, which includes the cost of the manufacturer's warranty. However, the purchaser is not liable for sales tax on the \$500 charge for the optional extended warranty if it is separately stated on the invoice. At a later date, the automobile is repaired under the manufacturer's warranty. Neither the purchaser nor the dealer is liable for tax on the parts used in the repair under the manufacturer's warranty. These parts are deemed to have

been included in the sales price of the automobile. However, if the automobile is later repaired under the optional extended warranty, the dealer will be liable for use tax on any parts used in the repair under the optional extended warranty. If a third party is billed for the repairs, then the covered items are subject to sales tax as in any other repair transaction.

- (ii) An upholsterer agrees to reupholster a customer's sofa. During the provision of the service, the upholsterer uses fabric, padding, and staples. The upholsterer's invoice separately states the charges for the fabric and padding, which were purchased under terms of resale. The upholsterer's invoice does not contain a separate charge for the staples. The upholsterer must collect sales tax from the customer on the sales price of the fabric and padding. If the staples were purchased under terms of resale, the upholsterer is liable for use tax on the cost price of the staples.
- (iii) A hunting preserve purchases live game birds, ammunition, and skeet under terms of resale by providing a properly executed Certificate of Exemption (Form ST-5) to the dealer. The hunting preserve allows its employees to hunt without charge one day per month. The hunting preserve is liable for use tax on the cost price of the live game birds, ammunition, and skeet used and consumed by the employees. See Ga. Comp. R. & Regs. § [560-12-2-.113](#) regarding the applicability of Georgia sales and use tax to purchases by hunting preserves and clubs.

(8) Carpet Samples.

- (a) Definitions. For the purposes of this paragraph, the following definitions and explanations of terms shall apply:
 - (i) "Carpet sample" means any piece of carpet that is provided at no cost by a carpet manufacturer or distributor to a dealer or any other person for demonstration or display purposes. The term "carpet sample" includes custom samples such as strike-offs and mock-ups. The term "carpet sample" does not include paper carpet samples.
 - (ii) "Manufactured exclusively for commercial use" refers to the manufacture of carpet that is specifically designed for business or industrial use rather than for private or residential use. Commercial uses include uses in office buildings, hotels, restaurants, malls, hospitals, and other business locations. Carpet manufactured for private, residential, or other uses shall not be considered to be manufactured exclusively for commercial use.
 - (iii) "Total raw material cost," as used in connection with carpet samples, means the manufactured cost of carpet samples, including supplies used to manufacture carpet samples such as binding, grommets, and similar items;

display devices such as racks and binders; and inbound freight charges. The term "total raw material cost" does not mean or include labor or overhead for assembling or producing samples from finished carpet and does not mean or include outbound freight charges which may be charged to the expense account for carpet samples.

- (b) **General Rule.** When a manufacturer or distributor provides carpet samples without charge to a dealer or any other person, the carpet samples are deemed to be withdrawn from the manufacturer's inventory and used for promotional purposes. Therefore, the manufacturer is liable for Georgia use tax. The measure of tax for carpet samples is prescribed by statute and differs from the measure of tax for other types of property withdrawn from inventory. When a manufacturer sells carpet samples, the manufacturer must collect sales tax from the purchaser unless the sale is otherwise exempt.
 - (c) **Measure of Tax.** For purposes of determining the measure of tax for carpet samples, the fair market value of any carpet sample shall be equal to 21.9 percent of the total raw material cost of the sample, except that the fair market value of a sample of carpet that is manufactured exclusively for commercial use shall be equal to 1 percent of the total raw material cost of the sample.
 - (d) If a manufacturer does not collect sales tax at the time of sale, dealers who purchase carpet samples for use in promoting sales of carpeting must accrue use tax based upon the cost price of the carpet samples. A dealer may not purchase carpet samples under terms of resale unless it actually intends to sell the carpet samples in the regular course of business. A dealer who resells carpet samples is required to collect sales tax from its purchasers.
 - (e) **Example.** A dealer purchases carpet samples for promotional purchases. When those samples become obsolete, the dealer sells them to customers for use as throw rugs. In this situation, the dealer must pay sales tax when it purchases the samples. Then, when it sells the obsolete samples, it must collect sales tax on the sales price of the carpet samples. The dealer may not issue a resale exemption certificate upon the purchase of the samples. Nor may it claim a credit for any sales or use tax previously paid or accrued. The initial purchase was not a purchase for resale because it was for the dealer's own use, and the subsequent sale at retail was a separate taxable event.
- (9) **Aircraft Dealers.** See Ga. Comp. R. & Regs. § [560-12-2-.04](#) regarding the applicability of Georgia sales and use tax to aircraft withdrawn from inventory and used for any taxable purpose (such as for flight instruction and personal and business use).
- (10) **Automotive and Other Motor Vehicle Dealers.** See Ga. Comp. R. & Regs. § [560-12-2-.09](#) regarding the applicability of Georgia sales and use tax to items withdrawn from inventory by automotive and other motor vehicle dealers and used for any taxable

purpose. To the extent that Rule [560-12-1-.14](#) is inconsistent with Rule [560-12-2-.09](#) in any respect, Rule [560-12-2-.09](#) applies.

(11) **Donated Goods.**

- (a) Sales and use tax does not apply to the use of prepared food and beverages which are donated to a qualified nonprofit agency and which are used for hunger relief purposes pursuant to O.C.G.A. § [48-8-3](#)(57.2). Any person making a donation of prepared food and beverages for the purpose specified in this paragraph shall remit the tax imposed thereon unless the person making use of such prepared food and beverages furnishes the person making the donation with an exemption determination letter issued by the commissioner certifying that the person making use of such food and beverages is entitled to use the prepared food and beverages without paying the tax.
- (b) Sales and use tax does not apply to the use of prepared food and beverages which are donated following a natural disaster and which are used for disaster relief purposes pursuant to O.C.G.A. § [48-8-3](#)(57.3).
- (c) Examples.
 - (i) A manufacturer produces and sells bread at wholesale. The manufacturer donates 500 loaves of bread to a nonprofit organization's company picnic. The bread manufacturer purchases the ingredients to make the bread without payment of sales or use tax under terms of resale. The bread is offered for sale by the manufacturer for two dollars per loaf. The manufacturer is liable for use tax on the 500 loaves of bread at fair market value, which is the normal sales price of two dollars per loaf. The bread is used for purposes other than retention, demonstration, or display in the regular course of the manufacturer's business. Furthermore, the exemption for donations for hunger relief purposes is not applicable because the nonprofit is using the bread at a company picnic.
 - (ii) A wholesaler donates wine in sealed containers to a qualified 501(c)(3) nonprofit civic organization to be auctioned off for charity. The donation is a withdrawal from inventory and the wholesaler is liable for use tax on the cost price of the wine withdrawn from its untaxed resale inventory.

(12) **Employee Meals.** See Ga. Comp. R. & Regs. § [560-12-2-.34](#) regarding the applicability of Georgia sales and use tax to meals or beverages sold or provided without charge to employees.

(13) **Industrial Materials.** A manufacturer, processor, or converter who purchases industrial materials without payment of sales tax is not liable for use tax when such materials are withdrawn from inventory and used to process, manufacture, or convert articles of tangible personal property for sale.

(14) Pharmaceutical, Prescription Drug, and Contact Lens Samples.

- (a) Except as provided for under subparagraph (14)(b), pharmaceutical and prescription drug samples distributed without charge to physicians, dentists, clinics, hospitals, or any other person or entity located in Georgia, by manufacturers or distributors, whether manufactured inside or outside Georgia, are subject to tax based on the fair market value of the samples or, if purchased, on the cost price of the samples.
- (b) Prescription contact lenses distributed by the manufacturer to licensed dispensers as free samples, which are not intended for resale and are labeled as such, are not subject to Georgia sales and use tax pursuant to O.C.G.A. § [48-8-3\(47\)](#).

(15) Research and Development; Quality Control Testing. A manufacturer, processor, or converter who withdraws from inventory self-produced products for use in research and development or quality control testing is liable for use tax on the fair market value of the withdrawn property.

(16) Unusable or Unsalable Property. When a taxpayer purchases property tax free under a resale certificate and the property is subsequently deemed to be unsalable or unusable in the regular course of business due to damage or imperfection, the unpaid disposition of such property does not constitute a taxable withdrawal from inventory. However, if a dealer sells property that is unusable or unsalable in the regular course of business, it must collect sales tax from the purchaser on the sales price of the unusable or unsalable property unless the sale is otherwise exempt. For example, a manufacturer or dealer that sells waste or by-products to a recycler must collect sales tax on the sales price of the waste or by-products unless the sale is otherwise exempt. If, however, the manufacturer simply disposes of such property without a sale, there is no taxable event.

(17) Stolen Property. When a taxpayer purchases property tax free under a resale certificate and the property is subsequently stolen from the taxpayer, such an involuntary withdrawal of the inventory does not constitute a taxable use.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.14

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#), [48-8-39](#), [48-8-63](#).

History. Original Rule entitled "Conversion of Property by Dealer" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Withdrawals from Inventory" adopted. F. Sept. 3, 2008; eff. Sept. 23, 2008.

Repealed: New Rule of same title adopted. F. Dec. 1, 2008; eff. Dec. 21, 2008.

[Rule 560-12-1-.15. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.15

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Dealers' Records" adopted. F. and eff. June 30, 1965.

Amended: F. Aug. 26, 1974; eff. Sept. 15, 1974.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-12-1-.16. Direct Pay Reporting.

- (1) **Definition.** "Direct payment permit" means a permit issued by the Department of Revenue that allows the holder of such permit to accrue and pay state and local sales and use taxes directly to the Department.
- (2) **Expiration of direct payment authorization.**
 - (a) All permits, letters, and certificates not issued through the Georgia Tax Center online application process will expire on and can no longer be used to make purchases after December 31, 2016.
 - (b) Direct payment permits issued through the Georgia Tax Center online application process will be effective the later of January 1, 2017 or the date of issuance.
- (3) **Application Process.**
 - (a) To obtain a direct payment permit that is effective on or after January 1, 2017, a taxpayer must
 1. have purchased more than \$2 million of tangible personal property in the twelve months prior to application or have purchased an annual average amount exceeding \$2 million of tangible personal property during the thirty-six months prior to application;
 2. be classified on the taxpayer's previous year's federal income tax return under one of the following North American Industry Classification System (NAICS) codes:
 - (i) National Industry Code 517110 - Wired Telecommunications Carriers,
 - (ii) National Industry Code 517210 - Wireless Telecommunications Carriers (except Satellite),
 - (iii) National Industry Code 517410 - Satellite Telecommunications,
 - (iv) NAICS Industry Code 48111 - Scheduled Air Transportation,
 - (v) NAICS Industry Code 48211 - Rail Transportation,
 - (vi) Industry Group Code 4841 - General Freight Trucking,
 - (vii) Economic Sector Code 21 - Mining, Quarrying, and Oil and Gas Extraction,
 - (viii) Economic Sector Code 22 - Utilities, or

(ix) Economic Sector Codes 31-33 - Manufacturing;

3. fully and accurately complete a direct payment permit application online through the Georgia Tax Center;
4. agree to waive interest on refunds of sales and use tax remitted for purchases made on or after January 1, 2017 without the payment of tax to a vendor; and

5. attest that:

- (i) the applicant is able to comply with the sales and use tax laws and reporting and payment requirements;
- (ii) the applicant is not delinquent on any tax filings or payments in this state; and
- (iii) direct payment will benefit the applicant's tax compliance by accomplishing one or more of the following:
 - (I) reduced administrative work in determining taxability or collecting, verifying, calculating, or remitting the tax;
 - (II) improved compliance with the tax laws of this state;
 - (III) improved compliance in circumstances where determination of taxability of the item is difficult or impractical at the time of purchase;
 - (IV) more accurate calculation of the tax where new or electronic business processes such as electronic data interchange, evaluated receipts settlement, or procurement cards are utilized; or
 - (V) more accurate determination and calculation of tax where significant automation and/or centralization of purchasing and/or accounting processes have occurred and the applicant must comply with the laws and regulations of multiple state and local jurisdictions.

- (b) The Department will issue one permit for each legal entity that meets the requirements of this Rule. The permit is valid for purchases of property delivered to any of the entity's locations.

- (c) Notwithstanding Subparagraphs (3)(a)1. and 2., the Department may grant a direct payment permit if the Department determines that granting the permit will facilitate and expedite the collection of tax at the proper rates.

(4) Waiver of Interest.

- (a) In exchange for the privilege of making purchases with a direct payment permit, permit holders agree to waive interest on refunds of sales and use tax remitted for purchases made on or after January 1, 2017 without the payment of tax to a vendor.

- (b) Examples.

1. A taxpayer makes purchases on January 1, 2017 without the payment of sales tax using a direct payment permit. In February 2017 the taxpayer remits taxes due on the purchases. On February 1, 2018 the taxpayer requests a refund for the overpayment of the taxes. Because the taxpayer made the purchases on or after January 1, 2017 without the payment of tax, the taxpayer will not receive interest on its tax refund.
2. A taxpayer that holds a direct payment permit and qualifies for the manufacturing exemptions contained in O.C.G.A. § [48-8-3.2](#) purchases both taxable items and exempt items from a vendor in one transaction. The vendor charges the taxpayer sales tax on the entire purchase. The taxpayer submits a valid refund claim for the sales tax it paid to the vendor for the exempt items. The taxpayer is entitled to interest on the tax it paid to the vendor on the exempt items.
3. A taxpayer that holds a direct payment permit and qualifies for the manufacturing exemptions contained in O.C.G.A. § [48-8-3.2](#) purchases both taxable items and exempt items from a vendor in one transaction. The taxpayer supplies the vendor with Sales and Use Tax Certificate of Exemption Form ST-5M. The vendor charges no sales tax on the entire purchase. The taxpayer correctly remits tax due on the taxable items directly to the Department and erroneously remits to the Department tax on the exempt items. When the taxpayer submits a claim for refund of the tax paid on the exempt items, the taxpayer is not entitled to interest on such tax.

- (5) **Reporting of Tax.** Each holder of a valid direct payment permit must accrue and pay directly to the Department the taxes due for all taxable property and services purchased without the payment of tax. Such taxes are due and payable on the sales and use tax return next due following the date on which a determination of taxability is, or in the exercise of reasonable care should be, made for a given transaction.

- (6) **Certain Transactions Not Permitted.** Effective January 1, 2017, the use of a direct payment permit is prohibited for

- (a) purchases of fuels subject to "prepaid local tax" as defined in O.C.G.A. § [48-8-2](#);
- (b) purchases of meals, beverages, or tobacco;
- (c) purchases of local telephone services, transportation of persons, or lodging accommodations and ancillary charges associated with lodging accommodations;
- (d) purchases of admissions to places of amusement, entertainment, or athletic events; admissions to displays or exhibitions; participation in games or sports; or charges for the use of amusement devices; and
- (e) rental charges for periods of 31 or fewer consecutive days of motor vehicles required to be titled in this state.

(7) **Permit Holder's Duties.** Beginning January 1, 2017, the holder of a direct payment permit must

- (a) furnish to each vendor from which the holder makes purchases without a charge for tax a copy of the holder's direct payment permit, unless the holder has previously furnished a direct payment permit to that vendor and such permit is valid at the time of re-application; however, the holder must furnish a copy of the permit upon request of any of its vendors;
- (b) abide by the terms and conditions of this Rule for all purchases made without the payment of tax;
- (c) accrue and remit state and local sales and use tax directly to the Department on all taxable property and services not taxed at the time of sale;
- (d) maintain and make available upon Department request all records that are necessary to determine the correct tax liability;
- (e) file sales and use tax returns and pay any sales and use tax due on a monthly basis unless otherwise permitted by the Department; and
- (f) not be delinquent with respect to any taxes administered by the Department.

(8) **Vendor's Responsibilities.**

- (a) Beginning January 1, 2017, a vendor is relieved of the responsibility of collecting sales tax on all transactions, except for those transactions listed in Paragraph (6), with a purchaser who has provided a direct payment permit, even if the permit expired before January 1, 2017, unless the seller has received notice of the revocation or voluntary surrendering of the permit.
- (b) Vendors who make sales on which the tax is not collected by reason of the provisions of this Rule must maintain records for a minimum of three years.

- (9) **Nontransferable.** A direct payment permit is not transferable; therefore, the use of a direct payment permit may not be transferred or assigned to a third party (including but not limited to a subsidiary, affiliate, or new business entity created in a restructuring).
- (10) **Business Restructuring.** In the case of a business restructuring that requires a new Employer Tax Identification Number or Federal Tax Identification Number, the permit holder must apply for a new permit.
- (11) **Revocation of Permit.** Effective January 1, 2017, direct payment permits may be denied or revoked by the Department at any time the Department determines that the taxpayer holding the permit has not complied with the provisions of this Rule or that the revocation would be in the best interests of the state. The notice of revocation must be in writing and effective as of the end of the direct payment permit holder's normal reporting period. Any taxpayer whose direct payment permit is either voluntarily forfeited or revoked by action of the Department must return the permit to the Department and immediately notify all vendors to which the taxpayer furnished the permit that such taxpayer's direct payment permit is no longer valid.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.16

Authority: O.C.G.A. §§ [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Dual Operations" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Direct Pay Reporting" adopted. F. Aug. 26, 1974; eff. Sept. 15, 1974.

Amended: New title "Direct Pay Reporting." F. Apr. 4, 2016; eff. Apr. 24, 2016.

Amended: F. May 6, 2016; eff. May 26, 2016.

Rule 560-12-1-.17. Dual Operator.

- (1) The term "dual operator" means a dealer in the business of selling tangible personal property who, in addition to selling at retail, withdraws tangible personal property from inventory for use in performing contracts.
- (2) When a dual operator makes purchases of tangible personal property, a part of which he will sell at retail and a part of which he will convert to his own use in performing a contract, such operator should furnish his supplier with a properly executed Certificate of Exemption.
- (3) The dual operator must collect and remit the tax on the sales price of the tangible personal property sold at retail, and pay the tax on the fair market value of the tangible personal property used by him in performing a contract.
- (4) For the purpose of this regulation "fair market value" means the fabricated cost of the article at the time of its first use in performing a contract.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.17

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Exceptional or Special Reporting" was filed and effective on June 30, 1965.
Amended: Rule repealed and a new Rule entitled "Dual Operator" adopted, filed August 26, 1974; effective September 15, 1974.

Rule 560-12-1-.18. Exemptions.

Exemptions from taxation are strictly construed and an exemption will not be granted unless the Act clearly and distinctly shows that such was the plain and unambiguous intention of the General Assembly.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.18

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann. Sec. 92-3438a).

History. Original Rule entitled "Exemptions" was filed and effective on June 30, 1965.

Rule 560-12-1-.19. Extension of Time.

- (1) The Commissioner may grant filing extensions in writing;
 - (a) "in his discretion" upon written application to the end of the calendar month in which any tax return is due; or
 - (b) "for good cause" upon written application for not more than 30 days duration from due date of such tax return; or
 - (c) "for providential cause" upon signed affidavit for 10 days duration from due date of such tax return and remittance.
- (2) Extensions granted under (1)(a) above are limited to reporting periods of not more than twelve (12) consecutive months and under (1)(b) above to reporting periods of not more than twelve (12) consecutive months or four (4) consecutive quarters. **Such extensions expire June 30 each calendar year.** Extensions granted under (1)(c) above are limited to a reporting period of one calendar month or quarter.
- (3) As a condition upon the grant of an extension under (1)(a) above, **the taxpayer shall remit** to the Sales Tax Division on or before the date the tax would otherwise become due without the grant of the extension an amount which, when added to the amount previously remitted for the period pursuant to Chapter 91A-4521(b) of the Act, equals not less than 100 percent of the taxpayer's payment for the corresponding period of the last tax year.
 - (a) No interest or penalty shall be charged, assessed, or collected by reason of the granting of an extension hereunder, provided all remittances are timely made and filing requirement deadlines met.

- (4) As a condition upon the grant of an extension under (1)(b) above, **the taxpayer shall remit** to the Sales Tax Division on or before the date the tax would otherwise become due without the grant of the extension an amount which equals not less than 100 percent of the taxpayer's payment for the corresponding period of the last tax year.
- (a) No interest shall be charged by reason of the granting of an extension hereunder during the first 10 days of each extension period. Thereafter, interest shall be due and payable u/on the unpaid balance of the dealer's liability at the rate specified in Code Section 91A-239.2.
- (5) As a condition upon the grant of an extension under (1)(c) above, the taxpayer must furnish an affidavit, stating the "providential cause", attach to Sales and Use Tax Report Form ST-3 and remittance, and mail within ten days of due date requesting that a ten day extension be granted for filing and remitting sales and use tax for such period.
- (a) If the Commissioner determines that the delay in filing and remitting the tax was due to "providential cause", the return and remittance shall be deemed to have been timely made.
- (6) As a further condition upon the grant of an extension under (3) and (4), the taxpayer is required to:
- (a) prepare Sales and Use Tax Remittance Form ST-3EXT each reporting period and mail with remittance on or before the twentieth of the month following period of such report to: Sales and Use Tax Division, P.O. Box 38040, Atlanta, Georgia 30334; and,
- (b) prepare Sales and Use Tax Report Form ST-3 each reporting period and mail with remittance on or before extended filing date to address shown above in (6)(a). (See (4)(a) above for interest due where payment of tax is made more than 10 days from twentieth of month following period of report.)
- (7) If a request for an extension is denied or such report or remittance is delinquent, the dealer shall not be allowed vendor's compensation and shall pay penalty and interest.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.19

Authority: Ga. L. 1978, pp. 323, 324; Chapter 91A-215 of the Georgia Public Revenue Code (Ga. L. 1978, pp. 605, 639) and Chapter 91A-45 of the Georgia Public Revenue Code, as amended.

History. Original Rule entitled "Extension of Time" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 26, 1974; effective September 15, 1974.

Amended: Rule repealed and a new Rule of the same title adopted. Filed June 10, 1980; effective June 30, 1980.

Rule 560-12-1-.20. Leased Departments.

- (1) When a dealer leases certain of its departments to other persons selling tangible personal property to consumers, each such lessee shall make separate monthly returns and remittances if the lessee keeps his own records and makes his own collections on retail sales from such leased department.
- (2) If the lessor of such department keeps the records for the leased departments and makes collections of their accounts, the lessor may make request in writing to the Commissioner that he be permitted to act as agent for the lessees, make returns which shall include the retail sales and taxable purchases for such departments and pay the taxes due.
- (3) A lessee shall not be relieved of his liability under the Act in case the lessor fails to make the proper returns or fails to pay the taxes due, regardless of whether the lessor's agency relationship to the lessee was approved as provided in subsection (2) hereof.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.20

Authority: Ga. L. 1937-38. Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Leased Departments" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 26, 1974; effective September 15, 1974.

Rule 560-12-1-.21. Leases or Rentals.

- (1) Any person engaged in the business of leasing or renting tangible personal property is required to register as a dealer and is required to collect and remit the tax on gross lease or rental charges. Tangible personal property purchased exclusively for lease or rental to others may be purchased tax exempt under Certificates of Exemption.
- (2)
 - (a) Where tangible personal property is delivered to a lessee in this State, the tax applies to the gross lease or rental charge for the term of the lease, irrespective of the fact that the tangible personal property may be later removed from this State.
 - (b) Any renewal of a lease of such property in this State is subject to the tax in the same manner as the original lease.
 - (c) Where the right to purchase leased property is included in a lease agreement, the dealer is liable for the tax on the gross lease or rental charges during the term of the lease and on the sale price of the property at the time of sale.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.21

Authority: Ga. L. 1937-38. Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Leases or Rentals" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 26, 1974; effective September 15,

Rule 560-12-1-.22. Filing and Remittance Requirements.

- (1) **Initial Filing.** Sales and use tax returns shall be filed on a calendar month basis during the first six (6) months from the date of registration. The initial return shall cover the month indicated on the registration application or the first month of the first transaction, whichever occurs earlier.
- (2) **Filing Status Changes.** Following the first six (6) months from the registration date, or any date thereafter, dealers may be permitted to file sales and use tax returns on a quarterly, annual or special period basis as specified below. The dealer must request permission in writing and receive written approval by the Commissioner or his designee. A change in filing basis will become effective with the first month, calendar quarter or year, as applicable, following the date of the Commissioner's approval.
 - (a) **Quarterly Filing.** Dealers whose sales and use tax liability for a consecutive six (6) month period has averaged less than \$200.00 per month may be permitted to file returns and make remittance therewith on a quarterly basis. Such returns shall cover three (3) calendar months ending on the last day of March, June, September, and December.
 - (b) **Annual Filing.** Dealers whose sales and use tax liability for a consecutive six (6) month period has averaged less than \$50.00 per month may be permitted to file returns and make remittance therewith on an annual basis. Such return shall cover the preceding twelve (12) months ending on the last day of the calendar year.
 - (c) **Special Period Filing.** Dealers may be permitted to file the sales and use tax returns on a special period other than monthly after submitting a written request establishing reasonable grounds and having received written permission from the Commissioner or his designee. Dealers permitted to file on a special period basis must submit annually by November 1 to the Department the specific reporting periods for the next calendar year. Failure to submit the annual reporting periods to the Department timely may result in the loss of this privilege.
- (3) **Commissioner Ordered Filing Status Changes.** If a dealer's tax liability exceeds the limitations established for quarterly or annual filing, or if the Commissioner should determine that a loss of revenue might result from permitting such dealer to file on a quarterly or annual basis, the Commissioner may require such dealer to return to a monthly or quarterly filing basis. Failure to file a quarterly, annual or special period report on time or to remit the taxes due therewith shall be grounds for returning the dealer to a monthly or quarterly filing basis.
- (4) **Amount of Remittance.** The amount remitted shall be the total amount of the tax which should have been collected or which has accrued in accordance with the provisions of the

Act or Regulations, less any amount due the vendor as vendor's compensation as authorized by O.C.G.A. § [48-8-50](#).

- (5) **Vendor's Compensation.** Dealers filing returns in accordance with O.C.G.A. §§ [48-8-49](#) and [48-8-50](#) and all other provisions of the Act and in a timely manner in accordance with Paragraph (6) below will be entitled to retain a percentage of the tax as vendor's compensation as specified by O.C.G.A. § [48-8-50](#). Dealers granted the right to file on a special period, quarterly or annual basis shall be allowed vendor's compensation on the same basis as monthly filers.
- (6) **Timely Returns and Remittances.**
- (a) Except as provided for in Paragraph (6)(d) of this regulation, monthly, quarterly, annual or special period returns and remittances shall be considered timely when filed on or before 20 days following the last day of the reporting period.
 - (b) When a return and remittance are forwarded by United States mail, the post office cancellation date on the envelope shall be considered the date the return was filed.
 - (c) When the last day for timely filing a report falls on Saturday or Sunday, or State holiday in Georgia, the dealer shall have through the next business day to timely file and make remittance.
 - (d) Remittances made under electronic funds transfer shall be considered timely when made in accordance with Revenue Rule [560-3-2-.26](#) entitled Electronic Funds Transfer Payments; Procedures. Remittances shall be delinquent if made after such time.
- (7) **Delinquent Returns, Penalties and Interest.** Any return or remittance that is deemed delinquent shall result in the loss of vendor's compensation and shall accrue penalty and interest in accordance with O.C.G.A. §§ [48-2-40](#) and [48-8-66](#). Dealers granted the right to file on a quarterly, annual or special period basis shall be subject to penalty and interest on the same basis as monthly filers.
- (8) **Final Returns.** If a dealer discontinues business or disposes of the entire stock of goods, the final return and remittance shall be due within fifteen (15) days of such discontinuation or disposal.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.22

Authority: Ga. L. 1937-38. Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a). O.C.G.A. Secs. [48-2-12](#), [48-2-32](#), [48-2-39](#), [48-2-40](#), [48-8-46](#), [48-8-49](#), [48-8-50](#) and [48-8-66](#).

History. Original Rule entitled "Monthly Returns" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 26, 1974; effective September 15, 1974.

Repealed: New Rule entitled "Filing and Remittance Requirements" adopted. F. Jul. 15, 1999; eff. Aug. 4, 1999.

Rule 560-12-1-.23. Preservation of Records.

- (1) Every dealer is required to keep and preserve for a period of three (3) years following each taxable transaction such adequate and complete records as are necessary to determine the amount of tax for which he is liable. Such records shall include:
 - (a) A daily record of all cash and credit sales, including any type of financing or installment plan in use, and amounts of taxes collected;
 - (b) A record of the amount of all merchandise purchased, including all bills of lading, invoices, and copies of purchase orders;
 - (c) A record of all deductions and exemptions claimed in filing sales or use tax returns; including exemption and resale certificates;
 - (d) A record of all tangible personal property used or consumed in the conduct of the business;
 - (e) A true and complete inventory of the stock on hand and its value, taken at least once yearly.
- (2) Such records shall be open for inspection and examination at all reasonable hours of the business day by the Commissioner or his duly authorized agents.
- (3) If an assessment has been made and an appeal to the Commissioner or to a Court is pending, books and records, as above specified, relating to the period covered by such assessment, must be preserved until the final disposition of the appeal.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.23

Authority: Ga. L. 1937-38. Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Preservation of Records of Dealers" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Preservation of Records" adopted. Filed August 26, 1974; effective September 15, 1974.

Rule 560-12-1-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.24

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-49](#).

History. Original Rule entitled "Quarterly Reporting" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Quarterly and Infrequent Returns" adopted. Filed March 22, 1971; effective April 11, 1971.

Amended: Rule repealed and a new Rule entitled "Quarterly Returns" adopted. Filed August 26, 1974; effective September 15, 1974.

Amended: Rule repealed and a new Rule of the same title adopted. Filed October 31, 1978; effective November 20, 1978.

Amended: Filed March 25, 1987; effective April 14, 1987.

Amended: F. Nov. 27, 1989; eff. Dec. 17, 1989.

Amended: F. Jun. 17, 1994; eff. July 7, 1994.

Repealed: F. Jul. 15, 1999; eff. Aug. 4, 1999.

Rule 560-12-1-.25. Refunds.

- (1) An overpayment of sales tax paid to the State as a result of tangible personal property returned by the purchaser may be refunded to the dealer in one of two ways.
 - (a) In cases where the property has been returned to the dealer within ninety (90) days of the original sale, the dealer may deduct the amount of such sale or sales on the appropriate line of Schedule of Exempt Sales in submitting the Sales and Use Tax Report for the period in which the purchaser was given credit for the original purchase price.
 - (b) Where the property has been returned to the dealer after ninety (90) days following the original sale, the dealer may request a credit memorandum for use against subsequent taxes. Upon approval of such request, the dealer will be furnished with a credit memorandum authorizing a deduction on the appropriate line of the Sales and Use Tax Report.
 - (c) Where a dealer gives credit for returned tangible personal property, such dealer shall maintain for a period of three years adequate records showing the date of the original sale, description of the tangible personal property, the sales price, amount of sales tax collected, date the tangible personal property was returned, and a receipt from the purchaser showing the amounts refunded by the dealer.
 - (d) Where the dealer has discontinued business or it is impracticable to take credit against subsequent taxes due within a reasonable time, such dealer may request a check in lieu of a credit memorandum.
- (2) In the case of taxes illegally or erroneously collected, the dealer may secure a refund as provided in O.C.G.A. Section [48-2-35](#), provided, however, the dealer must affirmatively show that the tax so illegally or erroneously collected was paid by him and not paid by the consumer, or that such tax was collected from the consumer as tax and has since been refunded to the consumer.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.25

Authority: O.C.G.A. Secs. [48-2-12](#), [48-2-35](#), [48-8-58](#).

History. Original Rule entitled "Refunds" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 26, 1974; effective September 15, 1974.

Amended: Filed March 25, 1987; effective April 14, 1987.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Amended: F. Jun. 17, 1994; eff. July 7, 1994.

Rule 560-12-1-.26. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.26

Authority: Ga. L. 1937-38. Extra Secs., pp. 77, *et seq.*, as amended (Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385; (Ga. Code Ann. Sec. 92-3438a); Ga. L. 1978, pp. 323, 324; Chapter 91A-215 of the Georgia Public Revenue Code (Ga. L. 1978, pp. 605, 639) Chapter 91A-45 of the Georgia Public Revenue Code (House Bill No. 1312 of the 1980 General Assembly) and Chapter 91A-239 of the Georgia Public Revenue Code, as amended; O.C.G.A. Secs. [48-2-12](#), [48-8-30](#).

History. Original Rule entitled "Remittance of Tax" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed January 22, 1975; effective April 1, 1975, as specified by the Agency.

Amended: Rule repealed and a new Rule of the same title adopted. Filed July 2, 1975; effective July 22, 1975.

Amended: Filed June 10, 1980; effective June 30, 1980.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Amended: F. Jun. 17, 1994; eff. July 7, 1994.

Repealed: F. Jul. 15, 1999; eff. Aug. 4, 1999.

Rule 560-12-1-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.27

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Repossessions" was filed and effective on June 30, 1965.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-12-1-.28. Repealed.

- (1) The Commissioner, upon receipt of a proper application, may approve a representative conversion factor developed by a retail dealer to produce insofar as practicable the equivalent tax required to be remitted by him to the State Revenue Commissioner under the Act and the bracket system instituted thereunder, provided that no such conversion factor will be approved which when applied to gross taxable sales will produce less than 4% of the gross taxable sales of such retail dealer.
- (2) This regulation does not prevent any retail dealer, subject to the Act, as amended, from collecting and remitting the tax required by the Act and the bracket system instituted thereunder in strict compliance with the Act and said bracket system so long as such retail dealer also complies strictly with the Act and the rules and regulations promulgated thereunder with respect to the keeping of records of each retail transaction and the tax collected thereon.
- (3) Application for the use of a special representative conversion factor under Paragraph (1) hereof shall be on a form provided by the Commissioner for that purpose. If the application is approved, the retail dealer will be assigned a representative conversion factor permit number (RCF No.____), and this permit number shall appear on each return filed thereafter by him and shall constitute an election to take advantage of the relief provided in Paragraph (1) hereof on all such returns by such retail dealer unless such

retail dealer shall in writing request a cancellation of his permit number. Where no permit number is in effect with respect to a retail dealer, a factor or method of reporting is not authorized and returns shall be filed as otherwise provided by the Act and Regulations.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.28

Authority: Ga. L. 1937-38, Extra Sess., pp. 77. *et seq.*, as amended. Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a; O.C.G.A. Secs. [4-8-31](#), [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-1-.29. Sale Exclusively for 10[CENT] or Less. Invalid.

Declared invalid by the Attorney General of the State of Georgia by an opinion dated December 1, 1966.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.29

History. Original Rule was filed on June 30, 1965. Certificate as to the opinion of the Attorney General filed on December 27, 1996.

Rule 560-12-1-.30. Stolen Tax Funds.

A dealer is liable for taxes collected from purchasers and lost, stolen, or misplaced without his fault before being turned over to the State, notwithstanding the fact that the tax collections may have been segregated from the dealer's other funds and notwithstanding the fact that the dealer may have exercised due diligence and care in safeguarding such lost, stolen, or misplaced funds.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.30

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-30](#), [48-8-32](#), [48-8-35](#).

History. Original Rule was file on June 30, 1965.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Adopted: New Rule entitled "Stolen Tax Funds." F. June 28, 2017; eff. July 18, 2017.

Rule 560-12-1-.31. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.31

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Amended: Filed August 26, 1974; effective September 15, 1974.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-12-1-.32. Taxes Paid to Other States.

- (1) Credit shall be granted for state sales or use tax legally imposed and previously paid in any state which grants credit for a like tax paid in Georgia.
- (2) If a like state tax equal to or greater than the tax imposed by the Act has been paid in a reciprocating state, no additional tax shall be due this State with respect to the use, consumption, distribution or storage of tangible personal property in this State.
- (3) If the amount of state tax paid to a reciprocating state is not equal to or greater than the amount of tax imposed by the Act, the dealer shall report and remit to the Commissioner an amount which when added to the state tax paid in the reciprocating state will equal the tax imposed by the Act.
- (4) In order to obtain credit in this State for any tax paid to a reciprocating state, application may be made to the Commissioner by letter requesting such credit, furnishing a copy of the invoice covering such tangible personal property, and showing the tax billed and the state to which paid. If required by the Commissioner, an affidavit shall be furnished stating that such tax was paid and has not been refunded.
- (5) No credit shall be granted for sales or use tax levied by any political subdivision of a state, even though the local tax may be collected by the state.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.32

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385; (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Taxes Paid to Other States" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of the same title adopted. Filed August 26, 1974; effective September 15, 1974.

Rule 560-12-1-.33. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.33

Authority: O.C.G.A. § [48-2-12](#).

History. Original Rule entitled "Termination of Business" was filed and effective on June 30, 1965.

Repealed: F. Jan. 7, 2016; eff. Jan. 27, 2016.

Rule 560-12-1-.34. Trade-Ins.

Where articles of tangible personal property are taken in trade, or a series of trades, as a credit or part payment for similar new or used articles, the tax shall be paid on the sale price of the new or used article, less the credit allowed for the trade-in.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.34

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385; (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Trade-Ins" was filed on August 26, 1974; effective September 15, 1974.

Rule 560-12-1-.35. State and Federal Excise Tax.

- (1) The State Motor Fuel Excise Tax on gasoline and other Motor Fuel is excluded from the sales or cost price in computing the 3% Second Motor Fuel Tax or 4% State Sales and Use Tax. (See Regulation [560-12-2-.71](#) as amended.)
- (2) The Federal Excise Tax on gasoline and diesel fuel is not a Federal Retailers' Excise Tax and must be included in the sales or cost price for computing the tax. (See Regulation [560-12-2-.71](#) as amended.)
- (3) The Federal Excise Tax on tires, tubes and accessories is not a Federal Retailers' Excise Tax and must be included in the sales or cost price for computing the tax.
- (4) The State Excise Tax on cigarettes is a tax on the consumer and is excluded from the sales or cost price for computing the tax. The Federal Excise Tax on cigarettes is not a Federal Retailers' Excise Tax and must be included in the sales or cost price for computing the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.35

Authority: Ga. L. 1978, pp. 323, 324; Chapter 91A-215 of the Georgia Public Revenue Code (Ga. L. 1978, pp. 605, 639) Chapter 91A-45 of the Georgia Public Revenue Code (Ga. L. 1979, pp. 1276, 1277) and Chapter 91A-5015 of the Georgia Public Revenue Code; O.C.G.A. Secs. [48-2-12](#), [48-8-3\(3\)](#), [48-8-49](#).

History. Original Rule entitled "State and Federal Excise Tax" was filed on June 10, 1980; effective on June 30, 1980.

Amended: F. Jun. 22, 1989; eff. July 12, 1989.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-1-.36. Pro Rate Allocation of Unidentifiable Sales and Use Tax Proceeds.

- (1) The Commissioner shall make periodic allocations no less than twice per year, generally every six months, of unidentifiable proceeds from unprocessed sales and use tax returns pursuant to the provisions of O.C.G.A. § [48-8-67](#), beginning on or before July 1, 2001, and ceasing on or before December 31, 2007.
- (2) For the purposes of this Rule, unidentifiable proceeds shall mean sales or use tax payments associated with returns that cannot be processed due to the lack of sufficient information. A return or other document lacks sufficient information, and the sales or use tax proceeds associated with that return or other document are considered to be unidentifiable, when the Department has made reasonable efforts to process the return, document, or payment and is unable to do so within 90 days after its receipt by the Department. Reasonable efforts to process such a return, document, or payment shall include, but are not limited to, any of the following actions:

- (a) Attempting to contact a dealer one or more times to correct missing, incorrect, or inconsistent information that prevents a return or document from being processed or a payment from being distributed;
- (b) Attempting to reconcile a return, document, or payment with other previous or current returns, documents, or payments that supply or correct missing, erroneous, or inconsistent information;
- (c) Inquiry into or examination of public and Departmental records to supply or correct missing, erroneous, or inconsistent information;
- (d) Attempting to contact third persons to the extent permitted under Georgia's confidentiality laws to supply or correct missing, erroneous, or inconsistent information;
- (e) Review by tax examiners or field agents to determine if other methods exist to correct or complete the return; and
- (f) Any other method or action that will enable the return or document to be processed or amount(s) paid to be distributed.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.36

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-67](#), [48-8-95](#), [48-8-109](#), [48-8-119](#), [48-8-141](#), [48-8-210](#).

History. Original Rule entitled "Pro Rata Allocation of Unidentifiable Sales and Use Tax Proceeds" was adopted as ER. 560-12-1-0.12-.36. F. and eff. May 20, 1998, the date of adoption, to be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Sept. 21, 1998; eff. Oct. 11, 1998.

Repealed: New Rule of same title adopted F. Aug. 6, 2001; eff. Aug. 26, 2001.

Amended: F. Dec. 16, 2005; eff. Jan. 5, 2006.

Rule 560-12-1-.37. Revocations of Certificates of Registration.

- (1) **Purpose.** Pursuant to O.C.G.A. § [48-8-62](#), the Department may revoke any one or more of the Certificates of Registration held by a Certificate Holder who fails to comply with any provision of sales and use tax law. This regulation governs the process for notice of proposed revocations, revocation hearings, revocations, and reinstatements.
- (2) **Definitions.**
 - (a) "Certificate of Registration" shall mean the certificate of registration which the Department issues after an application has been received and approved, pursuant to O.C.G.A. § [48-8-59](#).
 - (b) "Certificate Holder" shall mean the person named on the Certificate of Registration.

- (c) "Person" shall have the meaning set forth in O.C.G.A. § [48-1-2](#).
 - (d) "Sales and use tax law" shall mean Article 1 of Chapter 8 of Title 48 of the O.C.G.A. and any Department rule or regulation relating to this article.
- (3) **Scope.** Every person engaging in or conducting business as a seller or dealer in the state must apply to and receive from the Department a Certificate of Registration for each place of business in Georgia, pursuant to O.C.G.A. § [48-8-59](#). A Certificate of Registration is subject to revocation for failure to comply with sales and use tax law, at the Department's discretion.
- (4) **Grounds for Revocation.** The following is a non-exhaustive list of grounds for revocation:
- (a) Failure to file required returns;
 - (b) Filing false or fraudulent returns;
 - (c) Failure to collect or remit the required tax; and
 - (d) Providing materially false information in the application for a Certificate of Registration or failing to inform the Department of a material change to information provided in such application.
- (5) **Notice of Hearing.** If the Department determines that there are grounds for revocation, it will send a notice of a revocation hearing. This notice will be delivered in person to the Certificate Holder, or in the case of a business entity, an individual designated as a responsible party or otherwise designated to receive service on behalf of the business entity. If personal service is not possible, the notice will be sent via certified mail.
- (a) **Contents.** The notice will specify each grounds for revocation in detail.
 - (b) **Timing.** The notice will be delivered at least ten days prior to the scheduled revocation hearing.
 - (c) **Hearing Schedule.** The notice will contain a date, time, place for the hearing, and the name of the hearing officer. The notice will also specify what documents and information, if any, the Certificate Holder should bring to the hearing. If the scheduled hearing time is inconvenient, the notice will specify rescheduling options. However, a hearing may be forfeited if it cannot be rescheduled within 45 days of the notice, at which point the Department may proceed to revoke the Certificate of Registration.
- (6) **Hearing.** A revocation hearing is an informal conference. It is not a hearing as defined in the Georgia Administrative Procedure Act.

- (a) **Hearing Officer.** The revocation hearing will be conducted by a Department employee authorized by the Commissioner to conduct revocation hearings. Hearings will generally be held by a supervisor or manager over the agent handling the Certificate Holder's account. However, the Certificate Holder may request a different hearing officer if good cause is presented along with such request.
- (b) **Representation.** The Certificate Holder may be represented by an attorney, accountant, or other third party at the hearing, but the third party must submit a signed Power of Attorney to act on the taxpayer's behalf or receive information relating to the taxpayer without the taxpayer present.
- (c) **Burden of Proof.** It is the Certificate Holder's burden of proof to show cause as to why the Certificate of Registration should not be revoked.
 - 1. The Certificate Holder should present evidence to remedy or correct each of the grounds for revocation set forth in the revocation notice.
 - 2. The Certificate Holder is required to keep and preserve accurate records of sales, purchases, books of accounts, and other information as required by the Department, pursuant to O.C.G.A. § [48-8-52](#). Failure to maintain such records does not relieve the Certificate Holder of the burden of proof.
- (d) **Compliance Agreement.** The Certificate Holder may provide sufficient proof of compliance at the hearing to avoid the revocation. Such options may include furnishing all delinquent returns, paying past due taxes, making a down payment towards past due taxes, and/or enrolling in a payment plan for any past due taxes. The hearing officer must be satisfied that any consideration tendered at the hearing is sufficient to ensure future compliance.
- (e) **Chronically Delinquent Dealer Bond.** The hearing officer may require that a chronically delinquent taxpayer must post a bond with the Department in an amount of not less than \$1,000.00 nor more than \$10,000.00, pursuant to O.C.G.A. § [48-8-57](#).
- (f) **Default.** If the Certificate Holder does not attend the Revocation Hearing, the Department will revoke the Certificate of Registration. Notice of the revocation will be sent to the Certificate Holder in accordance with paragraph (8).
- (7) **Hearing Determination.** The Department may make an oral determination at the hearing, but will also issue a written ruling of the hearing determination by the next business day following the hearing. The order on the revocation is a final ruling of the Commissioner, and a declaratory ruling subject to appeal pursuant to O.C.G.A. § [48-2-59](#).
 - (a) **Compliance Agreement.** If the Certificate Holder provides sufficient security and guarantee of future compliance, the hearing officer may order no action as to the

proposed revocation. The Department reserves the right to conduct another hearing in the event of default on any of the terms of compliance. Such hearing will follow the same procedures as the initial hearing.

- (b) **Conditional Revocation.** If the taxpayer provides some security and guarantee of future compliance, the hearing officer may determine a short time period is reasonable for the Certificate Holder to produce necessary returns, funds, or other documents to avoid revocation. This time period is a provisional certificate period, which allows the Certificate Holder to retain its Certificate of Registration until a specified date by which the Certificate Holder must meet the conditions specified. If the Certificate Holder fails to comply with the conditions by the date specified, the Certificate of Registration will be revoked effective the end of the provisional certificate period. A provisional certificate period does not preclude the Department from taking any enforcement actions to collect unpaid tax liability during the conditional revocation period.
 - 1. Any reasonable modification or further extension may be granted at the discretion of the hearing officer, but such modifications will be memorialized in a modified order.
 - (c) **Revocation.** If the Certificate Holder does not show sufficient cause to avoid revocation, the hearing officer will issue an order revoking the Certificate of Registration, effective immediately.
- (8) **Notice of Revocation.** If the revocation hearing determination is to revoke a Certificate of Registration, the Department will issue a notice of revocation stating the name of the Certificate Holder, the sales tax account number, the Certificate holder's place of business address, and the effective date of the revocation.
- (a) **Notice.** This notice will be delivered in person to the Certificate of Registration holder, or in the case of a business entity, an individual designated as a responsible party or otherwise designated to receive service on behalf of the entity. If personal service is not possible, the notice will be sent via certified mail.
 - (b) **Effect.** Once a Certificate of Registration has been revoked, the Certificate Holder is no longer authorized to collect or remit sales and use tax on behalf of the state. The Department will close the sales tax account number.
 - (c) **Surrender of Certificate.** Upon receipt of the notice of revocation, the Certificate Holder must return the Certificate of Registration to the Department.
 - (d) **Operating without a Certificate.** It is unlawful for a person or entity to operate with a revoked sales tax certificate. Each officer of a corporation who engages in business with a revoked sales tax certificate shall be guilty of a misdemeanor, pursuant to O.C.G.A. § [48-8-60](#).

- (e) **Public Notice of Revocation.** The Department may post notice of the revoked Certificate of Registration at the Certificate Holder's place of business, in a conspicuous place. The Department may also maintain and post on its website a list of revoked Certificates of Registration.
 - (f) **Re-application.** If the Certificate Holder of a revoked Certificate of Registration attempts to apply for a new Certificate of Registration by using a different name or officer to operate the same business, this constitutes bad faith and may be fraud, pursuant to O.C.G.A. § [48-1-6](#). Circumvention of a previous determination of revocation is grounds for revocation of the Certificate of Registration.
- (9) **Reinstatement of a Revoked Certificate of Registration.** A revoked certificate may be subject to reinstatement if the Department is satisfied that the grounds for revocation have been sufficiently addressed and the Department has assurances of the Certificate Holder's future compliance.
- (a) **Application.** The Certificate Holder must submit an application for reinstatement, along with the reinstatement fee.
 - (b) **Reinstatement Fee.** There is a \$1 fee to reinstate a revoked certificate.

Cite as Ga. Comp. R. & Regs. R. 560-12-1-.37

Authority: O.C.G.A. §§ [48-1-6](#), [48-2-12](#), 48-2-5948-8-52, [48-8-57](#), [48-8-59](#), [48-8-60](#), [48-8-62](#).

History. Original Rule entitled "Revocations of Certificates of Registration" adopted. F. July 26, 2016; eff. August 15, 2016.

Subject 560-12-2. SUBSTANTIVE RULES AND REGULATIONS.

Rule 560-12-2-.01. Admission Charges.

- (1) The tax applies to sales of tickets, fees, or charges, and voluntary contributions for admissions to places of amusement, entertainment, exhibition, display and athletic contests, and to charges made for participation in games and amusement activities.
- (2) Admissions by free pass, which are not subject to the Federal Admission Tax, are exempt from the sales tax. If a service charge, donation, gratuity or any other charge is required or normally expected for the issuance of the free admission pass, such charge, donation or gratuity is subject to the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.01

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Admissions Charges" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.02. Advertising.

- (1) Advertising Agencies. The tax does not apply to charges for professional services made by an advertising agency for preparing and placing advertising in media such as newspapers, magazines, radio, television, billboards, etc.
- (2) The tax applies to purchases by an advertising agency of tangible personal property to be used or consumed in preparing and placing advertising in such media. For example, the tax applies to ink, paper, paint, office supplies, art work purchased from independent artists, engraver's charges for metal plates, electrotyper's charges for electrotypes or matrices, tape recordings, television films and recordings, billboard posters, etc.
- (3) When an agency goes beyond the rendition of professional services and sells tangible personal property, it must register as a dealer in order to collect and remit the tax on the sale of such property. Registered dealers may purchase tangible personal property for resale by furnishing the seller with a Certificate of Exemption.
- (4) Property purchased for resale must be billed to the person having the right of possession of such property, the tax collected thereon and remitted to the State Revenue Commissioner.
- (5) Charges for Advertising. The tax does not apply to charges for advertising in media such as newspapers, magazines, radio, television and billboards. The tax applies to purchases of tangible personal property for use or consumption in preparing, publishing, broadcasting or displaying advertising matter, unless resold and the sales tax thereon remitted to the State Revenue Commissioner.
- (6) Persons engaged in the business of painting signs or applying posters on a building, store front or other real property shall pay the tax on all tangible personal property purchased for use and consumption in preparing, maintaining, displaying and servicing such signs.
- (7) Commercial Advertising. The tax applies to all sales at retail of tangible personal property commonly known as commercial advertising, including but not limited to catalogs, calendars, handbills, novelties, etc.
- (8) Premiums and Gifts. The tax applies to purchases of tangible personal property to be given away by persons in advertising -their business or products, or given away as premiums, door prizes, or for any other reasons.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.02

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.03. Agriculture Exemptions.

(1) **Purpose.** This Rule addresses the sales and use tax exemptions in O.C.G.A. § [48-8-3.3](#) for Agricultural Production Inputs, Agricultural Machinery and Equipment, and Energy Used in Agriculture.

(2) **Definitions.** For purposes of this Rule only:

(a) "Agricultural Machinery and Equipment" means:

1. Machinery and Equipment used in Agricultural Operations, examples of which are provided in paragraph (5); or
2. Machinery or Equipment expressly included in O.C.G.A. § [48-8-3.3\(a\)\(1\)\(B\)](#):
 - (i) Farm tractors and attachments to the tractors used in Agricultural Operations;
 - (ii) Any off-road vehicle used in Agricultural Operations;
 - (iii) Self-propelled fertilizer or chemical application Equipment sold to persons engaged primarily in producing Agricultural Products for sale and that are used exclusively in tilling, planting, cultivating, and harvesting Agricultural Products;
 - (iv) Devices and containers used in the transport and shipment of Agricultural Products;
 - (v) Aircraft exclusively used for spraying agricultural crops;
 - (vi) Pecan sprayers, pecan shakers, and other Equipment used in harvesting pecans sold to persons engaged in the growing, harvesting, and production of pecans;
 - (vii) Off-road Equipment and related attachments that are sold to or used by persons engaged primarily in the growing or harvesting of timber and that are used exclusively in site preparation, planting, cultivating, or harvesting timber;
 - (viii) Grain bins and attachments to grain bins that are used in Agricultural Operations regardless of whether such grain bins or attachments become incorporated into Real Property;
 - (ix) Trailers used to transport Agricultural Products;
 - (x) All-terrain vehicles and multi-passenger rough-terrain vehicles that are used in Agricultural Operations; and

(xi) Any Repair, Replacement, or Component Parts installed on Agricultural Machinery and Equipment.

(b) "Agricultural Operations" is used synonymously with the term "Agricultural Purposes."

1. Except as otherwise provided in this Rule, "Agricultural Operations" means the following activities:

- (i) Raising, growing, harvesting, or storing of crops, including but not limited to soil preparation and crop production services, such as plowing, fertilizing, seed bed preparation, planting, cultivating, and crop protecting services;
- (ii) Feeding, breeding, or managing Livestock, equine, or poultry;
- (iii) Producing or storing feed for use in the production of Livestock, including but not limited to cattle, calves, swine, hogs, goats, sheep, equine, and rabbits, or for use in the production of poultry, including but not limited to chickens, hens, ratites, and turkeys;
- (iv) Producing plants, trees, fowl, equine, or other Animals;
- (v) Producing aquacultural, horticultural, viticultural, silvicultural, grass sod, dairy, Livestock, poultry, egg, and apiarian products;
- (vi) Processing poultry;
- (vii) Post-harvest services on crops with the intent of preparing them for market or further processing, including but not limited to crop cleaning, drying, shelling, fumigating, curing, sorting, grading, packing, ginning, canning, pickling and cooling.
- (viii) Slaughtering poultry and other Animals; and
- (ix) Manufacturing dairy products.

2. "Agricultural Operations" excludes constructing, installing, altering, repairing, dismantling, or demolishing Real Property structures or Fixtures, including but not limited to grain bins, irrigation equipment, and fencing.

(c) "Agricultural Production Inputs" means the following when used for Agricultural Purposes:

1. Seed;

2. Seedlings;
3. Plants grown from seed, cuttings, or liners;
4. Fertilizers;
5. Insecticides;
6. Livestock and poultry feeds, drugs, and instruments used for the administration of such drugs;
7. Fencing products and materials regardless of whether the fencing products or materials become incorporated into Real Property;
8. Fungicides;
9. Rodenticides;
10. Herbicides;
11. Defoliants;
12. Soil fumigants;
13. Plant growth regulating chemicals;
14. Desiccants, including but not limited to shavings and sawdust from wood, peanut hulls, fuller's earth, straw, and hay;
15. Feed for Animals, including but not limited to Livestock, fish, equine, hogs, or poultry;
16. Sugar used as food for honeybees kept for the commercial production of honey, beeswax, and honeybees;
17. Cattle, hogs, sheep, equine, poultry, or bees when sold for breeding purposes;
18. Ice or other refrigerants, including but not limited to nitrogen, carbon dioxide, ammonia, and propylene glycol used in the processing for market or the chilling of Agricultural Products in storage facilities, rooms, compartments, or delivery trucks;
19. Materials, containers, crates, boxes, labels, sacks, bags, or bottles used for packaging Agricultural Products when the product is either sold in the

containers, sacks, bags, or bottles directly to the consumer or when such use is incidental to the sale of the product for resale; and

20. Containers, plastic, canvas, and other fabrics used in the care and raising of Agricultural Products or canvas used in covering feed bins, silos, greenhouses, and other similar storage structures.

- (d) "Agricultural Products" means items produced by Agricultural Operations.
- (e) "Animals" is synonymous with "Livestock" and means living organisms that are commonly regarded as farm animals, organisms that produce tangible personal property for sale, or organisms that are processed, manufactured, or converted into articles of tangible personal property for sale. The term does not include living organisms that are commonly regarded as domestic pets or companion animals.
- (f) "Aquaculture" means an operation or integrated series of operations in the growing of marine or freshwater organisms for sale. Aquaculture involves the cultivating of aquatic populations under controlled conditions, as contrasted with commercial fishing, where the conditions are not controlled.
- (g) "Consumable Supplies" means tangible personal property, other than Machinery, Equipment, Agricultural Production Inputs, and energy, that is readily disposable, or is immediately consumed or expended.
- (h) "Energy Used in Agriculture" means fuels used for Agricultural Purposes, other than fuels subject to prepaid tax as defined in O.C.G.A. § [48-8-2](#).
- (i) "Farm" means a parcel or tract of land or contiguous tracts or parcels of land, or, for Aquaculture, an area of lake, river or sea, devoted primarily to growing or raising, and actively maintaining, plants and Animals for Agricultural Purposes.
- (j) "Fixtures" means tangible personal property that has been installed or attached to land or to any building thereon and that is intended to remain permanently in its place. A consideration for whether property is a Fixture is whether its removal would cause significant damage to such property or to the Real Property to which it is attached. Fixtures are classified as Real Property. Examples of Fixtures include but are not limited to plumbing, lighting fixtures, slabs, and foundations.
- (k) "Local Sales and Use Tax" means any sales or use tax that is levied and imposed in an area consisting of less than the entire state, however authorized.
- (l) "Machinery" is used synonymously with "Equipment" and means any device or apparatus other than Real Property, Agricultural Production Inputs, energy, and Consumable Supplies. The terms "Machinery" and "Equipment" include Repair, Replacement, or Component Parts.

- (m) "Motor Vehicle" means any self-propelled vehicle designed for operation or required to be licensed for operation upon the public highways.
 - (n) "Qualified Agricultural Producer" means a person defined as such by the Georgia Department of Agriculture.
 - (o) "Real Property" means land, buildings, or Fixtures attached to land or buildings.
 - (p) "Repair Part," "Replacement Part," or "Component Part" means a part for Agricultural Machinery and Equipment. Repair, Replacement, or Component Parts must be used to maintain, repair, restore, install, or upgrade such Agricultural Machinery and Equipment. Examples of Repair, Replacement, or Component Parts may include but are not limited to oils, greases, hydraulic fluids, coolants, lubricants, and other interchangeable tooling.
- (3) **Scope of Exemptions: Activities that are not Agricultural Operations.** Except as otherwise provided in this Rule, inputs, machinery, equipment, and energy used in the following activities do not qualify for exemption:
- (a) Activities occurring after a finished product has been loaded in or on a truck or other vehicle for transport for sale;
 - (b) Research and development activities;
 - (c) Landscaping activities for recreation or beautification, such as the maintenance of lawns or golf courses;
 - (d) The operation of a sales facility;
 - (e) Subsistence farming, hobby farming, and activities that will generate less than \$5,000.00 in sales annually; and
 - (f) Administrative activities, including but not limited to sales promotion, general office work, credit and collection, purchasing, and clerical work.
- (4) **Exemption for Agricultural Production Inputs.** Sales of Agricultural Production Inputs, as defined in this Rule, to Qualified Agricultural Producers holding a Georgia Agriculture Tax Exemption (GATE) Certificate issued by the Georgia Department of Agriculture are exempt from state sales and use tax and all Local Sales and Use Tax.
- (5) **Exemption for Agricultural Machinery and Equipment.** Sales (including leases) of Agricultural Machinery and Equipment, as defined in this Rule, to Qualified Agricultural Producers holding a GATE Certificate are exempt from state sales and use tax and all Local Sales and Use Tax. The exemption includes Machinery and Equipment expressly listed in O.C.G.A. § [48-8-3.3\(a\)\(1\)\(B\)](#) and Machinery and Equipment used in Agricultural Operations.

- (a) **Machinery and Equipment used in Agricultural Operations.** Agricultural Operations can differ significantly from one to another. Thus, when determining whether Machinery or Equipment is used in Agricultural Operations, the Department of Revenue may evaluate the facts and circumstances of each case.

1. Examples of Machinery or Equipment that are not used in Agricultural Operations at any time generally include but are not limited to:
 - (i) Motor Vehicles;
 - (ii) Power lines or transformers that provide electricity to an agricultural operation;
 - (iii) Real Property, other than grain bins, fencing, and irrigation equipment used in an Agricultural Operation, including but not limited to concrete slabs and foundations, and structures or Fixtures used for ventilation, heating, cooling, illumination, communications, plumbing, or the personal comfort and convenience of employees;
 - (iv) Administrative Machinery or Equipment, including computers, related computer peripherals, servers, copiers, telephones, facsimile machines, office furniture, office furnishings, office supplies such as paper and pencils, and educational materials used for non-agricultural functions, including but not limited to sales, marketing, research and development, accounting and payroll, and purchasing;
 - (v) Machinery or Equipment that is not operated under the control of the Qualified Agricultural Producer's employees or other persons under the Qualified Agricultural Producer's direction and control; and
 - (vi) Living organisms of any kind, including but not limited to people, Animals, and bacteria utilized in irrigation.
2. Except as otherwise provided in this Rule, Machinery and Equipment used in Agricultural Operations generally include but are not limited to Machinery and Equipment used:
 - (i) In the production of poultry and eggs for sale, including but not limited to brooder bulbs and Machinery and Equipment used in the cleaning or maintenance of poultry houses;
 - (ii) In the hatching and breeding of poultry and the breeding of Livestock and equine;
 - (iii) In the production, processing, and storage of fluid milk for sale;

- (iv) In the drying, ripening, cooking, further processing, or storage of Agricultural Products;
- (v) In the production of poultry, eggs, fluid milk, equine, or Livestock for sale;
- (vi) For the purpose of harvesting Agricultural Products to be used on the Farm by that producer as feed for poultry, equine, or Livestock;
- (vii) In tilling the soil or in Animal husbandry;
- (viii) Exclusively for irrigation of Agricultural Products, including but not limited to fruit, vegetable, and nut crops regardless of whether the irrigation Machinery or Equipment becomes incorporated into Real Property;
- (ix) To cool Agricultural Products in storage facilities;
- (x) To produce Aquacultural products;
- (xi) To maintain, clean, repair, restore, install, or upgrade Agricultural Machinery and Equipment;
- (xii) To provide worker safety or to protect the quality of the Agricultural Product, including but not limited to safety Machinery and Equipment required by federal or state law, gloves, ear plugs, face masks, protective eyewear, hard hats or helmets, and breathing apparatuses, regardless of whether the items would otherwise be considered Consumable Supplies; and
- (xiii) In harvesting timber, including all off-road Equipment and related attachments used in every forestry procedure starting with the severing of a tree from the ground until and including the point at which the tree or its parts in any form has been loaded in the field in or on a truck or other vehicle for transport to the place of use. Such off-road Equipment includes but is not limited to skidders, feller bunchers, debarkers, delimbers, chip harvesters, tub-grinders, woods cutters, chippers of all types, loaders of all types, dozers, mid-motor graders, and the related attachments.

3. **Primary purpose.** Except as otherwise provided in this Rule, an item of Machinery or Equipment qualifies for exemption only if its primary purpose is for use in an Agricultural Operation. "Primary purpose" means the purpose for which an item of tangible personal property is used more than

one-half of the total amount of time that the item is in use. Alternatively, instead of time, the purpose may be measured in terms of other applicable criteria such as the number of items produced. The Department of Revenue may consider any reasonable methodology for measuring the primary purpose of Machinery or Equipment for which the primary purpose is not readily identifiable.

- (b) **Parts withdrawn from inventory.** Miscellaneous parts for which the ultimate use is unknown at the time of purchase are eligible for the exemption as Repair, Replacement, or Component Parts. However, use tax must be accrued and remitted if parts are withdrawn from the inventory of parts and used for any purpose other than to maintain, repair, restore, install, or upgrade Agricultural Machinery and Equipment.
- (6) **Exemption for Energy Used in Agriculture.** Sales of Energy Used in Agriculture, as defined in this Rule, to Qualified Agricultural Producers holding a GATE Certificate are exempt from state sales and use tax and all Local Sales and Use Tax.
- (a) **Metered energy.** In order to purchase metered Energy Used in Agriculture without the payment of tax, the energy must be metered separately from energy used for non-agricultural purposes. Qualified Agricultural Producers must present to their energy providers the GATE Certificate and the account numbers and service addresses of meters to which the exemption applies.
 - 1. **De minimis use exception.** If a single meter supplies energy for Agricultural Purposes and energy for de minimis non-agricultural purposes, a GATE Certificate holder is permitted to purchase all of the energy supplied from the meter without the payment of tax, so long as that meter does not supply energy for a personal residence. De minimis use means use that represents ten (10) percent or less of the total amount of energy supplied by a single meter.
 - (b) **Non-metered energy.** Qualified Agricultural Producers holding the GATE Certificate are permitted to purchase non-metered energy, such as propane and wood, tax exempt. Producers, however, must accrue and remit use tax on any portion of the energy that is not used for Agricultural Purposes.
 - (c) **Examples of Energy Used in Agriculture.** Energy Used in Agriculture includes but is not limited to:
 - 1. Off-road diesel, propane, butane, electricity, natural gas, wood, wood products, wood by-products and liquefied petroleum gas;
 - 2. Fuel used in structures in which broilers, pullets, or other poultry are raised, in which swine are raised, in which dairy Animals are raised or milked or

where dairy products are stored on a Farm, in which Agricultural Products are stored, and in which plants, seedlings, nursery stock, or floral products are raised primarily for the purpose of making sales of such plants, seedlings, nursery stock, or floral products for resale;

3. Fuel for the operation of an irrigation system which is used on a Farm exclusively for the irrigation of Agricultural Products; and
4. Fuel used in the drying, cooking, or further processing of raw Agricultural Products.

(d) **Examples of energy that is not exempt under O.C.G.A. § [48-8-3.3](#).**

1. Energy not used for Agricultural Purposes;
2. Gasoline, clear diesel, and aviation gasoline;
3. Liquefied petroleum gas and special fuel (including compressed natural gas) when used to propel a Motor Vehicle on the public highways;
4. Energy used for administrative activities; and
5. Energy used in a personal residence.

(7) **Certificates of Exemption.** Department of Revenue Agricultural Certificate of Exemption (Form ST-AI) is not valid for purchases occurring on or after January 1, 2013.

(a) **GATE Certificate.** Any person making a sale or lease of Agricultural Production Inputs, Agricultural Machinery and Equipment, or Energy Used in Agriculture must collect sales and use tax unless such person, in good faith, takes from the purchaser or lessee a GATE Certificate.

1. Qualified Agricultural Producers may obtain a GATE Certificate from the Georgia Department of Agriculture.
2. GATE Certificate holders must meet the requirements of this Rule to qualify for the exemptions in O.C.G.A. § [48-8-3.3](#).
3. Effective May 3, 2018, GATE card applicants are required by O.C.G.A. § [48-8-3.3\(d\)\(2\)](#) to provide to the Georgia Department of Agriculture a valid state taxpayer identification number. For out-of-state GATE applicants that are not required to file any Georgia tax returns, "a state taxpayer identification number" means, for purposes of this Rule only, a social security number or a federal employer identification number (FEIN or EIN). For all other applicants, "a state taxpayer identification number" means, for purposes of this Rule only, the applicant's Georgia sales and use tax account

number, Georgia individual income tax account number (social security number), or Georgia corporate income tax account number (federal employer identification number).

- (b) **Refunds.** When tax is remitted on the purchase or lease of exempt Agricultural Production Inputs, Machinery, Equipment, or Energy Used in Agriculture, Qualified Agricultural Producers holding a GATE Certificate may apply to the Department of Revenue for a refund pursuant to O.C.G.A. § [48-2-35](#). For purchases occurring on or after January 1, 2013, tax will not be refunded unless the purchaser held a GATE Certificate at the time of purchase.
- (8) **Non-transferability.** Exemptions under this Rule are non-transferable.
- (9) **Manufacturers.** Every person defined as a "dealer" in O.C.G.A. § [48-8-2](#) is required to file a sales and use tax registration for each place of business in this state. A dealer that qualifies for manufacturing exemptions under O.C.G.A. § [48-8-3.2](#) and agricultural exemptions under O.C.G.A. § [48-8-3.3](#) at a single place of business may avail itself of the exemptions under either O.C.G.A. § [48-8-3.2](#) or O.C.G.A. § [48-8-3.3](#), but not both, for that place of business in any one calendar year.
- (10) **Contractors.** Notwithstanding subsection (c) of O.C.G.A. § [48-8-63](#), contractors will not incur any use tax on:
- (a) Tangible personal property that a Qualified Agricultural Producer purchases tax-exempt under O.C.G.A. § [48-8-3.3](#) and furnishes to such contractor for use in the performance of an agricultural operation, so long as such property retains the character of tangible personal property and is returned to the Qualified Agricultural Producer upon the completion of the contract; or
 - (b) Grain bins, irrigation equipment, and fencing or the Repair, Replacement, or Component Parts to grain bins, irrigation equipment, or fencing that a Qualified Agricultural Producer purchases tax-exempt under O.C.G.A. § [48-8-3.3](#) for use in an agricultural operation and furnishes to such contractor for installation into Real Property.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.03

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-2](#), [48-8-3.3](#).

History: Original Rule was filed on June 30, 1965.

Amended: Filed January 13, 1975; effective February 2, 1975.

Amended: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Amended: F. May 29, 2015; eff. June 18, 2015.

Amended: F. July 1, 2016; eff. July 21, 2016.

Amended: F. Sep. 27, 2018; eff. Oct. 17, 2018.

Rule 560-12-2-.04. Aircraft Sales, Rentals and Service.

(1) Definitions.

- (a) Aircraft Sales and Service Dealers--An aircraft sales and service dealer is engaged in the business of purchasing aircraft and related property solely for resale or rental and not for use in providing any services such as crop dusting. Such dealers should purchase tax free such aircraft, accessories, tires, repair parts, fuels and lubricants for resale under certificates of exemption. Such certificates do not include property not purchased for resale, and such property is taxable at the time of purchase.
- (b) Aircraft Service Operations--A person engaged in an aircraft service operation is engaged in the business of using aircraft solely in providing services for their customers. For example, a person employing an aircraft in a crop-dusting service business is engaged in providing services. Similarly, a person purchasing aircraft to be used by him solely in providing transportation services for hire is engaged in an aircraft service operation. Purchases by persons engaged in aircraft service operations are taxable at the time of purchase unless otherwise exempt under the Sales and Use Tax Act.
- (c) Dual Operators--Dual operators are persons engaged both in sales or leases of aircraft and in aircraft service operation, and who cannot determine at the time of purchase whether the property is to be resold or is to be used by him in providing services. Such dual operators may, upon approval by the Commissioner, purchase such property tax free under certificates of exemption. At the time such property is allocated to full time personal use or to full time service operations, such as crop dusting or flight training, the dual operator must -remit the tax on the purchase or cost price, as provided in the Act.
- (d) The term "charter" is frequently used in the industry but is of little aid in determining the taxable nature of the "charter" operations. The term is used to cover both transactions involving a lease or rental of the entire aircraft and transactions involving the furnishing of transportation services. However, leases and service transactions are not identically treated under the Act. For purposes of ascertaining tax liability, a "charter" transaction where the aircraft operator is employed and paid directly by the aircraft owner will be presumed to be a transportation service transaction unless the terms of the agreement or the surrounding circumstances indicate a lease. A "charter" transaction where the aircraft operator is employed and paid by the customer of the aircraft owner will be considered a lease transaction, unless the terms of the agreement or the surrounding circumstances indicate a service transaction.

(2) Use by dealers or dual operators pending sales.

- (a) The Act provides that if a purchaser who purchases under a certificate of resale makes any use of the property other than retention, demonstration or display while holding it for resale in the regular course of business, the use is taxable. Liability

is computed by applying the tax rate to the cost of the property except where the dealer exercises the permitted options listed below under Section (3). Unless the dealer exercises the options permitted, the tax computed on cost price will accrue on the first use but not on any subsequent use. In addition, receipts from such uses and any subsequent retail sale of the aircraft may also be taxable. For example, if an aircraft dealer makes a personal or business use of the aircraft, the dealer becomes liable for the tax on the cost of the aircraft. If the aircraft cost the dealer \$10,000, the dealer's liability would be \$400. If there is a subsequent use, no liability would accrue on the second use. A subsequent retail sale of the aircraft, however, would be taxable.

- (b) A use of the aircraft in providing a service, such as transporting persons or property for hire or in flight instruction, is a use other than retention, demonstration and display.
 - (c) If a dealer in all cases makes a charge for the demonstration to the prospective customer of the aircraft in flight, such use will not be considered by reason of such charges a use other than demonstration. The charges, however, will be considered taxable to the extent that they represent a lease or transportation of persons for hire transaction, or otherwise represent the sale of tangible personal property.
- (3) Options where use is solely rental or transportation service.
- (a) If the sole use by a dealer of aircraft held for sale in the regular course of business is the lease or rental of such aircraft or the use of such aircraft in providing transportation of persons for hire, or both, then the following rules apply:
 - 1. Rental. If the use by a dealer of aircraft held for sale in the regular course of business is the lease or rental of the aircraft, then such use will result in the liability computed on the dealer's cost price, subject to the election described below under Section (3)(b) to compute liability on the lease charges.
 - 2. Transportation of persons for hire. If a dealer uses an aircraft in the transportation of persons for hire while holding the aircraft for sale in the regular course of business, then such use will result in liability computed on the dealer's cost price subject to the option under Section (3)(b) to compute liability on the service charge.
 - (b) A dealer whose sole use is such transportation services and rental may, after April 1, 1970, elect in computing liability for such use to include in his gross sales charges made for such transportation of persons for hire and such lease or rental and to pay tax thereon rather than on the cost of the aircraft. Under such election, the dealer for each use must include all lease receipts and all charges made for transportation whether or not the dealer must also collect a tax on such charges from his customer. The measure of the tax on the dealer's use is not related to the

taxability of the transaction itself. Such an election shall be made within three months after the effective date of this Regulation and shall govern all transactions after April 1, 1970. Such election shall be irrevocable except upon application approved by the Commissioner. The election is not available where the use is the transportation of property for hire.

1. The rules related to the dealer's option in computing liability for rental use apply only while the aircraft is held for sale in the regular course of business and there is no taxable use other than such rental or isolated transportation service. However, if a dealer withdraws an aircraft from sales inventory to use solely in rental operations, then no liability would be incurred subsequently if a taxable use is made of the aircraft while holding it for rental. Liability for use in transportation service while holding the property for rental is computed as set forth above.
2. The rules related to the dealer's liability for use in the transportation of persons for hire and the options in computing liability for such use apply only while the aircraft is held for sale in the regular course of business and there is no taxable use other than such service or rental of the aircraft. Use in providing transportation service must be isolated. If it is found that the dealer has committed an aircraft to use in providing transportation service in competition with persons regularly engaged in such business even though the dealer intends to sell at a future date, the dealer's liability will be computed using his cost price irrespective of a previous election. Commitment to service will be presumed where the dealer advertises to the public the availability of such aircraft for transportation service.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.04

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Aircraft Sales, Rentals, and Services" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Aircraft Sales, Rentals and Service" adopted. F. July 12, 1971; eff. August 1, 1971.

Amended: F. June 17, 1994; eff. July 7, 1994.

Rule 560-12-2-.05. American Red Cross.

The American Red Cross is an exempt instrumentality of the Federal Government and its purchases of tangible personal property are not subject to the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.05

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "American Red Cross" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.06. Amusement Devices and Vending Machines.

- (1) **Vending Machines in General.** When tangible personal property is sold by means of a vending machine, the person owning the property contained in the machine is the retail seller and is liable for the tax on the total gross receipts there from without any deduction for commissions paid to the person on whose premises the machine is located.
- (2) **Musical and Amusement Machines in General.** When charges are made for the operation of a coin-operated musical or other amusement machine such charges are taxable and the person furnishing and servicing the machine is liable for the tax on the total gross receipts therefrom without any deduction for commissions paid to the person on whose premises the machine is located.
- (3) **Rented Machines.** When a vending, musical or amusement machine is placed in an establishment and the person operating the establishment rents the machine and, in the case of a vending machine, owns the articles sold through it; the operator of the establishment is the retail dealer and is liable for the tax on the total gross receipts therefrom without any deduction for the cost of the articles sold, the rental of the machine, or for services performed by the renter of the machine in connection therewith. Also in such cases the renter of the machine is liable for the tax on the gross rent derived therefrom.
- (4) **Machines Under Concession.** Paragraph (3) does not apply when a vending, musical or amusement machine is placed in an establishment and the person operating the establishment has no right of access into the machine or to the gross receipts therein, and no right to remove such receipts without the consent or presence of the person furnishing, stocking and servicing the machine. In such cases the person furnishing, stocking and servicing the machine is the retail seller or dealer and is liable for the tax on the gross receipts therefrom without any deduction for commissions paid to the person in whose establishment the machine is located.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.06

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 992-8406, 92-8409, 92-8427.

History. Original Rule entitled "Amusement Devices and Vending Machines" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.07. Auctioneers, Agents and Factors.

Auctioneers, agents, or factors selling tangible personal property are liable for collection and payment of the sales tax. The tax applies to the gross sales price of each single sale without deduction for commissions, service charges or any other expenses.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.07

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 992-8406, 92-8409, 92-8427.

History. Original Rule entitled "Auctioneers, Agents and Factors" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.08. Automobile Refinishers and Painters.

Automobile refinishers and automobile painters are engaged primarily in rendering personal services, and their gross receipts are not subject to the tax. They are the consumers of the materials used in their business and are required to pay tax on their purchases. When refinishers and painters go beyond the rendition of services and sell tangible personal property such as accessories, parts, seatcovers, etc., they are required to register, collect and remit the tax on retail sales of such items.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.08

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 992-8406, 92-8409, 92-8427.

History. Original Rule entitled "Automobile Refinishers and Painters" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.09. Automotive and Other Motor Vehicle Dealers.

- (1) The tax applies to the retail sale of automobiles, trucks, trailers, tractors, and other motor vehicles. The tax applies to the sales price without any deduction for labor, freight, delivery, manufacturer rebates, and other charges, except:
 - (a) Allowance for another motor vehicle taken in trade (without deduction for liens).
 - (b) Finance, insurance and interest charges for deferred payments billed separately.
 - (c) Cash discounts provided by the selling dealer and taken at the time of sale.
- (2) The tax does not apply to:
 - (a) Sales of motor vehicles to out-of-state residents, provided delivery actually occurs in another state and is supported by a valid *Certificate of Exemption-Out Of State Delivery* (Form ST-6); or,
 - (b) Sales to nonresident purchasers of motor vehicles, provided such vehicles are immediately transported to and used in another state in which such vehicles are required to be registered and supported by a valid *Nonresident Certificate of Exemption Purchase of Motor Vehicle* (Form ST-8).
 - (c) The dealer's purchase of motor vehicles, parts, and other resale items sold by a motor vehicle dealer when a properly executed *Certificate of Exemption* (Form ST-5) is provided to the supplier or manufacturer.
- (3) **Loaner Vehicles.**
 - (a) Any dealer who withdraws a motor vehicle from inventory for use as a loaner vehicle will be subject to use tax based upon the daily lease value for each day the vehicle is loaned for no charge. For purposes of this Rule, a loaner vehicle shall mean a motor vehicle withdrawn from inventory or separately floor planned, for use by any one person for a period of time not to exceed 30 days within a calendar year and for which no charge is made for the use of the motor vehicle. Dealers are

required to maintain adequate records of a motor vehicle's use as a loaner vehicle. The following table shall be used to determine the daily lease value for all loaner vehicles. The first column represents the Manufacturer's Suggested Retail Price (MSRP) including any dealer add-ons and mark-ups, and the second column represents the corresponding daily lease value.

VEHICLE MSRP DAILY

(including any dealer **LEASE**

(1) VEHICLE MSRP (including any dealer add-ons and mark-ups)	(2) DAILY LEASE VALUE
\$0 - 999...	\$ 1.64
1,000 - 1,999...	2.33
2,000 - 2,999...	3.01
3,000 - 3,999...	3.70
4,000 - 4,999...	4.38
5,000 - 5,999...	5.07
6,000 - 6,999...	5.75
7,000 - 7,999...	6.44
8,000 - 8,999...	7.12
9,000 - 9,999...	7.81
10,000 - 10,999...	8.49
11,000 - 11,999...	9.18
12,000 - 12,999...	9.86
13,000 - 13,999...	10.55
14,000 - 14,999...	11.23
15,000 - 15,999...	11.92
16,000 - 16,999...	12.60
17,000 - 17,999...	13.29
18,000 - 18,999...	13.97
19,000 - 19,999...	14.66
20,000 - 20,999...	15.34
21,000 - 21,999...	16.03
22,000 - 22,999...	16.71
23,000 - 23,999...	17.40
24,000 - 24,999...	18.08
25,000 - 25,999...	18.77

26,000 - 27,999...	19.86
28,000 - 29,999...	21.23
30,000 - 31,999...	22.60
32,000 - 33,999...	23.97
34,000 - 35,999...	25.34
36,000 - 37,999...	26.71
38,000 - 39,999...	28.08
40,000 - 41,999...	29.45
42,000 - 43,999...	30.82
44,000 - 45,999...	32.19
46,000 - 47,999...	33.56
48,000 - 49,999...	34.93
50,000 - 51,999...	36.30
52,000 - 53,999...	37.67
54,000 - 55,999...	39.04
56,000 - 57,999...	40.41
58,000 - 59,999...	41.78

For motor vehicles with an MSRP of greater than \$59,999, including any dealer add-ons and mark-ups, the daily lease value equals [($.25$ times the MSRP of the vehicle including any dealer add-ons and mark-ups) + \$500] divided by 365.

- (b) If any single loaner vehicle is loaned to the same person for more than 30 days within a calendar year, the dealer shall be liable for use tax based on the cost price of the vehicle.
 - (c) The subsequent sale at retail of such loaner vehicles is taxable based upon the sales price of the loaner vehicle(s).
- (4) When a dealer sets aside a motor vehicle for demonstration or display purposes, the tax does not apply unless the motor vehicle is used for more than six months. If used for more than six months, use tax will apply based upon the cost price of the demonstration or display vehicle.
- (a) The following is a non-exclusive list of activities that are deemed to be for demonstration or display purposes:
 1. The placement of motor vehicles at shopping malls or other consumer marketplaces to promote the sale of vehicles.
 2. The use of motor vehicles in parades and at other public events when used to promote the sale of vehicles.

3. Motor vehicles used by customers for test drives.
 4. The assigning of motor vehicles to race tracks for display and use as an official car or pace car, for the purpose of promoting the sale of vehicles.
- (b) Motor vehicles used for demonstration or display purposes may be assigned to an employee that is a bona fide full-time employee of the dealer when such person works a minimum of thirty-six (36) hours per week and when such motor vehicle is available for customer test drives during the dealer's hours of operation.
 - (c) A dealer who withdraws a motor vehicle from inventory for demonstration or display purposes must maintain adequate books and records that reflect the date the motor vehicle was withdrawn from inventory, the vehicle identification information (VIN#, stock#, etc.), the cost price of such vehicle, the name(s) of the person or persons assigned to the vehicle, the employee's position within the organization, the date the demonstration or display vehicle was taken out of service, and the date the vehicle was placed back into inventory.
 - (d) The subsequent sale at retail of such demonstration or display vehicles is taxable based upon the sales price of the motor vehicle(s).
- (5) Motor vehicles withdrawn from inventory by a dealer for use as a shuttle or delivery vehicle, or for personal or company use other than as a loaner vehicle, as provided for under subparagraph (3)(a), or for demonstration or display purposes as provided for under paragraph (4), are subject to use tax based upon the cost price of the motor vehicle at the time the motor vehicle is removed from inventory.
 - (6) Repairs and Maintenance.
 - (a) When parts or accessories are installed in a motor vehicle owned by the customer, and the charge for installation or repair labor is itemized on the dealer's invoice separately from the charge(s) for the parts or accessories, the charge(s) for labor are not subject to sales and use tax. If charges for labor and parts or accessories are not itemized on the dealer's invoice, the entire amount charged to the customer is taxable.
 - (b) Parts used to repair or restore a used motor vehicle to a salable condition are not subject to sales and use tax when purchased by the dealer, since they are purchased for resale. The tax collected at the time the used motor vehicle is sold will include the value of parts installed. However, consumable supplies, such as cleaners and waxes used in the reconditioning of a motor vehicle for sale, are subject to sales and use tax.
 - (c) Manufacturer or Retail Dealer Warranty. When a motor vehicle is sold at retail, a warranty from the manufacturer or retail dealer is often included in the selling

price. The warranty generally obligates the manufacturer or retail dealer to correct defects in materials and workmanship during a specified time frame or after such time frame in certain instances, such as safety-related recalls, voluntary recalls, and certain goodwill transactions. When repairs are made under such warranty, no tax is due since a manufacturer's or retail dealer's warranty was part of the sales price of the motor vehicle when originally sold. This is true whether the manufacturer or retail dealer makes the repairs or whether the manufacturer or retail dealer pays someone else to make the repairs.

- (d) **Extended Warranty or Maintenance Agreement.** Generally, an extended warranty or maintenance agreement is a contract to provide repairs or maintenance for a particular item for a stated period of time after a manufacturer's warranty has expired. The sale of an extended warranty or maintenance agreement is not taxable provided the charge for such warranty or maintenance agreement is itemized on the dealer's invoice to the customer. Parts associated with repairs pursuant to such agreements are subject to sales and use tax. The dealer is liable for use tax on the repair parts based on the dealer's cost. However, in the event the dealer charges any third party for the repair, the dealer must charge sales tax to the third party as provided for under subparagraph (5)(a) of this Rule and as would apply to any other retail sale.
 - (e) **Repairs Made Under Customer Loyalty, Marketing, or other Promotional Programs.** Except as provided for under subparagraph (5)(c) of this Rule, a dealer shall be liable for use tax at cost price for any part used in a repair, when made at no charge to the customer, under any loyalty, marketing, or other promotional program. Examples of such programs include "free tires for life," "free oil changes for life," and other similar dealer programs.
 - (f) **Tools and Equipment.** Tools and equipment used in the repair of a motor vehicle are subject to sales and use tax when purchased by the dealer.
 - (g) **Shop supplies.** Most motor vehicle dealers that have a service or repair shop included in their business usually maintain an inventory of "shop supplies." A single charge for shop supplies, when separately stated on a dealer's invoice to the customer, is subject to sales and use tax. Therefore, a dealer may purchase these items under terms of resale through the issuance of a properly executed *Certificate of Exemption* (Form ST-5). However, in the event a dealer does not separately itemize and charge customers for shop supplies, a dealer must pay tax on the purchase of such supplies or accrue use tax on such items.
- (7) The tax does not apply to sales for resale made to out-of-state dealers who properly execute a *Certificate of Exemption-Out Of State Dealer* (Form ST-4).
- (8) **Effective Date.** This rule shall become effective twenty (20) days after the Rule is filed in the office of the Secretary of State.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#).

History. Original Rule entitled "Automotive and Other Motor Vehicle Dealers" adopted. F. and eff. June 30, 1965.

Amended: F. June 20, 1980; eff. July 10, 1980.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Repealed: New Rule of same title adopted. F. Apr. 28, 2006; eff. May 18, 2006.

Rule 560-12-2-.10. Automotive Leases and Rentals.

- (1) Any person leasing or renting motor vehicles in this State shall register as a dealer, collect and remit the tax on the gross lease or rental charges, including service charges.
- (2) Such dealers purchase automobiles, trucks, trailers, repair parts, tires and accessories which become a part of the vehicles to be leased or rented to other persons tax exempt.
- (3) Such dealers are required to pay the tax on purchases of gasoline, fuel, oil, grease, soaps, tools and other tangible personal property used in connection with their operations.
- (4) When an automobile, truck, trailer and other tangible personal property is sold at retail, the dealer shall collect and remit the tax on the sales price.
- (5) Charges for additional insurance which is not required by the dealer are not subject to the tax when billed separately to the lessee.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.10

Authority: Ga. Code Ann. Secs. [92-3438a](#), [92-8405](#), [992-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Automotive Rentals" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Automotive Leases and Rentals" adopted. F. Jan. 13, 1975; eff. Feb. 2, 1975.

Rule 560-12-2-.11. Banks, Savings and Loan Associations.

- (1) Effective December 24, 1969, all national and state banks, and savings and loan associations are subject to the tax. However, sales and use within the State of tangible personal property which is the subject matter of a written contract of purchase entered into prior to September 1, 1969 shall not be subject to the tax.
- (2) The gross lease or rental charge for tangible personal property which is the subject matter of a written lease or rental contract entered into prior to September 1, 1969, shall not be subject to the tax for the term of such lease or until January 1, 1972, whichever comes first.
- (3) Banks and savings and loan associations should pay the tax to suppliers of tangible personal property and services purchased, leased, used or consumed in their operations. However, if a seller fails to add the tax, the purchaser must remit the amount due to the State Revenue Commissioner. Such institutions regularly accruing sales and use tax

should make application for Certificate of Registration and regularly file sales and use tax reports.

- (4) Taxable purchases and leases include automobiles, checks, checkbooks, silverware, savings or piggy banks, office and maintenance supplies, furniture, equipment, advertising matter, etc., and the services described in the Act.
- (5) Retail sales of repossessed and other tangible personal property, leases and rentals of tangible personal property are subject to the tax. When an institution engages in such activities, it must register as a dealer, collect and remit the tax.
- (6) When a bank or savings and loan association purchases checks and other items for a customer and pays the tax at the time of purchase, the subsequent sale would not be deemed a taxable transaction.
- (7) The rental of safety deposit boxes is not subject to the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.11

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Banks" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Banks, Savings and Loan Associations" adopted. F. Jan. 13, 1975; eff. Feb. 2, 1975.

Rule 560-12-2-.12. Barber and Beauty Shops.

Barber and beauty shop operators are engaged primarily in rendering personal services, and their gross receipts are not subject to sales tax. They are the consumers of the materials used in their business and are required to pay the tax on all their purchases. When barber and beauty shop operators go beyond the rendition of personal services and sell tangible personal property such as wigs, toupees, tonics, etc., they are required to register, collect and remit the tax on such sales.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.12

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Barber and Beauty Shops" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.13. Bazaars and School Carnivals.

- (1) Persons or organizations sponsoring bazaars, school carnivals and other such amusement activities, whether charitable, eleemosynary, fraternal, or not, are liable for the collection and payment of the tax on sales of tickets, fees or charges for admission, and voluntary contributions made in lieu of such admission charges.
- (2) Additionally, such persons are liable for the tax on charges for participation in games, amusement activities and sales of tangible personal property, notwithstanding the property sold may have been donated by individuals or business establishments.

- (3) Persons or organizations not regularly engaged in sponsoring bazaars or carnivals are required to file Sales Tax Returns immediately following the close of each activity.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.13

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Bazaars and School Carnivals" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.14. Bookbinders and Paper Cutters.

The tax applies to charges for bindery work as fabrication. However, the tax does not apply to the following service transactions:

- (a) Folding, when the customer provides the complete job to be folded,
- (b) Trimming and paper cutting, when the customer provides the complete job to be trimmed or cut,
- (c) Application of stickers to paper envelopes, when the customer provides stickers and the items to which they are to be applied.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.14

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Bookbinders and Paper Cutters" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.15. Book Rental Libraries.

- (1) Sales of books to a rental library for rental to its customers are sales for resale not subject to the tax.
- (2) Persons engaged in the business of renting or selling books are required to register as dealers, collect and remit the tax on charges made for such rentals or sales.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.15

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Book Rental Libraries" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.16. Bowling Alleys.

- (1) The tax applies to each charge for participation in bowling games and must be collected and remitted by the operator. No deduction for rental charges paid to lessors of pin spotters will be allowed in computing the taxable charge for participation in the games.

Bowling balls, shoes, and other equipment purchased for resale may be purchased under Certificates of Resale. The tax applies to sales at retail and rentals of such property and must be collected and remitted by the operator.

- (2) Operators of bowling alleys are required to pay the tax on purchases and rentals of equipment and supplies, including automatic pin spotters, used in the operations of the business.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.16

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Bowling Alleys" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.17. Broadcasting and Broadcasting Distribution; Cable, Radio, and Television.

- (1) Radio, Television and Cable Broadcasters or Distributors are primarily engaged in the business of broadcasting or distributing radio or television signals over the free airwaves or by satellite or cable. These activities constitute a service that is not subject to sales and use tax. Such broadcasters and distributors are subject to sales and use tax on all purchases or leases unless otherwise exempt within the Act and this Regulation.
- (2) Definitions. For purposes of qualifying for the exemption provided for by O.C.G.A. § [48-8-3\(74\)](#), and as used in this Regulation, the following definitions and explanation of terms shall apply.
 - (a) The term "cable distributor" means any entity or enterprise, public or commercial, primarily engaged in providing broadcast programming over a cable system for purchase by subscribers or customers. Such entity delivers visual, aural, and textual programming received from cable networks, federally licensed commercial or public radio or television stations to consumers via a cable system or a direct-to-home satellite system on a subscription or fee basis.
 - (b) The term "cable network" means any entity or enterprise, public or commercial, primarily engaged in operating studios and facilities for the broadcasting of programs on a subscription or fee basis. These companies produce programming in their facilities or acquire programming from other sources that are usually delivered to a third party for cable or satellite transmission to viewers.
 - (c) The term "digital broadcast equipment" means, equipment purchased, leased, or used for the origination or integration of program materials for broadcast over the airwaves or transmission by cable, satellite, or fiber optic line which uses or produces an electronic signal where the signal carries data generated, stored, and processed as strings of binary data. Data transmitted or stored as digital data consists of strings of positive or nonpositive elements of a transmission expressed

in strings of 0's and 1's which a computer or processor can reconstruct as an electronic signal.

- (d) The term "diskettes" means any blank recordable digital audio storage media used to record digital signals in the broadcast operations.
 - (e) The term "federally licensed commercial or public radio or television station" means any entity or enterprise, either commercial or noncommercial, which operates under a license granted by the Federal Communications Commission for the purposes of free distribution of audio and video services when the distribution occurs by means of transmission over the public airwaves.
- (3) Purchases. Except as provided for in paragraph (4) the tax applies to all equipment, and other tangible personal property purchased, leased, or rented for use in producing and broadcasting radio, television and cable signals. Such purchases or leases include but are not limited to recordings, costumes, make-up materials, lumber, and other materials used in construction of stage property and scenery, transistors, condensers, transformers, tubes for lighting control, slides, and other non-digital broadcast equipment.
- (4) Digital Broadcast Equipment Exemption.
- (a) In accordance with O.C.G.A. § [48-8-3\(74\)](#), transactions occurring on or after July 1, 2001, which involve the purchase or lease of digital broadcasting equipment, not otherwise exempt under Chapter 8 of Title 48 of the Official Code of Georgia Annotated, will be exempt from sales and use tax up to the specific purchase or lease dates as provided for in this Regulation.
 - (b) Purchases or leases made by a federally licensed commercial or public radio broadcaster on or after July 1, 2001 through the last date of analog transmission or November 1, 2008, whichever occurs first, shall be exempt from the tax upon the issuance of the Certificate of Exemption.
 - (c) Purchases or leases made by a federally licensed commercial or public television, or cable distributor or cable network on or after July 1, 2001 through the last date of analog transmission or November 1, 2004, whichever occurs first, shall be exempt from the tax upon the issuance of the Certificate of Exemption.
 - (d) **General Requirements for the Digital Broadcasting Equipment Exemption.** In order to qualify for the digital broadcast equipment exemption provided for in O.C.G.A. § [48-8-3\(74\)](#) and this Regulation, the following conditions must be met:
 - 1. The qualified purchasers or lessees of such digital broadcast equipment must obtain a Certificate of Exemption from the commissioner as provided in paragraph (4)(e) of this Regulation. The application for such Certificate must contain a schedule of planned purchases or leases of qualified equipment for which the application is filed.

2. The equipment must be purchased or leased exclusively for installation and operational use in this State by a qualified entity or enterprise as designated in O.C.G.A. § [48-8-3\(74\)](#).
3. The exemption is limited to the original purchase or lease of such eligible digital broadcast equipment and shall not extend to digital equipment purchased or leased to replace equipment previously extended exemption.

(e) Application and Certificate of Exemption.

1. Any purchasers or lessees desiring to secure the benefits of the exemption provided by O.C.G.A. § [48-8-3\(74\)](#) must file an Application for Certificate of Exemption (Form ST-BE1). The application shall include the business name, address, physical location, anticipated dates of purchase or lease, and a schedule of the anticipated digital broadcast equipment to be purchased or leased including sales price, manufacturer, supplier, and a description of the digital equipment's function. In addition thereto, the commissioner may require such other information as deemed necessary for the determination of the claim for exemption. This requirement is also applicable to holders of direct payment permits granted under Regulation [560-12-1-.16](#).
2. Upon approval of an application, the commissioner will issue a Certificate of Exemption (Form ST-BE2) for presentation by the purchaser or lessee to the equipment suppliers, whereupon the purchaser or lessee shall be relieved from the payment of the tax and the equipment suppliers shall be relieved from the collection of the tax.
3. Where the Certificate of Exemption (Form ST-BE2) has not previously been obtained and tax is collected or accrued on the purchase or lease of digital broadcast equipment which may qualify for exemption, the purchaser or lessee may apply for a refund of such tax. The Claim for Refund (Form ST-12) shall be accompanied by an Application for Exemption (Form ST-BE1) and any other documentation deemed necessary by the commissioner.

(f) Specific Applications; Exemptions and Exceptions Relating Thereto.

1. For the purposes of federally licensed commercial or public television broadcasters and cable distributors, the term digital broadcast equipment shall be limited to antennas, transmission lines, towers, digital transmitters, studio to transmitter links, digital routing switches, character generators, Advanced Television Systems Committee video encoders and multiplexers, monitoring facilities, cameras, terminal equipment, tape recorders, and file servers.

2. For the purposes of federally licensed commercial or public radio broadcasters, the term digital broadcast equipment shall be limited to transmitters, digital audio processors and diskettes.
3. For the purposes of cable networks, the exemption will apply to all digital broadcast equipment as defined in paragraph (2)(c) of this Regulation.
4. If, after obtaining the Certificate of Exemption required under paragraph (4)(e) of this Regulation, the actual purchase(s) or lease(s) fails to meet the requirements of this exemption, the purchaser or lessee will be liable for tax and, if applicable, penalty and interest on the purchase(s) or lease(s).
5. In cases where equipment has multiple uses (digital and analog), the taxability or exemption will be determined by the equipment's use. The equipment's use must meet the following requirements in order to be eligible for the exemption:
 - (i) The equipment must use a digital signal; and
 - (ii) The equipment is used as an essential part of a process to originate or integrate a digital signal for transmission or broadcast.
 - (I) The equipment's use requirements as set forth under paragraph (4)(f)5. may be illustrated through the following examples:
 - I. A piece of equipment used to convert analog signals to digital would qualify for the exemption.
 - II. A piece of equipment that uses a digital signal but that is not used as part of a process that originates or integrates a digital signal for transmission or broadcast would not qualify for the exemption.
 - III. A piece of equipment that converts a digital signal to analog as part of a process that originates or integrates a digital signal for transmission or broadcast purposes would qualify.
 - IV. An antenna used to simulcast broadcast digital and analog signals would qualify for the exemption when purchased or leased with the ultimate purpose of exclusively broadcasting digital signals.
6. The exemption provided for under O.C.G.A. § [48-8-3\(74\)](#) shall only extend to the original purchase or lease of eligible digital broadcast equipment and

shall not extend to the replacement of such equipment or to the repair or upgrading of the equipment.

7. For the purposes of determining whether diskettes are original or replacement purchases for radio broadcasters and cable networks, it shall be presumed that diskettes purchased twelve months after the date of the first application for exemption are replacements.
8. The exemption provided for under O.C.G.A. § [48-8-3\(74\)](#) shall not extend to any person who contracts to furnish tangible personal property and perform services under a real property contract. Contractors are deemed to be the consumer of all tangible personal property used in a real property contract and shall pay the tax at the time of purchase.
9. Examples of items that do not qualify for the exemption include, but are not limited to, real property improvements, lighting equipment, power supplies, analog broadcast equipment, diskettes or video tapes containing audio or video recordings purchased for broadcast, converter boxes, repairs to equipment, replacement of digital broadcast equipment where the exemption has previously been granted or the replacement of any other equipment and spare equipment.

(5) Sales.

- (a) Charges for services rendered by radio, television broadcasters and cable network or cable distributors, including advertising, line charges, talent fees or other such charges are not subject to the tax.
- (b) The sale or rental of prerecorded video tape or motion picture film by federally licensed radio and television broadcasters or cable network or distributors for broadcast would be subject to the tax unless purchased or leased by a dealer charging admission to view the production.
- (c) Video tape or motion picture film recorded onto a radio or television broadcaster's or cable network's or distributor's own tapes, reels, or other storage medium at its own premises for later broadcast shall not be considered the sale or rental of video tape or motion picture film.
- (d) A transaction which involves only a charge for a copyright license and does not involve a sale, lease, or rental of video tape or motion picture film would not be considered taxable.
- (e) The sale of cable broadcasting through a cable distributor through a subscription or fee basis is not considered a taxable transaction. The lease or rental of a

converter box or other tangible personal property to a cable subscriber is considered a taxable transaction.

- (f) If a television or radio broadcasting station, cable distributor or cable network makes retail sales of tangible personal property, the tax must be collected and remitted on such sales to the commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.17

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#).

History. Original Rule entitled "Broadcasting, Radio and Television" adopted. F. and eff. June 30, 1965.

Amended: F. June 10, 1980; eff. June 30, 1980.

Repealed: New Rule of same title adopted. F. Nov. 17, 1992; eff. Dec. 7, 1992.

Amended: ER. 560-12-2-0.15-.17 entitled "Broadcasting and Broadcasting Distribution; Cable, Radio, and Television" adopted. F. July 6, 2001; eff. July 2, 2001, the date of adoption.

Amended: Permanent Rule of same title adopted. F. Oct. 11, 2001; eff. Oct. 31, 2001.

Rule 560-12-2-.18. Camps.

Operators of summer camps, including Scout, Y.M.C.A., Church and School camps, are consumers of all tangible personal property used in their operations and their purchases are subject to the tax. Fees charged for attendance are not taxable.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.18

Authority: Ga. Code Ann. Secs. [92-3438a](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Camps" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.19. Carriers.

- (1) Common carriers purchasing tangible personal property which comes within the exemption authorized by Section [48-8-3\(33\)\(A\)](#) of the Act, as amended, must register the file Sales and Use Tax Reports as required under these Regulations.
- (2) A common carrier must furnish each suppliers of exempt tangible personal property with a Certificate of Exemption (Form ST-5, as revised).
- (3) The tax does not apply to aircraft, watercraft, railroad locomotives and rolling stock, motor vehicles, and major components of each, which will be used principally to cross the borders of the State of Georgia in the service of transporting passengers or cargo by common carriers in interstate or foreign commerce under authority granted by the Federal Government, or to replacement parts installed by such carriers in such aircraft, watercraft, railroad locomotives and rolling stock and motor vehicles which becomes an integral part thereof.

- (4) The tax applies to aircraft, watercraft, railroad locomotives and rolling stock, motor vehicles and components of each and replacement parts installed by common carriers in such craft, locomotives, rolling stock and motor vehicles which will not be used principally to cross the borders of the State of Georgia in transporting passengers or cargo in interstate or foreign commerce under authority granted by the Federal Government.
- (5) Common carriers operating craft or vehicles, some of which qualify for exemption and some of which are subject to the tax, may purchase major components and replacement parts for inventory under a Certificate of Exemption, Form ST-5. When such components or parts are withdrawn from inventory and first applied to taxable vehicles, the cost price thereof must be included in the carrier's Sales and Use Tax Report.
- (6) Contract, private and other carriers must pay the tax on all tangible personal property used or consumed in their operations, irrespective of the fact that its craft or vehicles may cross the borders of the State of Georgia.
- (7) Carriers, including common carriers, shall pay the tax on all fuels purchased and delivered in this State and all fuels purchased outside this State and stored in this State irrespective, in either case, of the place of subsequent use.
- (8) The tax applies to purchases for use, consumption or storage within this State of tangible personal property used in constructing, repairing or maintaining permanent structures, including, but not limited to garages, repair shops, hangers, railroad bridges, railroad tracks, landing and communication equipment, tools and equipment, handling equipment and other tangible personal property not specifically exempt under paragraph three (3) of this regulation.
- (9) The tax applies to charges for the transportation of persons between two points in Georgia. Such tax must be collected and remitted by the carrier. The tax does not apply to charges for transportation of persons between a point in Georgia and a point in another state.
- (10) As set out in this section, the tax applies to meals, snacks, and all other food and beverage items which are purchased by a carrier or which are sold, dispensed or otherwise provided, during or in conjunction with a transportation service, to passengers purchasing transportation services.
 - (a) Carriers that provide complimentary meals, snacks, or other food or beverage items to passengers incidental to the primary service of transportation are the consumers of such items and shall pay the tax to the carrier's suppliers of all such items which are purchased by or delivered to the carrier's suppliers of all such items which are purchased by or delivered to the carrier in Georgia, regardless of where the meals, snacks, or other food or beverage items are served. Meals, snacks, and other food and beverage items provided to passengers by carriers are considered to be complimentary and are taxable under this paragraph when:

1. No separately stated charge for such items is made to the passenger in addition to the charge for the transportation, or when:
 2. It is the carriers' normal business practice not to reduce the price of the transportation for passengers electing not to have food and beverage service.
- (b) Carriers that sell meals, snacks, or other food or beverage items to passengers, and the charge for such items is collected with the ticket price for transportation, shall collect and remit the tax on the charge for the meals, snacks, or other food or beverage items, on all sales of such tickets which occur in Georgia and regardless of where the meals, snacks, or other food or beverage items are served.
- (c) Carriers that sell meals, snacks, or other food or beverage items to passengers, and the charge for such items is collected from the passenger at the time the food or beverage item is served to the passenger, shall collect and remit the tax on the sales price of all such items sold or served in Georgia, on trips or flights either arriving in or departing from the State of Georgia. When not otherwise reasonably determinable, the portion of such items which are sold or served in Georgia shall be determined by the ratio of miles traveled in Georgia during such trips or flights, to the total number of miles (both within and without the State of Georgia) traveled by the carrier during such trips or flights, multiplied by the carrier's total sales receipts for all such items sold (both within and without the State of Georgia) during such trips or flights.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.19

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#), [48-8-49](#).

History: Original Rule entitled "Carriers" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Amended: F. Feb. 12, 1990; eff. Mar. 4, 1990.

Amended: F. Dec. 15, 1993; eff. Jan. 4, 1994.

Rule 560-12-2-.20. Competitive Projects of Regional Significance.

- (1) **Purpose.** This Rule only addresses sales of tangible personal property used for and in the construction of a competitive project of regional significance. Rule [560-12-2-.64](#) addresses the exemption for sales to competitive projects of regional significance of energy that is necessary and integral to manufacturing.
- (2) **Definitions.** For purposes of this Rule only, "competitive project of regional significance" (hereinafter "Project") means the location or expansion of some or all of a business

enterprise's operations in Georgia where the commissioner of economic development determines that the project would have a significant regional impact.

(3) **Construction exemption.** To qualify for exemption, property must be:

- (a) used exclusively for and in the construction of a Project; and
- (b) purchased prior to completion of the construction of the Project.

(4) **Property used exclusively for and in the construction of a Project.**

(a) Property used exclusively for and in the construction of a Project excludes:

1. Property brought onto the construction site, but not used in furtherance of the completion of a Project, such as a wrench used only to repair a worker's personal vehicle or nails that remain in the original store packaging;
2. Property used for administrative activities on the construction site, such as sales promotion, general office work, credit and collection, purchasing, and clerical work;
3. Power lines or transformers that bring electricity into the construction site;
4. Property used for personal comfort or convenience at the construction site, such as portable toilets, food, heaters, and air conditioning units;
5. Hotel accommodations;
6. Motor vehicles; and
7. Property that is owned or possessed by a contractor or a related party after completion of the Project's construction.

(b) Property used exclusively for and in the construction of a Project includes only tangible personal property that:

1. remains tangible personal property at a Project's location after the completion of construction;
2. is incorporated into the real property structures at a Project's location; or
3. is used by contractors for the sole purpose of constructing a Project's real property structures.

(5) **Letter of authorization.** Following notification from the commissioner of economic development that a Project has been certified, the Department of Revenue may issue a letter of authorization to each location within the Project. Sellers are required to collect sales tax unless they take in good faith a letter of authorization.

- (6) **Expiration of letters of authorization.** A letter of authorization expires with respect to a location within a Project when that location commences business operations.
- (7) **Contractor purchases.** A Project may authorize contractors to use the letter of authorization to make exempt purchases. By January 31 of each year, a Project must provide to the Department of Revenue a list of all contractors authorized in the previous calendar year and include for each contractor the business name, address, telephone number, and Georgia sales tax number.
- (8) **Contractors' use tax liability.** Notwithstanding O.C.G.A. § [48-8-63\(b\) and \(c\)](#), contractors will not incur use tax on tangible personal property qualifying for exemption under this Rule that is purchased by or furnished to the contractor, regardless of whether the property retains the character of tangible personal property or becomes incorporated into real property.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.20

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-2](#), [48-8-3](#).

History. Original Rule entitled "Cemeteries and Crematoriums" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 17, 2000; eff. Mar. 8, 2000.

Adopted: New Rule entitled "Competitive Projects of Regional Significance" adopted. F. Sep. 18, 2015; eff. Oct. 8, 2015.

Rule 560-12-2-.21. Itemization of Tax.

- (1) Each retailer must add all applicable sales and use taxes at the appropriate rate to the sales price unless he or she absorbs the tax in compliance with O.C.G.A. § [48-8-36](#) and paragraph (2) below. The retailer may add the tax to the sales price by either separately itemizing the sales price and the tax or including the tax in the total charge.
 - (a) Separately itemizing the sales price and the tax.
 - 1. Example: Retailer sells a \$200.00 widget to a purchaser. The applicable sales tax rate is 7%. The retailer may separately itemize the \$200.00 sales price and \$14.00 tax, charging a total amount of \$214.00 to the customer and remitting \$14.00 in tax to the Department.
 - (b) Including the tax in the total charge.
 - 1. Retailers desiring to include the sales tax in the total charge to the customer must provide written notification to each customer that the charge includes sales tax. The notice requirement in this subparagraph does not apply to sales made from a vending machine.
 - 2. Example: Retailer sells a \$200.00 widget to a purchaser. The applicable sales tax rate is 7%. If the retailer provides written notification to the

purchaser, the retailer may include the tax in the total charge of \$214.00 and remit \$14.00 of tax to the Department.

(2) Tax absorption under O.C.G.A. § [48-8-36](#).

- (a) No retailer engaged in making retail sales is permitted to advertise or represent to the public in any manner directly or indirectly that he or she will absorb all or any part of the taxes imposed by Chapter 8 of Title 48 or that he or she will relieve the purchaser of the payment of all or any part of such taxes, unless
 - 1. the retailer includes in the advertisement that any portion of the tax not paid by the purchaser will be remitted on behalf of the purchaser by the retailer; and
 - 2. the retailer furnishes the purchaser with written notification that the retailer will be liable for and pay any tax the purchaser was relieved from paying under this Rule.
- (b) If a retailer advertises that any portion of the tax not paid by the purchaser will be remitted on the purchaser's behalf by the retailer, the retailer will be solely liable for and must pay that portion of the tax.
- (c) Examples.
 - 1. Retailer sells a \$200.00 widget to a purchaser. The applicable sales tax rate is 7%. If the retailer follows the tax absorption rules set forth in this paragraph (2) and the retailer charges a sales price of \$200.00 to the customer, the retailer must absorb the tax and remit \$14.00 in tax to the Department. The tax is calculated by multiplying the sales price of \$200.00 by the tax rate of .07.
 - 2. Retailer sells a \$214.00 widget to a purchaser. The applicable sales tax rate is 7%. If the retailer follows the tax absorption rules set forth in this paragraph (2) and the retailer charges a sales price of \$214.00 to the customer, the retailer must absorb the tax and remit \$14.98 in tax to the Department. The tax is calculated by multiplying the sales price of \$214.00 by the tax rate of .07.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.21

Authority: O.C.G.A. §§ [48-8-30](#), [48-8-35](#), [48-8-36](#), [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Chemicals" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 10, 2014; eff. Mar. 2, 2014.

Adopted: New rule entitled "Itemization of Tax." F. Oct. 11, 2016; eff. Oct. 31, 2016.

Rule 560-12-2-.22. Churches, Religious, Charitable, Civic and Other Non-Profit Organizations.

No exemption is granted to churches, religious, charitable, civic and other non-profit organizations. They are required to pay the tax on all purchases of tangible personal property. Further, when such organizations engage in selling tangible personal property at retail, they are required to comply with provisions of the Act relating to collection and remittance of the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.22

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Churches, Religious, Charitable, Civic and Other Non-profit Organizations" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.23. Colleges and Universities.

- (1) The tax does not apply to sales of tangible personal property and services to the University System of Georgia and its educational units.
- (2) The tax does not apply to sales of tangible personal property and services to be used exclusively for educational purposes by those private colleges and universities in this State whose academic credits are accepted as equivalents by the University System of Georgia and its educational units. However, such private college or university must furnish each supplier of exempt tangible personal property or services with a copy of "Letter of Authorization", (Form STUSC- 1) issued by the Sales and Use Tax Unit.
- (3) The following are examples of tangible personal property and services which are exempt when sold to such private colleges and universities for use in their academic and educational facilities:
 - (a) Books purchased for library.
 - (b) Books purchased for teachers.
 - (c) Maintenance supplies.
 - (d) Instructional supplies.
 - (e) Athletic equipment and supplies, except when purchased by an independent athletic association.
 - (f) Electricity and fuel.
 - (g) Furniture and fixtures.
 - (h) Office supplies and equipment.

- (i) Kitchen equipment.
 - (j) Laboratory equipment.
 - (k) Food purchased by the college or university and furnished to its students as a part of a single charge for room, board and tuition.
- (4) The following are examples of tangible personal property and services which are not exempt when sold to such colleges and universities:
- (a) Motel charges for school conferences when paid for by individual students.
 - (b) College yearbook when payment is not included in tuition fees and charges.
 - (c) In event such colleges and universities sell meals to students and others, wherein the meal is paid for by means other than the charge for such meals having been included in room, board and tuition fees and charges, the colleges and universities shall collect the tax from such students and other persons as a retail sale.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.23

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Colleges and Universities" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Rule 560-12-2-.24. Communication Services.

- (1) **Communication Services.** The tax applies to charges made for local exchange telephone services, for cellular telephone services, and for the amount of the guaranteed charges for semi-public coin-box telephone services. The tax does not apply to other communication services. Installation and service establishment charges are not taxable if separately stated on the customer's bill. However, the tax applies to all tangible personal property purchased or used in this State in connection with rendering interstate or intrastate communication (telephone) services.
- (2) **Cellular Telephone Services.**
- (a) Taxable Charges:
 - 1. The monthly access charge (charge for the right to access the cellular system) in the amount as set forth on each cellular telephone provider's statement or bill to its customer or subscriber. However, should the monthly charge include both access and a stated allowed airtime usage in a combined or bundled amount, tax will be due on the entire combined or bundled amount, unless, on the bill or statement, the amount is broken out as

between the various charges. When unbundling the taxable amount, the minimum ascribed to monthly access must be no less than the minimum monthly access charge made by the cellular telephone provider to the general public for access to the cellular system (when no calls are placed by the customer and no airtime is utilized by the customer) that is in effect during the billing period.

2. All vertical services for special features, including, but not limited to, call waiting, call forwarding, speed calling, three-way calling.
3. The daily access portion of the "roaming" charge made by the serving cellular provider serving the area within this State in which the customer call is placed ("serving cellular provider") to the billing cellular provider, for customer access to the serving cellular provider's service area.

(b) Non Taxable Charges:

1. Airtime usage, if listed separately on the customer's bill or statement.
2. Voice mail services.

(c) Situs for Determining Tax Rates. The situs for determining tax rates for taxable cellular telephone services is the customer's garage or billing address. However, if both addresses are outside this State, then the situs is the location of the Serving Cellular Provider's serving switch. For billing roamer access charges, calls are considered to be placed and shall be taxed at the tax rate prevalent at the situs of the Serving Cellular Provider's serving switch. In the event a cellular telephone provider has a cellular system that traverses state lines and has cells and customers located in states traversed by such system, the situs, for the purpose of collection and remittance of taxes for taxable cellular services, as between the states traversed by such system, shall be the customer's garage or billing address.

(d) Interconnection Services. With respect to and for that portion of taxes otherwise subject to collection from a cellular telephone provider by its local exchange telephone carrier(s), for the provision of access or interconnection services that are resold by any such cellular provider, a cellular provider may either (i) take a credit, equal to the taxes collected by its local exchange telephone carrier(s) on access or interconnection services, against taxes due by the cellular provider to the Department, or (ii) execute a valid Certificate of Exemption (Form ST-5) for exemption from payment of taxes on access or interconnection services that are resold by the cellular provider. No credit may be taken for that portion of taxes collected from any cellular telephone provider by its local exchange telephone carrier(s) for the provision of local telephone measured usage services. (No credit or refund shall be given by the Department to any cellular telephone provider for taxes collected from any cellular telephone provider on the provision of local

exchange telephone services to such cellular telephone provider by its local exchange telephone carrier prior to December 1, 1992.)

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.24

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-2](#), [48-8-95](#).

History. Original Rule entitled "Communication Services" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Repealed: New Rule of same title adopted. F. Dec. 7, 1994; eff. Dec. 27, 1994.

Rule 560-12-2-.25. Containers and Packaging Materials.

- (1) **Purpose.** This Rule explains the sales and use tax exemption in O.C.G.A. § [48-8-3\(94\)](#) for materials used to package tangible personal property for shipment or sale. This Rule does not address the exemptions for packaging supplies used in manufacturing and agriculture.
- (2) **Single-use Containers and Packaging Materials.** Sales and use tax does not apply to containers and packaging materials used in a trade or business for packaging tangible personal property for shipment or sale if such items are used solely for packaging and are not purchased for reuse by the seller or shipper of the tangible personal property. Exempt items include but are not limited to cans, boxes, and bottles in which goods are contained; boxes in which goods are delivered to customers; materials used to make containers; wrapping paper, plastic, wire, foam, twine, bottle caps, excelsior insulating material, crates, grocery bags, take-out boxes, shipping labels, packing peanuts, and tape. Invoices, packing slips, labels, tags, and plates are exempt from sales and use tax if affixed to the product or affixed to or inserted into the product packaging.
- (3) **Reusable Containers and Packaging Materials.** Sales and use tax applies to containers and packaging materials purchased for reuse by the seller or shipper of tangible personal property, including containers and packaging materials that temporarily pass to the purchaser until they are returned to the seller or shipper for reuse or returned to a pool of substantially identical items for the seller's or shipper's reuse. Examples of such items include but are not limited to pallets, storage tanks, truck bodies, shopping carts and baskets, delivery crates, dispensers, measures, dishes, and beverage glasses.
- (4) **Promotional Materials.** Sales and use tax applies to advertising inserts, catalogs, and other similar promotional materials.
- (5) **Trade or Business Use Only.** The exemption in O.C.G.A. § [48-8-3\(94\)](#) applies only to containers and packaging materials used in a trade or business. A purchaser must present a properly completed certificate of exemption in order to qualify for the exemption.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.25

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-2](#), [48-8-3](#).

History. Original Rule entitled "Containers" adopted. F. and eff. June 30, 1965.

Amended: Title changed to "Containers and Packaging Materials." F. Feb. 10, 2014; eff. Mar. 2, 2014.

Rule 560-12-2-.26. Contractors.

- (1) Any person who contracts to furnish tangible personal property and perform services thereunder in constructing, altering, repairing or improving real property in this State is deemed to be the consumer of all tangible personal property used or consumed in performing such contract and shall pay the tax thereon at the time of purchase, use, storage or consumption in this State, whichever occurs first.
- (2) **General or Prime Contractor Defined.**
 - (a) A general or prime contractor shall include but not be limited to any person, partnership, limited liability partnership, corporation or limited liability company who shall contract with the owner, lessee or other person having authority to enter into a contract involving the premises or property as designated by said contract, to perform services and/or furnish materials for the construction, alteration, or improvement of any real property or project.
 - (b) A general or prime contractor shall also include any person, partnership, limited liability partnership, corporation or limited liability company who owns or leases real estate for the purpose of developing said real estate other than for his or her own occupancy, and in the development thereof, contracts, alters, or makes improvements thereon.
 - (c) A general or prime contractor shall also include any person, partnership, limited liability partnership, corporation or limited liability company who owns or leases real estate and in the development, alteration, or improvement thereof, or construction thereon, contracts with another person, partnership, or corporation to furnish tangible personal property and perform services.
- (3) **Subcontractor Defined.** A subcontractor shall include any person, partnership, limited liability partnership, corporation or limited liability company who contracts with the prime or general contractor to perform all or any part of the contract of the prime or general contractor or who shall contract with a subcontractor who has contracted to perform any part of the contract entered into by the prime or general contractor.
- (4) **Sales and Use Tax Registration and Filing Requirements.**
 - (a) Every contractor or subcontractor improving real property in this State shall file an application for a Certificate of Registration (CRF-002) as a contractor prior to his first construction activity in this State.
 - (b) Sales and use tax returns shall be made by general or prime contractors and by subcontractors on a monthly basis, unless otherwise authorized, for such taxes

owed by each respectively. The returns are to be made on Form ST-3 as prescribed by the commissioner.

- (c) Every general or prime contractor and every subcontractor shall have 20 days from the last day of the reporting period in which to file their sales and use tax returns and remit the tax to the commissioner, as is provided in these Rules and Regulations.
- (5) **Initial General or Prime Contractor Notice.** Each general or prime contractor shall within thirty (30) days after the execution of a contract with a subcontractor whose aggregate contract(s) amount(s) on any single project is equal to or exceeds \$250,000 file with the commissioner a notice, Form S & U T 214-1, that identifies each applicable subcontractor and contract amount. If a general or prime contractor has filed a notice (Form S & U T 214-1) as a result of a previous contract entered during the calendar year and is subsequently provided a notice (Form S & U T 214-5) from the commissioner concerning the subcontractor, then the general or prime shall be relieved from submitting any additional notices (Form S & U T 214-1) on any future contracts with such subcontractors during that calendar year.
- (6) **Withholding and Remittance Requirements.**
- (a) Each general or prime contractor whose aggregate contract(s) amount(s) on any single project is equal to or exceeds \$250,000 with a single subcontractor is required to withhold 2% of the payments due the subcontractor, arising out of such contract(s), unless said contractor has filed an approved surety bond with the commissioner in accordance with the Act.
 - (b) Upon receipt of the written report from the subcontractor showing the amount of work completed on the contract and that all sales and use taxes due the State have been paid by the subcontractor, the Department of Revenue, Sales and Use Tax Division, shall send a written notice (Form S & U T 214-6) to the general or prime contractor and subcontractor. The general or prime contractor shall be authorized to pay the subcontractor all amounts withheld for the payment of sales and use tax during the period covered on the written notice (Form S & U T 214-6).
 - (c) Each general or prime contractor shall send a written notice (Form S & U T 214-7) to the commissioner identifying the total amount withheld after such amount has been held for a period of 60 days following the subcontractor's sales and use tax return reporting period.
 - (d) General or prime contractors must remit retainage withheld from payments to subcontractors upon notice of demand for payment (Form S & U T 214-8).
- (7) **Sales and Use Tax Surety Bond.**

- (a) In lieu of the retention of the two percent (2%) by the general or prime contractor of the amounts due the subcontractor, the subcontractor may provide an annual or continuous surety bond (Forms S & U T 214-3 or Form S & U T 214-3C) approved by the commissioner as to form, sufficiency, value, amount, stability, and other features necessary to provide a guarantee of payment of tax due under the Act.
- (b) The bond shall be made to the Department of Revenue, Sales and Use Tax Division, by the subcontractor on the application (Form S & U T 214-2). The annual surety bond shall cover a calendar year and shall expire on December 31 of each year, and a new bond, if needed, shall be filed with the commissioner. The continuous bond shall continue without interruption until notification has been received from the surety company that the subcontractor has not renewed the bond or that the bond has been cancelled.
- (c) Each subcontractor who shall desire to make a bond in accordance with O.C.G.A. § [48-8-63](#) shall be required to have as surety on said bond a surety corporation authorized to do business in the State of Georgia. The amount of the bond shall be based on the following schedule:
 - 1. Subcontractors whose anticipated annual gross receipts from subcontracting in Georgia for the year is less than \$250,000 shall not be required to have a bond;
 - 2. Anticipated annual gross receipts \$250,000 to \$500,000 - Bond in sum of \$5,000.
 - 3. Anticipated annual gross receipts \$500,000 to \$750,000 - Bond in sum of \$20,000.
 - 4. Anticipated annual gross receipts \$750,000 to \$1,000,000 - Bond in sum of \$30,000.
 - 5. Anticipated annual gross receipts over \$1,000,000 - Bond in sum of \$50,000.
- (d) At any time while the bond is in force, the commissioner may within his discretion increase or decrease the amount of an individual bond or establish a new schedule for all bonds.
- (e) The amount of bond required of a new subcontracting business with no prior history of business in Georgia shall be determined at the commissioner's discretion.
- (f) When a subcontractor's bond is filed and approved by the commissioner, the Department of Revenue, Sales and Use Tax Division, shall promptly prepare a

certificate (Form S & U T 214-4) and forward the original of such certificate as notice to the subcontractor. Upon the subcontractor's written request the Department of Revenue, Sales and Use Tax Division, shall send a notice of the subcontractor's surety bond approval (Form S & U T 214-5) to each general or prime contractor in order to be relieved from withholding the two percent (2%) retainage. The subcontractor's bond approval notice (Form S & U T 214-5) issued on a subcontractor's continuous surety bond shall be valid until the Department of Revenue, Sales and Use Tax Division, notifies the general or prime contractor and subcontractor that the bond has not been renewed or that the bond has been cancelled.

- (g) In the absence of the subcontractor's surety bond approval notice (Form S & U T 214-5) to the general or prime contractor, the contractor must withhold the two percent (2%) retainage of the subcontractor's receipts due on any given project that equals or exceeds \$250,000.

- (8) **Foreign and Non-Resident Contractors.** A foreign or nonresident subcontractor applicant shall be required to submit a sales and use tax bond to authorize release from withholding provisions of the Act in addition to the foreign and non-resident bonding requirements provided for under O.C.G.A. § [48-13-32](#)(See Revenue Rule [560-12-2-.43](#) entitled Foreign and Non-Resident Contractors and Subcontractors. Amended).

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.26

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-2](#), [48-8-63](#), [48-13-32](#).

History. Original Rule entitled "Contractors" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Amended: F. May 12, 1976; eff. June 1, 1976.

Amended: F. June 17, 1994; eff. July 7, 1994.

Repealed: New Rule of same title adopted. F. Nov. 16, 2001; eff. Dec. 6, 2001.

[Rule 560-12-2-.27. Convalescent Homes.](#)

(Also see Rule [560-12-2-.92](#)).

- (1) The tax applies to purchases of tangible personal property by homes for the care and maintenance of children, the aged or other persons, whether or not operated for profit.
- (2) The tax does not apply to receipts for the care and maintenance of such persons.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.27

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#).

History. Original Rule entitled "Convalescent Homes" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Repealed: New Rule of same title adopted. F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-2-.28. Participation in "Fun Runs" and Other Road Races.

Charges to participate in a 10k, half-marathon, marathon, "fun run", walk, wheelchair race, bicycle race, triathlon, or any other similar non-motorized race are not considered to be charges for participation in games or amusement activities and are therefore not subject to tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.28

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-2](#).

History. Original Rule entitled "Dentists, Dental Laboratories, and Dental Supply Houses" adopted. F. and eff. June 30, 1965.

Repealed: F. Apr. 9, 2013; eff. Apr. 29, 2013.

Adopted: New Rule entitled "Participation in "Fun Runs" and Other Road Races." F. Oct. 21, 2019; eff. Nov. 10, 2019.

Rule 560-12-2-.29. Dies and Patterns.

- (1) Dies, patterns, tools, castings or other tangible personal property made by machinists, foundrymen, pattern makers and others for their own use are subject to the tax, based upon the cost price of materials used.
- (2) When such property is made to order for a customer, the tax applies to the total charge therefor, without deduction for fabrication labor.
- (3) Retail sales of dies, patterns, tools and castings are taxable based upon the sales price thereof.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.29

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 92-8406, 92-8409, 92-8427.

History. Original Rule entitled "Dies and Patterns" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.30. Drugs, Durable Medical Equipment, Prosthetic Devices, and Other Medical Items.

- (1) **Purpose.** This Rule sets forth the application of sales and use tax to certain drugs, durable medical equipment, prosthetic devices, and other medical items.
- (2) **Definitions.** For the purposes of this Rule, the following definitions and explanations of terms shall apply:
 - (a) "Drug" means a compound, substance, or preparation, and any component of a compound, substance, or preparation, other than "food and food ingredients," "dietary supplements," or "alcoholic beverages":

1. Recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or supplement to any of them; or
2. Intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or
3. Intended to affect the structure or any function of the body.

(b) Durable medical equipment.

1. "Durable medical equipment" means equipment, including repair and replacement parts for the same, that:
 - i. Can withstand repeated use;
 - ii. Is primarily and customarily used to serve a medical purpose;
 - iii. Generally is not useful to a person in the absence of illness or injury;
 - iv. Is not worn in or on the body; and
 - v. Is not "mobility enhancing equipment."
2. Examples of durable medical equipment include but are not limited to:
 - i. Hospital beds, mattresses, and bedding-related attachments;
 - ii. Drug infusion equipment (non-implanted), nebulizers, vaporizers, oxygen concentrators, infant apnea monitors, and ventilators;
 - iii. Sitz bath chairs, bed pans, urinals;
 - iv. Heat lamps, heat pads, and hot water bottles; and
 - v. Blood glucose monitors, electronic nerve stimulators (non-implanted), breast pumps, and insulin infusion pumps (non-implanted).

(c) Mobility enhancing equipment.

1. "Mobility enhancing equipment" means equipment, including repair and replacement parts to the same, that:
 - i. Primarily and customarily is used to provide or increase the ability to move from one place to another and that is appropriate for use either in a home or a motor vehicle; and

- ii. Generally is not used by persons with normal mobility; and
 - iii. Does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer.
- 2. "Mobility enhancing equipment" does not include "durable medical equipment."
- 3. Examples of mobility enhancing equipment include but are not limited to:
 - i. Adjustable or raised toilet seats;
 - ii. Tub and shower stools or benches;
 - iii. Bed pull-up Ts;
 - iv. Canes;
 - v. Crutches;
 - vi. Grab bars and hand rails;
 - vii. Lift chairs;
 - viii. Patient lifts;
 - ix. Scooters and transporters for disabled persons;
 - x. Specialty chairs;
 - xi. Transfer belts and benches;
 - xii. Walkers; and
 - xiii. Wheelchairs and ramps.

(d) "Natural person" means an individual human being.

(e) "Over-the-counter drug" means a drug that contains a label identifying the product as a drug as required by [21 C.F.R. § 201.66](#). The "over-the-counter drug" label includes:

- 1. A "Drug Facts" panel; or
- 2. A statement of the "active ingredient(s)" with a list of those ingredients contained in the compound, substance, or preparation.

- (f) "Physician" means a person licensed to practice medicine pursuant to Article 2, Chapter 34 of Title 43.
- (g) "Prescription" means an order, formula, or recipe issued in any form of oral, written, electronic, or other means of transmission by a duly licensed practitioner authorized by the laws of this state.
- (h) Prosthetic device.
 - 1. "Prosthetic device" means a replacement, corrective, or supportive device including repair and replacement parts for the same worn on or in the body to:
 - i. Artificially replace a missing portion of the body; or
 - ii. Prevent or correct physical deformity or malfunction; or
 - iii. Support a weak or deformed portion of the body.
 - 2. "Prosthetic device" does not include hearing aids and eyeglasses.
 - 3. Examples of prosthetic devices include but are not limited to:
 - i. Artificial implants such as artificial arteries (e.g., vascular grafts, stents), hearts and valves (e.g., atrial, mitral, annuloplasty rings), ears, nose, eyes (e.g., intraocular lenses), skin and other tissues (e.g., collagen, hyaluronic acid), larynx, or any other implant that replaces, in whole or part, a part of the human body;
 - ii. Bone nails, pins, screws, plates, fixation devices, bone cement, wax, fillers, or other items surgically implanted into the body used to correct deformities, or to preserve and restore the function of the human skeletal system;
 - iii. Organ implants;
 - iv. Breast prostheses, including surgical brassieres for post- mastectomy patients;
 - v. Cardiac pacemakers and implanted cardioverter defibrillators;
 - vi. Implanted nerve stimulators;
 - vii. Implanted tissue expanders;
 - viii. Implanted devices used for hydrocephalus;

- ix. Surgical mesh;
- x. Gastric bands and intragastric balloons;
- xi. Colostomy, ileostomy and urostomy appliances, including bags and necessary equipment required for attachment, such as tubing;
- xii. Electronic speech aids if the patient had a laryngectomy or if the larynx is inoperative;
- xiii. Urinary collection systems, including Foley catheters, when replacing bladder function in cases of urinary incontinence;
- xiv. Enteral or parenteral feeding systems and their individual components (e.g., catheters, filters, extension tubing, infusion pumps);
- xv. Artificial legs, arms and eyes, including terminal devices such as artificial hands;
- xvi. Braces, cervical collars, abdominal belts, anti-embolism stockings, pressure/compression garments, trusses, supports, suspensories, and similar devices worn on the body to correct or alleviate a physical incapacity or injury;
- xvii. Hoods and space shoes that replace part of a foot;
- xviii. Stump stockings and harnesses essential to the effective use of an artificial limb, and
- xix. Dental crowns, implants, complete and partial dentures, obturators and fillings.

(3) Drugs.

- (a) The sale or use of drugs that are lawfully dispensable only by prescription for the treatment of natural persons is exempt from Georgia sales and use tax. This exemption applies to all purchasers including but not limited to individual consumers, hospitals, clinics, and medical practice groups.
- (b) Unless otherwise exempt, all sales of over-the-counter drugs are subject to Georgia sales and use tax regardless of whether they are dispensed under a prescription, even if the over-the-counter drug is purchased on the advice or recommendation of a physician. Examples of over-the-counter drugs include but

are not limited to aspirin, acetaminophen, ibuprofen, cold remedies, antacids, laxatives, and cold sore gels.

- (c) Dealers must maintain sufficient prescription documentation to support exempt sales.

(4) **Durable Medical Equipment.**

- (a) **Purchases for resale.** Durable medical equipment may be purchased tax exempt for resale only if title and possession will be permanently transferred to a natural person to whom a prescription for the equipment is issued or if full possession, control and use will be transferred, pursuant to a bona fide lease agreement, to a natural person to whom a prescription for the equipment is issued.
 - 1. Durable medical equipment that can be sold or used only pursuant to a prescription under federal or state law may be purchased tax exempt for resale pursuant to this subparagraph without furnishing form ST-5 (Sales and Use Tax Certificate of Exemption).
 - 2. If an item of durable medical equipment may lawfully be sold without a prescription, the purchaser must furnish form ST-5 to its vendor in order to purchase the item tax free for resale.
- (b) **Transfers to patients.** Pursuant to O.C.G.A. § [48-8-3\(54\)](#) durable medical equipment may be transferred tax exempt to a natural person to whom a prescription for the equipment is issued.
- (c) **Use by service providers.** If a service provider uses, possesses or controls an item of durable medical equipment at any time in providing a medical service (including but not limited to diagnostic, treatment, or rehabilitative services), the item is not considered to have been sold or used pursuant to a prescription and the service provider is liable for sales or use tax on the service provider's cost price of the item.

(5) **Prosthetic Devices.**

- (a) If a prosthetic device can be sold or used only pursuant to a prescription under federal or state law, and title and possession will be permanently transferred to a natural person to whom a prescription for the device is issued, the entity (including hospitals, clinics, and medical practice groups) transferring the device may purchase the item tax exempt without furnishing form ST-5 (Sales and Use Tax Certificate of Exemption). The entity subsequently may transfer the device tax exempt pursuant to O.C.G.A. § [48-8-3\(54\)](#) to a natural person to whom a prescription for the device is issued.

- (b) If a prosthetic device may lawfully be sold without a prescription, and title and possession will in fact be permanently transferred to a natural person pursuant to a prescription issued to that person, the entity transferring the device must furnish an ST-5 to its vendor in order to purchase the item tax free for resale. The transferring entity may then transfer the item tax exempt pursuant to O.C.G.A. § [48-8-3\(54\)](#) when the transfer is made to a natural person pursuant to a prescription issued to that person.

(6) Mobility Enhancing Equipment.

- (a) **Purchases for resale.** Mobility enhancing equipment may be purchased tax exempt for resale only if title and possession will be permanently transferred to a natural person to whom a prescription for the equipment is issued by a physician or if full possession, control and use will be transferred, pursuant to a bona fide lease agreement, to a natural person to whom a prescription for the equipment is issued by a physician.
 - 1. Mobility enhancing equipment that can be sold or used only pursuant to a prescription under federal or state law may be purchased tax exempt for resale pursuant to this subparagraph without furnishing form ST-5 (Sales and Use Tax Certificate of Exemption).
 - 2. If an item of mobility enhancing equipment may lawfully be sold without a prescription, the purchaser must furnish form ST-5 to its vendor in order to purchase the item tax free for resale.
- (b) **Transfers or sales to patients.** Pursuant to O.C.G.A. § [48-8-3\(72\)](#) mobility enhancing equipment may be transferred tax exempt to a natural person to whom a prescription for the equipment is issued by a physician.
- (c) **Use by service providers.** If a service provider uses, possesses or controls an item of mobility enhancing equipment at any time in providing a medical service (including but not limited to diagnostic, treatment, or rehabilitative services), the item is not considered to have been sold or used pursuant to a prescription and the service provider is liable for sales or use tax on the service provider's cost price of the item.

(7) Other Medical Items.

- (a) Eyeglasses and contact lenses.
 - 1. The sale of eyeglasses and contact lenses is exempt from sales and use tax when the sale is made to a natural person pursuant to a prescription issued to that person.

2. The distribution of prescription contact lenses by the manufacturer to licensed dispensers, that are free samples not intended for resale and labeled as such, are exempt from sales and use tax.
- (b) The sale of oxygen is exempt from sales and use tax when the sale is made to a natural person pursuant to a prescription issued to that person by a licensed physician.

For example, a medical service provider purchases oxygen from a seller and then sells the oxygen to a patient pursuant to a prescription issued to that patient by a licensed physician. The service provider's purchase is taxable unless the provider presents a resale certificate to the seller. The service provider's sale of oxygen to the patient is exempt under O.C.G.A. § [48-8-3\(51\)](#).

- (c) The sale of hearing aids is exempt from sales and use tax. This exemption applies to all purchasers including but not limited to individual consumers, hospitals, clinics, and medical practice groups.
- (d) The sale of insulin syringes, insulin, and blood measuring strips is exempt from sales and use tax. This exemption applies to all purchasers including but not limited to individual consumers, hospitals, clinics, and medical practice groups.
- (e) Enteral nutrition and parenteral nutrition are exempt from sales and use tax when sold to a natural person pursuant to a prescription issued to that person.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.30

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-2](#), [48-8-3](#), [48-8-49](#).

History. Original Rule entitled "Drugs, Medicines and Medical Supplies" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Drugs, Medicine and Medical Equipment" adopted. F. Jan. 13, 1975; eff. Feb. 2, 1975.

Amended: F. June 4, 1985; eff. June 24, 1985.

Amended: F. Nov. 27, 1989; eff. Dec. 17, 1989.

Repealed: New Rule entitled "Drugs, Durable Medical Equipment, Prosthetic Devices, and Other Medical Items" adopted. F. Dec. 21, 2007; eff. Jan. 10, 2008.

Amended: F. Oct. 30, 2012; eff. Nov. 19, 2012.

Rule 560-12-2-.31. Dunnage and Shoring Materials.

The tax applies to sales of dunnage and other shoring materials.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.31

Authority: Ga. Code Ann. Secs. [92-3438a](#), [92-8405](#), [92-8406](#), [92-8409](#), [92-8427](#).

History. Original Rule entitled "Dunnage and Shoring Materials" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.32. Utilities.

- (1) **Electricity, steam, gas, and fuels.** Unless a specific exemption applies, sales and use tax applies to sales of electricity, steam, natural gas, artificial gas, fuel, and other energy-providing materials, including mandatory service charges, when sold for any purpose other than for resale in its original form by a qualified reseller. The tax does not apply to deposits used to guarantee payment of utility services.
- (2) **Water.** Sales and use tax does not apply to water delivered to consumers through water mains, lines, or pipes.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.32

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-2](#), [48-8-3](#).

History. Original Rule was filed on June 30, 1965.

Amended: Original Rule entitled "Electric Energy, Steam and Natural or Artificial Gas" repealed and a new Rule entitled "Electricity, Steam, Gas and Fuels" adopted. Filed January 13, 1975; effective February 2, 1975.

Repealed: New Rule of same title adopted. F. Dec. 9, 1994; eff. Dec. 29, 1994.

Amended: F. Feb. 10, 1997; eff. Mar. 2, 1997.

Amended: Title changed to "Utilities." F. Feb. 10, 2014; eff. Mar. 2, 2014.

Rule 560-12-2-.33. Employee Associations and Organizations.

Organizations of employees which sell tangible personal property to members or others are required to collect and remit the tax. It is the responsibility of all such organizations to request from the Commissioner a determination as to the necessity for registration with the Sales and Use Tax Unit.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.33

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385; (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Employee Associations and Organization" was filed on June 30, 1965.

Rule 560-12-2-.34. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.34

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Employees' Meals" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Repealed: New Rule entitled "Employees' Meals or Beverages" adopted. F. July 6, 2006; eff. July 26, 2006.

Repealed: F. Mar. 15, 2012; eff. Apr. 4, 2012.

Rule 560-12-2-.35. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.35

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Equipment, Tools and Supplies" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Repealed: F. Feb. 10, 2014; eff. Mar. 2, 2014.

Rule 560-12-2-.36. Explosives.

The tax applies to dynamite, black powder and other explosives when purchased for mining, quarrying, construction work or for any purposes other than resale.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.36

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Explosives" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.37. Fabrication of Tangible Personal Property.

- (1) An operation which restores a used or worn piece of tangible personal property to its original state is a service and charges for labor in repairing such property are not taxable when billed separately to the customer. An operation which changes the form or state of the property is one of fabrication.
- (2) Persons regularly engaged in the fabrication or production of tangible personal property for sale at retail shall collect and remit the tax on the sales price of such property. When the fabricator converts such property to his own use, he shall remit the tax based on the fair market value thereof at the time of its first use by him.
- (3) The tax applies to the total charge for the fabrication or production of tangible personal property on a special order for a consideration. For example, if a manufacturer orders a part for machinery from a machine shop, the tax shall be collected on the total charge for the part, including labor, although charges for labor may be segregated from the cost of the materials.
- (4) The tax applies to the charges for the fabrication of tangible personal property for users or consumers who furnish, either directly or indirectly, the materials used in the fabrication work. For example, the tax would apply to charges made by a tailor who makes an article of wearing apparel from material furnished by the customer. (Also see Rule [560-12-2-.88](#))

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.37

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Fabrication of Tangible Personal Property" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Rule 560-12-2-.38. Fairs, Circuses, Carnivals, etc.

- (1) Every person making an admission charge of more than 10c to any place of amusement shall collect the tax in accordance with the authorized bracket system. (See Rule [560-12-1-.05](#)).
- (2) All charges of more than 10c made at carnivals, fairs, amusement parks, and similar places for rides on merry-go-rounds, roller coasters, ferris wheels and the like, and the participation in games are subject to the tax. For the purpose of collecting this tax, each admission or other charge shall be deemed a single sale unless the books and records of the dealer accurately reflect amounts of each combination or multiple sale.
- (3) The tax does not apply to admissions by free pass. If a service charge or donation in excess of 10c is required for the issuance of an admission pass, the tax applies to the charge or donation.
- (4) Tangible personal property used or consumed in the operations of fairs, circuses, carnivals, amusement parks, etc., is taxable, based on the sales price if purchased in Georgia. If purchased outside of Georgia, the tax shall be based on the cost price or fair market value at the time of first use in this State, whichever is the lesser, and subject to credit for sales or use taxes legally imposed and paid to a reciprocating state.
- (5) Itinerant operators of fairs, circuses, or any other amusement or entertainment activity in this State shall furnish this Department with a complete itinerary prior to his first showing or activity herein. Such operators and concessionaires shall collect the tax as set out hereinabove and pay the same to the State Revenue Commissioner or as directed by an authorized agent of the Revenue Department.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.38

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Amended: Filed January 13, 1975; effective February 2, 1975.

Rule 560-12-2-.39. Farmers, Market Masters, and Other Marketers.

- (1) Farmers, market masters, and other persons engaged in selling tangible personal property, whether at retail or for resale, must register as a dealer.
- (2) The tax applies to retail sales of farm products, whether sold by peddlers or at a public market, roadside stand, farm, or any other place, irrespective of whether the place of business is located on private, state, county, or municipal property.
- (3) All sales are subject to the tax until the contrary is established. The burden of proving that a sale of tangible personal property is not a sale at retail is on the seller unless the seller takes in good faith from the purchaser a certificate stating that the property is purchased for resale or is otherwise tax exempt.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.39

Authority: O.C.G.A. §§ [48-8-30](#), [48-8-38](#), [48-8-59](#).

History. Original Rule was filed on June 30, 1965.

Amended: F. May 17, 2017; eff. June 6, 2017.

Rule 560-12-2-.40. Federal and Military Reservations.

- (1) The tax applies to all retail sales by private concessionaires in Federal areas to servicemen, Federal employees and other persons to the same extent that it applies with respect to retail sales elsewhere within the State.
- (2) The use tax applies to the cost price or fair market value, whichever is the lesser, of automobiles imported into the State by military personnel and other persons. However, credit shall be allowed for sales or use tax legally imposed and paid to a reciprocating State.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.40

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.41. Federal and State Governments.

- (1) The tax does not apply to sales to the Federal Government, the State of Georgia, or any county or municipality of the State of Georgia or any bona fide department of such government when paid for directly to the seller by warrant on appropriated government funds; provided that any hospital authority created by Chapter 8818 of the Code of Georgia is exempt from the tax.
- (2) Sales to governmental employees for their own consumption or use are taxable.
- (3) The tax applies to sales on Federal Property, i.e., sales to persons in the armed services of the United States and to civilian employees of such services, except when such sales are made to them as authorized purchasers for a service organization operating exclusively within a United States Military Reservation and authorized by the Secretary of Defense. The tax does not apply to sales to officers clubs, non-commissioned officers clubs and post exchanges organized, operated and controlled under regulations promulgated by the departmental Secretary of the Department of Defense having jurisdiction thereof, and operated exclusively in a functional area of the command of which they are a part. The exemption from the collection or the payment of sales and use tax does not cover individuals or organizations operating on a military reservation in their own right. No person shall be relieved from liability for payment of, collection of, or accounting for the tax on the ground that the sales or use, with respect to which the tax is levied, occurred in whole or in part within a Federal area.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.41

Authority: Ga. L. 1951, p. 360, as amended; Ga. L. 1937-38, Extra Sess., pp. 77, 80, 81, 91, 93; Ga. L. 1960, pp. 153, 156; Ga. Code Ann., 92-3403a C(2).

History. Original Rule was filed on June 30, 1965.

Amended: Filed November 23, 1965; effective December 12, 1965.

Amended: Filed January 13, 1975; effective February 2, 1975.

Rule 560-12-2-.42. Florists and Nurserymen.

- (1) The tax applies to retail sales of flowers, potted plants, shrubbery, nursery stock, wreaths, bouquets, and similar items.
- (2) When a nurseryman, florist, or other person makes retail sales of shrubbery and similar items, and as a part of the transaction agrees to transplant them on the land of the purchaser for a lump sum, the tax applies to the total charge therefor, except in those cases where installation is billed separately.
- (3) Where florists sell through telegraphic delivery association the following rules will apply:
 - (a) On all orders taken by a Georgia florist and telegraphed to a second florist in Georgia for delivery in this State, the sending florist will be held liable for tax on the total amounts collected from the customer.
 - (b) In cases where a Georgia florist receives an order pursuant to which he gives telegraphic instructions to a second florist located outside Georgia for delivery of flowers to a point outside Georgia, tax will likewise be owing with respect to the total receipts of the sending florist from the customer who placed the order.
 - (c) In cases where a Georgia florist receives telegraphic instructions from other florists located either within or outside of Georgia for the delivery of flowers, the receiving florist will not be held liable for the tax with respect to any receipts which he may realize from the transaction. In this instance, if the order originated in Georgia, the tax will be payable by the Georgia florist who first received the order and gave the telegraphic instructions to the second florist.
 - (d) Charges for telegraphic messages are not taxable when billed separately to the customer.
- (4) Where a florist directs a wedding, furnishes flowers, decorations, refreshments, etc. for a flat charge, the total charge is subject to the tax. However, if a separate charge is made for professional services, such charge may be excluded from the sales tax base.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.42

Authority: O.C.G.A. Sec. [48-2-12](#), Chap. 48-8.

History. Original Rule entitled "Florist and Nurserymen" was filed and effective on June 30, 1965.

Amended: Filed July 12, 1971; effective August 1, 1971.

Amended: Filed March 25, 1987; effective April 14, 1987.

Rule 560-12-2-.43. Foreign or Non-Resident Contractors and Subcontractors.

- (1) "Contractor" includes nonresident individuals, partnerships, firms or corporations, or associations engaged in the business of the construction, alteration, repairing, dismantling or demolition of buildings, roads, bridges, viaducts, sewers, water and gas mains, streets, disposal plants, water filters, tanks and towers, airports, dams, water wells, pipe lines, and every other type of structure, project, development or improvement coming within the definition of real property and personal property, including such construction, alteration, or repairing of such property to be held either for sale or rental, and further including all subcontractors so engaged.
- (2) Application for Authorization to Perform Contract (Form S&UT-348-1) must be filed for each contract amounting to more than \$10,000.00 and a fee paid in the sum of \$10.00 for each such contract. A good and valid bond shall be executed by a Surety Company authorized to do business in this State in the amount of 10% of the contract price or the compensation to be received for each contract. Nonresident contractors engaging in multiple contracts, contingent or unit basis where the compensation to be received cannot be determined, a blanket bond may be executed in a sufficient amount, within the discretion of the Commissioner of Revenue but under no circumstances to be less than \$10,000.00. Contractors so engaged must report each such contract on or by the first day of March of the subsequent calendar year and pay a fee of \$10.00 for each such contract. Nonresident contractors and subcontractors must file a "Consent to Service of Process" appointing the Secretary of State of Georgia as the true and lawful agent upon whom may be served any summons or other lawful process.
- (3) Upon posting the required bond and payment of the registration fee, nonresident contractors and subcontractors shall be furnished a "Qualification Acknowledgement", Form S&UT-348-2, which shall be maintained by a person in authority at the job site for inspection by any duly authorized officer or agent of the State of Georgia, or any political subdivision thereof, to evidence payment of the required fee and posting of the Surety Bond for the contract so indicated.
- (4) A contract in accordance with the terms of this Act shall not be deemed to be completed until such time as a written notice of contract completion has been furnished to the Revenue Department by the contractor, accompanied by an affidavit that all fees and taxes incurred in connection with the contract have been paid to the State of Georgia and all political subdivisions thereof.
- (5) Upon completion of every contract amounting to more than ten thousand dollars (\$10,000), the contractor or subcontractor shall furnish to the Commissioner of Revenue a written notice of contract completion, together with an affidavit that all fees and taxes incurred in connection with the contract have been paid to the State of Georgia and all political subdivisions thereof. A contract is not deemed to be completed in accordance

with the terms of said Act until such time as the contract completion has been reported in the aforementioned manner, nor shall the provision for automatic bond release apply until two (2) years after the receipt of such notice by the Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.43

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a. O.C.G.A. Secs. [48-2-12](#) and [48-13-32](#).

History. Original Rule entitled "Foreign or Nonresident Contractors and Subcontractors" was filed and effective June 30, 1965.

Amended: Filed January 13, 1975; effective February 2, 1975.

Amended: F. Jun. 17, 1994; eff. July 7, 1994.

Rule 560-12-2-.44. Foreign Vendors.

Every person outside this State who engages in business in this State as a dealer as defined in the Act, is required to register, collect and remit the tax on all taxable tangible personal property sold or delivered for storage, use or consumption in this State. Such dealers must file monthly sales and use tax reports, unless otherwise authorized, and perform all other duties required of dealers in this State.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.44

Authority: Ga. L. 1937-38, Extra Sess., pp. 77 *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Foreign Vendors" was filed and effective June 30, 1965.

Rule 560-12-2-.45. Freight, Delivery and Transportation.

- (1) "Delivery charges" means charges by the seller of tangible personal property or services for preparation and delivery to a location designated by the purchaser of the tangible personal property or services, including but not limited to charges for transportation, shipping, postage, handling services, crating, and packing; fuel surcharges; split shipment charges; small order charges; and other similar charges. The term "delivery charges" does not include postage charges for the delivery of direct mail when the postage charge is passed on dollar-for-dollar without being marked up to the purchaser of the direct mail and separately stated on an invoice or other similar billing document given to the purchaser.
- (2) Where taxable tangible personal property is sold at retail and the seller makes a delivery charge, the charge is taxable regardless of whether the charge is optional (i.e., not required to complete the underlying sale of the tangible personal property) or separately stated.

- (3) Where taxable tangible personal property is sold at retail and the seller handles the shipping transaction as agent for the purchaser, the delivery charge is not taxable so long as:
- (a) the seller maintains an escrow account on behalf of the purchaser for delivery charges;
 - (b) the seller maintains separate invoicing for delivery charges, reflecting escrow deposits and withdrawals;
 - (c) the seller maintains books and records reflecting the deposits, withdrawals, and the balance of the delivery escrow accounts maintained for each customer;
 - (d) the contract between the seller and the purchaser prohibits the seller from financing or marking up the delivery charges;
 - (e) the contract between the seller and the purchaser requires the purchaser to deposit funds for delivery charges into the escrow account in advance of delivery; and
 - (f) the contract between the seller and the purchaser states that the purchaser pays shipping cost and takes responsibility for the property when it leaves the seller's premises.
- (4) Charges made for the transportation of tangible personal property are not subject to sales tax when the transportation charges are not associated with a taxable sale of tangible personal property.
- (5) If a transaction between a dealer and a customer includes both taxable items and nontaxable items, the dealer may either charge and collect tax on the entire delivery charge or charge tax on a portion of the delivery charge based on either (i) the percentage of the sales price of the taxable property compared to the total sales price of all property in the shipment, or (ii) the percentage of the total weight of the taxable property compared to the total weight of all property in the shipment. The dealer must maintain records supporting the calculation of taxes on delivery charges.
- (6) Examples:
- (a) A seller of taxable tangible personal property arranges for a third party carrier to deliver items to the purchaser. The seller charges the purchaser the actual cost of delivery that the third party carrier charges the seller. The delivery charge from the seller to the purchaser is a taxable charge.
 - (b) A seller of taxable tangible personal property arranges for a third party carrier to deliver items to the purchaser. The carrier bills the purchaser directly, and the purchaser pays the carrier directly. The delivery charge is not taxable.

- (c) An individual pays a moving company to move his furniture from his home to a storage facility. The charge made by the moving company for the transportation of tangible personal property is not taxable because it is not associated with the taxable sale of tangible personal property. Charges made by the moving company for moving boxes, packing paper, and other tangible personal property are subject to sales tax.
- (d) The purchaser of taxable tangible personal property arranges with a third party carrier to pick up items at the seller's location and deliver the items to the purchaser. As in examples (b) and (c), the delivery charge is not taxable because the carrier, rather than a seller of tangible personal property, is making the charge.
- (e) A retailer purchases inventory for resale and pays a delivery charge to the vendor. Because the purchase is a nontaxable purchase for resale, the delivery charge is not taxable.
- (f) A retailer purchases tax exempt inventory for resale and taxable items for use in the retailer's business. The tax exempt property is \$75 and 75 pounds, and the taxable property is \$25 and 25 pounds. The seller delivers the items in one shipment for a fee of \$6. The seller may either charge tax on the entire \$6 delivery fee or charge tax on 25% (\$1.50) of the delivery fee based on either (i) the percentage of the sales price of the taxable property compared to the total sales price of all property in the shipment (25%), or (ii) the percentage of the total weight of the taxable property compared to the total weight of all property in the shipment (25%).

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.45

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-2](#), [48-8-3](#).

History: Original Rule entitled "Freight, Delivery, and Transportation" was filed and effective June 30, 1965.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Amended: Title changed to "Freight, Delivery, and Transportation." F. Jul. 14, 2014; eff. Aug. 1, 2014.

Rule 560-12-2-.46. Funeral Services, Cemeteries and Crematoriums.

- (1) Funeral directors and undertakers are considered to be in the dual capacity of rendering services and selling tangible personal property. Their sales are taxable as follows:
 - (a) Except as provided for in paragraph (b) of this regulation, the tax applies to the retail sales price of all tangible personal property furnished in a funeral service.
 - (b) Funeral merchandise, outer burial containers and cemetery markers as defined in O.C.G.A. § [43-18-1](#) are exempt when purchased with funds received from the Georgia Crime Victims Emergency Fund under Chapter 15 of Title 17 of the Official Code of Georgia Annotated. This includes but is not limited to caskets or

alternative containers, vaults, crypts and wooden enclosures. Funeral directors, undertakers, cemeteries and crematoriums must maintain sufficient documentation that the purchases are made with funds received from the Georgia Crime Victims Emergency Fund.

- (c) Equipment and supplies, including but not limited to ambulances, hearses, embalming materials, and chapel furnishings are deemed purchases for use or consumption by undertakers and funeral directors and are taxable at the time of purchase.
- (d) When a funeral director or undertaker conducts a funeral in Georgia and furnishes tangible personal property, the delivery of which takes place in this State, the tax applies notwithstanding interment occurring in another State.

(2) Cemeteries and Crematoriums.

- (a) The tax applies to all sales of tangible personal property by cemeteries and crematoriums, including boxes, urns, markers, vases and flowers.
- (b) The tax applies to purchases of equipment and supplies for use and consumption by cemeteries and crematoriums. Such purchases include, but are not limited to, materials and supplies used in construction, maintenance, improvement or alteration of buildings and grounds; also seeds, insecticides, plants and fertilizers.

- (3) The sale of lots, crypts and niches are real property transactions not subject to the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.46

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, O.C.G.A. Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; O.C.G.A. Sec. 92-3438a; O.C.G.A. Secs. [48-2-12](#), [48-8-3\(63\)](#).

History. Original Rule entitled "Funeral Directors and Undertakers" was filed and effective June 30, 1965.

Repealed: New Rule entitled "Funeral Services, Cemeteries and Crematoriums" adopted. F. Feb. 17, 2000; eff Mar. 8, 2000.

Rule 560-12-2-.47. Furniture and Storage Warehousemen.

Furniture and storage warehousemen are primarily engaged in the business of moving, storing, packing, and delivering tangible personal property belonging to other persons. These activities constitute services and proceeds therefrom are not subject to the tax. Crating, boxing, packing materials, etc., purchased by warehousemen for use in the performance of such services are taxable. Warehousemen are required to collect and remit the tax on retail sales of furniture or other tangible personal property.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.47

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Furniture and Storage Warehousemen" was filed and effective June 30, 1965.

Rule 560-12-2-.48. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.48

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Gases" was filed and effective June 30, 1965.

Repealed: F. Feb. 10, 2014; eff. Mar. 2, 2014.

Rule 560-12-2-.49. Golf and Country Clubs.

Golf, country and other social clubs are required to register as dealers and to collect and remit the tax on all sales at retail, including separate charges for swimming, green fees and the like. The tax applies to purchases of tangible personal property by such clubs for use or consumption, including, but not limited to, equipment, seeds, plants, fertilizer, etc., for improvement and beautification.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.49

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Golf and Country Clubs" was filed and effective June 30, 1965.

Rule 560-12-2-.50. Hospitals, Sanitariums, Nursing Homes.

- (1) Hospitals, sanitariums and nursing homes are primarily engaged in the business of rendering services and are deemed users or consumers of all tangible personal property purchased for use or consumption in connection with the operation of the institution. They are required to pay the tax at the time of purchase, unless specifically exempt by law. They shall pay the tax to registered vendors; however, if a vendor fails to charge the tax, the purchaser shall be liable for the payment of the tax directly to the State.
- (2) Sales of tangible personal property to hospitals, sanitariums and nursing homes owned and operated by the Federal government, the State of Georgia, any county or municipality of the state of Georgia, and hospital authorities created under the provisions of Section 88-1803, Georgia Health Code, are exempt.
- (3) When a hospital, hospital authority, sanitarium or hospital organization, through any division or department, engages in selling tangible personal property, it must register as a dealer, collect, report and remit the tax.
- (4) Private nonprofit licensed nursing homes, general hospitals and mental hospitals coming within the provisions of Rule [560-12-2-.92](#) may apply for an exemption.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.50

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Hospitals" was filed and effective June 30, 1965.

Amended: Filed April 27, 1966; effective May 16, 1966.

Amended: Rule repealed and a new Rule entitled "Hospitals, Sanitariums, Nursing Homes" adopted. Filed January 13, 1975; effective February 2, 1975.

Rule 560-12-2-.51. Hotels, Motels, Trailer Parks, etc.

- (1) The tax applies to charges for rooms, lodgings or accommodations furnished to transients by hotels, motels, tourist camps, or any other place in which such accommodations are furnished. However, the tax shall not apply to rooms, lodgings or accommodations supplied for a period of 90 continuous days or more.
- (2) The tax applies to sales or rentals of tangible personal property by such businesses, including food, beverage, radio and television.
- (3) Purchases of furniture, linens, carpeting, drapes, and other tangible personal property by such businesses are taxable at the time of purchase.
- (4) Charges for parking spaces in trailer parks are not subject to the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.51

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Amended: Original Rule entitled "Hotels, Motels, Tourist Camps, etc." repealed and a new Rule entitled "Hotels, Motels, Trailer Parks, etc." adopted. Filed January 13, 1975; effective February 2, 1975.

Rule 560-12-2-.52. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.52

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-2-.53. Interior Decorators.

The tax does not apply to charges for professional services rendered by an interior decorator. When a decorator goes beyond the rendition of services and sells tangible personal property, the decorator shall register as a dealer, collect and remit the tax on retail sales. When a decorator makes a lump sum charge for professional services and furnishes tangible personal property, the tax applies to the total charge, unless the charge for professional services is billed separately from the tangible personal property.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.53

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.54. Interstate Commerce.

(1) The tax applies to:

- (a) All sales at retail of tangible personal property, the delivery of which takes place in Georgia, regardless of any subsequent employment or use thereof in interstate commerce; and
- (b) The first use in Georgia of tangible personal property bought elsewhere in a transaction which would have been taxed had the transaction occurred in Georgia, provided such property has become a part of the mass of the property in this State, irrespective of the fact that such property may have been, or may be used in interstate commerce.
- (c) The tax due under (b) above is subject to the credit for like taxes paid elsewhere, if under reverse circumstances the other state would grant credit for like taxes paid to the State of Georgia.

(2) The tax does not apply to:

- (a) Deliveries of tangible personal property outside the State in the seller's vehicle when a valid Certificate of Exemption (Form ST-6) is secured;
- (b) Deliveries of tangible personal property outside the State by use of an independent trucker hired by the seller when a valid Certificate of Exemption (Form ST-6) is secured;
- (c) Deliveries of tangible personal property to a common carrier or to the U.S. Post Office for transportation outside the State;
- (d) Purchases for resale and immediate transportation out of this State by a dealer properly registered in another state, provided a valid Certificate of Exemption (Form ST-4) is secured by the Georgia seller;
- (e) Purchases of aircraft, watercraft, motor vehicles and other transportation equipment manufactured or assembled in this State if sold by the manufacturer or assembler for use exclusively outside this State and if possession is taken from the manufacturer or assembler by the purchaser within this State for the sole purpose of removing the same from this State under its own power when it does not lend itself more reasonably to removal by other means.

- (f) Purchases of aircraft parts (other than parts and materials described below which are consumed or installed on aircraft while in Georgia) when (1) the delivery terms are "F.O.B. buyer's aircraft, (City), Georgia," or terms with the same meaning, and (2) the parts are delivered by the seller directly on board the foreign purchaser's aircraft (3) for immediate exportation outside the United States (4) pursuant to an export license issued by the federal government and (5) such parts are actually transported outside the United States as soon as practicable after loading onto the aircraft without any use in Georgia or diversion to any other state. The tax shall apply to parts and materials which are installed on or in an aircraft while in Georgia or used or consumed in repairing or servicing an aircraft when the aircraft is repaired or serviced in Georgia.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.54

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a; O.C.G.A. Sec. [48-2-12](#) and chapter 48-8.

History. Original Rule was filed on June 30, 1965.

Repealed: New Rule of same title "Interstate Commerce" adopted. F. Jun. 12, 1990; eff. July 2, 1990.

Rule 560-12-2-.55. Kennels, Stables and Pet Shops.

The tax does not apply to charges for the keep of pets. Operators of kennels, stables and pet shops are required to pay the tax on purchases of tangible personal property used in such operations. Sales of horses, dogs, animals, goldfish and other pets are subject to the tax, unless purchased for resale or otherwise exempt.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.55

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.56. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.56

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Feb. 10, 2014; eff. Mar. 2, 2014.

Rule 560-12-2-.57. Laundries and Dry Cleaners.

- (1) The tax applies to all tangible personal property purchased by laundries and dry cleaners to be used in the furnishing of services, including machinery, equipment, repair parts, materials and supplies. Services rendered by such persons are not taxable. However,

when such operators go beyond the rendition of services and make sales of clothing or other articles of tangible personal property, they must register as dealers, collect and remit the applicable tax.

- (2) The tax does not apply to receipts from coin operated laundry and dry cleaning devices. The tax does apply to all tangible personal property purchased by coin operated laundries to be used in the furnishing of laundry services, including machinery, equipment, repair parts, materials and supplies.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.57

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann, Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.58. Linen Supply.

Persons engaged in the business of furnishing coats, caps, aprons, dresses, uniforms, smocks, towels, linens, diapers and similar articles to barber shops, beauty parlors work shops, and other establishments and to individuals under agreements which provide for a service to be rendered in the periodic cleaning or laundering of such articles, are lessors of tangible personal property and are required to collect the tax upon the gross rental receipts. Items which are used exclusively for rental purposes are purchased tax exempt. All other purchases of tangible personal property for use in connection with these rentals are taxable.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.58

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann, Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.59. Loan and Finance Companies.

Loan companies, finance companies and others making sales of tangible personal property are required to collect and remit the applicable tax as dealers irrespective of the fact that such property may have been repossessed or obtained by default of borrowers.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.59

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Loan and Finance Companies" was filed and effective on June 30, 1965.

Rule 560-12-2-.60. Lost, Damaged, Or Unclaimed Property.

The tax does not apply to compensation paid by common carriers to their customers for tangible personal property which is lost or damaged while in possession of such carriers. However, if a

common carrier retains such property and converts it to its own use, the carrier shall pay the tax on the salvage value. When a common carrier sells damaged or unclaimed property, it must collect and remit the applicable tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.60

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Lost, Damaged, or Unclaimed Property" was filed and effective on June 30, 1965.

Rule 560-12-2-.61. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.61

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Machinery, Farm" was filed and effective on June 30, 1965.

Amended: Filed January 7, 1980; effective January 27, 1980.

Amended: F. Jun. 16, 1994; eff. July 7, 1994.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-2-.62. Manufacturing Machinery and Equipment, Industrial Materials, and Packaging Supplies.

- (1) Purpose. This Rule explains the sales and use tax exemptions in O.C.G.A. § [48-8-3.2](#) for machinery and equipment necessary and integral to the manufacture of tangible personal property in a manufacturing plant, for repair and replacement parts associated with such machinery and equipment, and for industrial materials and packaging supplies.
- (2) Definitions. For purposes of this Rule, the following definitions and explanations apply:
 - (a) "Consumable supplies" means tangible personal property, other than machinery, industrial materials, packaging supplies, and energy, that is consumed or expended during the manufacture of tangible personal property. The term includes but is not limited to water treatment chemicals for use in, on, or in conjunction with machinery or equipment and items that are readily disposable.
 - (b) "Energy" means natural or artificial gas, oil, gasoline, electricity, solid fuel, wood, waste, ice, steam, water, and other materials necessary and integral for heat, light, power, refrigeration, climate control, processing, or any other use in any phase of the manufacture of tangible personal property. The term excludes energy purchased by a manufacturer that is primarily engaged in producing electricity for resale.
 - (c) "Equipment" means tangible personal property, other than machinery, industrial materials, and energy. The term "equipment" includes durable devices and apparatuses that are generally designed for long-term continuous or repetitive use. The term also includes consumable supplies. Examples of equipment include but

are not limited to machinery clothing, cones, cores, pallets, hand tools, tooling, molds, dies, waxes, jigs, patterns, conveyors, safety devices, and pollution control devices. The term includes components and repair or replacement parts. The term "equipment" excludes real property.

- (d) "Fixtures" means tangible personal property that has been installed or attached to land or to any building thereon and that is intended to remain permanently in its place. A consideration for whether tangible property is a fixture is whether its removal would cause significant damage to such property or to the real property to which it is attached. Fixtures are classified as real property. Examples of fixtures include but are not limited to plumbing, lighting fixtures, slabs, and foundations.
- (e) "Industrial materials" means materials that are purchased for future processing, manufacture, or conversion into articles of tangible personal property for resale when the industrial materials become a component part of the finished product. The term also means materials that are coated upon or impregnated into the product at any stage of its processing, manufacture, or conversion, even though such materials do not remain a component part of the finished product for sale. The term "industrial materials" includes raw materials.
- (f) "Local sales and use tax" means any sales or use tax that is levied and imposed in an area consisting of less than the entire state.
- (g) "Machinery" means an assemblage of parts that transmits force, motion, and energy one to the other in a predetermined manner to accomplish a specific objective. The term "machinery" includes a machine and all of its components, including but not limited to belts, pulleys, shafts, gauges, gaskets, valves, hoses, pipes, wires, blades, bearings, operational structures attached to the machine including stairways and catwalks, and other devices that are required to regulate or control the machine, allow access to the machine, or to enhance or alter its productivity or functionality. The term "machinery" includes repair or replacement parts. The term excludes real property, energy, and consumable supplies.
- (h) "Machinery clothing" means felts, screen plates, wires or any other items used to carry, form, or dry work in process through the manufacture of tangible personal property.
- (i) "Manufacture of tangible personal property," used synonymously with the term "manufacturing," means a manufacturing operation, series of continuous manufacturing operations, or series of integrated manufacturing operations, engaged in at a manufacturing plant or among manufacturing plants to change, process, transform, or convert industrial materials by physical or chemical means, into articles of tangible personal property for sale, for promotional use, or further manufacturing that have a different form, configuration, utility, composition, or character. The term includes but is not limited to the storage, preparation, or treatment of industrial materials; assembly of finished units of tangible personal

property to form a new unit or units of tangible personal property; movement of industrial materials and work in process from one manufacturing operation to another; temporary storage between two points in a continuous manufacturing operation; random and sample testing that occurs at a manufacturing plant; and a packaging operation that occurs at a manufacturing plant.

- (j) "Manufacturer" means a person or business, or a location of a person or business that is engaged in the manufacture of tangible personal property for sale, promotional use, or further manufacturing.
 - 1. To be considered a manufacturer, the person or business, or the location of a person or business, must be:
 - (i) Classified as a manufacturer under the 2007 North American Industrial Classification System Sectors 21, 31, 32, or 33; or North American Industrial Classification Systems industry code 22111 or specific code 511110; or
 - (ii) Generally regarded as a manufacturer.
 - 2. Businesses that are primarily engaged in providing personal or professional services, or in the operation of retail outlets, generally including but not limited to grocery stores, pharmacies, bakeries, or restaurants, are not considered manufacturers.
- (k) "Manufacturing plant" means any facility, site, or other area where a manufacturer engages in the manufacture of tangible personal property.
- (l) "Packaging operation" means bagging, boxing, crating, canning, containerizing, cutting, measuring, weighing, wrapping, labeling, palletizing, or other similar processes necessary to prepare or package manufactured products in a manner suitable for sale or delivery to customers as finished goods, or suitable for the transport of work in process at or among manufacturing plants for further manufacturing, and the movement of such finished goods or work in process to a storage or distribution area at a manufacturing plant.
- (m) "Packaging supplies" means materials, whether reusable or single-use, used in a packaging operation solely for packaging tangible personal property. The term includes but is not limited to containers, sacks, boxes, wraps, fillers, cones, cores, pallets, and bags. The term also includes such items as labels, invoices, packing slips, tags, and plates affixed to the product or affixed to or inserted into product packaging.
- (n) "Real property" means land, any buildings thereon, and any fixtures attached thereto.

- (o) "Repair or replacement part" means a part that is used to maintain, repair, restore, install, or upgrade machinery or equipment that is necessary and integral to the manufacture of tangible personal property. Examples of repair and replacement parts may include but are not limited to oils, greases, hydraulic fluids, coolants, lubricants, machinery clothing, molds, dies, waxes, jigs, and other interchangeable tooling.
 - (p) "Substantial purpose" means the purpose for which an item of tangible personal property is used more than one-third of the total amount of time that the item is in use. Alternatively, instead of time, the purpose may be measured in terms of other applicable criteria such as the number of items produced.
- (3) Machinery and Equipment Exemption. The sale, use and storage of machinery or equipment that is necessary and integral to the manufacture of tangible personal property are exempt from sales and use tax.
- (a) General requirements. In order to qualify for the manufacturing machinery and equipment exemption in O.C.G.A § [48-8-3.2](#), the property purchased or leased must:
 - 1. Have the character of machinery or equipment, or of repair or replacement parts to machinery or equipment, at the time of sale or lease, or consist of components which, when assembled, will have the character of machinery or equipment;
 - 2. Be used at a manufacturing plant; and
 - 3. Be necessary and integral to the manufacture of tangible personal property for sale, for promotional use, or further manufacturing.
 - (b) Leases. The exemption under O.C.G.A § [48-8-3.2](#) applies to all lease payments for machinery or equipment made on or after the date that the machinery or equipment qualifies for the exemption, even if the machinery or equipment did not qualify for the exemption at the date of lease inception.
 - (c) Parts withdrawn from inventory. Miscellaneous spare parts, the ultimate use of which is unknown at the time of purchase, are eligible for the exemption as components or repair or replacement parts. However, use tax must be accrued and remitted if spare parts are withdrawn from the inventory of spare parts and used for any purpose other than to maintain, repair, restore, install, or upgrade machinery or equipment that is necessary and integral to the manufacture of tangible personal property.
 - (d) Application of Machinery and Equipment Exemption: Necessary and Integral. When determining whether machinery or equipment is necessary and integral to

the manufacture of tangible personal property, the Commissioner shall evaluate the facts and circumstances of each case.

1. Examples of machinery or equipment that generally does not qualify as necessary and integral to the manufacture of tangible personal property at any time include but are not limited to:
 - (i) Motor vehicles that are required to be registered for operation on public highways;
 - (ii) Power lines or transformers that bring electricity into a manufacturing plant;
 - (iii) Real property. Examples include but are not limited to concrete slabs and foundations, and structures or fixtures used for general manufacturing plant ventilation, heating, cooling, illumination, communications, plumbing, or the personal comfort and convenience of the manufacturer's employees;
 - (iv) Storage tanks, containers, racking systems, or other machinery or equipment used to handle, store, or distribute finished goods upon completion of the packaging operation unless exempted by another code section;
 - (v) Administrative machinery or equipment including computers, related computer peripherals, servers, copiers, telephones, facsimile machines, office furniture, office furnishings, office supplies such as paper and pencils, and educational materials used for non-manufacturing functions, including but not limited to sales, marketing, research and development, accounting and payroll, purchasing, finished goods inventory control, warehousing, and distribution;
 - (vi) Machinery or equipment that is not operated under the control of the manufacturer's employees or other persons under the manufacturer's direction and control. Customer self-service or vending machinery or equipment is not considered to be operated under the manufacturer's direction and control; and
 - (vii) Machinery or equipment used in quarrying and mining for site preparation, including the removal and clearing of overburden.
2. Examples of machinery or equipment that generally qualifies as necessary and integral to the manufacture of tangible personal property include but are not limited to:

- (i) Machinery or equipment used to convey or transport industrial materials, work in process, consumable supplies, or packaging supplies at or among manufacturing plants, or to convey and transport finished goods to a distribution or storage point at the manufacturing plant. Specific examples may include but are not limited to forklifts, conveyors, cranes, hoists, and pallet jacks;
- (ii) Machinery or equipment used to gather, arrange, sort, mix, measure, blend, heat, cool, clean, or otherwise treat, prepare, or store industrial materials for further manufacturing;
- (iii) Machinery or equipment used to control, regulate, heat, cool, or produce energy for other machinery or equipment that is necessary and integral to the manufacture of tangible personal property. Specific examples may include but are not limited to boilers, chillers, condensers, water towers, dehumidifiers, humidifiers, heat exchangers, generators, transformers, motor control centers, solar panels, air dryers, and air compressors;
- (iv) Testing and quality control machinery or equipment located at a manufacturing plant used to test the quality of industrial materials, work in process, or finished goods;
- (v) Starters, switches, circuit breakers, transformers, wiring, piping, and other electrical components, including associated cable trays, conduit, and insulation, located between a motor control center and exempt machinery or equipment, or between separate units of exempt machinery or equipment;
- (vi) Machinery or equipment used to provide safety for the employees working at a manufacturing plant or to protect the quality of the product, including but not limited to safety machinery and equipment required by federal or state law, gloves, ear plugs, face masks, protective eyewear, hard hats or helmets, or breathing apparatuses;
- (vii) Machinery or equipment used to condition air or water to produce conditions necessary for the manufacture of tangible personal property, including water treatment systems;
- (viii) Machinery or equipment used in quarrying and mining activities, including blasting, extraction, and crushing;

- (ix) Machinery or equipment, including repair, replacement and component parts, used to maintain, clean, repair, restore, install, upgrade or manufacture machinery or equipment that is necessary and integral to the manufacture of tangible personal property;
- (x) Machinery or equipment used in pollution control, sanitizing, sterilizing, or recycling processes. Pollution control machinery or equipment that is necessary and integral to the manufacture of tangible personal property is not required to be certified by the Environmental Protection Division, Georgia Department of Natural Resources as being adequate and necessary for the purpose of eliminating or reducing air or water pollution; and
- (xi) Maintenance and replacement parts for machinery or equipment, stationary or in transit, used to mix, agitate, and transport freshly mixed concrete in a plastic and unhardened state, including but not limited to mixers and components, engines and components, interior and exterior operational controls and components, hydraulics and components, all structural components, and all safety components.
 - (I) Sales and use taxes on motor fuel used as energy in a concrete mixer truck are not exempt or refundable.
 - (II) Subparagraph (3)(d)2.(xi) is effective for the period commencing on July 1, 2021, and ending on June 30, 2026.

3. For machinery or equipment that has multiple purposes, some purposes necessary and integral to the manufacture of tangible personal property, and some purposes not necessary and integral to the manufacture of tangible personal property, the substantial purpose of such machinery or equipment will prevail for purposes of determining the eligibility for exemption. The Commissioner may consider any reasonable methodology for measuring the substantial purpose of machinery or equipment for which the substantial purpose is not readily identifiable.

- (e) Application of Machinery and Equipment Exemption: Manufacture of Tangible Personal Property. The manufacture of tangible personal property commences as industrial materials are received at a manufacturing plant and concludes once the packaging operation is complete and the tangible personal property is ready for sale or shipment, regardless of whether the manufacture of tangible personal property occurs at one or more separate manufacturing plants.

Examples of activities that are not considered the manufacture of tangible personal property:

1. Research and development activities;
 2. Storage, general handling, and distribution of finished goods inventory; and
 3. Any other activity that occurs prior to industrial materials being received at a manufacturing plant or after the completion of the packaging operation at a manufacturing plant.
- (4) **Industrial Materials Exemption.** The sale, use, storage, and consumption of industrial materials are exempt from sales and use tax. In order to qualify for the exemption, the materials must be used for the processing or manufacture of, or conversion into, articles of tangible personal property; and the industrial materials must:
- (a) become a component part of the finished product or
 - (b) be coated upon or impregnated into the product at any stage of its processing, manufacture, or conversion, even though such materials do not remain a component part of the finished product for sale.
- (5) **Exemption for Packaging Supplies.** The sale, use, storage, or consumption of packaging supplies is exempt from sales and use tax.
- (6) **Certificates of Exemption.**
- (a) Any person making a sale or lease of machinery or equipment (including components and repair or replacement parts) that is necessary and integral to the manufacture of tangible personal property, packaging supplies, or industrial materials must collect sales tax unless such person takes a direct pay permit from the purchaser or lessee or, in good faith, accepts from the purchaser or lessee a properly completed Form ST-5M Certificate of Exemption.
 - (b) Where a certificate of exemption or direct pay permit has not been previously obtained and submitted and tax is remitted on the purchase or lease of exempt property, the purchaser or lessee may apply to the Commissioner for a refund of such tax.
- (7) **Agriculture Producers.** Every person defined as a dealer in O.C.G.A. § [48-8-2](#) is required to file a sales and use tax registration for each place of business in this state. A dealer that performs both manufacturing and agricultural operations at a single place of business may avail itself of the exemptions under either O.C.G.A. § [48-8-3.2](#) or O.C.G.A. § [48-8-3.3](#), but not both, for that place of business in any one calendar year.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.62

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-3.2](#).

History. Original Rule entitled "Machinery, Manufacturing" was filed and effective on June 30, 1965.

Amended: Filed April 27, 1966; effective May 16, 1966.

Amended: Filed January 13, 1975; effective February 2, 1975.

Repealed: New Rule of same title adopted. F. Aug. 19, 1994; eff. Sept. 8, 1994.

Amended: F. Sept. 5, 1995; eff. Sept. 25, 1995.

Repealed: New Rule of same title adopted. F. Dec. 21, 2000; eff. Jan. 10, 2001.

Repealed: New Rule entitled "Manufacturing Machinery and Equipment" adopted. F. July 9, 2009; eff. July 29, 2009.

Amended: F. Nov. 19, 2009; eff. Dec. 9, 2009.

Amended: Title changed to "Manufacturing Machinery and Equipment, Industrial Materials, and Packaging Supplies." F. Feb. 10, 2014; eff. Mar. 2, 2014.

Amended: F. Nov. 17, 2014; eff. Dec. 7, 2014.

Amended: F. July 7, 2017; eff. July 27, 2017.

Amended: F. Sep. 6, 2017; eff. Sept. 26, 2017.

Amended: F. Aug. 31, 2021; eff. Sept. 20, 2021.

Rule 560-12-2-.63. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.63

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#).

History. Original Rule entitled "Machinery, Replacement Manufacturing" adopted. F. and eff. June 30, 1965.

Repealed: New Rule of same title adopted. F. Apr. 27, 1966; eff. May 16, 1966.

Repealed: F. July 6, 2006; eff. July 26, 2006.

Rule 560-12-2-.64. Energy Necessary and Integral to Manufacturing.

- (1) **Purpose.** This Rule addresses the sales and use tax exemptions for energy used in manufacturing.
- (2) **Definitions.** The terms defined in Rule [560-12-2-.62](#) entitled "Manufacturing Machinery and Equipment, Industrial Materials, and Packaging Supplies" apply to this Rule. In addition, for purposes of this Rule:
 - (a) "Competitive project of regional significance" means the location or expansion of some or all of a business enterprise's operations in Georgia where the Department of Economic Development determines that the project would have a significant regional impact.
 - (b) "Energy" means natural or artificial gas, oil, gasoline, electricity, solid fuel, wood, waste, ice, steam, water, and other materials necessary and integral for heat, light, power, refrigeration, climate control, processing, or any other use in any phase of the manufacture of tangible personal property. The term excludes energy purchased by a manufacturer that is primarily engaged in producing electricity for resale.

(3) **Exemption under O.C.G.A § [48-8-3.2](#).**

- (a) **Requirements.** Except as otherwise provided in this paragraph, the sale and use of energy are exempt from sales and use tax if the energy is:
 - 1. necessary and integral to the manufacture of tangible personal property and
 - 2. sold, used, stored, or consumed at a manufacturing plant in Georgia.
- (b) **Energy used to produce electricity.** This exemption does not apply to energy purchased by a manufacturer that is primarily engaged in producing electricity for resale.
- (c) **Sales and use tax for educational purposes.** Energy otherwise exempt under O.C.G.A § [48-8-3.2](#) is not exempt from the sales and use tax for educational purposes levied pursuant to Part 2 of Article 3 of Chapter 8 and Article VIII, Section VI, Paragraph IV of the Constitution or from local sales and use taxes for educational purposes authorized by or pursuant to local constitutional amendment.
- (d) **Phase-in period.** Except as provided in subsections (b), (c), and (e) of this paragraph, such sale and use of energy qualify for a phased-in exemption in accordance with the following schedule:
 - 1. Transactions occurring during the 2013 calendar year qualify for a 25 percent exemption.
 - 2. Transactions occurring during the 2014 calendar year qualify for a 50 percent exemption.
 - 3. Transactions occurring during the 2015 calendar year qualify for a 75 percent exemption.
 - 4. Transactions occurring on or after January 1, 2016, qualify for a 100 percent exemption.
- (e) **Competitive projects of regional significance.**
 - 1. **Energy necessary and integral to manufacturing.** Beginning April 19, 2012, manufacturers qualifying as a competitive project of regional significance are exempt from all state and local sales and use tax on the sale and use of energy that is necessary and integral to the manufacture of tangible personal property, except as provided in subparagraphs (b) and (c). The phase-in period set forth in subsection (d) does not apply.
 - 2. **Energy used in construction.** In addition to the exemption in O.C.G.A. § [48-8-3.2](#), for projects approved by the Department of Economic Development during the time period of January 1, 2012 through June 30,

2019, sales of energy used for and in the construction of a competitive project of regional significance are exempt from all state and local sales and use tax pursuant to O.C.G.A. § [48-8-3\(93\)](#), including sales and use taxes for educational purposes.

(4) **Exemption from the Special District Transportation Sales and Use Tax and the Special District Mass Transportation Sales and Use Taxes.**

(a) **Requirements.** Except as otherwise provided in this paragraph, the sale and use of energy are exempt from the Special District Transportation Sales and Use Tax (O.C.G.A. Title 48, Chapter 8, Article 5) and the Special District Mass Transportation Sales and Use Taxes (O.C.G.A. Title 48, Chapter 8, Article 5A, Parts 1, 2, and 3) if the energy is:

1. necessary and integral to the manufacture of tangible personal property and
2. sold, used, stored, or consumed at a manufacturing plant.

(b) **No phase-in period.** This exemption is not subject to a phase-in period.

(c) **Energy used to produce electricity.** This exemption does not apply to energy purchased by a manufacturer primarily engaged in producing electricity for resale.

(5) **Scope of the exemptions: Necessary and integral to the manufacture of tangible personal property.** Energy used for any purpose at a manufacturing plant is considered necessary and integral to the manufacture of tangible personal property. This includes, for example, energy used:

- (a) to operate machinery or equipment;
- (b) to create conditions necessary for the manufacture of tangible personal property;
- (c) to perform an actual part of the manufacture of tangible personal property;
- (d) in administrative or other ancillary activities that are located and performed at the manufacturing plant;
- (e) in related operations that convey, transport, handle, or store raw materials or finished goods at the manufacturing plant; and
- (f) for heating, cooling, ventilation, illumination, fire safety or prevention, or personal comfort and convenience of the manufacturer's employees at the manufacturing plant.

(6) **Examples.**

- (a) A manufacturer uses fuel gases to perform repairs for unrelated parties at a Georgia manufacturing plant. The fuel gases are not exempt because they are not used in the manufacture of tangible personal property and, therefore, do not meet the definition of "energy."
- (b) A manufacturer uses fuel gases to perform repairs to its own machinery and equipment at a Georgia manufacturing plant. The fuel gases are exempt to the extent provided in this Rule because they are used in the manufacture of tangible personal property.

(7) Certificates of Exemption.

- (a) Any person making a sale of energy that is necessary and integral to the manufacture of tangible personal property must collect sales and use tax unless the purchaser furnishes the supplier with a properly completed Certificate of Exemption or a direct pay permit.
- (b) Where a Certificate of Exemption or direct pay permit has not been previously obtained and submitted and tax is remitted on the sale of exempt energy, the purchaser may apply to the Commissioner for a refund of such tax.

- (8) Transaction date.** For purposes of this Rule, a transaction occurs on the date of purchase or, in the case of energy billed on a monthly basis, on the billing date.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.64

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-3](#), [48-8-3.2](#), [48-8-241](#), [48-8-269](#), [48-8-269.15](#), [48-8-269.30](#).

History. Original Rule entitled "Manufacturers" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Amended: Title changed to "Energy Necessary and Integral to Manufacturing." F. Feb. 10, 2014; eff. Mar. 2, 2014.

Amended: F. Dec. 18, 2015; eff. Jan. 7, 2016.

Amended: F. Mar. 16, 2017; eff. Apr. 5, 2017.

Note: Correction of administrative typographical error on the Rules and Regulations website, Rule corrected to reflect the numbering and text of paragraphs "**(7) Certificates of Exemption.**" and "**(8) Transaction date.**," as originally filed March 16, 2017, effective April 5, 2017. The error was discovered by the Agency and correction request submitted April 28, 2021. Effective April 28, 2021.

Rule 560-12-2-.65. Meals.

- (1) The tax applies to the sale of food and food ingredients or other tangible personal property by railroad, pullman car, steamship, airline, or other transportation companies while operating in the State of Georgia or Georgia waters. The tax applies to food and food ingredients delivered to carriers in this State to be furnished complimentary to passengers regardless of where served.

- (2) Fraternities, sororities and other student societies, with members residing at a common location and jointly sharing household expenses, including food and food ingredients, are not considered to be selling at retail; and furnishing food and food ingredients to members is not taxable. Sales of food and food ingredients and other tangible personal property to these organizations are sales at retail and subject to the tax. Caterers or other persons selling food and food ingredients to fraternities and sororities are required to collect and remit the tax on the sales price thereof.
- (3) Retail sales of food and food ingredients by restaurants, hotels, clubs, cafes, caterers, boarding houses, and others are taxable. Cover, minimum and room service charges, and mandatory tips and gratuities are deemed a part of the sales price and are subject to the tax.
- (4) Food and food ingredients sold or provided without charge to employees.
 - (a) Food and food ingredients sold to employees.
 - 1. The sale of food and food ingredients by an employer to an employee is subject to Georgia sales tax on the total sales price charged to the employee. The following examples illustrate the application of Georgia sales and use tax to such transactions:
 - (i) An employer allows an employee to purchase a \$15.00 meal from the menu at a fifty percent (50%) discount. The employer is required to charge Georgia sales tax to the employee on \$7.50.
 - (ii) An employer provides a meal to an employee and declares \$5.00 as a part of the employee's compensation. The employer is required to charge sales tax to the employee on \$5.00.
 - (b) Food and food ingredients provided without charge by employer.
 - 1. Food and food ingredients provided by an employer without charge to an employee are taxable to the employer. The employer must remit use tax on the cost as shown in the employer's books and records. The following examples illustrate the application of sales and use tax to such transactions:
 - (i) An employer provides a \$15.00 meal off the menu at no charge to an employee. The employer is responsible for use tax on the cost price of the food purchased to prepare the meal.
 - (ii) An employer provides a meal and beverage that is prepared especially for employees. The meal and beverage is provided at no charge to the employee. The employer paid Georgia sales tax on the items used to prepare the meal and beverage when purchased from the supplier. No additional tax is due from the employer on the items used to prepare the employee's meal and beverage.

- (iii) An employer allows an employee to have soft drinks during work hours without charge. The employer purchased the soft drinks under terms of resale. The employer will be responsible for use taxes on the cost price of all soft drinks provided to employees.
- 2. In the event the exact cost of the employee's food and food ingredients is not represented in the employer's records, the cost shall be deemed to be fifty percent (50%) of the retail sales price of the food and food ingredients.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.65

Authority: Ga. Code Ann. Secs. [48-2-7](#); [48-2-12](#); [48-8-3](#); [48-8-2](#); 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Meals" adopted. F. and eff. June 30, 1965.

Amended: F. Jan. 13, 1975; eff. Feb. 2, 1975.

Amended: F. Mar. 15, 2012; eff. Apr. 4, 2012.

Rule 560-12-2-.66. Monuments and Memorial Stones.

- (1) The tax applies to retail sales of memorial stones and monuments, without deduction for labor used in cutting and marking the same. The installation or erection charge, if separately stated, is not taxable but the person making the installation shall pay the tax on the materials purchased for use in such installation at the time of purchase.
- (2) If the installation or erection charge is not separately stated, the tax applies to the entire sales price.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.66

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Monuments and Memorial Stones" adopted. F. and eff. June 30, 1965.

Rule 560-12-2-.67. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.67

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Oculists, Optometrists and Opticians" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Ophthalmologists, Optometrists and Opticians" adopted. Filed July 6, 1984; effective July 26, 1984.

Repealed: New Rule of same title adopted. F. Feb. 5, 1991; eff. Feb. 25, 1991.

Repealed: F. Aug. 15, 2014; eff. Sept. 4, 2014.

Rule 560-12-2-.68. Painters and Paperhangers.

Painters and paperhangers perform services not taxable under the Act. They are consumers of all tangible personal property used by them and shall pay the tax on purchases of paint, wallpaper, supplies, equipment, etc.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.68

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Painters and Paperhangers" was filed and effective on June 30, 1965.

Rule 560-12-2-.69. Pawnbrokers.

The tax applies to retail sales of tangible personal property by pawnbrokers, lien holders, mortgagees, etc. The manner in which such property was acquired does not affect the taxability of the sale.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.69

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Pawnbrokers" was filed and effective on June 30, 1965.

Rule 560-12-2-.70. Peddlers, Street Vendors, and Others, and Their Vendors.

- (1) Except as otherwise provided in paragraph (2) of this regulation, persons engaged in retail selling of tangible personal property, whether from private residences, through stores, from trucks or wagons, by house to house canvassing, or in any other manner whatsoever, are required to file application for certificate of registration and to collect and remit any tax due the state.
- (2) In the case of peddlers, street merchants, persons who sell at retail from other than established places of business, and persons described in Ga. Code § 91A-4501(f)(7) [and any successor of said statute], as now or hereafter amended, the vendor of such persons shall collect the tax imposed by the Act from said vendee on the retail price to be charged by the vendee, and said vendor shall remit the tax to the Commissioner. In such instances the Commissioner will not issue a certificate of registration to the peddler, street merchant or other such person, and failure of any vendor to comply with this regulation shall subject the vendor to loss of his registration certificate.
- (3) Any person described in paragraph (1) or (2) of this regulation who is unsure as to whether he must register as a dealer or as to whether he is required under this regulation to collect and remit the tax on sales to persons for resale is charged with the burden of making application and requesting a ruling of the Commissioner as provided in [560-12-1-.03](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.70

Authority: Ga. Laws 1978, pp. 309, 608-609, (Ga. Code Sec. 91A-4501(f)(7); Ga. Laws 1978, pp. 309, 323 (Ga.

Code Sec. 91A-215).

History. Original Rule entitled "Peddlers and Street Vendors" was filed and effective on June 30, 1965.

Amended. Rule repealed and a new Rule entitled "Peddlers, Street Vendors, and Others, and Their Vendors" adopted. Filed November 22, 1982; effective December 12, 1982.

Rule 560-12-2-.71. Petroleum Dealers.

- (1) Gasoline sold at retail for any purpose and other motor fuels sold for on the highway use only are subject to the 4% State tax rate, of which 3% is a Motor Fuel Tax and 1% is a State Sales and Use Tax. Sales of motor fuels, other than gasoline, for non-highway use are subject to the 4% State Sales and Use Tax.
- (2) Retailers of gasoline sold for any purpose and other motor fuels for on-the-highway use only shall exclude the State Motor Fuel Excise Tax imposed thereon before computing the 3% Second Motor Fuel Tax. (See Regulation [560-12-2-.35.](#))
- (3) Sales for resale of gasoline and of other motor fuels are exempt from the 4% State Tax provided the seller secures from the purchaser in good faith a properly executed Certificate of Exemption (Form ST-5).
- (4) Retailers making sales of such fuels by means of a metered pump, which, in process of delivery, computes the total sales price, may elect to collect the 4% State Tax in addition to the sales price shown on the metered pump, or include the 4% State Tax in the metered pump price.
- (5) Retailers electing to collect the 4% State Tax in addition to the sales price indicated on metered pumps shall post on such pumps and other signs or placards used to advertise the price, a notice to the effect that the 4% State Tax is in addition to the price indicated on such pump.
- (6) Retailers electing to include the 4% State Tax in the metered pump price shall post on each pump and other signs or placards used to advertise the price, a notice stating such sales price includes Federal and State Motor Fuel Excise Tax and 4% State Tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.71

Authority: Ga. L. 1978, pp. 323, 324; Chapter 91A-215 of the Georgia Public Revenue Code (Ga. L. 1979, p. 1276, 1277) Chapter 91A-5015 of the Georgia Public Revenue Code (Ga. L. 1979, p. 1279) and Chapter 91A-4503 of the Georgia Public Revenue Code; O.C.G.A. Secs. [48-2-12](#), [48-8-30](#), [48-8-49](#).

History. Original Rule entitled "Petroleum Dealers" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of same title adopted. Filed September 22, 1965; effective October 11, 1965.

Amended: Rule repealed and a new Rule of same title adopted. Filed May 15, 1967; effective June 3, 1967.

Amended: Rule repealed and a new Rule of same title adopted. Filed July 12, 1971; effective August 1, 1971.

Amended: Rule repealed and a new Rule of same title adopted. Filed June 10, 1980; effective June 30, 1980.

Amended: F. Jun. 22, 1989; eff. July 12, 1989.

Repealed: New Rule of same title adopted. F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-2-.72. Photographs, Photostats, Blue Prints, etc.

- (1) The tax applies to sales of photographs, portraits, prints from camera film, including charges for coloring and tinting, photostats, blue prints, frames, camera film and other such tangible personal property.
- (2) The tax applies to purchases of camera equipment and other tangible personal property by commercial photographers and other for use or consumption. Paper and other materials which become component parts of the finished photograph or other such print for sale, and industrial materials which are coated upon or impregnated into the product for sale at any stage of the processing, may be purchased under Certificate of Exemption. The tax does not apply to charges for developing films and coloring or tinting photographs furnished by customers, when a separate charge therefor is billed to the customer. Chemicals, paints, colors, etc. used in rendering such services are purchased for use or consumption by the person performing the service and are subject to the tax.
- (3) However, when a single charge is made for developing films and furnishing prints, the tax applies to the total charge therefor. Developing chemicals which are coated upon or impregnated into films in processing may be purchased under a Certificate of Exemption.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.72

Authority: Ga. L. 1937-38, Extra Sess. pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.73. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.73

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Aug. 15, 2014; eff. Sept. 4, 2014.

Rule 560-12-2-.74. Premiums and Gifts.

- (1) Donors of tangible personal property are users or consumers and purchases by them are taxable, including purchases of gifts for advertising purposes.
- (2) The tax applies to the cost price of property purchased originally for resale and later used as a gift.
- (3) The tax applies to purchases of property to be awarded as prizes at the cost price of such property.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.74

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, et. seq., as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.75. Printing.

(1) Custom Printing:

- (a) Custom printing is the production or fabrication of printed matter, in accordance with a customer's order or copy, for the customer's use or consumption.
- (b) The sale of custom printing is the sale of tangible personal property and is subject to the tax imposed by this Act on the total invoice charge made on the transaction. The total invoice charge includes the charge made for any engraved, lithoplated, or other type photo-processed plate, die, or mat, involved in the printing and includes the charge made for printing and imprinting when the customer furnishes the printing stock.
- (c) The printer shall add the amount of the tax on to the invoice charge and shall collect same as part of the purchase price thereof. He shall register as a dealer under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him as a retail dealer under the Act.
- (d) When the tax is not added on to the invoice charge, or the customer does not pay the amount of the tax to the printer, as aforesaid, the customer is liable for the amount of the tax directly to the State Revenue Commissioner. In such case, the customer shall, on or before the twentieth of the month following such purchase, file with the State Revenue Commissioner a use tax return showing all of such transactions for that month and compute thereon and remit therewith the required tax.
- (e) Purchases by the printer of ink, printing stock, staples, stapling wire, binding twine, glue, and other tangible personal property which become a component part of the printed matter, or are coated upon or impregnated therein, are purchases of industrial materials and, when properly certificated, are not subject to the tax imposed by the Act.
- (f) Purchases by the printer of any engraved, photo-processed, lithoplated, or other type of plate, die, or mat, are purchases for resale when properly certificated as such, and are exempt from the tax imposed by the Act. However, to the extent that the printer's invoice to his customer does not indicate that the sale of the plate, die, or mat is included therein, the plate, die, or mat will be deemed to have been converted by the printer to his own use, and the cost price thereof will be subject to

the use tax imposed by the Act to be reported and paid as a taxable use in the manner prescribed hereinafter in subparagraph (j).

- (g) Purchases by the printer of typesetting are purchases of services and are not subject to the tax imposed by the Act.
- (h) Purchases by the printer of machinery, equipment, tools, replacement and repair parts, type, stock engraved, photo-processed, lithoplated, or other types of plates, dies, or mats, and supplies, including blotting papers and drying powders, which do not become a component part of the printed matter, or which are not coated upon or impregnated therein, are purchases subject to the tax imposed by the Act.
- (i) The supplier of items within the scope of subparagraph (h) above shall add the amount of the tax on to the total invoice charge for such items, and shall collect same as part of the purchase price thereof. He shall register as a dealer under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him under said Act.
- (j) When the tax is not added on to the invoice charge made by the supplier, or the printer does not pay the amount of the tax to the supplier, as set forth in subparagraph (i) above, or when the printer buys for resale and then converts the tangible personal property to his own use and consumption, as described in subparagraph (f) above, the printer is liable for the amount of the tax directly to the State Revenue Commissioner. In such case the printer shall include in his monthly sales tax return the amount of such purchases and compute thereon and remit therewith the amount of such tax.

(2) Consumer Printing:

- (a) Consumer printing is the production or fabrication of printed matter for one's own use or consumption and not for resale.
- (b) Purchases for consumer printing of the following articles of tangible personal property are purchases for use and consumption and are subject to the tax imposed by the Act: Machinery, equipment, tools, replacement and repair parts, type, engraved, photo-processed, lithoplated or other types of plates, dies, or mats, ink, printing stock, staples, stapling wire, binding twine, glue, blotting papers, drying powders and other supplies which become a component part of the printed matter, or which are coated upon or impregnated therein, or which are used upon or consumed in the process of the printing or fabrication thereof.
- (c) Purchases of typesetting for consumer printing are purchases of services and are not subject to the tax imposed by the Act.
- (d) The supplier of items within the scope of subparagraph (b) above shall add the amount of the tax on to the total invoice price thereof. He shall register as a dealer

under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him under the Act.

- (e) When the tax is not added on to the invoice charge made by the supplier, or the consumer printer does not pay the amount of the tax to the supplier, as aforesaid, the consumer printer is liable for the amount of the tax directly to the State Revenue Commissioner. In such case the consumer printer shall, on or before the twentieth of the month following such purchase, file with the State Revenue Commissioner a use tax return showing all of such transactions for that month and compute thereon and remit therewith the required tax.

(3) Manufacturer Printing:

- (a) Manufacturer printing is printing done upon an article of tangible personal property in the process of its manufacture.
- (b) Purchases by the manufacturer-printer of machinery, equipment, tools, replacement and repair parts, type, and supplies, including blotting papers and drying powders, which do not become a component part of the manufactured article or which are not coated upon or impregnated therein, are purchases subject to the tax imposed by the Act.
- (c) Purchases by the manufacturer-printer of typesetting are purchases of services and are not subject to the tax imposed by the Act.
- (d) Purchases by the manufacturer-printer of ink, printing stock, and other tangible personal property which becomes a component part of the manufactured article, or which are coated upon or impregnated therein, are purchases of industrial materials and, when properly certificated, are not subject to the tax imposed by the Act.
- (e) Purchases by the manufacturer-printer of any engraved, photo-processed, lithoplated, or other type of plate, die, or mat, are purchases for his own use and consumption and are subject to the tax imposed by the Act. Where such a plate, die, or mat is purchased for the account of a customer, it is nevertheless a purchase for use and consumption and subject to the tax imposed by the Act.
- (f) The supplier of items within the scope of subparagraphs (b) and (e) above shall add the amount of the tax on to the total invoice charge for such items, and shall collect same as part of the purchase price thereof. He shall register as a dealer under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him under the Act.
- (g) when the tax is not added on to the invoice charge made by the supplier, or the printer does not pay the amount of the tax to the supplier, as set forth in subparagraph (f) above, the manufacturer-printer is liable for the amount of the tax

directly to the State Revenue Commissioner. In such case the manufacturer-printer shall, on or before the twentieth of the month following such purchase, file with the State Revenue Commissioner a use tax return showing all of such transactions for that month and compute thereon and remit therewith the required tax.

- (h) Where a manufacturer-printer purchases a plate, die or mat for the account of a customer as described in subparagraph (e) above, and the supplier does not add on the tax as required by subparagraph (f), as between the manufacturer-printer and the customer, the liability for returning and remitting the applicable use tax under subparagraph (g) shall be determined as follows: The manufacturer-printer shall not be required to return and remit the applicable use tax if the customer is a resident of, or has a place of business in, this State, **and** the State Revenue Commissioner is satisfied that an agency relationship existed at the time of such purchase, **and** the books and records of the manufacturer-printer show that such purchase was actually made for the customer **and** that the customer became the actual owner of such plant, die, or mat, **and** the customer is disclosed by name and address on the invoice of such purchase as principal. If the foregoing conditions do not exist, the manufacturer-printer personally shall be required to return and remit the applicable use tax. However, the liability of the manufacturer-printer for the use tax shall be abated upon payment thereof by the customer. It is not the purpose of this regulation to interfere with or modify the legal right, if any, of the manufacturer-printer to be reimbursed by the customer for taxes incurred and paid in behalf of the customer.

(4) Publisher Printing:

- (a) Publisher printing is the printing of books, newspapers, magazines, or other periodicals for sale by the publisher-printer for resale or for use and consumption, but not custom printing.
- (b) A publisher-printer, making sales of books, etc., for use and consumption, shall add the tax imposed by the Act on to the charge made therefor and shall collect same as part of the purchase price thereof. He shall register as a dealer under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him as a retail dealer under the Act.
- (c) When the tax is not added on to the charge made therefor, or the customer does not pay the amount of the tax to the publisher-printer, as aforesaid, the customer is liable for the amount of the tax directly to the State Revenue Commissioner. In such case, the customer shall, on or before the twentieth of the month following such purchase, file with the State Revenue Commissioner a use tax return showing all of such transactions for that month and compute thereon and remit therewith the required tax.
- (d) Purchases by the publisher-printer of ink, printing stock, staples, stapling wire, binding twine, glue and other tangible personal property which becomes a

component part of the publication, or are coated upon or impregnated therein, are purchases of industrial materials and, when properly certified, are not subject to the tax imposed by the Act.

- (e) Purchases by the publisher-printer of typesetting are purchases of services and are not subject to the tax imposed by the Act.
- (f) Purchases by the publisher-printer of machinery, equipment, tools, replacement and repair parts, type, plates, dies, and supplies, including blotting papers, and drying powders, which do not become a component part of the publication, or which are not coated upon or impregnated therein, are purchases subject to the tax imposed by the Act.
- (g) The supplier of items within the scope of subparagraph (f) above shall add the amount of the tax on the total invoice charge for such items, and shall collect same as a part of the purchase price thereof. He shall register as a dealer under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him under the Act.
- (h) When the tax is not added on to the invoice charge made by the supplier, or the printer does not pay the amount of the tax to the supplier, as set forth in subparagraph (g), the publisher-printer is liable for the amount of the tax directly to the State Revenue Commissioner. In such case the publisher-printer shall, on or before the twentieth of the month following such purchase, file with the State Revenue Commissioner a use tax return showing all of such transactions for that month and compute thereon and remit therewith the required tax.

(5) Typesetting:

- (a) Purchases by a printer of typesetting are purchases of personal services and are not subject to the tax imposed by the Act.
- (b) Purchases by the typesetter of machinery, equipment, tools, replacement and repair parts, lead, and all other materials and supplies, irrespective of whether they become a component part of the "make-up" and irrespective of whether they are coated upon or impregnated into the "make-up", are purchases subject to the tax imposed by the Act.
- (c) The supplier of the items within the scope of subparagraph (b) above shall add the amount of said tax on to the total invoice charge for such items and shall collect same as part of the purchase price thereof. He shall register as a dealer under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him under the Act.
- (d) When the tax is not added on to the invoice charge made by the supplier, or the typesetter does not pay the amount of the tax to the supplier, or both, as aforesaid,

the typesetter is liable for the amount of said tax directly to the State Revenue Commissioner. In such case the typesetter shall, on or before the twentieth of the month following such purchase, file with the State Revenue Commissioner a use tax return showing all of such transactions for that month and compute thereon and remit therewith the required tax.

(6) Plates, Dies and Mats:

- (a) Purchases by a printer of engraved, photoprocessed, lithoplated, or other types of plates, dies or mats, are purchases of tangible personal property for resale and, when properly certificated, are not subject to the tax imposed by the Act. However, to the extent that the printer's invoice to his customer does not indicate that the sale thereof is included therein, it will be deemed to have been converted by the printer to his own use, and the cost price thereof will be subject to the use tax imposed by the Act to be reported and paid by the printer as a taxable use in the manner prescribed in Paragraphs (1)(f) and (1)(j) above.
- (b) Purchases of engraved, photo-processed, lithoplated, or other types of plates, dies or mats by any person other than a printer are purchases for use and consumption and are subject to the tax imposed by the Act. Such purchases by an advertising agency are purchases for its use and consumption in rendering its advertising services. When such purchases are made by an advertising agency for the account of its customer, it is nevertheless a purchase for the use and consumption of the customer and is subject to the tax imposed by the Act.
- (c) The processor of plates, dies or mats, sold within the scope of subparagraph (b) shall add the amount of the tax on to the invoice charge and shall collect same as part of the purchase price thereof. He shall register as a dealer under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him as a retail dealer.
- (d) When the tax is not added on to the invoice charge or the purchaser does not pay the amount of the tax to the processor, as aforesaid, the purchaser is liable for the amount of the tax directly to the State Revenue Commissioner. In such case, the purchaser shall, on or before the twentieth of the month following such purchase file with the State Revenue Commissioner a use tax return showing all of such transactions for that month and compute thereon and remit therewith the required tax.
- (e) Where an advertising agency purchases a plate, die, or mat for the account of a customer, as described in subparagraph (b) above, and the processor thereof does not add on the tax as required by subparagraph (c) above, as between the advertising agency and its customer, the liability for returning and remitting the applicable use tax under subparagraph (d) shall be determined as follows: The advertising agency shall not be required to return and remit the applicable use tax if its customer is a resident of, or has a place of business in, this State, **and** the

State Revenue Commissioner is satisfied that an agency relationship existed at the time of such purchase, **and** the books and records of the advertising agency show that such purchase was actually made for the customer, **and** that the customer became the actual owner of such plate, die or mat, **and** the customer is disclosed by name and address on the invoice of such purchase as principal. If the foregoing conditions do not exist, the advertising agency personally shall be required to return and remit the applicable use tax. However, the liability of the advertising agency shall be abated upon payment thereof by the customer. It is not the purpose of this regulation to interfere with or modify the legal right, if any, of the advertising agency to be reimbursed by the customer for taxes incurred and paid in behalf of the customer.

- (f) Purchases by a processor of such plates, dies, or mats, of metals, plastics, wood, chemicals, and other supplies, which become a component part of the finished plate, die, or mat, or which are coated upon or impregnated therein, are purchases of industrial materials, and, when properly certificated, are not subject to the tax imposed by the Act.
- (g) Purchases by such a processor of machinery, tools, replacement and repair parts, film, and other materials and supplies which do not become a component part of the finished plate, die, or mat or are not coated upon or impregnated therein are purchases subject to the tax imposed by the Act.
- (h) The supplier of items within the scope of subparagraph (g) above shall add the amount of said tax on to the total invoice charge for such items, and shall collect same as part of the purchase price thereof. He shall register as a dealer under the Act and shall file monthly sales tax returns with the State Revenue Commissioner and pay therewith the tax required of him under the Act.
- (i) When the tax is not added on to the invoice charge made by the supplier, or the processor does not pay the amount of the tax to his supplier, as aforesaid, the processor is liable for the amount of the tax directly to the State Revenue Commissioner. In such case, the processor shall on or before the twentieth of the month following such purchase, file with the State Revenue Commissioner a use tax return showing all such transactions for that month and compute thereon and remit therewith the required tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.75

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.76. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.76

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Amended: Filed January 13, 1975; effective February 2, 1975.

Repealed: F. Feb. 10, 2014; eff. Mar. 2, 2014.

Rule 560-12-2-.77. Publishers.

- (1) Publishers of newspapers, magazines, periodicals, etc. are required to collect and remit the tax on sales to persons other than registered dealers. Publications sold by subscription are subject to the tax based on the subscription price.
- (2) Charges for advertising in newspapers, magazines and periodicals are not subject to the tax.
- (3) Industrial materials, including paper and ink, which become component parts of the publication for sale, or which are coated upon or impregnated into the product at any stage of processing, may be purchased tax exempt under Certificates of Exemption. However, publishers must pay the tax on other property used or consumed in the process, including supplies, machinery, equipment, photo engravings, mats, plates and lead.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.77

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.78. Repairs and Alterations.

- (1) Replacement parts, materials, and supplies used or consumed by repairmen in repairing tangible personal property belonging to others are taxable either to the person performing the work or to the owner of the property being repaired, on the following basis:
 - (a) If the dealer performing the repair work does not state separately, itemize or segregate at a fixed or retail price the materials and supplies so used or consumed, the tax will apply to the total charge for such materials and labor.
 - (b) If the dealer performing the repair work does separate, itemize, and invoice at a retail selling price the parts, materials and supplies used, stating separately the amount for labor, the tax will apply to the retail selling price of the materials and supplies listed and itemized.
- (2) The foregoing applies to dealers engaged in the business of upholstering and repairing motor vehicles, boats, watches, radios, furniture, electrical appliances, clothing, including fur coats, and other articles of tangible personal property.

- (3) Dealers engaged in the business of repairing tangible personal property for others may purchase such property for resale under Certificates of Exemption.
- (4) Repairmen who are not required by the Commissioner to register as dealers shall pay the tax to their vendors on all tangible personal property purchased by them. If purchases are made from non-registered vendors, such repairmen shall report and remit the applicable tax directly to the Commissioner.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.78

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Sec. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Repairs and Alterations" was filed and effective on June 30, 1965.

Rule 560-12-2-.79. Schools.

- (1) Vendors and lessors of tangible personal property to public schools, public school principals, teachers, officers and employees, public school organizations (parent, student, teacher or otherwise) and public school students (individually or as unorganized groups) shall collect the tax at the time of sale, at the sales price thereof, irrespective of the fact that same may be sold for resale.
 - (a) Public schools, for the purpose of this regulation, include all State, county or municipal educational institutions, except such schools as may be required to register, collect, remit and report sales and use taxes.
 - (b) A Certificate of Registration shall be granted only to those public schools having a continuity of sales of tangible personal property or charges for admission to games or entertainments and maintaining adequate facilities for collecting, remitting and reporting sales and use taxes.
 - (c) A Certificate of Registration may be issued to a county or municipal Board of Education for reporting sales and use taxes for all schools under its jurisdiction, provided adequate records are maintained and regularly audited by the Board.
 - (d) Exemption certificates covering purchases of tangible personal property by registered schools and Boards of Education shall be honored only when purchase is pursuant to an official purchase order signed by a person authorized to obligate the school or Board of Education for payment therefor out of public funds.
- (2) Purchase orders, oral or written, issued by a person duly authorized to obligate a Board of Education, municipality, county, or the State for payment of tangible personal property so purchased shall be deemed "Official Purchase Orders." However, purchase orders issued for property which does not become and remain the property of the Board of Education, municipality, county, or the State will not be considered Official Purchase Orders sufficient to exempt the property from taxation.

- (3) Public funds shall include what is usually referred to as "School Revolving Funds" or "Unappropriated School Funds" provided such funds are subject to audit and control of a Board of Education, municipality, county or the State.
- (4) Certificates of Exemption (Forms ST-5): Certificate of Exemption (Form ST-5) shall be honored only when purchases are made pursuant to Official Purchase Orders to be paid for out of public funds. Such certificates must be completed and signed by a person authorized to issue Official Purchase Orders. Item 4 should be checked, and "Board of Education, ... County, (City or State of Georgia)" inserted in the space provided for "Certificate of Registration Number".
- (5) School Lunches. Sales tax does not apply to school lunches sold and served to pupils or employees of public schools. Food and drink which become component parts of such lunches are also exempt from the tax and may be purchased under Certificates of Exemption (Forms ST-5).
- (6) School Cafeterias. Schools operating cafeterias selling meals to students and the public are required to register, collect and remit sales tax. Such cafeterias may purchase tangible personal property for resale under Certificates of Exemption (Form ST-5).
- (7) Snack Bars. Snack bars operated by schools, the proceeds from which go directly into "School Revolving Funds," or "Unappropriated School Funds" shall pay the tax to vendors at the time of purchase at the purchase price thereof. Any Certificates of Registration heretofore issued to schools for the purpose of reporting and remitting the tax on such sales must be returned to this office for cancellation.
- (8) Miscellaneous Sales. Where public schools hold doughnut sales, candy sales, carnivals, etc. and such purchases for resale are made from public funds, the tax must be paid to vendors at the time of purchase at the purchase price thereof. Proceeds from the resale of such property, which go directly into "School Revolving Funds" or "Unappropriated School Funds," are not taxable.
- (9) Admissions. The tax applies to all charges for admissions, voluntary contributions and donations in lieu of charges for admission to athletic events, entertainments, lectures, concerts, etc. Public schools which are not registered shall file a Miscellaneous Sales and Use Tax Report for each quarter in which such charges are made.
- (10) Purchases by Public Schools, School Groups, Organizations, etc. Official Purchase Orders shall not be recognized for tangible personal property such as year books, class rings, graduation gowns and caps, photographs, etc. or purchases for any school group, organization, association, or individual. The tax shall be paid to vendors on such purchases. If no tax is charged by the vendor, purchaser must declare the tax and file a "Miscellaneous" Sales Tax Report (Form ST-3).
- (11) P.T.A.'s, Classroom Mothers, Student Groups, etc. Where P.T.A.'s, etc. hold fund raising projects, the gross proceeds derived from charges for admission, voluntary contributions and donations in lieu of admission charges, and sales of tangible personal

property, including candy, doughnuts, etc. are subject to the tax. Purchases for resale on which the tax is paid to vendors may be claimed as exemptions on Line 5 of the Sales Tax report form. "Miscellaneous" Sales Tax reports must be filed for each month in which taxable sales are made.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.79

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Schools" was filed and effective on June 30, 1965.

Amended: Filed January 13, 1975; effective February 2, 1975.

Amended: Filed March 25, 1987; effective April 14, 1987.

Rule 560-12-2-.80. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.80

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Seeds and Seedlings" was filed and effective on June 30, 1965.

Amended: Filed March 22, 1971; effective April 11, 1971.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-2-.81. Shoe, Leather and Like Repairmen.

The tax does not apply to charges for services rendered by shoe repairers. Purchases of equipment, tools, materials, and supplies purchased for use or consumption in rendering services are taxable at the time of purchase. When repairers go beyond the rendition of services and regularly engage in selling tangible personal property, they are required to register, collect and remit the tax on sales at retail.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.81

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann. Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Shoe Leather and Like Repairmen" was filed and effective on June 30, 1965.

Rule 560-12-2-.82. Advertising Display Devices, Sign Manufacturers, and Painters.

- (1) An advertising agreement which calls for furnishing of advertising displays under which the advertiser is entitled to a given quantity of exposures in a general area is considered a service which is not taxable as a lease of tangible personal property.
- (2) An agreement which requires an outdoor advertising company to display an advertiser's message only and grants to the advertiser neither the right to possess nor use the personalty upon which the advertising message is displayed is considered a service which is not taxable as a lease of tangible personal property.

- (3) The person furnishing services is the consumer of all tangible personal property used or consumed in displaying messages and shall pay the tax at the time of purchase.
- (4) An agreement which grants to a party advertiser the rights to possess, control or use described personalty at a stated location is considered a lease and the gross lease or rental charge is taxable.
- (5) The sale of special equipment which becomes the property of the advertiser is taxable.
- (6) Charges made for service of a device owned by an advertiser are not subject to the tax. The person furnishing such service shall pay the tax on all tangible personal property used or consumed in furnishing such services.
- (7) The tax does not apply to charges for painting signs on buildings, trucks, windows, doors and the like. Materials and supplies used in performing such services are taxable at the time of purchase.
- (8) The tax applies to the retail sales price of signs, posters, and other advertising displays.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.82

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385; (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Sign Manufacturers and Painters" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Advertising Display Devices" adopted. Filed December 12, 1968; effective December 31, 1968.

Amended: Rule repealed and a new Rule entitled "Advertising Display Devices, Sign Manufacturers, and Painters" adopted. Filed January 13, 1975; effective February 2, 1975.

Rule 560-12-2-.83. Social and Fraternal Organizations.

- (1) The tax applies to retail sales of tangible personal property to all social and fraternal organizations, including but not limited to fraternal societies, trade or professional associations, lodges, orders, their auxiliaries, sororities and fraternities.
- (2) When such an organization regularly engages in the business of selling tangible personal property, it shall register as a dealer, collect and remit the applicable tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.83

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385; (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Social and Fraternal Organizations" was filed and effective on June 30, 1965.

Rule 560-12-2-.84. Taxicabs.

- (1) Taxicab owners and operators. Any person owning and operating a taxicab or taxicabs shall register as a dealer and pay the tax at the time of purchase on tangible personal property used or consumed in the operations. Such purchases include taxicabs, meters, accessories, tires, repair parts, gasoline, lubricants, tools, and other supplies. Additionally, such person shall collect the tax on fares for the transportation of persons in accordance with the uniform bracket system and shall remit same to the State Revenue Commissioner.
- (2) Taxicab operators leasing cabs to drivers. Any person leasing or renting taxicabs to others and supervising their operations must register as a dealer. Taxicabs, meters, accessories, repair parts, and tires exclusively for lease or rental should be purchased tax exempt under Certificates of Exemption. Other materials and supplies, including gasoline, lubricants, soaps, etc., used or consumed in connection with their operations are taxable at the time of purchase. Lessees or rentees of taxicabs and other tangible personal property shall be liable for a tax thereon at the rate of 4% of the gross lease or rental charges. Additionally, lessees or rentees of taxicabs shall collect the tax on fares for transportation of persons in accordance with the uniform bracket system. Said lessees or rentees shall pay the tax on charges for the lease or rental of tangible personal property and fares collected for transportation of persons to their lessors or renters and said lessors or renters shall remit same to the State Revenue Commissioner.
- (3) Taxicab operators and lessors. Any person owning and leasing taxicabs which are operated partially by the owner and partially by the lessee shall register as a dealer and pay the tax at the time of purchase on tangible personal property used or consumed in the operations, including taxicabs, meters, accessories, tires, repair parts, gasoline, lubricants, and other supplies. Additionally, such lessors shall collect the tax on the gross lease or rental charges for taxicabs and equipment, and shall collect the tax on any tangible personal property sold to lessees. Lessees shall collect the tax on fares for transportation of persons in accordance with the uniform bracket system and pay such tax to the lessor for remittance to the State Revenue Commissioner.
- (4) Taxicab "headquarters" operators. Any person operating a headquarters for taxicabs and supervising or directing taxicab drivers, or receiving and relaying calls to cab driver members, shall register as a dealer. Cab driver members operating from such headquarters shall pay the tax at the time of purchase, lease or rental, on all tangible personal property used or consumed in the operations. Additionally, such drivers shall collect the tax on fares for transportation of persons in accordance with the uniform bracket system and pay the same to the dealer operating the headquarters for remittance to the State Revenue Commissioner.
- (5) Independent taxicab operators. Independent taxicab operators shall register as dealers and pay the tax at the time of purchase, lease or rental on all equipment, materials, and supplies used or consumed in the operations. Additionally, such persons shall collect the tax on fares for transportation of persons in accordance with the uniform bracket system and remit same to the State Revenue Commissioner.

- (6) Cars for hire. For the purpose of this regulation, cars for hire are taxable in the same manner as taxicabs.
- (7) Definitions.
- (a) For purposes of this regulation the term "independent taxicab operator" means a person who is totally unassociated with any headquarters operation and with any lessors of taxicabs and with any other taxicab business or driver.
 - (b) Due to the likelihood that the State would otherwise lose tax funds due to the difficulty of policing the business operations of taxicab drivers because of the nature of the business, the lack of an office or regular place of business and the turnover of drivers, headquarters operators and lessors of taxicabs shall collect the tax on fares for transportation of persons from their drivers as required above, and the term "headquarters operators" includes not only any person operating a headquarters for taxicabs and supervising or directing taxicab drivers, or receiving and relaying calls to cab driver members, but also any person or entity allowing use of the trade name of the headquarters or allowing any driver to hold himself out as being associated with the headquarters. The term "taxicab lessors" includes any person or entity leasing a vehicle to another person or entity for use as a taxicab.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.84

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385; (Ga. Code Ann., Sec. 92-3438a); O.C.G.A. Secs. 430-2-12, [48-8-2\(6\)\(B\)](#).

History. Original Rule entitled "Taxicabs" was filed and effective on June 30, 1965.

Amended: Filed February 28, 1983; effective March 20, 1983.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-2-.85. Trading Stamp Companies.

- (1) The tax does not apply to amounts charged by a trading stamp company to a dealer which entitles the dealer to distribute to its customers trade stamps that are redeemable by the trading stamp company in cash or premiums.
- (2) The trading stamp company is the consumer of and shall pay tax on the purchase of all trade stamps, stamp collection books, premium catalogs, advertising and promotional materials and the like that it uses, or furnishes to its dealers for which no specific charge is made. When a trading stamp company makes a separate charge for trade stamps, trade stamp collection books, premium catalogs, promotional or advertising materials, or any other item of tangible personal property, in addition to any charges made under the first paragraph of this rule, it shall collect the tax thereon from its customer. In such cases, the trading stamp company is entitled to credit for tax previously paid on the purchase of the items sold.

- (3) When a trading stamp company accepts trade stamps or a combination of trade stamps and cash in exchange for premiums, the transaction is subject to the tax and the trading stamp company shall collect the tax from the person surrendering the stamps, based on the total value of the stamp book and any cash paid. The trading stamp company shall not pay the tax on the purchase of such premiums, but should furnish its suppliers resale certificates as provided by [560-12-1.08](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.85

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.86. Trustees, Receivers, Executors, and Administrators.

- (1) Trustees, receivers, executors and administrators who continue to operate, manage or control a business engaged in making retail sales of tangible personal property must make application for a new Certificate of Registration except in the case of a corporation which continues to exist as the same legal entity.
- (2) The tax must be collected and remitted in the same manner as by other dealers and it is immaterial that such officers may have been appointed by the courts.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.86

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on June 30, 1965.

Rule 560-12-2-.87. Machinery for Reducing Air or Water Pollution.

- (1) The sale of machinery or equipment that is used for the primary purpose of reducing or eliminating air or water pollution, or any repair, replacement, or component parts for such machinery or equipment, is exempt from tax.
- (2) The exemption applies only to tangible personal property that remains tangible personal property after installation.
- (3) Any person making a sale of such machinery, equipment, or parts must remit tax unless the purchaser furnishes the seller with a Form ST-M8 Certificate of Exemption, certifying that the purchaser is entitled to purchase such machinery, equipment, and parts without paying tax. A purchaser may obtain Form ST-M8 Certificate of Exemption by completing and submitting to the Department Form ST-M7.

- (4) Pursuant to O.C.G.A. § [48-8-63](#), a contractor must pay the tax when purchasing such machinery, equipment, or parts. However, the ultimate owner of the property may file a claim for refund of such tax.
- (5) Claims for refund must be filed within three (3) years following date of payment of tax to the Department. If a taxpayer seeks a refund of taxes paid on a purchase made prior to obtaining and using Form ST-M8, then the refund will be made without interest.
- (6) Taxpayers selling or acquiring machinery, equipment, and parts under this exemption must maintain records of the sale.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.87

Authority: O.C.G.A. §§ [48-2-12](#), [48-2-35](#), [48-2-35.1](#), [48-8-3\(36\)](#), [48-8-63](#).

History. Original Rule entitled "Machinery, Air or Water Pollution" was filed on June 23, 1967; effective July 12, 1967.

Amended: Filed January 13, 1975; effective February 2, 1975.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Amended: New title "Machinery for Reducing Air or Water Pollution." F. Aug. 29, 2019; eff. Sept. 18, 2019.

Rule 560-12-2-.88. Labor.

- (1) Fabrication labor is a part of the sales price of tangible personal property and subject to the tax, whether or not the charge therefor is separately stated. For the purpose of this regulation, fabrication means the production of an article from a material or materials by giving such material or materials a new form, quality or property, and includes the cutting, carving, dressing, shaping, bending or further processing a stock or custom made article of tangible personal property into an article for a specific or general use.
- (2) Charges for labor in installing, applying, remodeling or repairing tangible personal property sold, when billed separately to the consumer, are not considered a part of the sales price of the article sold. Unless such labor is separately stated on the consumer's invoice, the total charge shall be subject to the tax.
- (3) Charges for labor in repairing and restoring an article of tangible personal property to its original form, when billed separately from materials used, are not subject to the tax, provided the same article is returned to the customer.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.88

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Labor" was filed on November 26, 1968; effective December 15, 1968.

Rule 560-12-2-.89. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.89

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Farm Machinery" was filed on November 26, 1968; effective December 15, 1968.

Amended: Filed January 13, 1975; effective February 2, 1975.

Amended: File June 20, 1980; effective July 10, 1980.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-2-.90. Bona Fide Private Elementary and Secondary Schools.

- (1) For the purpose of this regulation, a bona fide private elementary school means one regularly established for the purpose of teaching basic subjects above the kindergarten and below the secondary school commonly embracing 6 to 8 grades; bona fide private secondary school means one regularly established for the teaching of basic subjects between elementary and collegiate, including a junior college.
- (2) Any bona fide private elementary or secondary school eligible to receive tax deductible contributions should make application to the Department of Revenue, Sales and Use Tax Unit, for exemption from payment of sales and use tax on its purchases of tangible personal property and services to be used exclusively for educational purposes, and food for school lunch program to be consumed on the premises by pupils and employees of such school.
- (3) The application shall be by letter, stating the name and address of the school, the date opened, number of grades equivalent to public schools, number of class rooms, number of teachers regularly employed, average number of students, number of months open each year. There must be attached a copy of a Certificate issued by the U.S. Internal Revenue Service, or the Georgia Income Tax Unit, stating that an Income Tax exemption is granted for educational purposes and that contributions to the school are deductible for income tax purposes.
- (4) Upon approval of an application, the Sales and Use Tax Unit will furnish the school with a "Letter of Authorization", (Form ST-USC-1). The school must furnish one photographic copy of the letter to each supplier of tangible personal property or services in order to relieve him from collecting the tax. Misuse of a Letter of Authorization shall be ground for cancellation.
- (5) The exemption does not extend to sales made to Parent Teacher Associations, Class Room Mothers, Student Groups or other school groups, or to sales made on school property through vending machines, snack bars, or other such outlets.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.90

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Bona Fide Private Elementary and Secondary Schools" was filed on November 26, 1968; effective December 15, 1968.

Amended: Filed August 24, 1970; effective September 13, 1970.

Amended: Filed January 13, 1975; effective February 2, 1975.

Rule 560-12-2-.91. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.91

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Feed (Livestock, Poultry, Fish, Etc.)" was filed on March 22, 1971; effective April 11, 1971.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-2-.92. Nursing Homes, General or Mental Hospitals.

(1) Definitions.

(a) Licensed Non-Profit Nursing Home.

1. A licensed non-profit nursing home means any institution, not operated for profit, which admits for temporary residence in the institution patients or medical referral only and for whom arrangements have been made for medical care, and which meets the requirements and maintains the services and facilities specified in subsections (c), (d), or (e) of Regulation 270-3-4-.02, Official Compilation, Rules and Regulations of the State of Georgia, as it read on March 29, 1971, and which holds a permit for such operation as a nursing home issued by the Department of Public Health under Regulation 270-3-4-.05, Official Compilation, Rules and Regulations of the State of Georgia.

(b) Non-Profit General Hospital.

1. A non-profit general hospital means any institution, not operated for profit, designed, equipped, staffed and operated to receive persons in need of hospitalization for any physical illness or disability for temporary residence in the institution for diagnosis, treatment, and other offered health services, which include medical, and surgical services, for periods continuing twenty-four (24) hours or longer under the supervision of an active, licensed, professional, medical and nursing staff. An institution is not a general hospital if its services are limited by policy, practice, or the manner in which it holds itself out to the public, so that it would fall within the classifications established under subsections (5), (6), or (7) of Regulation 270-3-2-.03, Official Compilation, Rules and Regulation of the State of Georgia, as it read on March 29, 1971. For example, a hospital which limits its services to the treatment of specific illnesses is not a general hospital. An institution may be a general hospital if admission is limited to persons of a specific age class if with respect to that class it performs general hospital treatment functions, which must include medical and surgical services but

which as a result of limited admission do not include the other services typically provided by general hospitals such as obstetrical services.

(c) Non-Profit Mental Institution.

1. A non-profit mental hospital means any institution, not operated for profit, which is designed, equipped, staffed and operated for the purpose of receiving mentally ill persons for temporary institutional residence for psychiatric and other health services, which must include psychiatric evaluation, diagnosis and treatment, for continuous periods of twenty-four (24) hours or longer, under the supervision of an active, licensed, professional nursing and psychiatric staff.

(2) Certificate of Exemption.

(a) Application for Certificate of Exemption.

1. Applications for exemption by institutions described in Section (1) shall be made to the State Revenue Commissioner on Sales Tax Form ST-NH-1. The application must contain the following:
 - (i) A statement of the name and address of the institution, the date on which the institution was first operated, and such other information as the Commissioner may require.
 - (ii) A copy of the application, and all exhibits thereto, made to the Internal Revenue Service and a copy of the Internal Revenue Services determination letter confirming the exempt status of the institution under the Internal Revenue Code of 1954.
 - (iii) A copy of any permit issued by the Department of Public Health of the State of Georgia with respect to the performance of the functions by virtue of which an exemption is claimed.
 - (iv) A copy of the non-profit charter or other governing instrument under which the institution is operated.
 - (v) A written verified statement of its admission policies.

- (b) Upon approval of an application, a certificate of exemption shall be issued by the Commissioner which shall authorize tax-free purchases by the institution for the purposes described in Section 3. Sales by dealers to institutions which have not been issued a certificate of exemption will be presumed taxable.

(3) Scope of Exemption.

- (a) Purchases. Exemption certificates are validly used only for purchases by the institution of tangible personal property and services for use exclusively by the institution in performing a general nursing home or hospital treatment function. Purchases by the institution, for example, of property for the personal use of a staff member outside the facilities used for nursing or health services are not exempt. Generally, property placed within a facility used for the purposes of performing the nursing or health services will be considered exempt. The exemption is validly used only by an institution to which the certificate has been issued and does not affect the liability of any other person. A contractor engaged in real property improvement for the institution is not exempt.
- (b) Sales. Sales by the institution to which a certificate under this Section has been issued are not exempt under this Regulation.
- (c) Multi-Function Institutions. An institution which performs a function which would entitle it to an exemption but which performs additional non-exempt functions, will be issued an exemption certificate. Such certificate may be validly used only for property or services used exclusively in performing the exempt functions and may not be used for property or services employed in performing the non-exempt function. Continued use of the exemption certificate for non-exempt purchases will be ground for revocation of the certificate. If a certificate is revoked, tax paid on exempt purchases will be refunded upon a properly supported claim for refund.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.92

Authority: Ga. L. 1937-38, Extra Sess., pp. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on July 12, 1971; effective August 1, 1971.

Rule 560-12-2-.93. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.93

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Machinery and Equipment Used on the Farm in Certain Agricultural Operations" was filed on November 30, 1972; effective December 20, 1972.

Amended: Rule repealed and a new Rule of same title adopted. Filed June 20, 1980; effective July 10, 1980.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-2-.94. Cabinet Makers.

- (1) Any person engaged in the business of selling cabinets, fixtures and similar custom made or stock items shall register as a dealer, collect and remit the tax on the sales price of the finished items. Charges for labor in installing such tangible personal property is not subject to the tax when billed separately to the consumer.

- (2) Any person who contracts to furnish tangible personal property and perform services under the contract by building cabinets, fixtures and similar items at the job site and incorporating the same into real property construction shall be classified as a contractor and shall pay the tax on the cost price of all tangible personal property purchased or consumed in performing a contract.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.94

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended (Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427); Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "(Cabinet Makers" was filed on December 24, 1974; effective January 13, 1975.

Rule 560-12-2-.95. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.95

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Machinery and Equipment Used in the Hatching and Breeding of Poultry and Livestock" adopted. F. June 20, 1980; eff. July 10, 1980.

Amended: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-2-.96. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.96

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Samples" adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: F. Sept. 3, 2008; eff. Sept. 23, 2008.

Rule 560-12-2-.97. Training Schools.

- (1) Pilot Training Schools.
 - (a) Persons operating pilot training schools providing classroom, ground and flight instructions, including a given number of hours flight time for which no separate charge is made, are primarily engaged in providing services. Such persons are deemed to be consumers of all tangible personal property (including aircraft) purchased and used in providing such services and shall pay the tax thereon at the time of purchase.
 - (b) Persons operating pilot training schools providing classroom, ground and flight instructions, and exclusively following the practice of separately charging for aircraft flight time including both solo and dual instruction, are engaged both in providing services and in the rental of tangible personal property. Considering the record keeping requirements imposed by various governmental and regulatory agencies, such persons may elect to treat all such aircraft flight time which is a

part of the training program as a rental of aircraft to the student. Such rental, however, must be at arm's length and based upon fair rental value. To qualify for this election, the practice of separately charging for aircraft flight time must exclusively be followed both with respect to all aircraft and all students. Aircraft (as well as accessories, tires, and repair parts therefor) employed exclusively in these type operations may be purchased for resale, free of sales or use tax. All other tangible personal property purchased and use in operation of the schools shall be taxable to same as the consumer thereof.

1. This election will only be available to those schools which are either appropriately certificated by the FAA as pilot training schools, or operating under FAR Part 61 with an established base of operations. Such persons must provide evidence satisfactory to the Commissioner of compliance with this requirement.
- (c) Those schools operating under paragraph (a) which go beyond the rendition of services and lease or rent aircraft to licensed pilots and all schools operating under paragraph (b) shall register as a dealer, collect and remit the tax on the gross lease or rental charge.
 - (d) The sale of used aircraft and other tangible personal property is subject to the tax.
- (2) Vocational Training Schools.
- (a) Persons operating vocational schools are primarily engaged in providing services consisting of classroom instructions and the use of various types of equipment, tools, books, etc. Such persons are deemed to be consumers of all tangible personal property used, consumed, or furnished to students for use in their studies and shall pay the tax thereon at the time of purchase.
 - (b) When a school purchases equipment, tools, or other tangible personal property for resale to students, it shall register as a dealer, collect and remit the tax thereon.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.97

Authority: O.C.G.A. Sec. [48-2-12](#), Ch. 48-8.

History. Original Rule entitled "Training Schools" adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Repealed: New Rule of same title adopted. F. Aug. 28, 1985; eff. Sept. 17, 1985.

Rule 560-12-2-.98. Alarm, Warning, Sound and Music Devices.

- (1) Any person making retail sales of alarm, warning, sound or music devices shall collect and remit the tax on the sales price of such tangible personal property.

- (2) A lessor of an alarm, warning, sound or music device shall collect and remit the tax on the gross lease or rental charges, including records or tapes furnished to the lessee.
 - (a) Where a lessor furnishes sound music or recordings from a central location operated by the lessor, an additional charge for such services would not be subject to the tax when billed separately to the lessee. However, the lessor must pay the tax on all tangible personal property purchased, used or consumed in providing such services.
- (3) Any person who contracts to furnish such a device or system and perform services thereunder in installing the same into real property construction shall be liable for the tax on the fair market value of all tangible personal property purchased, used or consumed in performing the contract.
 - (a) Where a contract requires the contractor to also provide sound music or recordings from a central location operated by the contractor, an additional service charge therefor would not be subject to the tax. The contractor must pay the tax on all tangible personal property purchased, used or consumed in providing such services.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.98

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Alarm, Warning, Sound and Music Devices" adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Rule 560-12-2-.99. Sheet Metal Contractors.

- (1) Any person who contracts to furnish tangible personal property and perform services thereunder within this State in constructing, repairing, remodeling or improving real property shall pay the tax levied by this Act at the time of purchase. Further, any person who so contracts to perform services and is furnished tangible personal property for use under the contract and a sales or use tax has not been paid to this State shall pay the tax on the fair market value of the tangible personal property so used.
- (2) Sheet metal contractors are required to register, pay sales and use tax on all tangible personal property purchased, stored, used or consumed in this State.
- (3) At times a sheet metal contractor may be called upon to fabricate and furnish to a buyer a custom item of tangible personal property which is not converted to real property construction by the sheet metal contractor. When such an item is sold to any person the sheet metal contractor shall collect the tax on the total sales price of the fabricated tangible personal property and claim credit for the sales or use tax paid on the raw materials. Complete records of all such transactions must be maintained separately from the records of items furnished and installed by the contractor.

- (4) A sheet metal contractor who holds himself out as a producer and seller of tangible personal property, or who solicits buyers by advertising, brochures, salesmen or any other manner shall make application for a dealer certificate of registration, collect and remit the tax on the total sales price of all tangible personal property.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.99

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Sheet Metal Contractors" adopted. F. Dec. 24, 1974; eff. Jan. 13, 1975.

Rule 560-12-2-.100. Child - caring Institution, Child - placing Agency, or Maternity Home.

- (1) **Purpose.** The purpose of this Rule is to provide guidance regarding the administration of O.C.G.A. § [48-8-3\(41\)](#), which provides for an exemption from Georgia sales and use tax with respect to certain sales to or by certain nonprofit tax-exempt organizations engaged primarily in providing child services.
- (2) **Definitions.**
- (a) "Child services provider" means a child-caring institution as defined under O.C.G.A. § [49-5-3\(1\)](#), as amended, a child-placing agency as defined under O.C.G.A. § [49-5-3\(2\)](#), as amended, or a maternity home as defined under O.C.G.A. § [49-5-3\(14\)](#), as amended.
 - (b) "Cost of operations" means all reasonable direct operational costs incurred by a child services provider. Costs shall be determined based on the child services provider's method of accounting. Such costs include, but are not limited to: salaries; supplies; rent; mortgage payments; furniture and fixtures; loan payments; food; transportation; and educational and special activities.
 - (c) "Exemption determination letter" means a letter issued by the Commissioner permitting a child services provider to purchase certain tangible personal property and services exempt from Georgia sales and use tax.
 - (d) "Nonprofit tax-exempt organization" means any organization that holds a letter of determination from the Internal Revenue Service demonstrating that it qualifies as a nonprofit tax-exempt organization under Internal Revenue Code § 501(c)(3).
- (3) **Exemption from sales and use tax.** Sales of tangible personal property and services to a child services provider are exempt from Georgia sales and use tax only when the child services provider obtains an exemption determination letter from the Commissioner, is a nonprofit tax-exempt organization, and engages primarily in providing child services.
- (a) A child services provider is engaged primarily in providing child services if:

1. The child services provider is currently licensed by the Georgia Department of Human Resources as a child services provider as defined under subparagraph (2)(a) of this rule; and
 2. More than fifty percent (50%) of the child services provider's cost of operations for the previous fiscal year is directly related to providing the services and activities as defined in O.C.G.A. § [49-5-3](#), as amended.
 - (i) If a child services provider has been in business for less than twelve full months, the provider's budgeted cost of operations will be used to determine its eligibility for the exemption on a temporary basis.
 - (ii) A child services provider submitting an application using its budgeted cost of operations must submit the actual cost of operations within thirty days following the end of its initial twelve-month period.
 - (iii) Any cost of operations that is not readily identifiable as being directly attributable to providing child services shall be excluded from the numerator when calculating the percentage.
- (b) Exemption determination letter. To obtain an exemption determination letter from the Commissioner, a child services provider must submit a completed Revenue Form ST-CH-1, *Application for Certificate of Exemption for a Child-caring Institution, Child-placing Agency, or Maternity Home*, and include any additional documentation required by the Commissioner. Revenue Form ST-CH-1 may be downloaded from the forms section of the Department of Revenue's website.
1. Upon the Commissioner's approval of the child services provider's application, the Commissioner will issue an exemption determination letter to the child services provider that will be valid for the duration of the child services provider's annual license as provided by the Georgia Department of Human Resources or until revoked in writing by the Commissioner, whichever occurs first.
 2. A copy of the exemption determination letter issued to a qualifying child services provider must be furnished to dealers selling tangible personal property or taxable services in order to excuse the dealers from collecting Georgia sales and use tax.
 3. A copy of the exemption determination letter may be accepted by a dealer only when payment is made by check or credit card bearing the name of the qualifying child services provider. Any sales to child services provider employees or other persons for which payment is made with cash, personal check, or credit card on behalf of a child services provider remain subject to

sales and use tax even though the purchaser will be reimbursed by the child services provider.

4. An exemption determination letter is issued for the exclusive use of the qualifying child services provider, and is not transferable. Use of the exemption determination letter by any person or entity other than the child services provider to whom it was issued is not permitted.
 5. Any child services provider whose license is suspended or revoked by the Georgia Department of Human Resources, or who terminates business operations, must immediately return its exemption determination letter to the Commissioner.
 6. If a child services provider's application is denied or a previously issued exemption determination letter is revoked, the Commissioner shall issue a written response providing the reason(s) for the denial or revocation. Reasons for denial of an application or revocation of a previously issued exemption determination letter include, but are not limited to, an insufficient or incomplete application, failure to submit all necessary documentation, misuse or noncompliance with any federal, state or local laws, or failure to satisfy any requirements as stated under the pertinent statute or this Rule.
 7. The denial of an application or revocation of a previously issued exemption determination letter is final unless, within sixty (60) days of the mailing of the denial or revocation, the child services provider submits a written application for reconsideration to the Commissioner. The application must contain the child services provider's reason(s) for reconsideration. The child services provider has the burden of proof to establish that the denial or revocation decision was not correct.
- (4) **Annual Renewal Process.** Any child services provider who was previously issued an exemption determination letter and who desires to continue to receive the benefits of exemption beyond the duration of the initial period described in subparagraph (3)(b)1. must provide the Commissioner with a copy of the annual inspection report that renews the license issued by the Georgia Department of Human Resources within thirty (30) days of the issuance of the annual inspection report.
- (5) **Purchases by child services providers.**
- (a) Purchases eligible for the exemption include office equipment and supplies; medical, educational, personal care and janitorial supplies; food, clothing, motor vehicles used exclusively to transport children; and other such items necessary to provide care for children or mothers when purchased directly by a qualifying child services provider.

- (b) Purchases that are not eligible for the exemption include, but are not limited to: motor vehicles for personal and business use; gifts to any person other than children or mothers under the care of a qualifying child services provider; building materials used by contractors; and purchases made by other persons performing services for a child services provider.

(6) Sales by child services providers.

- (a) A sale of tangible personal property or services by a qualifying child services provider is exempt from Georgia sales and use tax if the transaction satisfies the following conditions:
 - 1. The sale constitutes a fund-raising activity on behalf of the child services provider;
 - 2. The fund-raising activities do not exceed thirty (30) days in any calendar year;
 - 3. No sale proceeds are used for the benefit of anyone other than the child services provider; and
 - 4. The sale proceeds are used solely for child services.
- (b) The following examples illustrate the taxation of sales by qualifying child services providers:
 - 1. A child services provider's retail sales derived from the operation of a booth selling food at a fair for two weeks are not subject to Georgia sales tax if all of the conditions in subparagraph (6)(a) of this Rule are satisfied.
 - 2. A child services provider's retail sales for admission derived from a charity fund-raising event are not subject to Georgia sales tax if the provider satisfies all of the conditions in subparagraph (6)(a) of this Rule.
 - 3. A child services provider's retail sales derived from the operation of a store every weekend throughout the year are subject to Georgia sales tax.
 - 4. Sales made by a third party for which a child services provider receives a commission are subject to Georgia sales tax.
- (c) Purchases made for resale that are paid directly by a child services provider are exempt from sales tax when an exemption determination letter is provided to the dealer. If a dealer donates tangible personal property purchased for resale to a child services provider, the dealer will be responsible for payment of Georgia sales tax as provided under O.C.G.A. § [48-8-39](#).

- (7) **Records.** A child services provider is required to maintain records of all purchases and sales for a three-year period.
- (8) **Effective Date.** This rule is effective beginning July 1, 2004.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.100

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Orphans' Homes Operated as Nonprofit Corporations" adopted. F. Dec. 1, 1978; eff. Dec. 21, 1978.

Repealed: New Rule entitled "Child-caring Institution, Child-placing Agency, or Maternity Home" adopted. F. July 6, 2006; eff. July 26, 2006.

Rule 560-12-2-.101. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.101

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Food Exemption" was F. Jun. 29, 1990; eff. July 19, 1990.

Repealed: F. Jul. 23, 1991; eff. Aug. 12, 1991.

Amended: New Rule entitled "Growing and Harvesting Timber" adopted. F. Jul. 21, 1994; eff. Aug. 10, 1994.

Amended: F. Sept. 5, 1995; eff. Sept. 25, 1995.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-2-.102. Video Tape or Motion Picture Film.

The sale or rental of video tape or motion picture film for private use would be subject to the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.102

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3\(24\)](#).

History. Original Rule entitled "Video Tape or Motion Picture Film" adopted. F. Nov. 17, 1992; eff. Dec. 7, 1992.

Rule 560-12-2-.103. Material Handling Equipment and Racking Systems.

- (1) For purposes of qualifying for the exemption provided for by O.C.G.A. § [48-8-3](#)(34.1), and as used in this Regulation, the following definitions and explanations of terms shall apply:
- (a) The term "distribution facility" means a warehouse, facility, structure, or enclosed area which is used primarily for the storage, shipment, preparation for shipment, or any combination of such activities, of goods, wares, merchandise, raw materials, or other tangible personal property.
 - (b) The term "primary material handling equipment" means the principal machinery and equipment used to lift or move tangible personal property in a warehouse or distribution facility located in this State. Depending upon whether or not it is the

principal machinery and equipment used to lift or move tangible personal property, the following items may be considered primary material handling equipment:

1. conveyers, carousels, lifts, positioners, pick-up-and-place units, cranes, hoists, mechanical arms, and robots;
 2. mechanized systems, including containers which are an integral part thereof, whose purpose is to lift or move tangible personal property;
 3. automated storage and retrieval systems, including computers which control them, whose purpose is to lift or move tangible personal property; and
 4. forklifts and other off-the-road vehicles which are used to lift or move tangible personal property and which cannot be legally operated on roads and streets.
- (c) The term "primary material handling equipment" does not include parts or equipment used to repair, refurbish, or recondition other equipment, but does include equipment, as defined above, which replaces in its entirety other primary material handling equipment.
- (d) The term "racking system" means any system of machinery, equipment, fixtures, or portable devices whose function is to store, organize, or move tangible personal property within a warehouse or distribution facility, including, but not limited to, conveying systems, chutes, shelves, racks, bins, drawers, pallets, and other containers and storage devices which form a necessary part of the facility's storage system.
- (e) The term "warehouse" means a facility, structure, or enclosed area which is used primarily for the storage of goods, wares, merchandise, raw materials, or other tangible personal property.
- (2) For purposes of qualifying for the exemption provided for by O.C.G.A. § [48-8-3](#)(34.1), the following general requirements shall apply:
- (a) Except as otherwise provided in this Regulation, effective for deliveries which occur on or after July 1, 1994, the tax does not apply to sales of primary material handling equipment used directly for the handling or movement of tangible personal property in a warehouse or distribution facility located in this State, when the following conditions are met:
1. the equipment is part of an expansion of an existing warehouse or distribution facility or part of the construction of a new warehouse or distribution facility in this State;

2. the total value of all real and personal property purchased or acquired by the taxpayer for use in the expansion or new construction of the warehouse or distribution facility is worth 10 million dollars or more (See paragraph (4)). Purchases made over a period of time, even though made in anticipation of an expansion, without definite plans will not be considered an expansion of an existing warehouse or distribution facility; and
 3. the purchaser has obtained a Certificate of Exemption as provided in subparagraph (c) of this Regulation.
 - (b) Except as otherwise provided for in this Regulation, effective for deliveries occurring on or after July 1, 1995, the tax does not apply to sales of racking systems used for the conveyance and storage of tangible personal property in a warehouse or distribution facility located in this State, when the following conditions are met:
 1. the equipment is part of an expansion of an existing warehouse or distribution facility in this State or part of the construction of a new warehouse or distribution facility in this State;
 2. the total value of all real and personal property purchased or acquired by the taxpayer for use in the expansion or new construction of the warehouse or distribution facility is worth 10 million dollars or more (See paragraph(4)). Purchases made over a period of time, even though made in anticipation of an expansion, without definite plans will not be considered an expansion of an existing warehouse or distribution facility; and
 3. the purchaser has obtained a Certificate of Exemption as provided in subparagraph (c) of this Regulation.
 - (c) To obtain such Certificate of Exemption, the purchaser or lessee must submit an Application for Certificate of Exemption (Form ST-WD1). The application shall include a schedule of equipment to be purchased or leased, a full description of the usage of the equipment, and the cost of each piece of equipment. The Commissioner may require the purchaser or lessee to furnish such additional information as deemed necessary to determine whether the requirements and qualifications for the exemption are met.
- (3) Effective July 1, 1995, in order to qualify for the exemption provided for by O.C.G.A. § [48-8-3](#)(34.1), a warehouse or distribution facility must not make retail sales from such family to the general public which equal or exceed 15% of the total revenue of the warehouse or distribution facility. A taxpayer who has qualified for the exemption provided for by O.C.G.A. § [48-8-3](#)(34.1), or obtained a Certificate of Exemption therefor, shall be disqualified from receiving such exemption as of the date the taxpayer's warehouse or distribution facility makes retail sales to the general public equal to or

greater than 15% of the total revenues of the warehouse or distribution facility. In the event that a taxpayer has obtained the benefit of the exemption contained in O.C.G.A. § [48-8-3](#)(34.1) at a time when the warehouse or distribution facility made retail sales to the general public which equaled or exceeded 15% of the total revenues of the warehouse or distribution facility, the taxpayer may be required to repay any tax benefits received under said Code section or under this Regulation on and after the date such taxpayer became disqualified from receiving such exemption, and to pay penalty and interest at the rates provided for by law on such tax amounts.

- (4) Effective January 1, 1997, the total value of all real and personal property purchased or acquired by the taxpayer for use in the expansion or new construction of the warehouse or distribution facility must be worth 5 million dollars or more. Purchases made over a period of time, even though made in anticipation of an expansion, without definite plans will not be considered an expansion of an existing warehouse or distribution facility.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.103

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#)(34.1).

History. Original Rule entitled "Material Handling Equipment" adopted. F. Aug. 19, 1994; eff. Sept. 8, 1994.

Amended: F. Sept. 5, 1995; eff. Sept. 25, 1995.

Amended: Rule retitled "Material Handling Equipment and Racking Systems". F. Feb. 10, 1997; eff. Mar. 2, 1997.

Rule 560-12-2-.104. Food Exemption.

- (1) Sales of food and food ingredients qualify for an exemption from sales and use tax as provided herein.
- (2) Definitions.
 - (a) "Alcoholic Beverages" means beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume.
 - (b) "Dietary supplement" means any product, other than tobacco, intended to supplement the diet that:
 1. Contains one or more of the following dietary ingredients: a vitamin, mineral, herb or other botanical, amino acid, a dietary substance for use by humans to supplement the diet by increasing the total dietary intake, or a concentrate, metabolite, constituent, extract, or combination of any ingredient described above; and
 2. Is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or if not intended for ingestion in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and

3. Is required to be labeled as a dietary supplement, identifiable by the "Supplemental Facts" box found on the label and as required pursuant to [21 C.F.R. § 101.36](#).
- (c) "Eating utensils" includes plates, knives, forks, spoons, glasses, cups, napkins and straws, but does not include other containers or packaging used to transport the food.
 - (d) "Food and food ingredients" means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. "Food and food ingredients" shall not include alcoholic beverages, dietary supplements, or tobacco.
 - (e) "Natural person" means an individual human being.
 - (f) "Prepared food", which is subject to both state and local sales and use taxes, means:
 1. Food sold in a heated state or heated by the seller at the seller's location (i.e., the place where the sale takes place). This includes food that was heated by the seller at any time before the sale even if the item is in an unheated state at the time of sale; or
 2. Food with two or more food ingredients mixed or combined at the seller's location by the seller for sale as a single item; or
 3. Food sold with eating utensils provided by the seller. Food shall be considered to be sold with eating utensils provided by the seller when the food is customarily intended for consumption with the utensils provided. The presence of self-service utensils in a facility does not make otherwise exempt food taxable unless it is customarily intended that the food be consumed with those utensils.
 - (g) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that includes tobacco.
- (3) Food Exemptions.
- (a) O.C.G.A. § [48-8-3\(57\)](#) exemption. Effective for transactions occurring on or after January 1, 2011, food and food ingredients sold to natural persons for consumption off premises are not subject to state sales and use tax, but are subject to any local sales and use tax.

1. The state sales and use tax exemption for food and food ingredients is not available to businesses including but not limited to corporations, partnerships, limited liability companies, and sole proprietorships. Unless another exemption applies, business entities, including nonprofit organizations, must pay both state and local sales and use tax on all purchases of food and food ingredients.
 2. For purposes of the exemption for food and food ingredients contained in O.C.G.A. § [48-8-3\(57\)](#), "food and food ingredients" does not include the following:
 - (i) Prepared food;
 - (ii) Items ingested or chewed primarily for medical or hygiene purposes, such as cough drops, throat lozenges, breath strips, and over the counter medications;
 - (iii) Alcoholic beverages;
 - (iv) Tobacco and tobacco products;
 - (v) Dietary supplements; and
 - (vi) Food intended for non-human consumption, such as dog food, cat food and animal feed.
- (b) O.C.G.A. § [48-8-3\(53\)](#) exemption. Food and food ingredients purchased with food stamps is exempt after January 1, 2011 to the same extent that it was exempt before January 1, 2011.
- (c) O.C.G.A. § [48-8-3\(12\)](#) exemption. Food and food ingredients, including prepared food, sold and served to pupils and employees of public schools as part of a school lunch program are exempt from state and local sales tax.
- (d) O.C.G.A. § [48-8-3\(13\)](#) exemption. Sales of food and food ingredients, including prepared food, consumed by pupils and employees of bona fide private elementary and secondary schools, which have been approved by the Internal Revenue Service as organizations eligible to receive tax deductible contributions, are exempt from state and local sales tax when application for exemption is made to the Department and proof of the exemption is established.
- (e) O.C.G.A. § [48-8-3\(59\)](#) exemption.

- (i) Sales of food and food ingredients to and by member councils of the Girl Scouts of the U.S.A. in connection with fundraising activities of any such council are exempt from state and local sales tax.
 - (ii) Sales of food and food ingredients to and by member councils of the Boy Scouts of America in connection with fundraising activities of any such council are exempt from state and local sales tax.
 - (f) O.C.G.A. § [48-8-3\(81\)](#) exemption. The sale of food and food ingredients to a qualifying airline for service to passengers and crew in the aircraft is exempt from state and local sales tax, whether in flight or on the ground; and the furnishing without charge of food and food ingredients to qualifying airline passengers and crew in the aircraft, whether in flight or on the ground. "Qualifying airline" is defined in O.C.G.A. § [48-8-3\(81\)](#).
- (4) Examples of the food exemption in O.C.G.A. § [48-8-3\(57\)](#).
- (a) Food and food ingredients that are exempt from state sales and use tax include:
 - 1. Most prepackaged or repackaged items sold for ingestion by humans for taste or nutritional value, such as prepackaged boxed cereal, cartons of milk, peanut butter ground in the store by either the seller or the customer, candy;
 - 2. Food that is only cut, repackaged, or pasteurized by the seller, such as:
 - (i) Deli meat sliced by the seller and sold by weight; and
 - (ii) Potato salad purchased in bulk by the seller and sold to customers by weight or volume as long as the seller does not add any ingredients to the potato salad;
 - 3. Raw animal foods such as eggs, fish, meat, poultry, and foods comprised of these raw animal foods, that require cooking by the consumer;
 - 4. Packaged beverages of all kinds, including bottled water;
 - 5. Liquids such as cooking wine and vanilla extract used in cooking that exceed an alcohol content of 0.5% but are not intended for sale as a beverage (drinkable liquid);
 - 6. Food sold without eating utensils by a seller whose proper primary North American Industrial Classification System (NAICS) code is subsector 311 (food manufacturing) except industry group 3118 (bakeries and tortilla manufacturing); and
 - 7. Prepackaged food sold from vending machines.

- (b) Food and food ingredients that are not exempt and are subject to both state and local sales and use tax include:
1. Business purchases and uses of food and food ingredients.
 - (i) A business purchases frozen turkeys to give to employees as holiday gifts. The purchase of such turkeys is subject to both state and local sales and use tax because the purchaser is a business entity, and not an individual human being, making a purchase for off-premises consumption. Food purchases by a sole proprietorship are considered to be purchases by a business that are subject to both state and local sales tax. If the business does not pay state sales tax at the time of purchase, the business should accrue and remit state use tax on its purchase of the food items.
 - (ii) Water in bottles, coolers, or other containers purchased by a business that provides the water for no charge to its employees or customers is subject to both state and local sales and use tax.
 - (iii) A daycare center or for-profit nursing home purchases food at a grocery store to use in providing its service. Daycare centers and nursing homes are not natural persons and thus the exemption in O.C.G.A. § [48-8-3\(57\)](#) does not apply to their purchases. The purchases are subject to both state and local tax; and if the day care center or for-profit nursing home only pays local tax at the time of purchase, it should accrue and remit state use tax on the purchase.
 2. Food and food ingredients sold for on-premises consumption, such as prepackaged candy sold at movie theaters and sports arenas.
- (c) Prepared food, which is not exempt and is subject to both state and local sales and use tax, generally includes:
1. Food sold by restaurants, street food vendors, food carts, and fast food establishments;
 2. Popcorn and fountain beverages sold by movie theaters because the popcorn is heated onsite and the fountain beverages are made by mixing ingredients;
 3. Cakes, breads and pastries made by a retail bakery onsite and sold with or without utensils for off-premises consumption;
 4. Bread heated or baked by the seller at the seller's location, even though the dough was made off-site;

5. Food with two or more food ingredients mixed or combined at the seller's location by the seller for sale as a single item, such as:
 - (i) Potato salad purchased in bulk by the seller to which the seller adds an ingredient, such as salt or pepper, and then sells by weight or volume; and
 - (ii) Deli sandwiches made by the seller at the seller's location;
6. Prepackaged food sold with a utensil such as yogurt sold by a coffee shop with a spoon for off-premises consumption; and
7. Heated food sold by a vending machine, such as coffee.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.104

Authority: O.C.G.A. Secs. [48-2-7](#); [48-2-12](#), [48-8-2](#), [48-8-3](#).

History. Original Rule entitled "Food Exemption" was adopted as ER. 560-12-2-0.10-.104. F. Sept. 19, 1996; eff. Oct. 1, 1996, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this ER., is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 12, 1996; eff. Dec. 2, 1996.

Amended: F. Mar. 15, 2012; eff. Apr. 4, 2012.

Rule 560-12-2-.105. Machinery-Remanufacturing of Aircraft Engines or Aircraft Engine Parts or Components.

- (1) **Definitions.** For purposes of qualifying for the exemptions provided for by O.C.G.A. § [48-8-3](#)(34.2), and as used in this Regulation, the following definitions and explanations of terms shall apply:
 - (a) The term "machinery" means an assemblage of parts that transmits forces, motion, and energy one to another in a predetermined manner to accomplish a specific objective.
 - (b) The term "packaging operation" means bagging, boxing, crating, packaging, wrapping, labeling, palletizing, and other similar processes used by the remanufacturer to enclose or containerize remanufactured products in a manner suitable for sale or delivery to customers.
 - (c) The term "remanufacture of aircraft engines or aircraft engine parts or components" means the substantial overhauling or rebuilding of aircraft engines or aircraft engine parts or components on a factory basis. Substantial overhauling or rebuilding of aircraft engines or aircraft engine parts or components means the disassembling, repairing, renovating, reassembling, reconstructing, inspecting, or testing, thereby restoring the aircraft engine or aircraft engine parts or components

to their original state or an upgraded state. Such term includes a packaging operation when it is a part of a continuous remanufacturing operation; and the conveyance of work in process or finished units from one remanufacturing operation to another in the same plant facility. Such term does not include: storage; delivery to or from the plant; delivery to or from storage within the plant; repairing or maintenance of facilities; research; developmental testing; random or sample testing of materials or products; or cleaning when not part of a continuous remanufacturing operation.

- (2) **General Requirements for the Remanufacturing Machinery Exemption.** In order to qualify for the remanufacturing machinery exemption provided for in O.C.G.A. § [48-8-3](#)(34.2), the property being purchased or leased must have the character of machinery at the time of the sale or lease, or consist of components which, when assembled, will have the character of machinery; the machinery must be used in the remanufacture of aircraft engines or aircraft engine parts or components; the machinery must be used directly in the remanufacturing operation; and the appropriate Certificate of Exemption under this Regulation must be obtained or provided. The exemption is not applicable to machinery used indirectly in the remanufacturing operation, or to auxiliary equipment and appurtenances or to materials or items to be incorporated into real estate construction. The Commissioner may allow an Application for Certificate of Exemption required by this Regulation to be filed subsequent to the purchase or lease of the machinery.

(3) **New and Existing Remanufacturing Plants.**

- (a) Any person making a sale or lease of machinery which is used directly in the remanufacture of aircraft engines or aircraft engine parts or components and which is incorporated for the first time into a new remanufacturing plant located in this State shall collect the tax imposed thereon by O.C.G.A. §§ [48-8-1](#), *et seq.*, as amended, unless the purchaser or lessee furnishes the vendor with a certificate issued by the Commissioner certifying that the purchaser or lessee is entitled to purchase or lease such machinery without paying the tax.
- (b) Any person making a sale or lease of machinery which is used directly in the remanufacture of aircraft engines or aircraft engine parts or components and which is incorporated, as additional machinery, for the first time into a remanufacturing plant presently existing in this State, or which is purchased or leased to replace machinery in a remanufacturing plant presently existing in this State, shall collect the tax imposed thereon by the O.C.G.A. §§ [48-8-1](#), *et seq.*, as amended, unless the purchaser or lessee furnishes the vendor with a properly completed Certificate of Exemption (Form ST-5).
- (c) Any purchaser or lessee of machinery which is used directly in the remanufacture of aircraft engines or aircraft engine parts or components and incorporated for the first time into a new remanufacturing plant located in this State who desires to secure the benefit of the exemption provided by O.C.G.A. § [48-8-3](#)(34.2) shall file

an Application for Certificate of Exemption (Form STAER1) with the Commissioner, which shall include a schedule of machinery to be purchased or leased, a full description of the usage of the machinery in the remanufacturing operation, and the cost of each item of machinery. In addition thereto, the Commissioner may require such other information as deemed necessary for the determination of the claim for exemption. These requirements are applicable to all purchasers and lessees, including holders of direct pay permits under Regulation [560-12-1-.16](#).

- (d) Upon approval of an application for the first time into a new remanufacturing plant, the Commissioner will issue a Certificate of Exemption for Remanufacturing Machinery (Form ST-AER2) for presentation by the purchaser or lessee to the machinery suppliers, whereupon the purchaser or lessee shall be relieved from payment of the tax and the machinery suppliers shall be relieved from collection of the tax.

(4) Specific Applications.

- (a) When an otherwise exempt piece of machinery has multiple or interchangeable molds, dies, chucks, bits, or other tooling, only one such item per position on the machine will be recognized as an exempt component of an exempt machine.
- (b) Additional items which may qualify for the exemption include, but are not limited to, electrical components, including transformers, between the motor control center and exempt machinery and between exempt machinery; process piping, exclusive of hangers and supports, between exempt machinery; computer hardware and software which control exempt machinery; compressors that power exempt machinery; boilers which produce steam to be used by exempt machinery; and testing or monitoring machinery which is part of the continuous remanufacturing operation and which tests or monitors all of the materials or work in process, provided that, machinery used in random or sample testing cannot qualify for the exemption.
- (c) Examples of some common items that do not qualify for the exemption include, but are not limited to, foundations, supports, catwalks, hand tools, items used for protection or safety, and parts used in the repair, refurnishing, or reconditioning of machinery.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.105

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#)(34.2), [48-8-38](#).

History. Original Rule entitled "Machinery-Manufacturing of Aircraft Engines or Aircraft Engine Parts or Components" adopted. F. Feb. 10, 1997; eff. Mar. 2, 1997.

[Rule 560-12-2-.106. United States Government Defense Contractors.](#)

- (1) Purpose. The purpose of this Rule is to provide guidance regarding the direct consumable supplies and overhead materials exempt from Georgia sales and use tax in accordance with O.C.G.A. § [48-8-3\(58\)](#).
- (2) Definitions. For the purposes of qualifying for the exemption provided for by O.C.G.A. § [48-8-3\(58\)](#), and as used in this Rule, the following definitions and explanation of terms shall apply:
 - (a) "Appropriate title passing clauses" means those title passing clauses whereby title to overhead materials or direct consumable supplies purchased for use in fulfilling a government contract passes to the United States Department of Defense or the National Aeronautics and Space Administration before the government contractor uses the property.
 - (b) "Direct consumable supplies" means supplies, tools, or equipment used or consumed in the performance of a government contract which are specifically identified to the government contract and the actual cost of which is charged as a direct item of cost to the specific contract. Direct consumable supplies include, but are not limited to, property used to repair items of capital equipment when a portion of the contractor's use is properly allocable to government contracts, notwithstanding the fact that title to the property being repaired remains with the government contractor. The term "direct consumable supplies" does not include tangible personal property that is incorporated into real property.
 - (c) "Government contract" means a contract directly between the United States Department of Defense or the National Aeronautics and Space Administration and a government contractor, for the purpose of national defense, to sell services or tangible personal property which contain the appropriate title passing clauses for overhead materials and direct consumable supplies. The term "government contract" does not include any contract providing for the construction, improvement, maintenance, or repair of or to real property, or to the purchase of tangible personal property for use in fulfilling such contracts.
 - (d) "Government contractor" means any person who enters into a government contract, for the purpose of national defense, directly with the United States Department of Defense or the National Aeronautics and Space Administration to sell services or tangible personal property. This can include a manufacturer, modifier, assembler or repairer of tangible personal property, or seller of services. The term "government contractor" also includes a subcontractor who enters into a contract directly with a government contractor as defined in the first sentence of this paragraph and who incorporates the appropriate title passing clauses. The term "government contractor" does not include any person who enters into a contract to construct, improve, maintain, or make repairs on or to real property, or make purchases of tangible personal property for use in fulfilling such contracts.

- (e) "Overhead materials" means any tangible personal property used or consumed in the performance of a contract between the United States Department of Defense or the National Aeronautics and Space Administration and a government contractor, the cost of which is charged to an expense account and allocated to various United States government contracts based upon generally accepted accounting principles, and consistent with government contract accounting standards. The term "overhead materials" does not include tangible personal property which is incorporated into real property.

(3) Application of Exemption.

- (a) Direct Consumable Supplies, Tools or Equipment. Sales to a government contractor of direct consumable supplies, tools or equipment, are considered to be sales for resale to the United States Department of Defense or the National Aeronautics and Space Administration if used in a government contract containing the appropriate title passing clauses. The exemption will apply to these sales even though the tangible personal property does not become a component part of the tangible personal property or the services provided by the government contractor. The government contractor may purchase direct consumable supplies, tools or equipment without payment of the tax by issuing a properly executed Certificate of Exemption, Form ST-5, to the appropriate vendor. If the government contractor uses the tangible personal property prior to title passing to the United States Department of Defense or the National Aeronautics and Space Administration, the tax will apply to the sales or use by the government contractor.
- (b) Overhead Materials. Sales to a government contractor of overhead materials used exclusively in a government contract containing the appropriate title passing clauses for overhead materials shall qualify for exemption by issuing a properly executed Certificate of Exemption, Form ST-5, to the appropriate vendor. The exemption from sales and use tax for overhead materials shall stand repealed for transactions beginning January 1, 2011, and thereafter.
- (c) Sales to a government contractor of direct consumable supplies, tools, equipment or overhead materials for use in a government contract which do not contain the appropriate title passing clauses, or any other use, shall not qualify for exemption from sales or use tax. The appropriate title passing clauses contained in the government contract will determine if title to the direct consumable supplies and overhead materials passes to the government, and the time at which title does pass. In the absence of the appropriate title passing clauses, the tax will apply to either the sale or use by a government contractor of such direct consumable supplies and overhead materials. In a case where the cost of direct consumable supplies or overhead materials are charged to an expense account which is then allocated to various locations, cost centers or contracts, some of which are engaged in non-government contracts, it will be considered that title did not pass prior to use of the property, and tax will apply with respect to the purchase or use of the property

charged to the expense account. If the item is specifically accounted for as being charged to a specific government contract containing the appropriate title passing clauses the tax will not apply. Property will be considered charged to a specific government contract when it is allocated pursuant to the Cost Accounting Standard Disclosure Statement, generally accepted accounting principles, or accounting standards promulgated by the Cost Accounting Standards Board. The government contractor shall be responsible for maintaining adequate records to substantiate the exemption provided for in this Rule. Any government contractor who fails to maintain sufficient documentation shall pay the amount of tax that would have been imposed on the sales or use of such tangible personal property.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.106

Authority: O.C.G.A. Secs [48-2-12](#), [48-8-3](#).

History. Original Rule entitled "United States Government Defense Contractors" adopted. F. Feb. 10, 1997; eff. Mar. 2, 1997.

Amended: F. Aug. 19, 2005; eff. Sept. 8, 2005.

Amended: F. July 6, 2006; eff. July 26, 2006.

Repealed: New Rule of same title adopted. F. Sept. 16, 2008; eff. Oct. 6, 2008.

Rule 560-12-2-.107. Computer Equipment.

- (1) In accordance with O.C.G.A. § [48-8-3\(68\)\(A\)](#) and this Regulation, transactions occurring on or after January 1, 2001, which involve the purchase or lease of computer equipment not otherwise exempt under Chapter 8 of Title 48 of the Official Code of Georgia Annotated will be exempt from sales and use tax. To qualify for the exemption, the following conditions must be met:
 - (a) The computer equipment must be purchased or leased exclusively for operational use in this state at a high-technology company as defined in this Regulation; and
 - (b) The value of computer equipment purchased during any calendar year must exceed \$15 million, or the fair market value of leased computer equipment, as defined in paragraph (2)(b) of this Regulation, must exceed \$15 million during any calendar year.
 - (c) Any combination of purchases and leases exceeding \$15 million during any calendar year shall also qualify for exemption.
- (2) **Definitions.** For purposes of qualifying for the exemption provided for by O.C.G.A. § [48-8-3\(68\)](#), and as used in this Regulation, the following definitions and explanations of terms shall apply.

- (a) **Classification Codes.** The term "classification codes" means the designated codes associated with the North American Industrial Classification System, as specified in O.C.G.A. § [48-8-3\(68\)\(A\)](#).
- (b) **Computer Equipment.** The term "computer equipment" means any individual computer or organized assembly of hardware or software, such as a server farm, mainframe or midrange computer, mainframe-driven high speed print and mail devices and workstations connected to those devices via high bandwidth connectivity such as a local area network, wide area network, or any other data transport technology which performs one of the following functions: storage or management of production data, hosting of production application system development activities, or hosting of applications systems testing which are not otherwise exempt under Chapter 8 of Title 48 of the Official Code of Georgia Annotated.
- (c) **Company Facility.** The term "company facility" means a single physical establishment, as defined in the North American Industrial Classification System United States Manual 1997, where the primary business activity is designated within the classification codes as specified in O.C.G.A. § [48-8-3\(68\)\(A\)](#) and approved by the commissioner.
- (d) **Fair Market Value.** The term "fair market value," for the purpose of qualifying a lease for this exemption, means the book value of the computer equipment being purchased by the leasing company at the time of the lease's inception. The fair market value of the computer equipment for leases entered into prior to January 1, 2001, will be determined by the book value of the computer equipment as of January 1, 2001.
- (e) **High-technology Company.** The term "high-technology company" means a company or specific company facility that has been assigned a classification code as specified in O.C.G.A. § [48-8-3\(68\)\(A\)](#). This includes, but is not limited to, a company that is engaged in providing computer programming and design services, providing data processing services, manufacturing semi-conductors and related devices, and providing telephone and telegraph communications.
- (f) **Majority of Business.** The term "majority of business" means greater than fifty (50) percent of the gross revenues derived from the services designated in the classification code.

(3) **General Requirements for the Computer Equipment Exemption.**

- (a) In order to qualify for the computer equipment exemption provided for in O.C.G.A. § [48-8-3\(68\)](#) and this Regulation the following conditions must be met:
 - 1. The qualified purchasers or lessees of such computer equipment must obtain a Certificate of Exemption from the commissioner as provided in paragraph

(3)(b) of this Regulation. The application for such Certificate must contain a specific schedule of planned purchases or leases, or both, of qualified computer equipment for the calendar year for which the application is filed.

2. The computer equipment must be purchased or leased exclusively for operational use in this state by a high-technology company which is classified under specific classification codes as designated in O.C.G.A. § [48-8-3\(68\)](#).
 3. The exemption is applicable only for qualified computer equipment which is purchased or leased exclusively for operational use in this state by a high-technology company on or after January 1, 2001.
 4. Effective October 1, 2002, to qualify for the exemption, any corporation, partnership, limited liability company, or any similar entity which qualifies for the exemption and is affiliated in any manner with a nonqualified corporation, partnership, limited liability company, or other similar entity, must conduct at least a majority of its business, as measured by gross revenues received in arms length transactions, with entities with which it has no affiliation.
- (b) Any purchaser or lessee desiring to secure the benefits of the exemption provided by O.C.G.A. § [48-8-3\(68\)](#) must file an Application for Certificate of Exemption (Form ST-CE1). The application shall include disclosure of business name, address, specific company facility location (if applicable), North American Industry Classification Code as indicated on the Federal Income Tax return for the high-technology company, North American Industry Classification Code for a specific company facility (if applicable), whether equipment is purchased, leased or both, anticipated dates of purchase or lease, and a schedule of the computer equipment to be purchased or leased for the entire calendar year including purchase price, or in the case of a lease, the book value. In addition thereto, the commissioner may require such other information as deemed necessary for the determination of the claim for exemption. These requirements are applicable to all purchasers and lessees, including holders of a direct pay permit.
- (c) Upon approval of an application, the commissioner will issue a Certificate of Exemption (Form ST-CE2) to the company that relieves the computer equipment supplier from the collection of the sales and use tax on computer equipment solely used by a qualifying company in this state or solely used at a designated and approved company facility in this state (if applicable).
- (d) Where the Certificate of Exemption (Form ST-CE2) has not previously been obtained and tax is collected on the purchase or lease of computer equipment which may be qualified for exemption, the purchaser or lessee may apply for a

refund of such tax. The Claim for Refund (Form ST-12) shall be accompanied by an Application for Exemption (Form ST-CE1).

(4) Specific Applications; Exemptions and Exceptions Relating Thereto.

- (a) For purposes of determining the appropriate classification code for a high-technology company, the classification code of the high-technology company as indicated on its Federal Income Tax Return shall be used unless that classification code is determined by the commissioner to be inappropriate for purposes of the exemption; or in the case of a specific company facility the classification code designated and approved by the commissioner on the Application for Certificate of Exemption (Form ST-CE1) shall be used.
- (b) In determining the \$15 million requirement for a specific company facility meeting the designated North American Industry Classification Code, only computer equipment purchases or leases solely designated for that specific company facility in this state are eligible for the exemption.
- (c) The purchase price of all computer equipment or the fair market value of all leased computer equipment, or any combination thereof, used by a high-technology company in this state, regardless of the number of purchases or leases entered into during a calendar year, shall be used when determining the \$15 million requirement.
- (d) In determining the \$15 million requirement for a qualifying lease, the fair market value of the computer equipment under the qualifying lease shall only be used in the initial year's determination and shall not be used in subsequent years. In addition, the exercise of any option to purchase such computer equipment under a qualifying lease shall not be used in subsequent years to meet the \$15 million requirement.
- (e) If, after obtaining the Certificate of Exemption required under paragraph (3)(c) of this Regulation, the actual purchase(s) or lease(s) fails to meet the requirements for this exemption, the high-technology company will be liable for tax, penalty and interest on the purchase(s) or lease(s).
- (f) Any Certificate of Exemption issued prior to the effective date of this Regulation for calendar year 2002 to a high-technology company that fails to conduct at least a majority of its business with nonaffiliated entities shall not be valid for purchases made on or after October 1, 2002. This paragraph shall not apply to any Certificate of Exemption extended on a company facility basis.
- (g) Examples of items that do not qualify for the exemption include, but are not limited to: cable; telephone central office equipment; voice data transmission equipment; equipment with imbedded hardware or software used primarily for training, product testing or in manufacturing; scanners; printers and paper; ink and

toner; wrist and mouse pads; tools; all removable storage media such as, diskettes, compact disks or tapes; and parts for maintenance or repair of computer system hardware.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.107

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#).

History. Original Rule entitled "Computer Equipment" adopted. F. Dec. 21, 2000; eff. Jan. 10, 2001.

Repealed: New Rule of same title adopted. F. Sept. 23, 2002; eff. Oct. 13, 2002.

Rule 560-12-2-.108. Bullion, Coins, or Currency.

- (1) **Definitions.** For the purposes of this Regulation, the following definitions and explanations of terms shall apply:
 - (a) **Bullion.** The term "bullion" means bars, ingots, or coins of gold, silver, platinum or any combination thereof, which has been processed by coining, smelting, refining, or in some other manner and where the sales price depends upon the content of the metal and not the form. Such term shall not include jewelry, works of art, or items used for industrial or professional purposes.
 - (b) **Coins or Currency.** The term "coins or currency" means a coin or currency or any combination thereof made of gold, silver, platinum, or other metals or paper which has been or may be used as legal tender under the laws of any state, the United States of America, or any foreign state or nation. Such term shall not include any coin or currency or combination thereof that has been incorporated into a piece of jewelry or artwork.
 - (c) **Legal Tender.** The term "legal tender" means coin or currency that at the time of issue or sale a creditor would be required to accept in payment of a debt.
 - (d) **Medal.** The term "medal" means a medallion, token, or coin that has never been accepted as legal tender and was created to commemorate a specific event, place, person or thing.
- (2) **Bullion, Coins or Currency.** The sale of bullion, coins or currency is not subject to sales and use tax. The dealer is required to maintain documentation of the exempt transaction as provided for within this Regulation.
- (3) **Jewelry or Other Works of Art.** The sale of jewelry or other works of art that contain bullion, coins or currency is subject to sales and use tax.
- (4) **Medals.** The sale of medals is subject to sales and use tax. However, medals of gold, silver, platinum, or any combination thereof, whose sales price is based on the content of the metal, and not the form, are not subject to the tax.

- (5) **Records.** The dealer is required to maintain proper documentation of any transaction, whole or in part, which is considered to be exempt. Proper documentation for the purpose of transactions involving coins or currency will describe the country of issue, denomination, and sales price of each item, items, lots, groups or sets of coins or currency. In the case of a transaction involving bullion, the proper documentation will describe the metal, quantity, form (such as bars or ingots), and sales price of each item, items, lots, groups or sets of bullion.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.108

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#).

History. Original Rule entitled "Bullion, Coins, or Currency" adopted. F. Apr. 20, 2001; eff. May 10, 2001.

Rule 560-12-2-.109. Film Producer or Film Production Company.

- (1) A Film Producer or Film Production Company is primarily engaged in the production of feature films, training films, series, pilots, movies for television, commercials, music videos or sound recordings captured on film, video or digital format. Such entities are subject to sales and use tax on all purchases and taxable services unless otherwise exempt within the Act and this Regulation.
- (2) **Definitions.** For purposes of qualifying for the exemption provided for by O.C.G.A. § [48-8-3\(73\)](#), and as used in this Regulation, the following definitions and explanation of terms shall apply:
- (a) "Certified Film Producer or Certified Film Production Company" means any person that is certified by the Georgia Film and Videotape Office of the Department of Industry, Trade and Tourism that is engaged in the business of organizing and supervising qualified production activities.
 - (b) "Film Producer" means any person engaged in the business of organizing and supervising qualified production activities. Such person may also be engaged in the business of organizing and supervising nonqualified production activities.
 - (c) "Film Production Company" means any company that employs one or more film producers and whose goal is to engage in film production activity. Such company may also be engaged in the business of organizing and supervising nonqualified production activities.
 - (d) "Nation-Wide Commercial Distribution" means intended for commercial distribution extending outside the State of Georgia. Such term shall not mean distribution primarily via Internet or live coverage of an event, including, but not limited to news, sporting events, and concerts.
 - (e) "Production Equipment" means items purchased or leased for use exclusively in qualified production activities in Georgia, including, but not limited to, cameras,

camera supplies, camera accessories, lighting equipment, cables, wires, generators, motion picture film and videotape stock, cranes, booms, dollies and teleprompters.

- (f) "Production Services" means services purchased for use exclusively in qualified production activities in Georgia, including, but not limited to, digital or tape editing, film processing, transfers of film or tape or digital format, sound mixing, computer graphics services, special effects services, animation services and script production.
 - (g) "Qualified Production Activities" means the production or postproduction of film or video projects including feature films, series, pilots, movies for television, commercials, music videos or sound recordings used in feature films, series, pilots or movies for television, for which the film producer or film production company will be compensated and which are intended for nation-wide commercial distribution.
- (3) **Purchases.** Except as provided for in paragraph (4) of this Regulation, the tax does not apply to all tangible personal property or taxable services purchased, leased, or rented for use in production activities. Such purchases include, but are not limited to, office equipment, furniture or supplies, maintenance or janitorial equipment and supplies, motor vehicles, trailers and motor homes, nonqualified production equipment, telecommunications equipment, catering services, including food and beverages and restaurant meals, any fuel or gas, lodging, flowers and gifts.
- (4) **Production Equipment or Production Services Exemption.**
- (a) In accordance with O.C.G.A. § [48-8-3\(73\)](#), transactions occurring on or after January 1, 2002, which involve the purchase of production equipment or production services for exclusive use in Georgia, not otherwise exempt under Chapter 8 of Title 48 of the Official Code of Georgia Annotated, will be exempt from sales and use tax.
 - (b) **General Requirements for the Production Equipment or Production Services Exemption.** In order to qualify for the production equipment or production services exemption provided for in O.C.G.A. § [48-8-3\(73\)](#) and this Regulation, the following conditions must be met:
 - 1. The qualified purchasers, renters or lessees of such production equipment or production services must obtain a Certificate of Exemption from the Commissioner as provided in paragraph (4)(c) of this Regulation. The application for such Certificate of Exemption must be requested using the Application for Certificate of Exemption (Form ST-PE1) and contain an itemized listing of the production equipment or production services.

2. The production equipment or production services must be purchased, rented or leased for exclusive use in this state by a certified film producer or certified film production company.
3. As a condition precedent to the issuance of the Certificate of Exemption, a film producer or film production company must submit an application to the Commissioner with their designation as a certified film producer or certified film production company.
4. The application shall not be valid without prior written approval by the Georgia Film and Videotape Office of the Department of Industry, Trade and Tourism designating the film producer or film production company to be a certified film producer or certified film production company.

(c) Application and Certificate of Exemption.

1. Any purchaser or lessee desiring to secure the benefits of the exemption provided by O.C.G.A. § [48-8-3\(73\)](#) must file an Application for Certificate of Exemption (Form ST-PE1). The application shall include the following information: name of the producer, name of the production company, title of the project, type of project (feature film, television series, commercial, etc.), dates of project (production through final shoot day), federal employer's identification number, description of the property anticipated to be purchased, including the sales price or rental or lease amount payable, and a copy of the certification from the Georgia Film and Videotape Office of the Department of Industry, Trade and Tourism. In addition thereto, the Commissioner may require such other information as deemed necessary for the determination of the claim for exemption.
2. Upon approval of an application, the Commissioner will issue a Certificate of Exemption (Form ST-PE2) for presentation by the purchaser, renter or lessee to the production equipment or production service suppliers, whereupon the purchaser or lessee shall be relieved from the payment of the tax and the equipment suppliers shall be relieved from the collection of the tax.
3. Where the Certificate of Exemption (Form ST-PE2) has not previously been obtained and tax is collected or accrued on the purchase or lease of production equipment or production services, which may qualify for exemption, the purchaser or lessee may apply for a refund of such tax. The Claim for Refund (Form ST-12) shall be accompanied by an Application for Certificate of Exemption (Form ST-PE1) and any other documentation deemed necessary by the Commissioner.

(d) Specific Applications; Exemptions and Exceptions Relating Thereto.

1. Production equipment when sold or leased to a certified film producer or certified film production company and used exclusively in connection with a qualified film production activity in Georgia is exempt from Georgia sales and use tax. Such equipment shall include, but is not limited to:
 - (i) Camera equipment, supplies and accessories;
 - (ii) Motion picture film and videotape stock;
 - (iii) Digital discs and masters;
 - (iv) Lighting equipment, including gel, bulbs and lamps;
 - (v) Stage equipment;
 - (vi) Cranes, booms, dollies and jibs;
 - (vii) Electric stands, cables and wires;
 - (viii) Generators used to operate tax exempt lighting and stage equipment;
 - (ix) Time code equipment;
 - (x) VTR and digital editing equipment;
 - (xi) Switchers;
 - (xii) Character generators;
 - (xiii) Sound recording equipment;
 - (xiv) Costumes, props, scenery and materials to construct them;
 - (xv) Design equipment;
 - (xvi) Heating and air conditioning equipment that is not a part of the realty and is used on the set;
 - (xvii) Drafting equipment;
 - (xviii) Special effects supplies and equipment;
 - (xix) Photographic film;
 - (xx) Animation equipment;

- (xxi) Computer graphic and image equipment;
 - (xxii) Motor vehicle rentals and leases that are exclusively used on film production sets; and
 - (xxiii) Equipment and supplies for dubbing, mixing, editing and cutting.
2. Production or post production services when sold to a certified film producer or certified film production company and used exclusively in connection with a qualified film production activity in Georgia are services exempt from Georgia sales and use tax. Such services shall include, but are not limited to:
- (i) Film processing;
 - (ii) Computer graphics services;
 - (iii) Photography on the set used in the film; and
 - (iv) Fabrication, printing, or production of scripts, storyboards, costumes, wardrobes, props, scenery or special effects.
3. The exemption provided for under O.C.G.A. § [48-8-3\(73\)](#) shall not extend to:
- (i) Leases or rentals that are continuous in nature where the leased or rented equipment is not exclusively for use in Georgia;
 - (ii) Equipment used for both qualifying production activities and non-qualifying production activities;
 - (iii) Any person who contracts to furnish tangible personal property and perform services under a real property contract. Contractors are deemed to be the consumers of all tangible personal property used in a real property contract and shall pay the tax at the time of purchase; and
 - (iv) Items not considered production equipment or production services. Such items include, but are not limited to, office supplies and furniture, bottled water, catered food and beverages, crew uniforms, flowers and plants used off the set, personal gifts, utilities, cell phones, pagers and battery chargers, hotel rooms and lodging, reusable shipping cases and packaging materials, janitorial supplies, make-up, motor fuel, repairs to equipment, transportation services, purchases of motor vehicles or motor vehicle leases or rentals used

to transport items or individuals and any other tangible personal property or taxable services not specifically exempt under this Regulation.

4. If, after obtaining the Certificate of Exemption required under paragraph (4)(c) of this Regulation, the actual purchase(s) or lease(s) fails to meet the requirements for this exemption, the dealer will be liable for tax, penalty and interest on the purchase(s) or lease(s).

(5) Sales.

- (a) Charges for services rendered by a film producer or film production company are exempt when performing production or postproduction work on a motion picture master under the direction of another producer or production or post-production company. Postproduction work includes, but is not limited to, editing and synchronization of a motion picture master.
- (b) The sale or rental of master tapes or master records that are used by the recording industry in reproducing audio recordings and visual images for showing on screens or television are not considered subject to sales and use tax.
- (c) Sales of training films or other non-qualified production activities that are not reproduced are subject to sales and use tax.
- (d) Retail sales of any film producer's or production company's assets that would not otherwise be exempt from Georgia sales and use tax, are subject to sales and use tax.
- (e) A transaction involving only a charge for a copyright license and does not include a sale, lease, or rental of video tape or motion picture film would not be considered taxable.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.109

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-3](#).

History. Original Rule entitled "Film Producer or Film Production Company" adopted. F. Feb. 7, 2002; eff. Feb. 27, 2002.

Rule 560-12-2-.110. Sales Tax Holidays.

- (1) **Purpose.** The purpose of this Rule is to provide guidance regarding the sales and use tax exemption for certain clothing, computers, computer components, software, school

supplies, Energy Star Qualified Products, and WaterSense Products pursuant to O.C.G.A. § [48-8-3\(75\)](#) and [\(82\)](#).

(2) **Definitions.** For purposes of this Rule only:

- (a) "Clothing" means all human wearing apparel suitable for general use and includes footwear." "Clothing" excludes "clothing accessories" and "clothing equipment." Examples of exempt and taxable items are listed in paragraph (4) of this Rule.
- (b) "Clothing accessories or equipment" means incidental items worn on the person or in conjunction with "clothing."
- (c) "Computer" means an electronic device that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions. Such term does not include cellular telephones. The term "computer" includes computer components that are commonly regarded as essential parts of a computer purchased for noncommercial home or personal use. Examples of exempt and taxable items are listed in paragraph (5) of this Rule.
- (d) "Computer software" means a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task.
- (e) "Covered item" means clothing, computers, computer components, prewritten computer software, school supplies, school art supplies, school computer supplies, school instructional materials, Energy Star qualified product, or WaterSense product.
- (f) "Delivery charges" means charges by the seller of personal property or services for preparation and delivery to a location designated by the purchaser of personal property or services, including but not limited to transportation, shipping, postage, handling, crating, and packing.
- (g) "Eligible property" means:
 - 1. Articles of clothing with a sales price of \$100.00 or less per item;
 - 2. Computers, computer components, and prewritten computer software purchased for noncommercial home or personal use with a sales price of \$1,000.00 or less per item;
 - 3. School supplies, school art supplies, school computer supplies, and school instructional materials purchased for noncommercial use with a sales price of \$20.00 or less per item; or
 - 4. Energy Star Qualified Products or WaterSense Products purchased for noncommercial home or personal use with a sales price of \$1,500.00 or less per product.

- (h) "Energy Star Qualified Product" means any dishwasher, clothes washer, air conditioner, ceiling fan, fluorescent light bulb, dehumidifier, programmable thermostat, refrigerator, door, or window that is not purchased for trade, business, or resale and that meets the energy efficient guidelines set by the United States Environmental Protection Agency and the United States Department of Energy and is authorized to carry the Energy Star label.
- (i) "Exemption period" for clothing, computers, computer components, prewritten computer software, school supplies, school art supplies, school computer supplies, and school instructional materials means the time period provided in O.C.G.A. § [48-8-3\(75\)\(A\)](#). "Exemption period" for Energy Star Qualified Products and WaterSense Products means the time period provided in O.C.G.A. § [48-8-3\(82\)\(A\)](#).
- (j) "Layaway sale" means a transaction in which articles are set aside for future delivery to a customer who makes a deposit; agrees to pay the balance of the sales price over a period of time; and, at the end of the payment period, receives the merchandise.
- (k) "Prewritten computer software" means "computer software," including prewritten upgrades, that is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more "prewritten computer software" programs or prewritten portions thereof does not cause the combination to be other than "prewritten computer software." "Prewritten computer software" includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than the specific purchaser. Where a person modifies or enhances "computer software" of which the person is not the author or creator, the person shall be deemed to be the author or creator only of such person's modifications or enhancements. "Prewritten computer software" or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains "prewritten computer software;" provided, however, that where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for such modification or enhancement, such modification or enhancement shall not constitute "prewritten computer software."
- (l) "Sales price limit" means the maximum sales prices for eligible property.
- (m) "School art supply" means an item commonly used by a student in a course of study for artwork and includes only the following items:
 - 1. Clay and glazes
 - 2. Paints

3. Paintbrushes for artwork
 4. Sketch and drawing pads
 5. Watercolors
- (n) "School computer supply" means an item commonly used by a student in a course of study in which a computer is used and includes only the following items:
1. Computer storage media
 2. Handheld electronic schedulers, except devices that are cellular phones
 3. Personal digital assistants, except devices that are cellular phones
 4. Computer printers, printer paper, and printer ink
- (o) "School instructional material" means written material commonly used by a student in a course of study as a reference and to learn the subject being taught and includes only the following items:
1. Reference books
 2. Reference maps and globes
 3. Textbooks
 4. Workbooks
- (p) "School supply" means an item commonly used by a student in a course of study and includes only the following items:
1. Binders
 2. Book bags
 3. Calculators
 4. Cellophane tape
 5. Blackboard chalk
 6. Compasses
 7. Composition books
 8. Crayons

9. Erasers
10. Folders (expandable, pocket, plastic, and manila)
11. Glue, paste, and paste sticks
12. Highlighters
13. Index cards
14. Index card boxes
15. Legal pads
16. Lunch boxes
17. Markers
18. Notebooks
19. Paper (loose leaf ruled notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper)
20. Pencil boxes and other school supply boxes
21. Pencil sharpeners
22. Pencils
23. Pens
24. Protractors
25. Rulers
26. Scissors
27. Writing tablets

(q) "WaterSense Product" means a product authorized to bear the United States Environmental Protection Agency WaterSense label.

- (3) **Exemption for eligible property.** Except as otherwise provided in this Rule, sales of eligible property are exempt from sales and use tax during the applicable exemption period.

(4) **Exemption for clothing.** Clothing with a sales price of \$100.00 or less per item is exempt if purchased within the applicable exemption period.

(a) The application of the exemption to the sale of clothing during the exemption period is illustrated by the following examples:

1. A customer purchases three shirts for \$45.00 per shirt. All three items qualify for the exemption, even though the customer's total purchase price (\$135.00) exceeds \$100.00.
2. A customer purchases a pair of shoes for \$110.00. The purchase does not qualify for the exemption because the customer's purchase price exceeds \$100.00.
3. A customer purchases a tie for \$50.00, a shirt for \$55.00, and a suit for \$300.00. The purchase of the tie and shirt qualify for the exemption, but the suit purchase does not qualify.
4. A customer purchases football pads for \$75.00 and football cleats for \$50.00. These purchases qualify for the exemption.
5. A customer purchases a gold pin for \$99.00. The purchase does not qualify for the exemption because the item is a clothing accessory, which is not eligible property.

(b) Exempt clothing includes but is not limited to:

1. Antique/vintage clothing
2. Aprons, household and shop
3. Athletic clothing, e.g., ski wear, uniforms, tennis apparel
4. Athletic pads and guards
5. Athletic supporters
6. Baby receiving blankets
7. Baby clothes
8. Bandanas
9. Bathing suits and caps
10. Bathing suit cover-ups
11. Belts and suspenders

12. Belts for weightlifting or back support
13. Blouses
14. Bras
15. Caps and hats
16. Coats and jackets of all types
17. Capes, shawls, and wraps
18. Corsets and corset laces
19. Costumes
20. Coveralls
21. Dresses
22. Diapers, children and adult, including disposable and reusable diapers and diaper covers
23. Ear muffs
24. Football pads
25. Footwear of all types, including cleated and spiked shoes
26. Formal wear
27. Garters and garter belts
28. Girdles
29. Gloves and mittens for any purpose
30. Hats and caps
31. Hand muffs
32. Headbands (athletic)
33. Helmets
34. Hosiery

35. Insoles and inserts for shoes
36. Knee pads
37. Lab coats
38. Leg warmers
39. Leotards and tights
40. Lingerie
41. Neckties and bowties
42. Pants
43. Rainwear
44. Robes
45. Scarves
46. Shin guards
47. Shirts
48. Shoe laces
49. Shorts and skorts
50. Skates (ice, roller, roller blades)
51. Skirts
52. Sleepwear
53. Socks
54. Suits
55. Sweaters
56. T-shirts
57. Underwear, including long or thermal underwear
58. Uniforms, athletic and non-athletic

59. Vests

(c) Taxable items include but are not limited to:

1. Baby bibs
2. Belt buckles sold separately
3. Briefcases
4. Clothing accessories or equipment
5. Corsages and boutonnieres
6. Cosmetics
7. Costume masks sold separately
8. Crib blankets
9. Cuff links
10. Diaper bags
11. Eyewear, non-prescription
12. Fanny packs
13. Hair notions, including but not limited to barrettes, hair bows, and hair nets
14. Handbags
15. Handkerchiefs
16. Hard hats
17. Jewelry
18. Key cases
19. Life jackets and vests
20. Masks and goggles, protective and swim
21. Materials used to repair clothing and shoes
22. Patches and emblems sold separately

23. Personal flotation devices
24. Sewing equipment and supplies, including but not limited to knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles
25. Sewing materials that become part of "clothing," including but not limited to buttons, heels, soles, fabric, lace, thread, yarn, and zippers
26. Umbrellas
27. Wallets
28. Watches
29. Watchbands
30. Wigs and hair pieces.

(5) **Exemption for computers, computer components, and prewritten computer software.** Computers, computer components, and prewritten computer software with a sales price of \$1,000.00 or less per item purchased for noncommercial home or personal use are exempt if purchased within the applicable exemption period.

(a) The application of the exemption to the sale of computers, computer components, and prewritten computer software is illustrated by the following examples:

1. A customer purchases three computer cables for \$45.00 each and a computer for \$1,000.00. All of the items qualify for the exemption, even though the customer's total purchase price (\$1,045.00) exceeds \$1,000.00.
2. A customer purchases a computer for \$1,100.00. The purchase does not qualify for the exemption because the customer's purchase price exceeds the \$1,000.00 sales price limit.
3. A customer purchases a computer cable for \$50.00, a modem for \$55.00 and a computer for \$1,300.00. The purchase of the cable and modem qualify for the exemption, but the computer purchase does not qualify because it exceeds the sales price limit.
4. A customer purchases cell phone for \$600.00. The cell phone does not qualify for the exemption because it is not eligible property.
5. A customer purchases a printer for \$200.00 and cartridges for \$300.00 without purchasing a personal computer. The purchase is eligible for the exemption.

6. A customer purchases a computer for \$1,000.00 to use in his business. The computer is not exempt because the customer purchased it for commercial use.
- (b) Exempt computers, computer components, and prewritten computer software include but are not limited to:
1. Batteries (designed for a computer)
 2. Cables (computer)
 3. Car adaptors for laptops
 4. Central processing units
 5. Compact disk drives
 6. Computers, including electronic book readers and laptop, desktop, handheld, tablet, and tower computers, consisting of a central processing unit, random access memory, and a storage drive
 7. Data storage devices (e.g., DVDs, CDs, flash drives, diskettes, memory cards), excluding those designed for use only in digital cameras or other taxable items
 8. Docking stations (designed for a computer)
 9. Hard drives (computer)
 10. Keyboards (computer)
 11. Memory
 12. Microphones
 13. Modems
 14. Monitors
 15. Motherboards
 16. Mouses
 17. Personal digital assistant devices (except cellular telephones)
 18. Port replicators

19. Prewritten computer software
20. Printer cartridges
21. Printers (including "all-in-one" models)
22. Routers
23. Scanners
24. Speakers (computer)
25. Web cameras
26. Zip drives

(c) Taxable items include but are not limited to:

1. Batteries (regular)
2. Cases for electronic devices
3. CDs/DVDs (music, voice or prerecorded items)
4. Cellular telephones
5. Computer bags
6. Copy machines
7. Digital cameras
8. Game controllers (e.g., joy sticks)
9. Game systems and consoles
10. MP3 Players or accessories
11. Projectors
12. Surge protectors
13. Televisions
14. Items purchased for commercial use

(6) **Exemption for school supplies.** School supplies, school art supplies, school computer supplies, and school instructional materials purchased for noncommercial use with a sales price of \$20.00 or less per item are exempt if purchased within the applicable exemption period.

(a) The application of the exemption to the sale of school supplies during the exemption period is illustrated by the following examples:

1. A customer purchases a box of pencils for \$5.00. The purchase qualifies for the exemption.
2. A customer purchases a calculator for \$30.00. The purchase does not qualify for the exemption because the sales price exceeds the \$20.00 sales price limit.
3. A customer purchases ten composition books for \$2.50 each. The total purchase of \$25.00 qualifies for the exemption because the sales price for each item does not exceed \$20.00.
4. A customer purchases a box of pens for \$10.00, paper for \$15.00, and chalk for \$3.00 and pays with a business credit card or business check. The purchase will be presumed to be purchased for commercial use and, therefore, taxable.

(b) Exempt items are listed in the definitions of "school supplies," "school art supplies," "school computer supplies," and "school instructional materials."

(c) Taxable items include but are not limited to:

1. Briefcases
2. Envelopes
3. Janitorial Supplies
4. Medical Supplies
5. Supplies purchased for a commercial use (i.e., used in a trade or business).

(7) **Exemptions for Energy Star Qualified Products and WaterSense Products.** Energy Star Qualified Products and WaterSense Products with a sales price of \$1,500.00 or less per item purchased for noncommercial home or personal use are exempt if purchased within the applicable exemption period. The application of the exemptions to the sale of Energy Star Qualified Products and WaterSense Products during the exemption period is illustrated by the following examples:

- (a) A customer purchases an air conditioner from a retail dealer. The air conditioner carries the Energy Star label and has a sales price of \$1,550.00. The purchase does not qualify for the exemption because the sales price exceeds \$1,500.00.
- (b) A customer purchases a toilet for \$800.00 and a urinal for \$750.00 in a single transaction. Both products are for personal use and carry the WaterSense label. Both products qualify for the exemption since the sales price of each water efficient product is equal to or less than \$1,500.00.
- (c) A contractor enters into a contract to furnish and install an air conditioner for a customer for a total contract price of \$1,000.00. The air conditioner carries the Energy Star label. The exemption does not apply to this transaction because this is a lump sum contract and not a retail sale of tangible personal property. The contractor is considered the consumer of the tangible personal property used in the performance of a real property construction contract. The contractor owes sales or use tax on the purchase of the air conditioner.
- (d) A customer enters into a contract with a home improvement store to furnish and install a toilet for \$1,000.00. The toilet carries the WaterSense label. The exemption does not apply to this transaction, as the home improvement store is acting as a contractor and is therefore the consumer of tangible personal property (i.e., the toilet) in the performance of a real property construction contract.
- (e) A customer purchases for personal use a door for \$500.00 and five windows for \$250.00 each at a home improvement store. The customer takes possession of the products at the time of purchase and does not enter into an installation contract with the home improvement store. The door and windows carry the Energy Star label. The door and windows qualify for the exemption since the sales price of each energy efficient product is equal to or less than \$1,500.00. Note: the customer did not enter into an installation contract, contrary to the facts in the previous example.
- (f) Assume the same facts as the previous example. After purchasing the items tax exempt, the customer provides them to a contractor to install in the customer's home. Pursuant to O.C.G.A. § [48-8-63\(c\)](#), the contractor owes use tax on the fair market value of the items.

(8) Sales price limits.

- (a) **Articles normally sold as a unit.** Articles normally sold as a unit may not be priced separately and sold as individual items in order to meet the sales price limit. The following examples illustrate the application of the rule to the exemption:
 - 1. A pair of shoes sells for \$200.00. The pair of shoes cannot be split in order to sell each shoe for \$100.00 to qualify for the exemption.

2. A suit is normally priced at \$300.00. The suit cannot be split into a coat and slacks so that one of the articles may be sold for \$100.00 or less to meet the sales price limit. However, articles that are normally sold as separate articles, such as a sport coat and slacks, may continue to be sold as separate articles and qualify for the exemption.
 3. A packaged gift set consisting of a wallet (ineligible item) and tie (covered item) does not qualify for the exemption.
- (b) **"Buy one, get one free" and other similar offers.** If a dealer offers "buy one, get one free" or "two for the price of one" on covered items, the covered items are exempt only if the sales price falls within the sales price limit during the exemption period. If a dealer offers "buy one, get one for a reduced price," the two prices cannot be averaged to meet the sale price limit.

The following examples illustrate the application of this rule to the exemption:

1. A dealer offers "buy one, get one free" on a pair of shoes. The first pair of shoes has a sales price of \$99.00 and the second pair is free. Both pairs of shoes qualify for the exemption because the first pair of shoes does not exceed the \$100.00 sales price limit.
 2. A dealer offers "buy one, get one free" on a pair of shoes. The first pair of shoes has a sales price of \$150.00 and the second pair is free. The transaction does not qualify for the exemption because the first pair of shoes exceeds the \$100.00 sales price limit.
 3. A coat is purchased for \$120.00 and a second coat is purchased for half price (\$60.00) at the time the first coat is purchased. The second coat will qualify for the exemption, but tax will be due on the first coat. In this example, the sales price of the items may not be averaged in order to qualify for the exemption.
- (c) **Discounts, coupons, and rebates.** The application of the exemption to discounts, coupons, and rebates extended to a covered item during the exemption period is illustrated by the following examples:
1. Dealer discounts taken by the customer at the time of sale reduce the sales price of items for purposes of determining whether the sales price falls within the sales price limit. For example, during the exemption period, if a dealer sells a pair of jeans with a sales price of \$110.00 at a 10 percent discount, the exemption applies because the actual sales price of the jeans is \$99.00.

2. Store coupons used at the time of sale reduce the sales price for purposes of determining whether a covered item qualifies for the exemption. For example, during the exemption period, if a dealer offers a reduction in sales price of \$5.00 through a store coupon for a coat with a sales price of \$105.00, the exemption applies to the purchase because the dealer's actual sales price to the customer is \$100.00.
 3. Manufacturers' coupons (i.e., coupons whereby the manufacturer reimburses the dealer the amount discounted by the coupon) do not reduce the sales price for purposes of determining whether the item meets the sales price limit. For example, if a customer gives a dealer a manufacturer's coupon for \$100.00 toward the purchase of a computer with a sales price of \$1,100.00, the exemption does not apply because the \$1,100.00 price exceeds the sales price limit.
 4. Rebates to the customer made after the point of sale do not reduce the sales price of the purchased item for purposes of determining whether or not an item is taxable. For example, a customer purchases a pair of jeans for \$110.00. After the sale the customer receives a \$10.00 rebate. The exemption does not apply because the sales price exceeds \$100.00.
 5. An "instant rebate" that is actually a store discount reduces the sales price for purposes of determining whether or not the item qualifies for the exemption.
 6. If a discount applies to the total amount paid by a purchaser rather than to the sales price of a particular item and the purchaser has purchased covered items and taxable property, the seller should allocate the discount based on the total sales price of the taxable property compared to the total sales price of all property sold in that same transaction. For example, a purchaser buys a pair of jeans for \$110.00 and an umbrella for \$20.00 with a store coupon for 20 percent off the total sale. After the discount, the jeans are exempt because they cost \$88.00.
- (d) **Gift certificates and gift cards.** A gift certificate or gift card cannot be used to reduce the selling price of a covered item to meet the sales price limit. For example, a purchaser uses a \$50.00 gift card to buy a computer with a sales price of \$1,025.00. The computer is not exempt because it exceeds the \$1,000.00 sales price limit.
- (e) **Delivery charges.** Delivery charges are not included in the purchase price for purposes of determining whether an item falls within the sales price limit. For example, an article of clothing is purchased for \$99.00, and a shipping charge of \$2.00 is imposed. The clothing is eligible property because the sales price is below the sales price limit.

(9) **Timing rules.** Eligible property is exempt if the purchaser pays in full during the exemption period, regardless of when the customer places the order, when the seller accepts the order, when the seller completes the electronic payment transaction, or when the order is delivered.

(a) **Electronic payments.** For purposes of this Rule, a purchaser using an electronic payment method, such as a debit card or a credit card, tenders payment at the time when the purchaser provides the seller with the purchaser's payment information. The following examples illustrate the rules pertaining to electronic payment transactions:

1. A customer places an order and gives the seller the customer's credit card information during the exemption period for the purchase of eligible property. The seller charges the credit card and ships the item after the exemption period. The item qualifies for exemption.
2. A customer places an order and gives the seller the customer's credit card information before the exemption period for the purchase of eligible property. The seller charges the credit card and ships the item during the exemption period. The item is not exempt because payment was not tendered during the exemption period.

(b) **Layaway sales.** A sale of eligible property under a layaway sale qualifies for exemption if the purchaser makes the final payment during the exemption period even if delivery is made after the exemption period.

1. A customer places eligible property on layaway during the exemption period. The customer makes final payment after the exemption period. The exemption does not apply.
2. A customer places eligible property on layaway before the exemption period and makes the final payment during the exemption period. The entire purchase price of the property is exempt because the customer paid in full during the exemption period. The exemption applies even if the customer retrieves the property after the exemption period.

(c) **Rental property.** Recurring periodic rental payments are not exempt even if made during the exemption period. A full payment for the rental of eligible property is exempt if made during the exemption period. The following examples illustrate the tax treatment of rental charges during the exemption period:

1. A customer pays in full during the clothing sales tax holiday exemption period for the rental of a tuxedo. The rental charge is exempt from sales tax.
2. A customer pays monthly for the rental of an air conditioning unit. He makes one of his payments during the Energy Star sales tax holiday exemption period. The sales tax holiday exemption does not apply to the

payment; thus, he must pay tax on the rental payment unless another exemption applies.

(d) **Exchanges.** The application of the exemption to an exchange (i.e., wherein a purchaser returns an item and receives a credit toward the purchase of a new item) of eligible property is illustrated by the following examples:

1. A customer purchases eligible property during the exemption period, but later exchanges the item for a product with the same price. No additional tax is due, even though the exchange is made after the exemption period, because the credit on the exchange reduces the sales price to zero.
2. A customer purchases eligible property during the exemption period. After the exemption period has ended, the customer exchanges the product for a product with a higher price. Sales tax is due on the difference between the price of the newly purchased item and the price of the returned item.
3. If a customer purchases eligible property before the exemption period, but during the exemption period the customer returns the item and receives credit toward the purchase of a different item of eligible property, sales tax paid on the returned item must be refunded to the customer.

(e) **Gift certificates and gift cards.** Eligible property purchased during the exemption period using a gift certificate or gift card is exempt, regardless of when the gift certificate or gift card was purchased. Covered items purchased after the exemption period using a gift certificate or gift card are taxable even if the gift certificate or gift card was purchased during the exemption period.

(f) **Rain checks.** A rain check allows a customer to purchase an item at a certain price at a later time because the particular item is out of stock. Eligible property purchased during the exemption period using a previously issued rain check qualifies for the exemption. However, a rain check issued during the exemption period will not qualify eligible property for the exemption if the property is purchased after the exemption period.

(g) **Different time zones.** The time zone of the seller's location determines the authorized time period for a sales tax holiday.

(10) **Records.**

- (a) **Dealer records.** Dealers are not required to obtain an exemption certificate for sales of eligible property during the exemption period. However, a dealer's records should clearly identify the type of item sold, the date on which the item was sold, the sales price of all items, and any tax charged.

- (b) **Customer receipts for refunds.** For the period of 60 calendar days following the last day of the exemption period, when a customer returns an item that would qualify for the exemption, no refund of tax may be given unless the customer provides a receipt or invoice showing tax was paid or the dealer has sufficient documentation to show that tax was paid on the specific covered item. This 60-day period is set solely for the purpose of designating a time period during which the customer must provide documentation that shows that sales tax was paid on returned merchandise. The 60-day period is not intended to change a seller's policy on the time period during which the seller will accept returns.

(11) **Calculation of tax on delivery charges.**

- (a) Delivery charges associated with taxable sales are taxable regardless of whether the charge is optional (i.e., not required to complete the underlying sale of the tangible personal property) or separately stated.
- (b) Delivery charges associated with nontaxable sales are not taxable.
- (c) If a shipment includes exempt item(s) and taxable property (including an otherwise eligible item with a sales price in excess of the price limit), the seller must tax the percentage of the delivery charge allocated to the taxable property but does not have to tax the percentage allocated to the eligible property. To determine the taxable portion of the delivery charge, the seller should allocate the delivery charge by using:
 - 1. a percentage based on the total sales prices of the taxable property compared to the total sales prices of all property in the shipment; or
 - 2. a percentage based on the total weight of the taxable property compared to the total weight of all property in the shipment.

For example, two articles of clothing are purchased - one for \$110.00 and one for \$99.00. The seller charges a \$5.00 shipping fee. The \$99.00 item qualifies for the exemption. Since the \$110.00 item exceeds the sales price limit, it is taxable. The total sales price of the two items, without taking into account the shipping fee, is \$209.00. 53 percent of that amount represents taxable items; therefore, 53 percent of the shipping fee (\$2.65) is taxable.

- (12) **Reporting Exempt Sales.** No special reporting procedures are necessary. Exempt sales on eligible items made during the exemption period must be reported as non-taxable sales.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.110

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-2](#), [48-8-3\(75\)](#) and [\(82\)](#).

History. Original Rule entitled "Sales Tax Holiday- Shop Georgia!- March 29, 2002 through March 30, 2002"

adopted as ER. 560-12-2-0.16-.110. F. Mar. 7, 2002; eff. Mar. 6, 2002, the date of adoption.

Amended: Permanent Rule entitled "Sales Tax Holiday- Shop Georgia!- August 2, 2002 through August 3, 2002" adopted. F. July 12, 2002; eff. August 1, 2002.

Amended: ER. 560-12-2-0.17-.110 entitled "Sales Tax Holiday - July 31, 2003 through August 3, 2003" adopted. F. and eff. July 8, 2003, the date of adoption.

Amended: New Rule entitled "Sales Tax Holiday - July 29, 2004 through August 1, 2004" adopted. F. July 1, 2004; eff. July 21, 2004.

Amended: ER. 560-12-2-0.20-.110 entitled "Sales Tax Holiday - July 28, 2005 through July 31, 2005" adopted. F. July 21, 2005; eff. July 28, 2005, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. July 15, 2005; eff. August 4, 2005.

Repealed: New Rule entitled "Sales Tax Holiday" adopted. F. July 7, 2006; eff. July 27, 2006.

Amended: Entitled "Sales Tax Holiday for Clothing, Computers, and School Supplies." F. Aug. 7, 2012; eff. Aug. 27, 2012.

Amended: Title changed to "Sales Tax Holidays." F. Jun. 20, 2014; eff. July 10, 2014.

Rule 560-12-2-.111. Computer Software and Computer - Related Services.

- (1) **Purpose.** This Rule sets forth the application of Georgia sales and use tax concerning the sale or use of computer software and computer-related services.
- (2) **Definitions.** For the purposes of this Rule, the following definitions and explanations of terms shall apply:
 - (a) "Application program" means a set of statements or instructions that when incorporated in a machine-usable medium is capable of causing a machine or device having information processing capabilities to indicate, perform, or achieve a particular function, task, or result for the end user. Application programs include any other computer software that does not qualify under subparagraph (2)(h) or (2)(n).
 - (b) "Computer" means the components and accessories that constitute the physical computer assembly that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions. A computer includes but is not limited to these components and accessories: a central processing unit, keyboard, console, monitor, memory unit, disk drive, tape drive or reader, terminal, printer, plotter, modem, document sorter, and optical reader.
 - (c) "Computer-related services" means services including, but not limited to, computer programming, installation, time-sharing, consulting, training, data processing, system testing, and information retrieval.
 - (d) "Computer software" means any computer data, program or routine, or any set of one or more programs or routines, which are used or intended for use to cause one or more computers, pieces of computer-related peripheral equipment, automatic processing equipment, or any combination thereof, to perform a task or set of tasks. Without limiting the generality of the foregoing, the term "computer software" shall include operating programs, application programs, system

programs, and any other subdivisions (such as assemblers, compilers, generators, and utility programs).

- (e) "Custom computer software" means computer software, including custom updates, which is designed and developed by the author to the specifications of a specific purchaser. Any subsequent sale of custom software to a different purchaser, customer, person, or entity shall be deemed the sale of prewritten computer software.
- (f) "Delivered electronically" means delivered to the purchaser by means other than tangible storage media.
- (g) "Load and leave" means delivery to the purchaser by use of tangible storage media where such tangible storage media is not physically transferred to the purchaser.
- (h) "Operating program" means a set of statements or instructions that when incorporated into a machine or device having information processing capabilities is an interface between the computer hardware and the application program or system program.
- (i) "Prewritten computer software," also known as "canned computer software," means computer software that is designed, prepared, or held for general distribution or repeated use, or software programs developed in-house and subsequently held or offered for repeated sale, lease, license, or use.
- (j) "Software license agreement" means the transfer of possession and the right to use computer software for the purpose of reproduction or other use in a computer.
- (k) "Software maintenance agreement" means providing error corrections, fixes, improvements, technical support upgrades and updates to purchased or licensed computer software under a single agreement.
- (l) "Streamlined Sales Tax Project" ("SSTP") is an effort created by state governments, with input from local governments and the private sector, to simplify and modernize sales and use tax collection and administration. The SSTP's proposals include tax law simplifications, more efficient administrative procedures, and emerging technologies to substantially reduce the burden of tax collection. The SSTP will develop measures to design, test and implement a sales and use tax system that simplifies sales and use taxes.
- (m) "Streamlined Sales and Use Tax Agreement" describes the agreement developed by the Streamlined Sales Tax Project, which provides for uniform definitions, terms of art, collection and registration responsibilities, governing board procedures, and other articles of importance related to sales and use tax. These items will provide for simplification and uniformity when adopted by the implementing states.

- (n) "System program" means a set of statements or instructions that interacts with the operating program that is developed, licensed, and intended to build, test, manage, or maintain application programs.

(3) Computer software sold in a tangible medium.

- (a) Prewritten computer software. The sale, lease, rental, license, or use of prewritten computer software is subject to sales and use tax when sold in a tangible medium. Prewritten computer software, even though modified or enhanced to the specifications of a purchaser, remains prewritten computer software.
 - 1. The combining of two or more prewritten computer software programs or prewritten portions thereof does not cause the combination to be anything other than prewritten computer software.
 - 2. Prewritten computer software includes computer software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold in a tangible medium to a person other than the specific purchaser.
- (b) Custom computer software. The sale, lease, rental, license, or use of custom computer software is a professional service transaction not subject to sales and use tax.
 - 1. A purchaser may receive custom software by means of a tangible medium without changing the taxability of the purchase. The transfer to the purchaser in a tangible medium is deemed to be merely an incidental part of the sale of a nontaxable professional service.
 - 2. Sales of multiple copies or license agreements of custom software to the original purchaser are not subject to sales and use tax. Custom software becomes prewritten computer software when it is sold to someone other than the person for whom it was designed and developed.
 - 3. Charges for custom computer software that are not separately stated on the dealer's invoice from the sale, lease, or rental of hardware, machinery, or equipment are considered subject to the tax as part of the hardware, machinery, or equipment sale.
- (c) Modified prewritten computer software.
 - 1. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software.

2. If there is a separately stated charge on the dealer's invoice for the modification or enhancement of prewritten computer software, the charge for modification or enhancement is not subject to sales and use tax.

(4) Computer software sold in an intangible form.

- (a) Computer software delivered electronically is not a sale of tangible personal property and therefore is not subject to sales or use tax. The dealer's invoice, purchase contract, or other documentation must indicate the method of delivery. If the method of delivery is not indicated on the dealer's invoice, purchase contract, or other documentation, delivery will be presumed to have been made through a tangible medium, and the burden will be upon the taxpayer to establish to the satisfaction of the Department that the computer software was delivered electronically.
- (b) If a dealer delivers computer software electronically and also provides the same computer software to the purchaser in a tangible medium, the transaction shall be treated as the taxable sale of tangible personal property unless the software qualifies as custom software.

(5) Computer software installation and maintenance agreements.

- (a) Computer software installation services. Charges for computer software installation services are not subject to sales and use tax when such charges are separately stated on the dealer's invoice.
- (b) Software maintenance agreements - charges bundled. Software maintenance agreements that are bundled, as opposed to separately stated, on the dealer's invoice for prewritten software provided in a tangible medium are subject to sales and use tax.
- (c) Software maintenance agreements - charges separately stated. Separately stated charges for software maintenance agreements, when such agreements include prewritten software updates, upgrades, or enhancements delivered in a tangible medium and include support services, are deemed to be taxable at 50 percent of the software maintenance agreement's total stated sales price. The dealer may elect to use an alternate percentage if the percentage can be established to the satisfaction of the Department that the alternate percentage is based upon reasonable accounting methods. For example, the alternate percentage may be derived using the cost or estimated retail sales price of the software update, upgrade or enhancement. If it is determined that the alternate percentage used by the dealer is not based on reasonable accounting methods, the Department shall require the dealer to remit additional sales and use tax based upon 50 percent of the stated sales price of the software maintenance agreement.

- (d) Software maintenance agreements - updates, upgrades, or enhancements only. Separately stated charges for software maintenance agreements that include only prewritten software updates, upgrades, or enhancements delivered in a tangible medium, and no support services, are subject to sales and use tax on the total sales price.
- (e) Software maintenance agreements - support services only. Separately stated charges for software maintenance agreements that include only support services, and no prewritten software updates, upgrades, or enhancements delivered in a tangible medium, are not subject to sales and use tax.
- (f) Software maintenance agreements - custom software. Separately stated charges for custom software maintenance agreements, including software updates, upgrades, or enhancements delivered in a tangible medium, are not subject to sales and use tax.
- (g) Taxed software maintenance agreements - Deductions. If a dealer has previously taxed the sale of a software maintenance agreement, and software updates, upgrades, or enhancements are not provided in a tangible medium or are not provided at all, then the dealer may claim a deduction on their sales and use tax return for the taxable amount of the software maintenance agreement. In order to claim the deduction, the dealer must be able to show that sales tax was previously collected and remitted to the Department and that a corresponding credit for all sales tax paid on the software maintenance agreement has been issued to the purchaser.
- (h) Streamlined Sales and Use Tax Agreement. In the event that the Streamlined Sales and Use Tax Agreement adopts a different taxable percentage or amount with respect to software maintenance agreements, the percentage as stated in subparagraph (5)(c), as well as the ability to establish a different percentage to the satisfaction of the Department, shall be replaced with the taxable percentage or amount provided in the Streamlined Sales and Use Tax Agreement. If the Streamlined Sales and Use Tax Agreement is silent with respect to the taxability of software maintenance agreements, the provisions of subparagraph (5)(c) shall apply.

(6) Miscellaneous.

- (a) Load and leave. Prewritten or modified computer software transferred to the retail purchaser by means of load and leave is not subject to sales and use tax. The transaction is not deemed to be the sale of tangible personal property when the retailer installs the computer software and the computer software does not remain permanently in the purchaser's possession in a tangible medium after the computer software has been installed.

- (b) Computer-related services. The sale of a computer-related service is not subject to sales and use tax when the charge is separately stated on the dealer's invoice. If the charge for a computer-related service is bundled together with a taxable retail sale, lease, rental, license or use of prewritten computer software, then the entire charge is subject to tax.
- (c) Software license agreement. The licensing of prewritten or modified computer software or the renewal/extension of such licensing agreement(s) is subject to sales and use tax as a lease or rental of tangible personal property when the original prewritten or modified computer software was delivered in a tangible medium.
- (d) Prewritten computer software sold, leased, rented or licensed and delivered in a tangible medium, is exempt from Georgia sales and use tax when the transaction qualifies for exemption under O.C.G.A. §§ [48-8-3\(34\)](#), [48-8-3\(34.1\)](#), 48-8-3(34.2), 48-8-3(36), 48-8-3(36.1), 48-8-3(58), or 48-8-3(68).

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.111

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Computer Software and Computer-Related Services" adopted. F. June 12, 2006; eff. July 2, 2006.

Rule 560-12-2-.112. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.112

Authority: O.C.G.A. §§ [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Energy Efficient Product Sales Tax Holiday" adopted. F. Sept. 9, 2005; eff. Sept. 29, 2005.

Repealed: New Rule of same title adopted. F. July 7, 2006; eff. July 27, 2006.

Amended: Rule renamed "Water Efficient Products Sales Tax Holiday". F. Sep. 5, 2012; eff. Sept. 25, 2012.

Repealed: F. Jun. 20, 2014; eff. July 10, 2014.

Rule 560-12-2-.113. Hunting Preserves and Hunting Clubs.

- (1) Purpose. This Rule sets forth the application of sales and use tax to the operation of hunting preserves, hunting clubs, or other similar operations conducting outdoor recreational activities related to hunting animals.
- (2) Definitions. For the purposes of this Rule, the following definitions and explanation of terms shall apply:
 - (a) "Hunting Preserves and Hunting Clubs" means those business operations that allow the general public the privilege of hunting animals in a designated area for a charge or fee. Such business may also routinely offer lodging, meals, sales or

rental of tangible personal property, and other types of entertainment or recreational activity.

- (b) "Real Property Lease" means a lease of land that grants the privilege of hunting animals located on the land.

(3) Sales.

- (a) Charges or fees, except as provided for in subparagraph (3)(b) of this Rule, for conducting outdoor recreational activities related to hunting animals in Georgia are subject to sales tax. Outdoor recreational activities related to hunting animals may include, but are not limited to:
 - 1. Admission or membership charges or fees paid to a hunting preserve, hunting club, or any other similar operations that provide the privilege of hunting stocked and/or wild game;
 - 2. Hunting charges or fees derived on a basis of per bird or animal, additional bird or animal, or released bird or animal;
 - 3. Providing lodging or accommodations;
 - 4. Providing meals or beverages;
 - 5. Providing skeet, trap, or target range shooting;
 - 6. Providing transportation to, from or within the hunting preserve, hunting club or any other similar operations that provide the privilege of hunting animals;
 - 7. Rental of firearms, hunting gear, or other tangible personal property;
 - 8. Sales of ammunition, clothing, or other tangible personal property; and
 - 9. Trophy fees and game release charges or fees.
- (b) Charges or fees for a state-hunting license, guide services, cleaning, processing and packing of game, voluntary gratuities, taxidermy, the boarding of animals, or the training of dogs are not subject to sales tax when separately itemized on the seller's invoice.

(4) Purchases.

- (a) The purchase of live game birds, food, beverages, ammunition, skeet birds, items exclusively used for rental, and other items purchased for resale by a hunting preserve, hunting club, or other similar operations providing for the outdoor recreational activity of hunting animals are not subject to tax when a properly

executed *Certificate of Exemption*, Form ST-5, is provided to the dealer. Alcoholic beverages are only considered purchases for resale when the operator of a hunting preserve, hunting club, or other similar operations holds a valid Georgia alcohol license.

- (b) Purchases of equipment and supplies used in the operation of a hunting preserve, hunting club, or other such place providing for the outdoor recreational activity of hunting animals are subject to sales and use tax at the time of purchase. Examples include, but are not limited to, motor vehicles, all-terrain vehicles, boats, rafts, oars, motors, hunting dogs, horses, hunting stands, cooking gear, safety equipment, targets, skeet and trap equipment, brochures, animal feed, motor fuel, furniture, and promotional give-away items.
- (5) A real property lease or membership in a private club that provides access solely to its members and not to the general public for the exclusive right to hunt animals is not subject to sales tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.113

Authority: O.C.G.A. Secs. [48-2-12](#).

History. Original Rule entitled "Hunting Preserves and Hunting Clubs" adopted. F. Nov. 7, 2005; eff. Nov. 27, 2005.

Rule 560-12-2-.114. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.114

Authority: O.C.G.A. §§ [48-2-7](#), [48-2-12](#).

History. Original Rule entitled "Water Efficient Products Sales Tax Holiday" adopted. F. Sept. 16, 2008; eff. Oct. 6, 2008.

Amended: F. Sep. 5, 2012; eff. Sept. 25, 2012.

Repealed: F. Jun. 20, 2014; eff. July 10, 2014.

Rule 560-12-2-.115. Restaurants.

- (1) **Purpose.** This Rule addresses the application of sales and use tax to purchases and sales made by establishments that sell prepared food. Such establishments are generally referred to as restaurants and include but are not limited to coffee shops, cafeterias, short order cafes, luncheonettes, taverns, lunchrooms, soda fountains, food carts, food trucks, itinerant restaurants, catering establishments, and similar facilities.
- (2) **Definitions.** The terms defined in Rule [560-12-2-.104](#) entitled "Food Exemptions" apply to this Rule. In addition, the following definitions apply:

- (a) "Food packaging" means tangible personal property that is used to contain food or beverages. "Food packaging" includes but is not limited to containers, boxes, wrappers, cups, dinner plates, trays, platters, and the accompanying lids.
 - (b) "Premises" means the total space and facilities in or on which the seller conducts business, including but not limited to parking areas for the convenience of in-car consumption, counter space, indoor or outdoor tables, chairs, benches, and similar conveniences.
- (3) **Sales of food.** Pursuant to O.C.G.A. § [48-8-3\(57\)](#), certain food items are exempt from state sales tax. Rule [560-12-2-.104](#) addresses the taxation of food and is summarized as follows:
- (a) **Prepared food.** "Prepared food" is subject to both state and local sales and use tax. The term "prepared food" generally includes meals sold by a restaurant but does not include food items entirely prepared off the seller's premises. "Prepared food" includes the following:
 - 1. Food sold in a heated state or heated by the seller at the seller's location. This includes food heated by the seller at any time before the sale, even if the item is in an unheated state at the time of sale.
 - 2. Food with two or more food ingredients mixed or combined at the seller's location by the seller for sale as a single item.
 - 3. Food sold with eating utensils provided by the seller. Food is considered to be sold with eating utensils provided by the seller when the food is customarily intended for consumption with the utensils provided. The presence of self-service utensils in a restaurant does not make otherwise exempt food taxable unless it is customarily intended that the food be consumed with those utensils.

Example 1: Seller purchases tea prepared off-site and sells the tea in cups. The seller does not add any ingredients and does not heat the tea. The tea is subject to both state and local tax because the cup is a "utensil" according to Rule [560-12-2-.104](#).

Example 2: The seller purchases and subsequently sells single-serving size bottled beverages. Utensils are not customarily used to consume single-serving bottled beverages; therefore, single-serving bottled beverages sold for off-premises consumption are subject only to local tax.

Example 3: The seller sells bottles of barbecue sauce prepared off-site. The seller neither heats nor adds ingredients to the sauce. Utensils are not

customarily used to consume barbecue sauce; therefore, bottles of barbecue sauce sold for off-premises consumption are subject only to local tax.

- (b) **Food and food ingredients.** "Food and food ingredients" sold to natural persons for consumption off premises is not subject to state sales and use tax, but is subject to local sales and use tax.

1. For purposes of the food exemption in O.C.G.A. § [48-8-3\(57\)](#), "food and food ingredients" does not include prepared food, alcoholic beverages, dietary supplements, tobacco, and items ingested or chewed primarily for medical or hygiene purposes, such as cough drops, throat lozenges, breath strips, and over-the-counter medications.
2. The term "food and food ingredients" includes food that is prepared off-premises. For example, if sold for off-premises consumption without utensils, cakes prepared off-premises are exempt from state sales and use tax, but are subject to local sales and use tax. However, if utensils customarily intended to be used to consume the cake are provided or made available by the seller, the cake is subject to both state and local sales and use tax as "prepared food."
3. "Food and food ingredients" sold for on-premises consumption is subject to both state and local sales and use tax. Thus, a bag of chips sold by a restaurant for on-premises consumption is subject to state and local sales and use tax.
4. The state sales and use tax exemption for "food and food ingredients" is not available to businesses purchasing food and food ingredients. Unless another exemption applies, business entities, including nonprofit organizations, must pay both state and local sales and use tax on all purchases of food and food ingredients.

- (c) **Food sold in bulk.** Food sold in bulk is not afforded special tax treatment, but is taxed in accordance with the rules set forth in this paragraph (3).

Example 1: Seller purchases cole slaw prepared off-site in bulk. Without heating or adding ingredients to the cole slaw, the seller then resells the cole slaw in a bulk size (multi-serving) package for off-premises consumption. The seller makes forks available at no charge. The cole slaw is prepared food since it is sold with utensils and is thus subject to both state and local tax.

Example 2: Assume the same facts as Example 1, except the seller makes no utensils available. The cole slaw is exempt from state tax.

Example 3: Seller purchases tea prepared off-site in bulk. Seller then sells the tea in gallon jugs. The seller does not add any ingredients and does not heat the tea. The seller makes cups available at no charge. The tea is subject to both state and local tax.

Example 4: Same facts as in Example 3; but instead of cups, the seller makes straws available at no charge. The tea is exempt from state tax because gallon jugs of tea are not customarily consumed with straws.

Example 5: Same facts as in Example 3, but the seller makes no utensils available. The tea is exempt from state tax.

Example 6: The seller sells 10-pound bags of ice prepared off-premises. The seller makes cups available at no charge. The ice is subject to both state and local tax.

Example 7: Same facts as in Example 6, but the seller makes no utensils available. The ice is exempt from state tax.

Example 8: The seller makes ice on-site and sells it in 10-pound bags. The seller makes no utensils available. The ice is exempt from state tax because making ice involves neither mixing nor heating ingredients.

- (d) **Combination meals.** If the sales price of a combination meal is attributable to products that are subject to tax at different tax rates, the total price must be treated as attributable to the products subject to tax at the highest tax rate unless the seller can identify, by reasonable and verifiable standards from the seller's books and records that are kept in the regular course of business for other purposes, including nontax purposes, the portion of the sales price attributable to the products subject to tax at the lower tax rate.

For example, a lunch consisting of hot chicken (subject to state and local tax because it is sold heated) and a bag of chips is sold for off-premises consumption for a single price of \$3.95. No eating utensils are provided by the seller. The seller must charge both state and local sales tax on the entire sales price of the meal. However, the seller may instead charge state and local sales tax for the chicken and only local sales tax for the bag of chips if the seller can demonstrate with its books and records the portion of the total sales price attributable to the chips, that the chips were not prepared by the seller on premises, that the chips were sold without utensils customarily used to consume chips, and that the chips were sold for off-premises consumption.

- (4) **Employee meals.** Rule [560-12-2-.65](#) addresses employee meals and is summarized as follows:

- (a) The sale of food and beverages by an employer to an employee is subject to sales tax on the total sales price charged to the employee.
- (b) Food and beverages provided by an employer without charge to an employee are taxable to the employer. The employer must remit use tax on the cost of the food and beverages as shown in the employer's books and records. In the event that the exact cost of the employee's food and beverages is not represented in the employer's records, the cost shall be deemed to be fifty percent (50%) of the retail sales price of the food and beverages.

(5) **Gratuities.**

- (a) An amount, whether designated as a tip, gratuity, or service charge, is mandatory and subject to tax when
 - 1. negotiated between the seller and the customer in advance of a meal or event;
 - 2. unilaterally added to the bill by the seller; or
 - 3. added to the bill by the customer pursuant to a statement printed on a menu, sign, advertisement, or brochure indicating that tips, gratuities, or service charges are mandatory.
- (b) Notwithstanding subparagraph (a)2, when a tip, gratuity, or service charge is added unilaterally to the bill by the seller, the amount added is optional and not subject to tax when the seller clearly and conspicuously states on the bill, menu, or signage located in an area visible to customers that tips, gratuities, and service charges are optional and may be removed from the bill at the customer's discretion.

(6) **Purchases by restaurants.**

- (a) **Food packaging.** Single-use food packaging used to contain food that is transferred to the customer is exempt from sales and use tax pursuant to O.C.G.A. § [48-8-3\(94\)](#).
- (b) **Items for sale.** A retailer may purchase food items and other items of tangible personal property for resale without payment of sales and use tax and hold such property for sale at retail in the regular course of business. A toy sold as a component part of a meal may be purchased tax free as an item for resale.
- (c) **Single-use items provided with meals sold.** The following single-use items that are provided or made available to restaurant customers without charge are a component part of a meal sold to the customer and may be purchased tax free for

resale: straws, swizzle sticks, stirrers, napkins, doilies, forks, sporks, knives, spoons, toothpicks, chopsticks, tray liners, and pre-moistened disposable cloths.

- (d) **Food items provided with meals sold.** Condiments and other food items that are provided or made available to restaurant customers without a separate charge as a component part of a meal sold to the customer may be purchased tax free for resale.

Example 1: A restaurant places ketchup bottles on dining tables for customers' use. The restaurant may purchase the ketchup tax free for resale.

Example 2: A restaurant puts ketchup packets in bags containing "to go" meals sold to customers and makes ketchup packets available on its self-service island. It also provides ketchup in a dispenser on the self-service island. The restaurant may purchase tax free for resale all of the ketchup in this example.

Example 3: A restaurant provides peanuts or tortilla chips and salsa as a complement to the sale of other food or beverage items. The restaurant may purchase the peanuts, chips, and salsa tax free for resale.

- (e) **Items used or consumed by the restaurant.**

1. Tangible personal property used or consumed by a restaurant is not purchased for resale and as such is subject to tax. Such taxable property includes but is not limited to complimentary meals furnished to employees or customers; tables, tents, chairs, bars, linens, cloth napkins, silverware, glassware, chinaware, serving utensils, table covers, and reusable containers; ice used to chill food or beverages before serving; floral arrangements; and single-use items that are not a component part of a meal sold to a customer. Examples of taxable single-use items include paper towels, plastic serving utensils, aluminum foil used for cooking or storage, toilet paper, plastic wrap, crayons provided for customers' on-premises entertainment, paper placemats, and paper menus.
2. Condiments and single-use items served as a component part of a complimentary meal are considered used or consumed by the restaurant and as such are subject to tax.
3. Single-use containers used to transport complimentary meals are exempt from sales and use tax pursuant to O.C.G.A. § [48-8-3\(94\)](#).

- (f) **Duty to keep records.** Tangible personal property purchased for resale may be subject to tax unless the retailer can identify, by reasonable and verifiable standards from its books and records that are kept in the regular course of business

for any purpose, including nontax purposes, that such property has been resold or is designated for resale.

- (7) **Delivery.** Delivery charges by the seller associated with the sale of food and other taxable tangible personal property are taxable, even if such charges are separately itemized.
- (8) **Other service charges.**
 - (a) Charges by the seller for any services that are necessary to complete the sale of taxable tangible personal property are taxable, even if such charges are separately itemized.

Example 1: A caterer requires customers purchasing alcohol to purchase bartender and ID checking services. The bartender and ID checking service charges are taxable.

Example 2: A caterer charges a fuel surcharge when delivering food. The fuel surcharge is taxable.

- (b) Charges by the seller for any services that are not necessary to complete the sale of taxable tangible personal property are not subject to sales or use tax if separately itemized.

Example 1: A caterer provides coat checking as an optional add-on service to a catered event. The coat checking service is separately itemized on the customer's bill. The service is not taxable.

Example 2: Assume the same scenario as Example 1, but the charge is not separately itemized and is instead included in the total catering charge. The coat checking service is taxable.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.115

Authority: O.C.G.A. §§ [48-2-7](#), [48-2-12](#), [48-8-2](#), and [48-8-3](#).

History. Original Rule entitled "Restaurants" adopted. F. Sep. 4, 2014; eff. Sept. 24, 2014.

Rule 560-12-2-.116. Refunds under the Tourism Development Act.

- (1) **Purpose.** This Rule addresses the refund of sales tax under the Tourism Development Act ("the Act") as passed in 2013.
- (2) **Definitions.** For purposes of this Rule only:

- (a) "Agreement" means an agreement for a Tourism Attraction Project between the Department of Community Affairs and an Approved Company pursuant to O.C.G.A. § [48-8-275](#).
- (b) "Annual Sales and Use Tax" means remitted state sales and use taxes and remitted local sales and use taxes, subject to Paragraph (3)(g), that were generated by sales to the general public at the Approved Tourism Attraction during the calendar year immediately preceding the date of filing the Sales and Use Tax Refund claim.
- (c) "Approved Company" means the entity that has submitted an application to undertake a Tourism Attraction Project that has been approved pursuant to O.C.G.A. § [48-8-274](#). For each Tourism Attraction Project, only one company may be approved under the Act.
- (d) "Approved Costs" means:
 - 1. For new Tourism Attractions:
 - (i) Obligations incurred for labor and to vendors, contractors, subcontractors, builders, suppliers, deliverymen, and materialmen in connection with the acquisition, construction, equipping, and installation of a new Tourism Attraction Project;
 - (ii) The costs of acquiring real property or rights in real property and any costs incidental thereto;
 - (iii) All costs for construction materials and equipment installed at the new Tourism Attraction Project;
 - (iv) The cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of the acquisition, construction, equipping, and installation of a new Tourism Attraction Project which is not paid by the vendor, supplier, deliveryman, or contractor or otherwise provided;
 - (v) All costs of architectural and engineering services, including but not limited to estimates, plans and specifications, preliminary investigations, and supervision of construction and installation, as well as for the performance of all the duties required by or consequent to the acquisition, construction, equipping, and installation of a new Tourism Attraction Project;
 - (vi) All costs required to be paid under the terms of any contract for the acquisition, construction, equipping, and installation of a new Tourism Attraction Project;

- (vii) All costs required for the installation of utilities, including but not limited to water, sewer, sewage treatment, gas, electricity, communications, and similar facilities; and off-site construction of utility extensions if paid for by the Approved Company; and
 - (viii) All other costs comparable with those described in this subparagraph; or
 - 2. For existing Tourism Attractions, any Approved Costs otherwise specified in Subparagraph 1 for new Tourism Attractions; provided, however, that such costs are limited to the expansion only of an existing Tourism Attraction and not the renovation of an existing Tourism Attraction.
- (e) "Approved Tourism Attraction" means a Project that was approved pursuant to O.C.G.A. § [48-8-274](#) and that has since opened to the public and become operational as a Tourism Attraction.
- (f) "Expansion" means the addition of equipment, facilities, or real estate to an existing Tourism Attraction for the purpose of increasing its size, scope, or visitor capacity.
- (g) "Incremental Sales and Use Tax" means remitted state sales and use taxes and remitted local sales and use taxes, subject to Paragraph (3)(g), that were generated by sales to the general public at the Approved Tourism Attraction from the date on which construction of the expansion Project is completed through the end of the calendar year immediately preceding the date of filing the Incremental Sales and Use Tax Refund claim, less the remitted state sales and use taxes and remitted local sales and use taxes, subject to Paragraph (3)(g), that were generated by sales to the general public at the Approved Tourism Attraction during the 12-month period preceding the commencement of construction of the expansion Project that corresponds to the time period for which post-expansion sales tax was collected. Refer to Form ST-12 Tourism for examples demonstrating the calculation of Incremental Sales and Use Tax.
- (h) "Incremental Sales and Use Tax Refund" means the amount equal to the lesser of the Incremental Sales and Use Tax or 2.5 percent of the total of all Approved Costs incurred at any time prior to January 1 of the year during which the claim for the Incremental Sales and Use Tax Refund is filed.
- (i) "Local Sales and Use Tax" means any sales and use tax, excluding the sales tax for educational purposes levied pursuant to Part 2 of Article 3 of Title 48, Chapter 8 of the Official Code of Georgia and Article VIII, Section VI, Paragraph IV of the Georgia Constitution, that is levied and imposed in an area consisting of less than the entire state, however authorized.

- (j) "Renovation" means the restoration, rebuilding, redesign, repair, or replacement of worn elements so that the functionality, quality, or attractiveness of buildings or structures is equivalent to a former state.
 - (k) "Sales and Use Tax Refund" means the amount equal to the lesser of the Annual Sales and Use Tax or 2.5 percent of the total of all Approved Costs incurred at any time prior to January 1 of the year during which the claim for the Sales and Use Tax Refund is filed.
 - (l) "State tax incentive" means a tax credit allowed under Chapter 7 of Title 48 or a state sales tax exemption allowed under Chapter 8, Article 1 of Title 48.
 - (m) "Tourism Attraction" means a cultural or historical site; a recreation or entertainment facility; a convention hotel and conference center; an automobile race track with other tourism amenities; a golf course facility with other tourism amenities; marinas and water parks with lodging and restaurant facilities designed to attract tourists to the State of Georgia; or a Georgia crafts and products center. The term excludes enterprises that are primarily devoted to the retail sale of goods, shopping centers, restaurants, or movie theaters.
 - (n) "Tourism Attraction Project" or "Project" means the construction or expansion of a Tourism Attraction and includes the real estate acquisition, including the acquisition of real estate by a leasehold interest with a minimum term of 30 years; the construction and equipping of a Tourism Attraction; the construction and installation of improvements to facilities necessary or desirable for the acquisition, construction, and installation of a Tourism Attraction, including but not limited to surveys; installation of utilities, which may include water, sewer, sewage treatment, gas, electricity, communications, and similar facilities; and off-site construction of utility extensions if paid for by the Approved Company. The term does not include the renovation of an existing Tourism Attraction.
- (3) Refund claims.
- (a) In the discretion of the commissioner of economic development and the commissioner of community affairs, in consideration of the execution of the Agreement and subject to the Approved Company's compliance with the terms of the Agreement, an Approved Company will be granted a Sales and Use Tax Refund for new Projects or an Incremental Sales and Use Tax Refund for expansions of existing Tourism Attractions.
 - (b) The Approved Company is not obligated to refund or otherwise return any amount of this Sales and Use Tax Refund to the persons from whom the sales and use tax was collected.

- (c) The term of the Agreement granting a refund under the Act is ten years, commencing on the date the Tourism Attraction opens for business and begins to collect sales and use taxes or, for an expansion, the date construction is complete.
 - (d) For each calendar year or partial calendar year occurring during the term of the Agreement, an Approved Company must file with the Department of Revenue a properly completed Claim for Refund (Form ST-12 Tourism) by March 31 of the following year.
 - (e) No Sales and Use Tax Refund will be granted to an Approved Company that is during a tax year simultaneously receiving any other state tax incentive associated with any one Tourism Attraction Project. A Sales and Use Tax Refund granted to an Approved Company that is during a tax year simultaneously receiving another state tax incentive is immediately due and payable to the state.
 - (f) Any Sales and Use Tax Refund will be first applied to any outstanding tax obligation of the Approved Company that is due and payable to the state.
 - (g) By resolution and at the discretion of the county and city, if any, where the Tourism Attraction Project is to be located, the local sales and use tax may be refunded under the same terms and conditions as any refund of state sales and use taxes.
 - (h) Interest will not accrue on refunds made under the Tourism Development Act.
- (4) Compliance with the terms of the Agreement. Receipt of a refund is conditioned upon compliance with the Agreement between the Approved Company and the commissioner of economic development and the commissioner of community affairs. In the event an Approved Company fails to abide by the terms of the Agreement, then such Agreement is void and all sales and use tax proceeds that were refunded are immediately due and payable to the state.
- (5) Transfer of rights, duties, and obligations to successor company. An Approved Company may, in the discretion of the Governor, transfer its rights, duties, and obligations under the Agreement to a successor company if the successor company meets the qualifications of an Approved Company; and, upon such approval by the Governor, such successor Approved Company is authorized to receive the Sales and Use Tax Refunds for the remaining duration of the Agreement if it abides by the terms of the Agreement.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.116

Authority: O.C.G.A. § [48-8-6](#).

History. Original Rule entitled "Refunds under the Tourism Development Act" adopted. F. Sep. 10, 2015; eff. Sept. 30, 2015.

Rule 560-12-2-.117. High-Technology Data Center Equipment.

(1) **Purpose.** This Rule addresses the sales and use tax exemption in O.C.G.A. § [48-8-3](#)(68.1) for certain High-Technology Data Center Equipment.

(2) **Definitions.** For purposes of this Rule, the following definitions apply:

(a) "Data Center Owner" means the owner of a High-Technology Data Center or any Related Members.

(b) "Exemption Start Date," used synonymously with the term "Investment Start Date," means the date on or after July 1, 2018, chosen by the Data Center Owner and indicated on its certificate of exemption application, which begins the seven-year period during which the Minimum Investment Threshold must be met.

(c) "High-Technology Data Center" means a facility, campus of facilities, or array of interconnected facilities in this state that:

1. Is developed to power, cool, secure, and connect the Data Center Owner's equipment or the computer equipment of the Data Center Owner's High-Technology Data Center Customers;
2. Has an investment budget plan that meets the High-Technology Data Center Minimum Investment Threshold; and
3. Is located wholly within one county in this state, unless otherwise approved by the Commissioner.

(d) "High-Technology Data Center Customer" means a client, tenant, licensee, or end user of a High-Technology Data Center that is a party to a contract with a Data Center Owner that holds a High-Technology Data Center exemption certificate under this Rule. The contract is subject to the requirements in paragraph (2)(d)1.

1. Contract Requirements.

(i) The Data Center Owner must be a party to the contract;

(ii) The contract must be for data center services provided by the Data Center Owner at the High-Technology Data Center location stated on the Data Center Owner's High-Technology Data Center exemption certificate; and

(iii) The initial term of the contract must be at least 36 months.

2. A client, tenant, licensee, or end user of a High-Technology Data Center is a High-Technology Data Center Customer only while such client, tenant, licensee, or end user is a party to a contract described in paragraph (2)(d)1.

3. The initial term of the contract may begin before the Exemption Start Date for purposes of meeting the initial 36-month term. However, the High-Technology Data Center Customer may only make exempt purchases and uses of High-Technology Data Center Equipment during the period set forth in paragraph (3)(b).
4. If a qualifying contract is extended for any consecutive term after the initial term, the customer remains a High-Technology Data Center Customer during such term so long as the requirements of this Rule are met.

(e) "High-Technology Data Center Equipment."

1. Subject to the exclusion in paragraph (2)(e)2., High-Technology Data Center Equipment means:
 - (i) Computer equipment, as defined in O.C.G.A. § [48-8-3\(68\)](#), of a Data Center Owner or such equipment of a High-Technology Data Center Customer that is used or deployed in the High-Technology Data Center; and
 - (ii) The Data Center Owner's or High-Technology Data Center Customer's materials, components, machinery, hardware, software, or equipment, including but not limited to, emergency backup generators, air handling units, cooling towers, energy storage or energy efficiency technology, switches, power distribution units, switching gear, peripheral computer devices, routers, batteries, wiring, cabling, or conduit, which equipment or materials are used to:
 - (I) Create, manage, facilitate, or maintain the physical and digital environments for computer equipment in the High-Technology Data Center;
 - (II) Protect the High-Technology Data Center Equipment from physical, environmental, or digital threats; or
 - (III) Generate or provide constant delivery of power, environmental conditioning, air cooling, or telecommunications services for the High-Technology Data Center.

2. This term does not include Real Property, as defined in this Rule.

(f) "High-Technology Data Center Minimum Investment Threshold," used synonymously with the term "Minimum Investment Threshold," means:

1. Creating and maintaining an average of the qualifying number of New Quality Jobs during the Investment Period as described in paragraph (4); and
 2. Making the qualifying aggregate expenditures during the Investment Period, as described in paragraph (4).
- (g) "Investment Period" means the seven-year period, chosen by the Data Center Owner, during which the Minimum Investment Threshold must be met.
1. The Investment Period begins on the Investment Start Date.
 2. The Investment Period ends seven consecutive years after the Investment Start Date on the same month and date as the Investment Start Date.
 3. The Investment Period may be any consecutive seven-year period that begins on or after July 1, 2018, and ends on or before December 31, 2031.
- (h) "New Quality Job" means a new quality job, as defined in O.C.G.A. § [48-7-40.17\(a\)\(2\)](#), that is created and maintained by the Data Center Owner or its customers and that meets the requirements in paragraph (4).
- (i) "Real Property" means land, any buildings thereon, and any fixtures attached thereto. Fixtures are tangible personal property that has been installed or attached to land or to any building thereon and that is intended to remain permanently in its place. A consideration for whether tangible property is a fixture is whether its removal would cause significant damage to such property or to the real property to which it is attached.
- (j) "Related Member" means a related member as defined in O.C.G.A. § [48-7-28.3](#) with respect to the owner of a High-Technology Data Center.

(3) Scope of the Exemption.

- (a) The purchase and use of High-Technology Data Center Equipment to be incorporated or used in a High-Technology Data Center are exempt from state and local sales and use tax, subject to the following conditions:
1. The High-Technology Data Center Equipment must be incorporated or used in the High-Technology Data Center named or described on the Data Center Owner's exemption certificate;
 2. The purchaser must be a Data Center Owner or a High Technology Data Center Customer;

3. Such Data Center Owner must meet the High-Technology Data Center Minimum Investment Threshold at the High-Technology Data Center named or described on the Data Center Owner's exemption certificate;
4. Such Data Center Owner must obtain a certificate of exemption; and
5. If the purchaser is a High-Technology Data Center Customer, the High-Technology Data Center Customer must obtain a certificate of exemption.

(b) Subject to the terms and conditions of this Rule,

1. A Data Center Owner holding a High-Technology Data Center exemption certificate may make exempt purchases and uses of High-Technology Data Center Equipment from the Exemption Start Date through and including December 31, 2031; and
2. A High-Technology Data Center Customer holding an exemption certificate may make exempt purchases and uses of High-Technology Data Center Equipment only during the effective dates on its exemption certificate.
 - (i) A High-Technology Data Center Customer exemption certificate is effective beginning the later of the Data Center Owner's Exemption Start Date or the start date of the contract for data center services between the Data Center Owner and the High-Technology Data Center Customer. A High-Technology Data Center Customer exemption certificate ends the earlier of the date such contract ends or December 31, 2031.

(4) Minimum Investment Threshold.

- (a) To meet the High-Technology Data Center's Minimum Investment Threshold, the following conditions must be met:
 1. An average of the qualifying number of New Quality Jobs must be created and maintained, as set forth in paragraphs (4)(b) and (c), during the Investment Period; and
 2. The required amount of qualifying aggregate expenditures must be spent, as set forth in paragraphs (4)(b) and (d), during the Investment Period.
- (b) The New Quality Jobs and aggregate expenditure requirements are based on the population of the county in which the High-Technology Data Center is located as reported in the United States decennial census of 2010. If county population data from a more recent United States decennial census is available as of the Investment Start Date, county population must be based upon such data.

1. For Data Center Owners that apply for and receive a High-Technology Data Center exemption certificate prior to May 9, 2022, the New Quality Jobs and aggregate expenditure requirements are as follows:
 - (i) For a High-Technology Data Center located in a county in this state having a population greater than 50,000:
 - (I) An average of 20 New Quality Jobs; and
 - (II) \$250 million in qualifying aggregate expenditures.
 - (ii) For a High-Technology Data Center located in a county in this state having a population greater than 30,000 and less than 50,001:
 - (I) An average of 20 New Quality Jobs; and
 - (II) \$150 million in qualifying aggregate expenditures.
 - (iii) For a High-Technology Data Center located in a county in this state having a population less than 30,001:
 - (I) An average of 20 New Quality Jobs; and
 - (II) \$100 million in qualifying aggregate expenditures.
2. For Data Center Owners that apply for and receive a High-Technology Data Center exemption certificate on or after May 9, 2022, the Data Center Owner must meet the following New Quality Jobs and aggregate expenditure requirements during the Investment Period, even if the Investment Start Date begins before May 9, 2022:
 - (i) For a High-Technology Data Center located in a county in this state having a population greater than 50,000:
 - (I) An average of 25 New Quality Jobs; and
 - (II) \$250 million in qualifying aggregate expenditures.
 - (ii) For a High-Technology Data Center in a county in this state having a population greater than 30,000 and less than 50,001:
 - (I) An average of 10 New Quality Jobs; and
 - (II) \$75 million in qualifying aggregate expenditures.

(iii) For a High-Technology Data Center located in a county in this state having a population less than 30,001:

(I) An average of 5 New Quality Jobs; and

(II) \$25 million in qualifying aggregate expenditures.

(c) New Quality Jobs.

1. An employee occupying a New Quality Job must:

(i) Regularly work 30 hours or more per week in the county where the High-Technology Data Center is located on matters directly related to the High-Technology Data Center; and

(ii) Receive compensation for such work described in paragraph (4)(c)1.(i) in an amount equaling or exceeding 110% of the average wage for all industries of the county where the High-Technology Data Center is located, as reported in the most recent Georgia Employment & Wages report available on the day that the New Quality Job is first filled during the Investment Period. The county average wage remains constant with respect to that job position for the duration of the Investment Period.

2. For purposes of satisfying the Minimum Investment Threshold, a Data Center Owner may count New Quality Jobs created and maintained by the Data Center Owner and New Quality Jobs created and maintained by the Data Center Owner's customers.

3. To determine the average number of New Quality Jobs created and maintained during the Investment Period, a Data Center Owner must count the number of New Quality Jobs on the payroll by the last payroll period of each month during the Investment Period, add the monthly numbers, and divide the sum by the number of months in the Investment Period.

(d) Qualifying Aggregate Expenditures.

1. Qualifying expenditures are:

(i) Expenditures on the design and construction of the High-Technology Data Center (including expenditures on Real Property); and

(ii) High-Technology Data Center Equipment to be used or incorporated in the High-Technology Data Center.

2. Qualifying expenditures made by either the Data Center Owner or the High-Technology Data Center Customer may count towards the Minimum Investment Threshold.
3. Real Property expenditures count towards the Minimum Investment Threshold only to the extent that the expenditures are made by the Data Center Owner as part of the construction and design of the High-Technology Data Center. The purchase of a pre-existing High-Technology Data Center campus does not constitute "the construction and design of the High-Technology Data Center" and therefore does not count toward the Minimum Investment Threshold. While Real Property expenditures may count toward the Minimum Investment Threshold, Real Property is not exempt under this Rule.
4. If a qualifying expenditure is made pursuant to a lease, the term of which extends before or after the Investment Period, the expenditure amount that may be used for purposes of satisfying the expenditure requirement must be determined by dividing the total amount to be paid pursuant to the lease by the number of calendar years in the lease term and then multiplying that quotient by the number of calendar years in the lease term that are during the Investment Period.
5. A Data Center Owner may not count the purchase or lease of the same High-Technology Data Center Equipment more than once. For example, if a Data Center Owner purchases High-Technology Data Center Equipment and subsequently leases it to a High-Technology Data Center Customer or a related member (as defined at O.C.G.A. § [48-7-28.3](#)), only one transaction, either the original purchase or the subsequent lease, may count for purposes of satisfying the Minimum Investment Threshold.

(5) Certificates of Exemption.

(a) Application Process.

1. A Data Center Owner or High-Technology Data Center Customer desiring to secure the benefits of the exemption provided by O.C.G.A. § [48-8-3](#)(68.1) must file an application for a certificate of exemption.
2. Only the owner of the High-Technology Data Center or one Related Member may apply for a certificate of exemption for a High-Technology Data Center.
3. Applications must be filed electronically with the Department.

4. A High-Technology Data Center exemption application may request the applicant's legal name, mailing address, the High-Technology Data Center location, Investment Start Date, the applicant's Georgia income tax filing and payment history, the value of the applicant's title or interest in Real Property owned in this state, a limited waiver of confidentiality for the administration of this exemption, documentation sufficient to show the likelihood of satisfying the High-Technology Data Center Minimum Investment Threshold, and any other information required by the Department for the determination of the claim for exemption.
5. A High-Technology Data Center Customer exemption application may request the applicant's legal name, mailing address, name of the Data Center Owner that holds an exemption certificate and that has contract with the applicant to provide data services at the High-Technology Data Center listed on the Data Center Owner's exemption certificate, a copy of such contract for data center services, and any other information required by the Department for the determination of the claim for exemption.
 - (i) The Department will not issue a certificate of exemption to a High-Technology Data Center Customer until a certificate of exemption has been issued to its corresponding Data Center Owner.
6. This application requirement is applicable to holders of direct payment permits granted under Regulation [560-12-1-.16](#).

(b) Issuance of Certificate.

1. Upon approval of the application, including a determination that a Data Center Owner will more likely than not meet the Minimum Investment Threshold, the Department will issue a certificate of exemption to such Data Center Owner.
2. A certificate of exemption issued to a High-Technology Data Center Customer is for the exclusive use of the qualifying applicant. A certificate of exemption issued to a Data Center Owner is for the exclusive use of the owner of the High-Technology Data Center and its Related Members but may be transferrable upon the sale of the High-Technology Data Center and the approval of the Commissioner.

(c) Bond.

1. As a condition precedent to the issuance of a certificate of exemption to a Data Center Owner, the Department, in the Commissioner's discretion, may require a good and valid bond with a surety company authorized to do business in this state.

2. In determining whether to require a bond and the value of such bond, the Commissioner will consider factors, including, but not limited to, the value of the Data Center Owner's title or interest in Real Property owned in this state as of the application date and the Data Center Owner's Georgia tax filing and payment history.
3. If required, the bond must be in an amount fixed by the Department, not to exceed \$20 million.
4. Such bond must be forfeited and paid to the general fund in an amount representing all taxes and interest required to be repaid if the Data Center Owner fails to meet the Minimum Investment Threshold prior to the expiration of the seven-year Investment Period.
5. Such bond will be released when the Data Center Owner timely meets the Minimum Investment Threshold.
6. High-Technology Data Center Customers are not required to obtain a bond.

(d) Revocation.

1. A certificate of exemption issued pursuant to this exemption to a Data Center Owner is subject to revocation if the Department determines that such Data Center Owner has not complied with the provisions of the exemption, including, but not limited to, the following:
 - (i) During the Investment Period, the Department determines that the Data Center Owner is not likely to meet the applicable Minimum Investment Threshold;
 - (ii) At the conclusion of the Investment Period, the Department determines the Data Center Owner failed to meet the applicable Minimum Investment Threshold;
 - (iii) The Data Center Owner does not file the annual report as required in paragraph (7); or
 - (iv) The Data Center Owner claims an income tax credit in violation of paragraph (9).
2. A certificate of exemption issued pursuant to this Rule to a High-Technology Data Center Customer is subject to revocation if the Department determines that such certificate holder has not complied with the provisions of the exemption, including, but not limited to, the following:

- (i) The certificate of exemption of its corresponding Data Center Owner is revoked; or
 - (ii) The High-Technology Data Center Customer is not, or is no longer, a party to a contract in accordance with paragraph (2)(d).
- 3. Revocation procedures for Data Center Owner's certificates of exemption.
 - (i) If it is determined that there are grounds for revocation of a Data Center Owner's certificate of exemption, the Department will send written notice to the Data Center Owner stating the grounds for revocation. Effective the 31st day following the date of the notice, the Department will revoke the Data Center Owner's certificate of exemption, unless:
 - (I) within 30 days from the date of the notice, the Data Center Owner provides the Department with a detailed plan to remedy each cause for revocation; and
 - (II) the Department determines that the Data Center owner is more likely than not to remedy each cause for revocation within 90 days from the Department's receipt of the plan.
 - (ii) If the Department determines that the Data Center Owner has failed to remedy each cause for revocation within 90 days from the Department's receipt of the plan, then the Department will revoke the Data Center Owner's certificate of exemption effective the 91st day after the Department's receipt of the plan. The Department will notify the Data Center Owner in writing of the grounds for revocation, the revocation date, and the procedure by which the certificate holder may dispute the revocation.
- 4. Once a certificate of exemption has been revoked, the certificate holder must immediately notify all vendors to which such certificate holder furnished the certificate of exemption that such certificate of exemption is no longer valid. The certificate holder must maintain records of notifications of revocation sent to vendors.
- 5. It is unlawful for any person to attempt to evade sales and use taxes by using a certificate of exemption obtained through fraud or by using a certificate of exemption to which a purchaser is not entitled.
- 6. Upon the revocation of the Data Center Owner's certificate of exemption, the owner of the High-Technology Data Center and its Related Members

will be liable for all tax exempted or refunded under this exemption, plus interest as computed under O.C.G.A. § [48-2-40](#). If tax and interest are not paid within 90 days of the revocation of the certificate of exemption, penalties will accrue pursuant to O.C.G.A. § [48-8-66](#).

7. If a High-Technology Data Center Customer's certificate of exemption is revoked, the customer, the owner of the customer's corresponding High-Technology Data Center, and the owner's Related Members may be liable, as provided below, for all tax exempted or refunded under this exemption on the customer's purchases, plus interest as computed under O.C.G.A. § [48-2-40](#). If tax and interest are not paid within 90 days of the revocation of the certificate of exemption, penalties will accrue pursuant to O.C.G.A. § [48-8-66](#).

- (i) If a High-Technology Data Center Customer's certificate of exemption is revoked solely because its corresponding Data Center Owner's certificate of exemption is revoked, the High-Technology Data Center Customer is not required to repay the tax exempted or refunded under this exemption on the customer's purchases. The owner of the customer's corresponding High-Technology Data Center and the owner's Related Members are required to repay such tax.
 - (ii) If a High-Technology Data Center Customer certificate of exemption is revoked because the certificate holder does not meet the definition of High-Technology Data Center Customer, the purported customer is required to repay the tax exempted or refunded under this exemption for periods when the purported customer did not meet the definition of High-Technology Data Center Customer.
 - (iii) If a High-Technology Data Center Customer's certificate of exemption is revoked solely because of the expiration of a qualifying contract with a certificated Data Center Owner, neither the High-Technology Data Center Customer nor the Data Center Owner is required to repay the tax exempted or refunded for periods when the customer met the definition of a High-Technology Data Center Customer.

8. Nothing in this Rule prohibits the reinstatement or reissuance of a certificate of exemption to a qualified Data Center Owner or its customer.

- (e) All certificates of exemption issued to Data Center Owners pursuant to this exemption expire on December 31, 2031, by operation of law.

(6) Claiming the Benefit of the Exemption.

- (a) Any person making a sale or lease of High-Technology Data Center Equipment must collect the sales and use tax unless the purchaser furnishes such seller with a valid and complete certificate of exemption.
- (b) A High-Technology Data Center Equipment supplier is relieved from the collection of sales and use tax on the sale or lease of High-Technology Data Center Equipment if the supplier takes a certificate of exemption from a certificate holder in good faith.
- (c) Refund Claims.
 - 1. Subject to paragraph (6)(c)5. of this Rule and other applicable laws, a refund claim may be filed for taxes paid on purchases or uses qualifying for this exemption for any period on or after July 1, 2018, during which the Data Center Owner or customer had not yet applied for or received its certificate of exemption from the Department.
 - 2. Claimants must submit refund claims electronically.
 - 3. As a condition precedent to the issuance of a refund, the claimant must apply for and receive its certificate of exemption.
 - 4. As provided by O.C.G.A. § [48-2-35.1](#), refunds issued pursuant to this exemption do not bear interest.
 - 5. A refund claim may be filed by the taxpayer at any time within three years after the date of the payment of the tax to the Department.
- (d) Notwithstanding otherwise applicable recordkeeping requirements, any Data Center Owner or High-Technology Data Center Customer claiming the benefit of this exemption must keep and preserve all books and records as long as needed to support such claim.

(7) Annual Report.

- (a) Each Data Center Owner holding an exemption certificate pursuant to this Rule must submit an annual report electronically to the Department. The annual report is due on the dates set forth in this paragraph or the first day following that is not a Saturday, Sunday, legal holiday, or day on which the Federal Reserve Bank is closed.
 - 1. The annual report must be submitted by April 30 of each calendar year if the Data Center Owner or its High-Technology Data Center Customer claimed or will claim the benefit of the exemption for purchases in the prior calendar year.

2. Notwithstanding paragraph (7)(a)(1), if the Data Center Owner's Investment Start Date begins in a calendar year prior to the calendar year of application, the annual report(s) for those prior year(s) are due 30 days following the date the Department grants the exemption certificate or April 30th of the year of application, whichever is later.
 - (i) Example: If the Department grants an exemption certificate on January 1, 2021 to a Data Center Owner with an investment start date of July 1, 2018, the annual reports for years 2018 through 2020 are due on April 30, 2021. The annual report for 2021 is due May 2, 2022 (because April 30, 2022 is a Saturday).
 - (ii) Example: If the Department grants an exemption certificate on April 15, 2021 to a Data Center Owner with an investment start date of July 1, 2018, the annual reports for years 2018 to 2020 are due May 17, 2021 (because May 15, 2021 is a Saturday). The annual report for 2021 is due May 2, 2022 (because April 30, 2022 is a Saturday).
 3. The Department may exercise its discretion to approve a Data Center Owner's request for an extension beyond the applicable deadline.
 4. The annual reporting requirement does not end at the expiration of the Investment Period. The annual report is required for every year in which the Data Center Owner holds a valid exemption certificate pursuant to this Rule.
- (b) The annual report must include the following:
1. The amount of tax exempted or refunded under this exemption on purchases by the owner of the High-Technology Data Center and its Related Members during the preceding calendar year;
 2. A list of the Data Center Owner's High-Technology Data Center Customers holding exemption certificates under this Rule;
 3. The amount of tax exempted or refunded under this exemption on purchases by each High-Technology Data Center Customer during the preceding calendar year;
 4. The number of New Quality Jobs created or maintained in accordance with paragraph (4) on a monthly basis during the preceding calendar year;
 5. A list of each New Quality Job created and maintained in accordance with paragraph (4), including a description of each position, each position's wage, each position's regular work hours, and the location at which each position's job duties are performed;

6. A methodology to verify that employees are working at least 30 hours per week on matters directly related to the High-Technology Data Center in the county where the High-Technology Data Center is located;
 7. The total amount of High-Technology Data Center's employee payroll during the preceding calendar year;
 8. The total amount of qualifying aggregate expenditures made since the Investment Start Date that the Data Center Owner counts for purposes of satisfying the expenditure requirement of its Minimum Investment Threshold. This amount does not need to be reported after the Data Center Owner submits its investment report as described in Paragraph (8) of this Rule at the conclusion of the Investment Period; and
 9. A list of expenditures that count toward the Data Center Owner's Minimum Investment Threshold, including the dollar amount of each purchase, the name of the purchaser, the date of purchase, the vendor, and description of the purchase. This list is not required after the Data Center Owner submits its investment report as described in paragraph (8) of this Rule at the conclusion of the Investment Period.
- (c) A Data Center Owner's failure to submit a complete and accurate annual report is grounds for the revocation of the Data Center Owner's certificate of exemption.

(8) Investment Report.

- (a) Within 60 days after the end of the Investment Period, the Data Center Owner must file a report electronically with the Department.
- (b) The report must detail the following:
 1. The expenditures incurred that count toward its Minimum Investment Threshold, including the name of the purchaser, the expenditure date, the vendor, the dollar amount, and a description of each purchase;
 2. The average number of New Quality Jobs created and maintained during the Investment Period, as calculated in paragraph (4)(c);
 3. A description of each position and each position's wage and regular work hours; and
 4. Any other information that the Commissioner may reasonably require to determine whether the Data Center Owner has met the Minimum Investment Threshold.

- (c) If it is determined that a Data Center Owner failed to meet its Minimum Investment Threshold, such owner of the High-Technology Data Center and its Related Members must repay all taxes exempted or refunded pursuant to the Data Center Owner's certificate of exemption and all taxes exempted or refunded pursuant to the certificates of exemption of the Data Center Owner's High-Technology Data Center Customers.
1. Interest will be due at the rate specified in O.C.G.A. § [48-2-40](#) computed from the date such taxes would have been due but for this exemption.
 2. Such repayment of taxes and interest must be made within 90 days after notification of such failure.
 3. Such repayment will be calculated notwithstanding otherwise applicable periods of limitation for assessment.

(9) Impact on Certain Income Tax Credits.

- (a) During any tax year in which a Data Center Owner holds a valid exemption certificate under this Rule with respect to a High-Technology Data Center, the owner of such High-Technology Data Center is not entitled to claim any credit authorized under O.C.G.A. §§ [48-7-40](#) through [48-7-40.33](#) or O.C.G.A. § [36-62-5.1](#) for jobs, investments, or any business activity created by, arising from, related to, or connected in any way with such High-Technology Data Center.
- (b) A Related Member is not entitled to claim any credit authorized under O.C.G.A. §§ [48-7-40](#) through [48-7-40.33](#) or O.C.G.A. § [36-62-5.1](#) in any tax year for jobs, investments, or any business activity created by, arising from, related to, or connected in any way with a High-Technology Data Center, if, during that tax year such Related Member or the associated owner of such High-Technology Data Center holds a valid exemption certificate and the Related Member takes any of the following actions:
1. Makes expenditures for such High-Technology Data Center that count toward the Minimum Investment Threshold;
 2. Makes exempt purchases of High-Technology Data Center Equipment that is used or deployed in such High-Technology Data Center;
 3. Employs persons to fill New Quality Jobs at such High-Technology Data Center; or
 4. Contracts with High-Technology Data Center Customers for data center services at such High-Technology Data Center.

- (c) If a determination is made by the Department that the Data Center Owner must repay all taxes exempted or refunded pursuant this exemption, the owner of the High-Technology Data Center and its Related Members may, notwithstanding otherwise applicable periods of limitation, file amended income tax returns claiming any credit to which they would have been entitled under O.C.G.A. §§ [48-7-40](#) through [48-7-40.33](#) or O.C.G.A. § [36-62-5.1](#) but for having claimed the exemption set forth in this Rule.

Cite as Ga. Comp. R. & Regs. R. 560-12-2-.117

Authority: O.C.G.A. §§ [48-2-12](#), [48-7-40.17](#), [48-8-3](#), [48-8-3.2](#).

History. Original Rule entitled "High-Technology Data Center Equipment" adopted. F. Apr. 16, 2019; eff. May 6, 2019.

Amended: F. Oct. 16, 2023; eff. Nov. 5, 2023.

Amended: F. Jan. 17, 2024; eff. Feb. 6, 2024.

Subject 560-12-3. FORMS (FORMS APPLICABLE TO SALES AND USE TAX).

[Rule 560-12-3-.01. Availability.](#)

The following forms are in general use by the Sales and Use Tax Unit. Forms designed for primary use by dealers, contractors and other taxpayers may be obtained from the Sales and Use Tax Unit, Department of Revenue, Trinity-Washington Building, Atlanta, Georgia 30334.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.01

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Availability" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of same title adopted. Filed November 20, 1974; effective December 10, 1974.

[Rule 560-12-3-.02. Application for Certificate of Registration.](#)

Centralized Taxpayer Registration Form CRF 002 must be filed by every person defined by the Act as a dealer. See [560-12-1-.09](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.02

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended. Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 Ga. Code Ann., Sec. 92-3438a; O.C.G.A. Secs. [48-2-12](#), [48-8-59](#).

History. Original Rule entitled "Application for Certificate of Registration" was filed and effective on June 30, 1965.

Repealed: New Rule of same title adopted. F. Feb. 5, 1991; eff. Feb. 25, 1991.

Amended: F. June 16, 1994; eff. July 7, 1994.

Rule 560-12-3-.03. Certificate of Registration.

Form ST-2: Certificate must be conspicuously displayed at the place for which issued.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.03

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Certificate of Registration" was filed and effective on June 30, 1965.

Rule 560-12-3-.04. Dealers and Contractors Sales and Use Tax Report.

Form ST-3: This form furnished to dealers and contractors required to file returns each reporting period. See 560-121-.22 and [560-12-2-.26](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.04

Authority: Ga. L. 1978, pp. 323, 324; Chapter 91A-215 of the Georgia Public Revenue Code Ga. L. 1978, pp. 605, 639 Chapter 91A-45 of the Georgia Public Revenue Code.

History. Original Rule entitled "Sales and Use Tax Report, Monthly" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Dealers and Contractors Sales and Use Tax Report Monthly" adopted. Filed May 12, 1976; effective June 1, 1976.

Amended: Title changed to "Dealers and Contractors Sales and Use Tax Report" and Rule amended. Filed June 10, 1980; effective June 30, 1980.

Rule 560-12-3-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.05

Authority: Ga. L. 1978, pp. 323, 324; Chapter 91A-215 of Georgia Public Revenue Code Ga. L. 1978, pp. 605, 639 Chapter 91A-45 of the Georgia Public Revenue Code.

History. Original Rule entitled "Sales and Use Tax Report, Quarterly" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Dealers and Contractors Sales and Use Tax Report, Quarterly" adopted. Filed May 12, 1976; effective June 1, 1976.

Amended: Rule repealed. Filed June 10, 1980; effective June 30, 1980.

Rule 560-12-3-.06. Sales and Use Tax Report.

Form ST3AR: This form used by Revenue Department Representatives to amend returns filed by dealers, including contractors.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.06

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Secs. 92-3438a).

History. Original Rule entitled "Sales and Use Tax Report" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of same title adopted. Filed November 20, 1974; effective December 10, 1974.

Rule 560-12-3-.07. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.07

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Sales and Use Tax Report, Monthly" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 12, 1976; effective June 1, 1976.

Rule 560-12-3-.08. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.08

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Contractors and Subcontractors Sales and Use Tax Report, Quarterly" was filed and effective on June 30, 1965.

Amended: Rule repealed. Filed May 12, 1976; effective June 1, 1976.

Rule 560-12-3-.09. Dealers Sales and Use Tax Report, Consolidated.

Form ST-3: This form and inserts pertinent thereto furnished to dealers authorized to file monthly consolidated returns. See 560-121-.13.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.09

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Sales and Use Tax Report, Consolidated" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule entitled "Dealers Sales and Use Tax Report, Consolidated" adopted. Filed May 12, 1976; effective June 1, 1976.

Rule 560-12-3-.10. Certificate of Exemption, Out-of-State Dealer.

Form ST-4; Permits out-of-state dealer to accept delivery of tangible personal property in Georgia for resale in another state. See [560-12-1-.08](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.10

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Certificate of Exemption, Out-of-State Dealer" was filed and effective June 30, 1965.

Rule 560-12-3-.11. Certificate of Exemption, Georgia Purchaser or Dealer.

Form ST-5: This form is required for purchases of exempt tangible personal property by Georgia dealers or exempt purchasers. See [560-12-1-.08](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.11

Authority: Ga. L. 1937-38, Extra Sess., p. 77. *et seq.* as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427 Ga. L. 1951, pp. 360-385 Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Certificate of Exemption, Georgia Purchaser or Dealer" was filed and effective on June 30, 1965.

Rule 560-12-3-.12. Certificate of Exemption, Out-of-State Delivery.

Form ST-6: This certificate is required when seller makes delivery of tangible personal property to a point outside this State. See [560-12-1-.08](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.12

Authority: Ga. L. 1937-38, Extra Sess., p. 77. *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Certificate of Exemption, Out-of-State Delivery" was filed and effective on June 30, 1965.

Rule 560-12-3-.13. Certificate of Exemption, Fuel and Supplies for Use Aboard Vessels Plying High Seas.

Form ST-7: This form used aboard ships plying high seas in intercoastal trade between ports in the State of Georgia and ports in other states of the United States, or in foreign commerce between ports in the State of Georgia and ports in foreign countries. See [560-12-1-.08](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.13

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 77 360, 385 (Ga. Code Ann., Sec. 92-3438a).

History. Original Rule entitled "Certificate of Exemption, Fuel and Supplies for Use Aboard Vessels Plying High Seas" was filed and effective on June 30, 1965.

Rule 560-12-3-.14. Nonresident Certificate of Exemption Purchase of Motor Vehicle.

Nonresident Certificate of Exemption Purchase of Motor Vehicle. Form ST-8. This form, properly executed, is required for the purchase tax exempt of a motor vehicle by a nonresident, i.e., a person domiciled in another state at the time of such purchase.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.14

Authority: Ga. L. 1978, pp. 323-324; Ch. 91A-215, Ga. Public Revenue Code Ga. L. 1978, pp. 605, 635; Ch. 91A-45, Ga. Public Revenue Code.

History. Original Rule entitled "Auditors Report of Examination" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of same title adopted. Filed November 20, 1974; effective December 10, 1974.

Amended: Rule repealed. Filed May 12, 1976; effective June 1, 1976.

Amended: Rule entitled "Nonresident Certificate of Exemption Purchase of Motor Vehicle" adopted. Filed June 20,

1980; effective July 10, 1980.

Rule 560-12-3-.15. Certificate of Exemption Commercial Fisherman.

Form ST-9: This form is required for purchases of crab bait without payment of the tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.15

Authority: Ga. L. 1937-38, Extra Sess, p. 77, *et seq.* as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a. O.C.G.A. Secs. [48-2-12](#), [48-8-3\(48\)](#).

History. Original Rule entitled "Application for Representative Conversion Factor" was filed and effective on June 30, 1965.

Repealed: New Rule entitled "Certificate of Exemption Commercial Fisherman" adopted. F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-3-.16. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.16

Authority: Ga. L. 1937-38, Extra Sess., p. 77 *et seq.*, as amended Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385 Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Notice of Assessment and Demand for Payment of Returned Check" was filed and effective on June 30, 1965.

Amended: Rule repealed and a new Rule of same title adopted. Filed November 20, 1974; effective December 10, 1974.

Repealed: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-3-.17. Sales and Use Tax Claim for Refund.

Form ST-12: This form furnished to seller claiming overpayment of tax. See [560-12-1-.25](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.17

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.* as amended, Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed and effective on June 30, 1965.

Rule 560-12-3-.18. Assignment of Vendor's Rights for Refund.

Form ST-12A: Certain purchasers may claim refund of tax paid to vendors. Before refund is paid to purchaser, this form must be executed by vendor and attached to purchaser's Form ST-12.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.18

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Assignment of Vendor's Rights for Refund" adopted. F. and eff. June 30, 1965.

Rule 560-12-3-.19. Credit Memorandum.

Form ST-16: Upon proof of overpayment of tax, credit memorandum may be issued in lieu of cash refund.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.19

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Credit Memorandum" adopted. F. and eff. June 30, 1965.

Rule 560-12-3-.20. Notice of Assessment; Post Audit.

Form 51A: This is a notice of assessment made by Post Audit Section for various errors made in reporting taxes. Reason for assessment is stated on form.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.20

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Notice of Assessment; Post Audit" adopted. F. and eff. June 30, 1965.

Rule 560-12-3-.21. Final Notice of Assessment; Post Audit.

Form 53A: When no response is received from Notice of Assessment, Post Audit Form 51A, within 15 days, this final Notice is mailed to dealer.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.21

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Final Notice of Assessment; Post Audit" adopted. F. and eff. June 30, 1965.

Rule 560-12-3-.22. Application for Certificate of Exemption for a Child - caring Institution, Child - placing Agency, or Maternity Home.

Form ST-CH-1: A nonprofit licensed child-caring institution, child-placing agency, or maternity home must file this application to obtain the exemption described in O.C.G.A. § [48-8-3\(41\)](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.22

Authority: O.C.G.A. Secs. [48-2-12](#), 48-5-58.

History. Original Rule entitled "Assignment of Representative Conversion Factor" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Amended: New Rule entitled "Application for Certificate of Exemption for a Child-caring Institution, Child-placing Agency, or Maternity Home" adopted. F. July 6, 2006; eff. July 26, 2006.

Rule 560-12-3-.23. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.23

Authority: O.C.G.A. Secs. [48-2-12](#), 48-5-58.

History. Original Rule entitled "Notice to Appear" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-3-.24. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.24

Authority: O.C.G.A. Secs. [48-2-12](#), 48-5-58.

History. Original Rule entitled "Notice of Revocation of Certificate of Registration" adopted. F. and eff. June 30, 1965.

Repealed: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-3-.25. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.25

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Original Report of Delinquent Account" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Original Report Delinquent Account" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. May 12, 1976; eff. June 1, 1976.

Rule 560-12-3-.26. First Delinquent Notice.

Form ST-71: This notice is mailed to a delinquent dealer or contractor within 20 days following the date his return became delinquent.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.26

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "First Delinquent Notice" adopted. F. and eff. June 30, 1965.

Amended: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Rule 560-12-3-.27. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.27

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Second Delinquent Notice" adopted. F. and eff. June 30, 1965.

Repealed: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Rule 560-12-3-.28. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.28

Authority: Authority O.C.G.A. Secs. [48-2-12](#), 48-5-58.

History. Original Rule entitled "Field Notice to Produce Records" adopted. F. and eff. June 30, 1965.

Repealed: New Rule entitled "Notice to Produce Records" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-3-.29. Extension of Time.

Form ST-76: This form extends the time for filing returns as provided in [560-12-1-.19](#) of these regulations.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.29

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Extension of Time" adopted. F. and eff. June 30, 1965.

Rule 560-12-3-.30. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.30

Authority: O.C.G.A. Secs. [48-2-12](#), 48-5-58.

History. Original Rule entitled "Official Notice of Assessment and Demand For Payment" adopted. F. and eff. June 30, 1965.

Amended: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-3-.31. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.31

Authority: O.C.G.A. Secs. [48-2-12](#), 48-5-58.

History. Original Rule entitled "Sales Tax Fi Fa" adopted. F. and eff. June 30, 1965.

Amended: F. Nov. 20, 1974; eff. Dec. 10, 1974.

Repealed: F. Feb. 5, 1991; eff. Feb. 25, 1991.

Rule 560-12-3-.32. Application for Certificate of Exemption to Purchase Machinery for New or Expanded Industry.

Form ST-M1: This application is required before a Certificate of Exemption is issued. See [560-12-2-.62](#).

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.32

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Application for Certificate of Exemption to Purchase Machinery for New or Expanded Industry" adopted. F. and eff. June 30, 1965.

Rule 560-12-3-.33. Certificate of Exemption to Purchase Machinery for New or Expanded Industry.

Form ST-M2: This Certificate authorizes purchases of machinery coming within the provisions of 560-122-.62.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.33

Authority: Ga. Code Ann. Secs. 92-3438a, 92-8405, 90-8406, 92-8409, 92-8427.

History. Original Rule entitled "Certificate of Exemption to Purchase Machinery for New or Expanded Industry" adopted. F. and eff. June 30, 1965.

Rule 560-12-3-.34. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.34

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule entitled "Application or Refund of Sales Tax Paid on Replacement Machinery" was filed on June 30, 1965.

Repealed: F. Sept. 5, 1995; eff. Sept. 25, 1995.

Rule 560-12-3-.35. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.35

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Application for Refund of Sales Tax Paid on Farm Machinery" was filed on June 30, 1965.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-3-.36. Contractor Forms.

ST-C 214-1 Nonresident Contractor's Application for Authorization to Perform: This application must be filed by nonresident contractors and subcontractors performing a contract in Georgia for compensation greater than \$10,000.

ST-C 214-2 Application for Subcontractor's Sales and Use Tax Bond: General contractors are required to withhold 2% of amounts due to nonresident subcontractors providing services and tangible personal property on contracts equal to or exceeding \$250,000, unless the subcontractor posts a sales and use tax bond. This application must be filed by such subcontractors needing a sales and use tax bond.

ST-C 214-3 Nonresident Subcontractor Sales and Use Tax Bond: When executed by a surety company for a subcontractor, this form will relieve a prime or general contractor from the obligation to withhold 2% of amounts due a subcontractor.

ST-C 214-4 Nonresident Contractor's Performance Tax Bond: This bond form, to be executed by a surety, must be furnished by a nonresident contractor performing contracts in Georgia for compensation greater than \$10,000.

ST-C 214-5 Notice of General or Prime Contractor of Contract Let to a Subcontractor: This is an informational return to be furnished to the Department of Revenue by the general contractor after executing a contract with a subcontractor.

ST-C 214-6Certification of Subcontractor Residency: A subcontractor may submit this form to a general contractor to certify the subcontractor's Georgia residency.

ST-C 214-8Nonresident Contractor's Consent to Service of Process (Corporation): A Consent to Service of Process must be properly completed and executed by a duly authorized officer before a nonresident corporation can perform a contract exceeding \$10,000 in Georgia.

ST-C 214-9Nonresident Contractor's Consent to Service of Process (Sole Proprietor): This form must be properly completed and executed by nonresident sole proprietor in order to perform a contract exceeding \$10,000 in Georgia.

ST-C 214-10Nonresident Contractor's Consent to Service of Process (Partnership): This form must be properly completed and executed by a general partner in order for the nonresident partnership to perform a contract exceeding \$10,000 in Georgia.

ST-C 214-11:Nonresident Contractor's Consent to Service of Process (Limited Liability Companies): This form must be properly completed and executed by a manager or a member (if no manager) or an organizer (if no manager or member) for a nonresident limited liability company to perform a contract exceeding \$10,000 in Georgia.

ST-C 214-12Notice of Prime or General Contractor of Funds Withheld Pending Request of a Release Notice: This notice certifies amounts held in escrow by a prime or general contractor on work performed by a subcontractor.

ST-C 214-13Request for Release of Retainage: This form is to be submitted to the Department of Revenue by a nonresident contractor to request release of 2% retainage held by the general contractor.

ST-C 214-14Nonresident Bond Cancellation Request Form: Nonresident contractors and subcontractors may submit this form to the Department of Revenue to request the cancellation of a nonresident performance bond.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.36

Authority: O.C.G.A. §§ [48-2-12](#), [48-8-63](#), [48-13-32](#).

History. Original Rule entitled "Notice of General or Prime Contractor of Contract Let to a Subcontractor" was filed on June 30, 1965.

Amended: New title "Contractor Forms." F. Jun. 25, 2013; eff. July 15, 2013.

[Rule 560-12-3-.37. Repealed.](#)

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.37

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Application for Subcontractor's Sales and Use Tax Bond" was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.38. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.38

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Subcontractor's Sales and Use Tax Bond" was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.39. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.39

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Notice of Certificate Relieving General Contractor from Withholding" was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.40. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.40

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Notice to Prime or General Contractor that Subcontractor Has Executed Bond" was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.41. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.41

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Notice to Prime or General Contractor and Subcontractor Has Filed Sales and Use Tax Return" was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.42. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.42

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Notice of Prime or General Contractor of Funds Withheld for a Period of 60 Days Pending Receipt of a Release Notice" was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.43. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.43

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Nonresident Contractor's Application for Authorization to Perform Contract" was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.44. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.44

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Foreign or Nonresident Contractor Qualification Acknowledgement" was filed on June 30, 1965.

Amended: F. June 16, 1994; eff. July 7, 1994.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.45. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.45

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Nonresident Contractor's Tax Bond" was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.46. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.46

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.47. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.47

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.48. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.48

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule was filed on June 30, 1965.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.49. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.49

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule was filed on November 20, 1974; effective December 10, 1974.

Repealed: F. Jun. 25, 2013; eff. July 15, 2013.

Rule 560-12-3-.50. Application for Certificate of Exemption to Purchase Machinery and Equipment for Reducing Air and Wa.

Form ST-M7: This application should be filed by persons incorporating machinery and equipment into a facility in Georgia for the purpose of reducing or eliminating air or water pollution.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.50

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on November 20, 1974; effective December 10, 1974.

Rule 560-12-3-.51. Certificate of Exemption to Purchase Machinery and Equipment for Reducing Air and Water Pollution.

Form ST-M8: This Certificate authorizes the named purchaser to purchase the approved machinery and equipment for reducing or eliminating air or water pollution.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.51

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on November 20, 1974; effective December 10, 1974.

Rule 560-12-3-.52. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.52

Authority: O.C.G.A. §§ [48-2-7](#) and [48-2-12](#).

History. Original Rule entitled "Certificate of Exemption Required from Purchaser of Rubber Tired Tractors and Certain Attachments Thereto for Use in Raising Farm Crops for Sale, or Machinery and Equipment Used on the Farm in the Production of Poultry and Eggs for Sale or Production, Processing and Storage of Fluid Milk for Sale and Production Livestock for Sale" adopted. F. Nov. 20, 1974; eff. Dec. 10, 1974.

Amended: Rule retitled "Certificate of Exemption Required from a Purchaser of Rubber Tired Tractors and Certain Attachments Thereto for Use in Raising Farm Crops for Sale, or Machinery and Equipment Used on the Farm in the Production of Poultry and Eggs for Sale or Production, Processing and Storage of Fluid Milk for Sale, or Production of Livestock for Sale, or Timber Equipment and Related Attachments, or Seed, Fertilizer, Feed, Packaging, Etc., and Heating Fuel for Poultry". F. Sept. 5, 1995; eff. Sept. 25, 1995.

Repealed: F. Oct. 30, 2013; eff. Nov. 19, 2013.

Rule 560-12-3-.53. Application for Certificate of Exemption for a Nonprofit Licensed Nursing Home, Nonprofit General or.

Form ST-NH1: This application must be filed by a non-profit licensed nursing home, general or mental hospital entitled to exemption described in Section 3(c)2(d.1) of the Act.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.53

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on November 20, 1974; effective December 10, 1974.

Rule 560-12-3-.54. Certificate of Exemption to Purchase Tangible Personal Property for Use by a Nonprofit Nursing Home.,

Form ST-NH2: This certificate authorizes purchases of specific tangible personal property described in Section 3(c)2(d.1) of the Act.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.54

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on November 20, 1974; effective December 10, 1974.

Rule 560-12-3-.55. Letter of Authorization.

Form ST-USC-1: This letter is issued in lieu of a Certificate of Exemption to a qualified institution for purchasing tangible personal property and services to be used exclusively for the purposes stated under Section 3(c)2(m) of the Act.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.55

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on November 20, 1974; effective December 10, 1974.

Rule 560-12-3-.56. Waiver Form.

Form ST-W1: This form is an agreement extending the limitation for filing claim for refund and assessment of sales and use tax. Such form must be executed by the taxpayer and State Revenue Commissioner prior to the expiration of the Statute of Limitation.

Cite as Ga. Comp. R. & Regs. R. 560-12-3-.56

Authority: Ga. L. 1937-38, Extra Sess., p. 77, *et seq.*, as amended; Ga. Code Ann., Secs. 92-8405, 8406, 8409, 8427; Ga. L. 1951, pp. 360, 385; Ga. Code Ann., Sec. 92-3438a.

History. Original Rule was filed on November 20, 1974; effective December 10, 1974.

Subject 560-12-4. RAPID TRANSIT TAX.

Rule 560-12-4-.01. Definitions.

- (1) The term "MARTA Area" as used in these regulations shall mean the counties of Fulton and DeKalb, and any other county which may in the future levy a Rapid Transit Sales Tax under the provisions of Georgia Laws 1971, pp. 2082, 2092.
- (2) The term "Rapid Transit Tax" as used in these regulations shall mean the lib sales and use tax for the use of the Metropolitan Atlanta Rapid Transit Authority, as authorized by Georgia Laws 1971, pp. 2082, 2092, and as adopted by resolution of the respective governing authority in the counties of Fulton and DeKalb, or any other county which may in the future levy a Rapid Transit Sales Tax under the provisions of Georgia Laws 1971, pp. 2082, 2092.
- (3) The term "State Sales and Use Tax Act" as used in these regulations, shall mean the Georgia Retailers' and Consumers' Sales and Use Tax Act, approved February 20, 1951 (Ga. L. 1951, p. 360) as amended.
- (4) The term "Rapid Transit Tax Act" as used in these regulations shall mean the Act set forth in Georgia Laws 1971, p. 2082, authorizing a 1% sales and use tax for the Metropolitan Atlanta Rapid Transit Authority.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.01

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Definitions" adopted as ER. 560-12-4-0.2-.01. F. and eff. March 30, 1972, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 29, 1972; eff. July 19, 1972.

Amended: F. June 17, 1994; eff. July 7, 1994.

Rule 560-12-4-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-31](#), [48-8-95](#).

History. Original Rule entitled "Brackets for Collection of Tax" adopted as ER. 560-12-4-0.2-.02. F. and eff. March 30, 1972, the date of adoption.

Amended: Permanent Rule of same title adopted. F. June 29, 1972; eff. July 19, 1972.

Repealed: New Rule of the same title adopted. F. Aug. 13, 1981; eff. Dec. 1, 1981, as specified by the Agency.

Amended: F. Feb. 28, 1983; eff. Mar. 20, 1983.

Amended: ER. 560-12-4-0.5-.02 adopted. F. Mar. 28, 1989; eff. Apr. 1, 1989, as specified by the Agency.

Amended: Permanent Rule adopted. F. June 22, 1989; eff. July 12, 1989.

Amended: F. July 10, 1990; eff. July 30, 1990.

Repealed: F. Oct. 8, 2004; eff. Oct. 28, 2004.

Rule 560-12-4-.03. Applicability of State Sales and Use Tax Act and Regulations.

- (1) All sales and other transactions not taxable under the State Sales and Use Tax Act are not taxable under the Rapid Transit Tax. Similarly, all sales and other transactions exempt from the State Sales and Use Tax Act are exempt from the Rapid Transit Tax.
 - (a) **Example 1:** A sale in interstate commerce by a Georgia dealer is not taxable under the State Sales and Use Tax Act. Consequently, such a sale would not be a taxable sale under the Rapid Transit Tax.
 - (b) **Example 2:** A sale to the University System of Georgia is exempt under the State Sales and Use Tax Act. Consequently, such a sale is also exempt under the Rapid Transit Tax.
- (2) Regulations previously or hereafter adopted under the State Sales and Use Tax Act governing taxability under that Act shall apply under the Rapid Transit Tax unless inapplicable to the Rapid Transit Tax.
- (3) Regulations previously or hereafter adopted under the State Sales and Use Tax Act governing administrative or remedial procedures or requirements under that Act shall also apply to administration of the Rapid Transit Tax, unless inapplicable to the Rapid Transit Tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.03

Authority: Ga. L. 1971, pp. 2082, 2083, 2084, 2092.

History. Original Rule entitled "Applicability of State Sales and Use Tax" was filed and effective on March 30, 1972 as Emergency Rule 560-12-4-0.2-.03, to remain in effect for a period not longer than 120 days, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule 560-12-4-0.2-.03. Filed June 29, 1972; effective July 19, 1972.

Rule 560-12-4-.04. Taxable Transactions.

- (1) Sales.
 - (a) Sales transactions otherwise taxable under the State Sales and Use Tax Act, including both sales and leases, are taxable if the sale occurs within the MARTA area. A "sale" occurs within the MARTA area if
 1. in the case of sales of tangible personal property, the transfer of title or possession, or both, takes place within the MARTA area; "Provided, however, that no tax shall be imposed upon the sale of tangible personal property which is ordered by and delivered to the purchaser at a point outside the geographical area governed by any of the local governments imposing the tax, regardless of the point at which title passes, if such delivery is made by the seller's vehicle, U.S. Mail, common carrier or by

private or contract carrier licensed by the Interstate Commerce Commission or the Georgia Public Service Commission."

2. in the case of leases, (a) the lease is executed within the MARTA area, or
(b) the leased property is transferred to the lessee within the MARTA area.
- (b) A sale of tangible personal property by a seller within the MARTA area where transfer of both title and possession occurs, in good faith, outside the MARTA area is not taxable under the Rapid Transit Tax. In determining where title passes, the Uniform Commercial Code-Sales, Code 109A-2-401, will be followed.
- (c) All sales by a retailer through a place of business located within the MARTA area are presumed to be taxable under the Rapid Transit Tax, unless the contrary is shown by the records required herein.
 1. All deliveries of tangible personal property must be made in good faith. Delivery will be presumed to have been made in accordance with the usual practices with respect to such sales unless the contrary is shown by the records required herein.
 2. Retailers within the MARTA area, in order to support a claim that a sale through a place of business within the Air area is not taxable under the Rapid Transit Tax are required to maintain records supporting that claim, including
 - (i) records of the manner in which the order was placed;
 - (ii) a copy of the order showing the name and address of the purchaser and the sales price;
 - (iii) a copy of any agreement executed in connection with the sale which governs the passage of title and the transfer of possession;
 - (iv) records of the manner in which delivery is made and the identity of the person who made delivery.
- (d) The rules stated in this provision may be illustrated as follows:
 1. **Example 1.** A purchase order by a person outside the MARTA area is received through the mail by a MARTA area retailer. The purchase order provides that seller agrees to deliver the goods to purchaser. The order is filled by mail shipment by the seller to the purchaser. The sale is not taxable.

2. **Example 2.** Same type of order as in Example I except that purchaser or his representative comes within MARTA area to receive the goods. The sale is taxable.
3. **Example 3.** An order is placed with a retail outlet located outside the MARTA area. The goods are shipped in the seller's vehicles from his MARTA area warehouse to the store outside the MARTA area where the customer receives them. The sale is not taxable. If the customer, after placing the order with the branch, comes to the retailer's MARTA area warehouse to receive the goods, the sale is taxable.
4. **Example 4.** A MARTA area retailer receives an order by mail from a location not within the MARTA area. By written agreement of the parties, the order is filled f.o.b. the seller's place of business, the seller placing the goods with a common carrier for shipment. The sale is not taxable.

(2) Services.

- (a) Services otherwise taxable under the State Sales and Use Tax Act are taxable under the Rapid Transit Tax if the purchase of the service is made within the MARTA area. A purchase of a service occurs within the MARTA area if:
 1. the services are performed within the MARTA area, or
 2. the obligation to perform the service is undertaken in the MARTA area by virtue of performance beginning within the MARTA area.
- (b) The rules stated in this provision may be illustrated as follows:
 1. **Example 1.** A purchaser acquires within or without the MARTA area an airline ticket for transportation from a point in the MARTA area to any other point in Georgia. Under subparagraph (2)(a)2. of this regulation, the purchase is taxable under the Rapid Transit Tax. If the transportation is from a point without the MARTA area to a point within the MARTA area, the sale is not taxable.
 2. **Example 2.** A purchaser acquires within Fulton County an airline ticket for transportation between two points lying wholly outside the MARTA area. Under subparagraph (2)(a) of this regulation, the purchase is not taxable.
 3. **Example 3.** A telephone utility provides telephone service to a location within the MARTA area, but the periodic billings are made to a location outside the MARTA area. Under regulation (2)(a)1., the charge for such service is taxable. If the hypothetical is reversed so that the service is

provided to a location outside the MARTA area but the billings are made within the MARTA area, the service would not be taxable.

4. **Example 4.** A taxi operator is engaged by a passenger within the MARTA area. Performance of his service requires the operator to transport his passenger outside the MARTA area. Under regulation (2)(a)2., the services are taxable. If the hypothetical is reversed so that the taxi operator is engaged by a passenger outside the MARTA area but transports his passenger to a point within the MARTA area, the services are not taxable.

(3) Admission charges.

- (a) Sales of tickets and charges for admission to places of amusement, sports, or entertainment, otherwise taxable under the State Sales and Use Tax Act, are taxable under the Rapid Transit Tax if the place of amusement, sports, or entertainment making the admission charge is located within the MARTA area, irrespective of where the ticket, if any, is purchased.
- (b) Sales of tickets within the MARTA area are not taxable under the Rapid Transit Tax if the place of amusement, sports or entertainment is not located within the MARTA area.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.04

Authority: Ga. L. 1971, pp. 2082, 2083, 2084, 2092.

History. Original Rule entitled "Taxable Transactions" was filed and effective on March 30, 1972 as Emergency Rule 560-12-4-0.2-.04, to remain in effect for a period not longer than 120 days, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule. Filed June 29, 1972; effective July 19, 1972.

Amended: Filed December 24, 1974; effective January 13, 1975.

Rule 560-12-4-.05. Use Tax; Collection by Dealers.

(1) Liability.

- (a) The owner or user of tangible personal property acquired by a purchase or lease made outside the MARTA area, shall be liable for a use tax under the Rapid Transit Tax upon the first instance of use, storage, consumption, or distribution of the property within the MARTA area unless the use is insubstantial.
- (b) "Insubstantial use" within the meaning of paragraph (1)(a) means any use occurring solely by virtue of movement of the property through the MARTA area.
- (c) The rules stated in the foregoing paragraphs may be illustrated as follows:

1. **Example 1.** Y Corporation is engaged in the construction business and maintains its sole office outside the MARTA area. Y Corporation in performing a contract within the MARTA area employs certain equipment purchased by it outside the MARTA area, such as bulldozers, on the construction site. Under paragraph (1)(a), the use of the equipment is taxable.
 2. **Example 2.** Same facts as in Example 1, except that Y Corporation also has a truck which makes deliveries of construction materials from the corporation's office to the construction site and then returns to the corporation's office. Under paragraph (1)(a), use of the truck is not taxable. Use of the construction materials is taxable.
 3. **Example 3.** X Corporation maintains a warehouse in the MARTA area in which it stores supplies, not held for resale but to be used in its operations outside the MARTA area. Under paragraph (1)(a), the storage is taxable.
 4. **Example 4.** Z Corporation, a retail chain, maintains a warehouse for its retail goods outside the MARTA area. Trucks based, serviced and routed from the warehouse are used solely to make shipments from the warehouse to retail outlets in the MARTA area. Under paragraph (1)(a), the use of the trucks is not taxable. If, however, the truck is assigned to a particular retail outlet in the MARTA area for the purpose of making retail deliveries in the MARTA area from the retail outlet, even though returning at the end of the day to the warehouse, the use is taxable.
 5. **Example 5.** Same facts as in Example 4, except the warehouse is located in the MARTA area and the vehicles are used to make shipments outside the MARTA area. The use is taxable.
- (2) A retailer located outside the MARTA area is required to collect the use tax under the Rapid Transit Tax, but only if:
- (a) The retailer has a "substantial presence" within the MARTA area; and
 - (b) The sale is of the type described in subparagraph (d) hereof.
 - (c) A retailer shall be deemed to have a substantial presence within the MARTA area if the retailer;
 1. Has a place of business located in the MARTA area.
 2. Solicits sales within the MARTA area by advertising within the MARTA area in the public media, by outdoor advertising within the MARTA area to induce sales to residents of the MARTA area, or by other activity within the

MARTA area calculated to induce sales of goods and services into the MARTA area including the use of agents or representatives engaging in sales or promotional activities within the MARTA area; or

3. Delivers goods into the MARTA area on a regular and recurring basis; or
 4. Meets, with respect to the MARTA area, any of the criteria established by Section 4 of the State Sales and Use Tax Act as to "dealers".
- (d) A retailer outside the MARTA area with a substantial presence within such MARTA area is required to collect a use tax under the Rapid Transit Tax with respect to sales, regardless of the place where title passes or possession is transferred:
1. Where the property sold is delivered, by any means, to a location within the MARTA area; or
 2. Where the retailer, in the course of making the sale, acquires notice that
 - (i) The purchaser is a resident of a MARTA county; and
 - (ii) That the property will be used, stored, or consumed by the purchaser within the MARTA area. "Notice" is acquired with the meaning of this provision if a document, executed in connection with the sale or with the extension of credit, states that the purchaser resides within the MARTA area.
- (e) A lessor outside the MARTA area with a substantial presence within such MARTA area is required to collect a use tax under the Rapid Transit Tax with respect to leases, regardless of where the lease is executed or property transferred, where the lessor acquires notice that the property will be used by the lessee principally within the MARTA area.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.05

Authority: Ga. L. 1971, pp. 2082, 2083, 2084, 2092; O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Use Tax: Collection by Dealers" was filed and effective on March 30, 1972 as Emergency Rule 560-12-4-0.2-.05, to remain in effect for a period not longer than 120 days, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule. Filed June 29, 1972; effective July 19, 1972.

Amended: F. June 16, 1994; eff. July 7, 1994.

Rule 560-12-4-.06. Sales Prior to Effective Date.

- (1) The Rapid Transit Tax shall not apply to sales of goods made pursuant to bona fide written contracts entered into before December 29, 1971, provided delivery is completed prior to April 1, 1972; or to the purchase price of any building supplies, fixtures or equipment that enter into or become a part of a building or other kind of structure in the local government, where plans, specifications and construction contract for a specific project have been entered into prior to December 29, 1971, provided delivery is completed prior to April 1, 1972.
- (2) The rules stated in its regulation may be illustrated as follows:
 - (a) **Example 1.** A written lease agreement executed at any time before April 1, 1972, is taxable under the Rapid Transit Tax after that date beginning with the first rental payments made after that date but only to the extent such payments represent use after April 1, 1972.
 - (b) **Example 2.** A written contract entered into at any time prior to April 1, 1972, which requires deliveries of goods in intervals, is taxable under the Rapid Transit Tax with respect to deliveries made after April 1, 1972.
 - (c) **Example 3.** Admission charges for an event after April 1, 1972, are taxable regardless of when a ticket, if any, was sold.
- (3) The use in the MARTA area of tangible personal property acquired by purchase outside the MARTA area is not taxable under the use tax feature of the Rapid Transit Tax unless the purchase was made after April 1, 1972.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.06

Authority: Ga. L. 1971, pp. 2082, 2083, 2084, 2092.

History. Original Rule entitled "Sales Prior to Effective Date" was filed and effective on March 30, 1972 as Emergency Rule 560-12-4-0.2-.06, to remain in effect for a period not longer than 120 days, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule. Filed June 29, 1972; effective July 19, 1972.

Rule 560-12-4-.07. Credit for Taxes Paid.

The Rapid Transit Tax shall not apply in respect to the use, consumption, distribution or storage of tangible personal property for use or consumption in a local government upon which a Rapid Transit Tax equal to or greater than the amount imposed by the Act has been paid in another county or municipality.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.07

Authority: Ga. L. 1971, pp. 2082, 2083, 2084, 2092.

History. Original Rule entitled "Credit for Taxes Paid" was filed and effective on March 30, 1972 as Emergency Rule 560-12-4-0.2-.07, to remain in effect for a period not longer than 120 days, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule. Filed June 29, 1972; effective

July 19, 1972.

Rule 560-12-4-.08. Penalties and Interest.

The amounts and rates of penalties and interest provided for by the State Sales and Use Tax Act and Regulations relating thereto shall apply to liabilities under the Rapid Transit Tax, and shall be paid into the special fund created under Georgia Laws 1971, pp. 2082, 2092. Said penalties and interest are in addition to and separate from the penalty and interest provisions of the State Sales and Use Tax Act and Regulations relating thereto.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.08

Authority: Ga. L. 1971, pp. 2082, 2083, 2084, 2092.

History. Original Rule entitled "Penalties and Interest" was filed and effective on March 30, 1972 as Emergency Rule 560-560-12-4-0.2-.08, to remain in effect for a period not longer than 120 days, as specified by the Agency.

Amended: Permanent Rule of the same title adopted superseding Emergency Rule. Filed June 29, 1972; effective July 19, 1972.

Rule 560-12-4-.09. Obligation to Collect and Remit Tax.

- (1) In the situation where such sales are subject to the Rapid Transit Tax, every dealer making sales of tangible personal property at retail in this State and every dealer making sales of tangible personal property at retail outside this State or the geographic areas of the MARTA area for distribution, storage, use or other consumption in the MARTA area shall add the amount of tax imposed by the Act upon the purchaser to the sales price or charge, which shall then be a debt from the purchaser or consumer to the dealer until paid, and shall be recoverable at law in the same manner as any other debt.
- (2) The retailer shall collect and the purchaser shall pay the Rapid Transit Tax. Any retailer who shall neglect, fail, or refuse to collect and remit the tax as required by law, upon any, every, and all taxable sales made by him, his agents, or employees, or upon tangible personal property which is subject to the Rapid Transit Tax, shall be liable for and pay the tax himself.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.09

Authority: Ga. L. 1971, pp. 2082, 2083, 2084, 2092.

History. Original Rule entitled "Certificates of Exemption and Registration" was filed and effective on March 30, 1972 as Emergency Rule 560-12-4-0.2-.09, to remain in effect for a period not longer than 120 days, as specified by the Agency.

Amended: Permanent Rule entitled "Obligation to Collect and Remit Tax" adopted superseding Emergency Rule. Filed June 29, 1972; effective July 19, 1972.

Rule 560-12-4-.10. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-4-.10

Authority: Ga. L. 1971, pp. 2082, 2083, 2084, 2092.

History. Original Rule entitled "Obligation to Collect and Remit tax" was filed and effective on March 30, 1972 as Emergency Rule 560-12-4-0.2-.10, to remain in effect for a period not longer than 120 days, as specified by the Agency.

Amended: Rule repealed. Filed June 29, 1972; effective July 19, 1972.

Subject 560-12-5. LOCAL OPTION TAX.

Rule 560-12-5-.01. Definitions.

- (1) The term "Local Jurisdiction" as used in these regulations shall include any county and/or municipality authorized to levy a Local Option Sales Tax under the provisions and conditions of Georgia Laws 1975, pp. 984, 994.
- (2) The term "Local Option Tax" as used in these regulations shall mean the 1% sales and use tax for the use of such counties and/or municipalities as authorized under provisions and conditions of Georgia Laws 1975, pp. 984, 994.
- (3) The term "State Sales and Use Tax Act" as used in these regulations, shall mean the Georgia Retailers' and Consumers' Sales and Use Tax Act, approved February 20, 1951 (Ga. L. 1951, p. 360) as amended.
- (4) The term "Local Option Tax Act" as used in these regulations shall mean Act No. 598 (House Bill No. 150) set forth in Georgia Laws 1975, p. 984, authorizing a 1% sales and use tax for such Counties and/or Municipalities.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.01

Authority: Ga. L. 1975, pp. 984, 994.

History. Original Rule entitled "Definitions" adopted. F. Jan. 12, 1976; eff. Feb. 1, 1976.

Rule 560-12-5-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-31](#), [48-8-95](#).

History. Original Rule entitled "Brackets for Collection of Tax" adopted. F. Jan. 12, 1976; eff. Feb. 1, 1976.

Repealed: New Rule of the same title adopted. F. Aug. 13, 1981; eff. Dec. 1, 1981, as specified by the Agency.

Amended: F. Feb. 28, 1983; eff. Mar. 20, 1983.

Amended: ER. 560-12-5-0.6-.02 adopted. F. Mar. 28, 1989; eff. Apr. 1, 1989, as specified by the Agency.

Amended: Permanent Rule adopted. F. June 22, 1989; eff. July 12, 1989.

Amended: F. July 10, 1990; eff. July 30, 1990.

Repealed: F. Oct. 8, 2004; eff. Oct. 28, 2004.

Rule 560-12-5-.03. Applicability of State Sales and Use Tax Act and Regulations.

- (1) All sales and other transactions not taxable under the State Sales and Use Tax Act are not taxable under the Local Option Tax Act. Similarly, all sales and other transactions exempt from the State Sales and Use Tax Act are exempt from the Local Option Tax Act.
 - (a) **Example 1:** A sale in interstate commerce by a Georgia dealer is not taxable under the State Sales and Use Tax Act. Consequently, such a sale would not be a taxable sale under the Local Option Tax Act.
 - (b) **Example 2:** A sale to the University System of Georgia is exempt under the State Sales and Use Tax Act. Consequently, such a sale is also exempt under the Local Option Tax Act.
- (2) Regulations previously or hereafter adopted under the State Sales and Use Tax Act governing taxability under that Act shall apply under the Local Option Tax Act unless expressly stated to be inapplicable to the Local Option Tax.
- (3) Regulations previously or hereafter adopted under the State Sales and Use Tax Act governing administrative or remedial procedures or requirements under that Act shall also apply to administration of the Local Option Tax Act unless expressly stated to be inapplicable to the Local Option Tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.03

Authority: Ga. L. 1975, pp. 984, 985, 986, 992, 994.

History. Original Rule entitled "Applicability of State Sales and Use Tax and Regulations" was filed on January 12, 1976; effective February 1, 1976.

Rule 560-12-5-.04. Taxable Transactions.

- (1) Sales.
 - (a) Sales transactions otherwise taxable under the State Sales and Use Tax Act, including both sales and leases, are taxable if the sale occurs within a Local Jurisdiction. A "sale" occurs within a Local Jurisdiction if:
 1. in the case of sales of tangible personal property, the transfer of title or possession, or both, takes place within the Local Jurisdiction; provide, however, that no tax shall be imposed upon the sale of tangible personal property which is ordered by and delivered to the purchaser at a point outside the geographical area governed by any of the local governments imposing the tax, regardless of the point at which title passes, if such delivery is made by the seller's vehicle, U.S. Mail, common carrier or by private or contract carrier licensed by the Interstate Commerce Commission or the Georgia Public Service Commission;

2. in the case of leases, the lease is executed within the Local Jurisdiction, or the leased property is transferred to the lessee within the Local Jurisdiction.
- (b) A sale of tangible personal property by a seller within the Local Jurisdiction where transfer of both title and possession occurs, in good faith, outside the Local Jurisdiction is not taxable under the Local Option Tax Act. In determining where title passes, the Uniform Commercial Code-Sales, Code 109A-2-401, will be followed.
- (c) All sales by a retailer through a place of business located within the Local Jurisdiction are presumed to be taxable under the Local Option Tax Act unless the contrary is shown by the records required herein.
1. All deliveries of tangible personal property must be made in good faith. Delivery will be presumed to have been made in accordance with the usual practices with respect to such sales unless the contrary is shown by the records required herein.
 2. Retailers within the Local Jurisdiction, in order to support a claim that a sale through a place of business within the Local Jurisdiction is not taxable under the Local Option Tax Act are required to maintain records supporting that claim, including:
 - (i) records of the manner in which the order was placed;
 - (ii) a copy of the order showing the name and address of the purchaser and the sales price;
 - (iii) a copy of any agreement executed in connection with the sale which governs the passage of title and the transfer of possession;
 - (iv) records of the manner in which delivery is made and the identity of the person who made delivery.
- (d) The rules stated in this provision may be illustrated as follows:
1. **Example 1.** A purchase order by a person outside the Local Jurisdiction is received through the mail by a Local Jurisdiction retailer. The purchase order provides that seller agrees to deliver the goods to purchaser. The order is filled by mail shipment by the seller to the purchaser. The sale is not taxable.
 2. **Example 2.** Same type of order as in Example 1 except that purchaser or his representative comes within the Local Jurisdiction to receive the goods. The sale is taxable.

3. **Example 3.** An order is placed with a retail outlet located outside the Local Jurisdiction. The goods are shipped in the seller's vehicles from his Local Jurisdiction warehouse to the store outside the Local Jurisdiction where the customer receives them. The sale is not taxable. If the customer, after placing the order with the branch, comes to the retailer's Local Jurisdiction warehouse to receive the goods, the sale is taxable.
4. **Example 4.** A Local Jurisdiction retailer receives an order by mail from a location not within that Local Jurisdiction. By written agreement of the parties, the order is filled F.O.B. the seller's place of business, the seller placing the goods with a common carrier for shipment. The sale is not taxable.

(2) Services.

- (a) Services otherwise taxable under the State Sales and Use Tax Act are taxable under the Local Option Tax Act if the purchase of the service is made within the Local Jurisdiction. A purchase of a service occurs within the Local Jurisdiction if:
 1. the services are performed within the Local Jurisdiction or;
 2. the obligation to perform the service is undertaken in the Local Jurisdiction by virtue of performance beginning within the Local Jurisdiction.
- (b) The rules stated in this provision may be illustrated as follows:
 1. **Example 1.** A purchaser acquires within or without a Local Jurisdiction an airline ticket for transportation from a point in a Local Jurisdiction to any other point in Georgia. Under subparagraph (2)(a)2. of this regulation, the purchase is taxable under the Local Option Tax Act. If the transportation is from a point without a Local Jurisdiction to a point within a Local Jurisdiction, the purchase is not taxable under the Local Option Tax Act.
 2. **Example 2.** A purchaser acquires within a Local Jurisdiction an airline ticket for transportation between two points lying wholly outside such Local Jurisdiction. Under subparagraph (2)(a) of this regulation, the purchase is not taxable under the Local Option Tax Act.
 3. **Example 3.** A telephone utility provides telephone service to a location within the Local Jurisdiction, but the periodic billings are made to a location outside the Local Jurisdiction. Under regulation (2)(a)1., the charge for such service is taxable. If the hypothetical is reversed so that the service is provided to a location outside the Local Jurisdiction but the billings are made within the Local Jurisdiction, the service would not be taxable under the Local Option Tax Act.

4. **Example 4.** A taxi operator is engaged by a passenger within a Local Jurisdiction. Performance of this service requires the operator to transport his passenger outside the Local Jurisdiction. Under regulation (2)(a)1., the service is taxable. If the hypothetical is reversed so that the taxi operator is engaged by a passenger outside a Local Jurisdiction but transports his passenger to a point within a Local Jurisdiction, the service is not taxable under the Local Option Tax Act.

(3) Admission charges.

- (a) Sales of tickets and charges for admission to places of amusement, sports, or entertainment, otherwise taxable under the State Sales and Use Tax Act, are taxable under the Local Option Tax Act if the place of amusement, sports, or entertainment making the admission charge is located within a Local Jurisdiction, irrespective of where the ticket, if any, is purchased.
- (b) Sales of tickets within a Local Jurisdiction are not taxable under the Local Option Tax Act if the place of amusement, sports or entertainment is not located within a Local Jurisdiction.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.04

Authority: Ga. L. 1975, pp. 984, 985, 993, 994.

History. Original Rule entitled "Taxable Transactions" was filed on January 12, 1976; effective February 1, 1976.

Rule 560-12-5-.05. Use Tax; Collection by Dealers.

(1) Liability.

- (a) The owner or user of tangible personal property acquired by a purchase or lease made outside a Local Jurisdiction, shall be liable for a use tax under the Local Option Tax upon the first instance of use, storage, consumption, or distribution of the property within the Local Jurisdiction unless the use is insubstantial.
- (b) "Insubstantial use" within the meaning of paragraph (1)(a) means any use occurring solely by virtue of movement of the property through the Local Jurisdiction.
- (c) The rules stated in the foregoing paragraphs may be illustrated as follows:
 1. **Example 1.** Y Corporation is engaged in the construction business and maintains its sole office outside the Local Jurisdiction. Y Corporation in performing a contract within the Local Jurisdiction employs certain equipment purchased by it outside the Local Jurisdiction, such as bulldozers,

on the construction site. Under paragraph (1)(a), the use of the equipment is taxable.

2. **Example 2.** Same facts as in Example 1, except that Y Corporation also has a truck which makes deliveries of construction materials from the corporation's office to the construction site and then returns to the corporation's office. Under paragraph (1)(a), use of the truck is not taxable. Use of the construction materials is taxable.
 3. **Example 3.** X Corporation maintains a warehouse in the Local Jurisdiction in which it stores supplies, not held for resale but to be used in its operations outside the Local Jurisdiction. Under paragraph (1)(a), the storage is taxable.
 4. **Example 4.** Z Corporation, a retail chain, maintains a warehouse for its retail goods outside the Local Jurisdiction. Trucks based, serviced and routed from the warehouse are used solely to make shipments from the warehouse to retail outlets in the Local Jurisdiction. Under paragraph (1)(a), the use of the trucks is not taxable. If, however, the truck is assigned to a particular retail outlet in the Local Jurisdiction for the purpose of making retail deliveries in the Local Jurisdiction from the retail outlet, even though returning at the end of the day to the warehouse, the use is taxable.
 5. **Example 5.** Same facts as in Example 4, except the warehouse is located in the Local Jurisdiction and the vehicles are used to make shipments outside the Local Jurisdiction. The use is taxable.
- (2) A retailer located outside the Local Jurisdiction is required to collect the use tax under the Local Option Tax Act but only if:
- (a) The retailer has a "substantial presence" within the Local Jurisdiction, and;
 - (b) A retailer shall be deemed to have a substantial presence within the Local Jurisdiction if the retailer:
 1. Has a place of business located in the Local Jurisdiction.
 2. Solicits sales on a regular and recurring basis within a Local Jurisdiction through agents or representatives, or
 3. Delivers goods into the Local Jurisdiction on a regular and recurring basis, or
 4. Meets, with respect to the Local Jurisdiction, any of the criteria established by Section 4 of the State Sales and Use Tax Act as to "dealers".

- (3) A lessor outside the Local Jurisdiction with a substantial presence within such Local Jurisdiction is required to collect a use tax under the Local Option Tax Act with respect to leases, regardless of where the lease is executed or property transferred, where the lessor acquires notice that the property will be used by the lessee principally within the Local Jurisdiction.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.05

Authority: Ga. L. 1975, pp. 984, 985, 986, 987, 994.

History. Original Rule entitled "Use Tax; Collection by Dealers" was filed on January 12, 1976; effective February 1, 1976.

Rule 560-12-5-.06. Sales Prior to Effective Date.

- (1) The Local Option Tax shall not apply to a sale of goods when the contract was entered into prior to the effective date of the tax, and delivery was completed prior to such effective date; nor to the purchase price, sale or use of building and construction materials when the contract pursuant to which the materials are purchased or used was advertised for bid prior to approval of the levy of the tax by the county or municipality and the contract was entered into as a result of a bid actually submitted in response to such advertisement prior to approval of the levy of the tax.
- (2) The rules stated in the amended regulation may be illustrated as follows:
 - (a) **Example 1.** A written lease agreement executed prior to effective date of Local Option Tax in a Local Jurisdiction is taxable beginning with the first rental payment made on or after effective date to the extent such payment represents use on or after effective date of such tax.
 - (b) **Example 2.** A written contract which was executed prior to the effective date of Local Option Tax in a Local Jurisdiction and which required deliveries of goods in intervals, is taxable under the Local Option Tax with respect to deliveries made on or after effective date of such tax unless such building and construction materials were sold, and subsequently used exclusively, to perform a specific bona fide contract which was advertised for bid prior to approval of the levy of such tax by the county or municipality and which was entered into as a result of a bid actually submitted in response to such advertisement prior to the approval of the levy of the tax.
 - (c) **Example 3.** An admission charge for an event is taxable if the event is held on or after effective date of Local Option Tax regardless of when a ticket, if any, was sold.
- (3) The use in the Local Jurisdiction of tangible personal property acquired by purchase outside the Local Jurisdiction is not taxable under the use tax provision of the Local

Option Tax Act unless delivery was made or passage of title occurred on or after effective date of such tax in the Local Jurisdiction.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.06

Authority: Ga. L. 1978, pp. 640, 641, 642, 1678, 1679; Chapters 91A-4602, 91A-4604, 91A-4605 and 91A-4618 of Georgia Public Revenue Code.

History. Original Rule entitled "Sales Prior to Effective Date" was filed on January 12, 1976; effective February 1, 1976.

Amended: Rule repealed and a new Rule of the same title adopted. Filed January 7, 1980; effective January 27, 1980.

Rule 560-12-5-.07. Credit for Taxes Paid.

Where a Local Option Sales or Use Tax has been paid with respect to tangible personal property by the purchaser thereof, either in another Local Jurisdiction within the State or in a Taxing Jurisdiction outside the State, where the purpose of the tax is similar in purpose and intent to the tax authorized to be imposed by the Local Option Tax Act, said tax may be credited against the tax authorized to be imposed by the Local Option Tax Act upon the same property. If the amount of sales or use tax so paid is less than the amount of the use tax due as authorized to be imposed by the Local Option Tax Act, the purchaser shall pay an amount equal to the difference between the amount so paid in the other Local Jurisdiction, or in Taxing Jurisdiction outside the State, and the amount due as authorized to be imposed by the Local Option Tax Act. The State Revenue Commissioner may require proof of payment in another Local Jurisdiction in this State, or in a Taxing Jurisdiction outside the State, as is deemed to be necessary and proper.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.07

Authority: Ga. L. 1975, pp. 984, 993, 994.

History. Original Rule entitled "Credit for Taxes Paid" was filed on January 12, 1976; effective February 1, 1976.

Rule 560-12-5-.08. Penalties and Interest.

The amounts and rates of penalties and interest provided for by the State Sales and Use Tax Act and Regulations relating thereto shall apply to liabilities under the Local Option Tax Act. Said penalties and interest are in addition to and separate from the penalty and interest provisions of the State Sales and Use Tax Act and Regulations relating thereto.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.08

Authority: Ga. L. 1975, pp. 984, 985, 986, 987, 988, 994.

History. Original Rule entitled "Penalties and Interest" was filed on January 12, 1976; effective February 1, 1976.

Rule 560-12-5-.09. Obligation to Collect and Remit Tax.

- (1) In the situation where such sales are subject to the Local Option Tax, every dealer making sales of tangible personal property at retail in this State and every dealer making sales of tangible personal property at retail outside this State or the geographic areas of the Local Jurisdiction for distribution, storage, use or other consumption in the Local Jurisdiction shall add the amount of tax imposed by the Act upon the purchaser to the sales price or charge, which shall then be a debt from the purchaser or consumer to the dealer until paid, and shall be recoverable at law in the same manner as any other debt.
- (2) The retailer shall collect and the purchaser shall pay the Local Option Tax. Any retailer who shall neglect, fail, or refuse to collect and remit the tax as required by law, upon any, every, and all taxable sales made by him, his agents, or employees, or upon tangible personal property and services which are subject to the Local Option Tax Act, shall be liable for and pay the tax himself.
- (3) Each sales tax return remitting Local Option tax, shall separately identify the location of each retail establishment at which any of the Local Option Tax remitted was collected and shall specify the amount of sales and amount of taxes collected at each such establishment for the period of the return so as to thereby facilitate determination of the State Revenue Commissioner that all Local Option Tax is collected and distributed according to situs of sale.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.09

Authority: Ga. L. 1975, pp. 984, 985, 986, 987, 988, 993, 994.

History. Original Rule entitled "Obligation to Collect and Remit Tax" was filed on January 12, 1976; effective February 1, 1976.

Rule 560-12-5-.10. Determination of Entitlement and Qualification.

- (1) Funds will be certified for disbursement by the Revenue Commissioner pursuant to this Act only to those jurisdictions which have certified to the Commissioner their qualifications and entitlement to receive disbursements thereunder.
 - (a) With respect to those jurisdictions which, by their own authority, impose the tax, the resolution which imposes the tax and which is forwarded to the Commissioner as provided in the Act shall constitute such certification.
 - (b) With respect to those jurisdictions which do not impose the tax, but which claim entitlement to receive proceeds therefrom, such certification shall be provided to the Commissioner upon forms prescribed by him for that purpose.
- (2) Before certifying disbursements to any county imposing the tax, the Revenue Commissioner shall notify the governing authority of such county of the names and the populations of those Municipalities within such county to which the Commissioner proposes to certify disbursements.

- (3) Any jurisdiction, person, or other entity which desires to contest the authority of any jurisdiction to levy the tax or to contest the qualifications of any jurisdiction claiming the status of a Municipality, as defined in the Act, may file a written protest with the Commissioner of Revenue setting forth in detail wherein such jurisdiction does not qualify as a Municipality within the meaning of the Act or is without authority to impose the tax.
- (4) Upon receipt of any protest filed pursuant to Paragraph 3 above, the determination of authority or qualification challenged therein shall be deemed a contested case within the meaning of the Georgia Administrative Procedure Act and further proceedings with respect to said determination shall be in accordance with the provisions of said Act.

Cite as Ga. Comp. R. & Regs. R. 560-12-5-.10

Authority: Ga. L. 1975, pp. 984, 985, 986, 987.

History. Original Rule entitled "Determination of Entitlement and Qualification" was filed on April 30, 1976; effective May 20, 1976.

Subject 560-12-6. SPECIAL COUNTY TAX.

Rule 560-12-6-.01. Definitions.

- (1) The term "Local Jurisdiction" as used in these regulations shall include any county authorized to levy a Special County Tax under the provisions and conditions of O.C.G.A. § [48-8-110](#) *et seq.*
- (2) The term "Special County Tax" as used in these regulations shall mean the 1% sales and use tax for the use of such counties as authorized under the provisions and conditions of O.C.G.A. § [48-8-110](#) *et seq.*
- (3) The term "State Sales and Use Tax Act" as used in these regulations shall mean the Georgia Retailers' and Consumers' Sales and Use Tax, O.C.G.A. 48-8.
- (4) The term "Special County Tax Act" as used in these regulations shall mean O.C.G.A. § [48-8-110](#) *et seq.*

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.01

Authority: O.C.G.A. Sec. [48-2-12](#).

History. Original Rule entitled "Definitions" adopted. F. July 22, 1987; eff. August 11, 1987.

Rule 560-12-6-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-31](#), [48-8-113](#), [48-8-119](#).

History. Original Rule entitled "Brackets for Collection of Tax" adopted. F. July 22, 1987; eff. August 11, 1987.

Amended: ER. 560-12-6-0.7-.02 adopted. F. Mar. 28, 1989; eff. Apr. 1, 1989, as specified by the Agency.

Amended: Permanent Rule adopted. F. June 22, 1989; eff. July 12, 1989.

Amended: F. July 10, 1990; eff. July 30, 1990.

Repealed: F. Oct. 8, 2004; eff. Oct. 28, 2004.

Rule 560-12-6-.03. Applicability of State Sales and Use Tax Act and Regulations.

- (1) All sales and other transactions not taxable under the State Sales and Use Tax Act, except motor fuels, are not taxable under the Special County Tax Act. Similarly, all sales and other transactions exempt from the state Sales and Use Tax Act, except motor fuels, are exempt from the Special County Tax.
 - (a) **Example 1.** A sale in interstate commerce by a Georgia dealer is not taxable under the State Sales and Use Tax Act. Consequently, such a sale would not be a taxable sale under the Special County Tax Act.
 - (b) **Example 2.** A sale to the University System of Georgia is exempt under the State Sales and Use Tax Act. Consequently, such a sale is also exempt under the Special County Tax Act.
 - (c) **Example 3.** Sales of gasoline and other motor fuels for use on the highway are exempt from State tax, but are not exempt from Special County Tax.
- (2) Regulations previously or hereafter adopted under the State Sales and Use Tax governing taxability under the Act shall apply under the Special County Tax Act unless expressly stated to be inapplicable to the Special County Tax.
- (3) Regulations previously or hereafter adopted under the State Sales and Use Tax Act governing administrative or remedial procedures or requirements under that Act shall also apply to administration of the Special County Tax Act unless expressly stated to be inapplicable to the Special County Tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.03

Authority: O.C.G.A. Secs. [48-8-110](#), [48-8-113](#), [48-8-119](#).

History. Original Rule entitled "Applicability of State Sales and Use Tax Act and Regulations" adopted. F. July 22, 1987; eff. August 11, 1987.

Rule 560-12-6-.04. Taxable Transactions.

- (1) Sales.

- (a) Sales transactions otherwise taxable under the State Sales and Use Tax Act, including both sales and leases, are taxable if the sale occurs within a Local Jurisdiction. A "sale" occurs within a Local Jurisdiction if:
1. in the case of sales of tangible personal property, the transfer of title or possession, or both, takes place within the Local Jurisdiction; provided, however, that no tax shall be imposed upon the sale of tangible personal property which is ordered by and delivered to the purchaser at a point outside the geographical area governed by any of the local governments imposing the tax, regardless of the point at which title passes, if such delivery is made by the seller's vehicle, U.S. Mail, common carrier or by private or contract carrier licensed by the Interstate Commerce Commission or the Georgia Public Service Commission;
 2. in the case of leases, the lease is executed within the local Jurisdiction, or the leased property is transferred to the lessee within the local Jurisdiction.
- (b) A sale of tangible personal property by a seller within the Local Jurisdiction where transfer of both title and possession occurs, in good faith, outside the local Jurisdiction is not taxable under the Special County Tax Act. In determining where title passes, the Uniform Commercial Code-Sales, O.C.G.A. § [11-2-401](#), will be followed.
- (c) All sales by a retailer through a place of business located within the Local Jurisdiction are presumed to be taxable under the Special County Tax Act unless the contrary is shown by the records required herein.
1. All deliveries of tangible personal property must be made in good faith. Delivery will be presumed to have been made in accordance with the usual practices with respect to such sales unless the contrary is shown by the records required herein.
 2. Retailers within the Local Jurisdiction, in order to support a claim that a sale through a place of business within the Local Jurisdiction is not taxable under the Special County Tax Act are required to maintain records supporting that claim, including:
 - (i) records of the manner in which the order was placed;
 - (ii) a copy of the order showing the name and address of the purchaser and the sales price;
 - (iii) a copy of any agreement executed in connection with the sale which governs the passage of title and the transfer of possession;

- (iv) records of the manner in which delivery is made and the identity of the person who made delivery.

(d) The rules stated in this provision may be illustrated as follows:

1. **Example 1.** A purchase order by a person outside the Local Jurisdiction is received through the mail by a Local Jurisdiction retailer. The purchase order provides that seller agrees to deliver the goods to purchaser. The order is filled by mail shipment by the seller to the purchaser. The sale is not taxable.
2. **Example 2.** Same type of order as in Example 1 except that purchaser or his representative comes within the Local Jurisdiction to receive the goods. The sale is taxable.
3. **Example 3.** An order is placed with a retail outlet located outside the Local Jurisdiction. The goods are shipped in the seller's vehicles from his Local Jurisdiction warehouse to the store outside the Local Jurisdiction where the customer receives them. The sale is not taxable. If the customer, after placing the order with the branch, comes to the retailer's Local Jurisdiction warehouse to receive the goods, the sale is taxable.
4. **Example 4.** A Local Jurisdiction retailer receives an order by mail from a location not within the Local Jurisdiction. By written agreement of the parties, the order is filled F.O.B. the seller's place of business, the seller placing the goods with a common carrier for shipment. The sale is not taxable.

(2) Services.

(a) Services otherwise taxable under the State Sales and Use Tax Act are taxable under the Local Option Tax Act if the purchase of the service is made within the Local Jurisdiction. A purchase of a service occurs within the Local Jurisdiction if:

1. the services are performed within the Local Jurisdiction or;
2. the obligation to perform the service is undertaken in the Local Jurisdiction by virtue of performance beginning within the Local Jurisdiction.

(b) The rules stated in this provision may be illustrated as follows:

1. **Example 1.** A purchaser acquires within or without a Local Jurisdiction a bus ticket for transportation from a point in a Local Jurisdiction to any other point in Georgia. Under subparagraph (2)(a)2. of this regulation, the

purchase is taxable under the Local Option Tax Act. If the transportation is from a point without a Local Jurisdiction to a point within a Local Jurisdiction, the purchase is not taxable under the Special County Tax Act.

2. **Example 2.** A purchaser acquires within a Local Jurisdiction a bus ticket for transportation between two points lying wholly outside such Local Jurisdiction. Under subparagraph (2)(a) of this regulation, the purchase is not taxable under the Special County Tax Act.
3. **Example 3.** A telephone utility provides telephone service to a location within the Local Jurisdiction, but the periodic billings are made to a location outside the Local Jurisdiction. Under regulation (2)(a)1., the charge for such service is taxable. If the hypothetical is reversed so that the service is provided to a location outside the Local Jurisdiction but the billings are made within the Local Jurisdiction, the service would not be taxable under the Special County Tax Act.

(3) Admission charges.

- (a) Sales of tickets and charges for admission to places of amusement, sports, or entertainment, otherwise taxable under the State Sales and Use Tax Act, are taxable under the Special County Tax Act if the place of amusement, sports, or entertainment making the admission charge is located within a Local Jurisdiction, irrespective of where the ticket, if any, is purchased.
- (b) Sales of tickets within a Local Jurisdiction are not taxable under the Special County Tax Act if the place of amusement, sports, or entertainment is not located within a Local Jurisdiction.

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.04

Authority: O.C.G.A. §§ [48-8-113](#); [48-8-117](#); [48-8-119](#).

History. Original Rule entitled "Taxable Transactions" was filed on July 22, 1987; effective August 11, 1987.

Rule 560-12-6-.05. Use Tax; Collection by Dealers.

(1) Liability.

- (a) The owner or user of tangible personal property acquired by a purchase or lease made outside a Local Jurisdiction, shall be liable for a use tax under the Special County Tax upon the first in stance of use, storage, consumption, or distribution of the property within the Local Jurisdiction unless the use is insubstantial.

- (b) "Insubstantial use" within the meaning of paragraph (1)(a) means any use occurring solely by virtue of movement of the property through the Local Jurisdiction.
 - (c) The rules stated in the foregoing paragraphs may be illustrated as follows:
 - 1. **Example 1.** Y Corporation is engaged in the construction business and maintains its sole office outside the Local Jurisdiction. Y Corporation in performing a contract within the Local Jurisdiction employs certain equipment purchased by it outside the Local Jurisdiction, such as bulldozers, on the construction site. Under paragraph (1)(a), the use of the equipment is taxable.
 - 2. **Example 2.** Same facts as in Example 1, except that Y Corporation also has a truck which makes deliveries of construction materials from the corporation's office to the construction site and then returns to the corporation's office. Under paragraph (1)(a), use of the truck is not taxable. Use of the construction materials is taxable.
 - 3. **Example 3.** X Corporation maintains a warehouse in the Local Jurisdiction in which it stores supplies, not for resale but to be used in its operations outside the Local Jurisdiction. Under paragraph (1)(a), the stored supplies are taxable.
 - 4. **Example 4.** Z Corporation, a retail chain, maintains a warehouse for its retail goods outside the Local Jurisdiction. Trucks based, serviced and routed from the warehouse are used solely to make shipments from the warehouse to retail outlets in the Local Jurisdiction. Under paragraph (1)(a), the use of the trucks is not taxable. If, however, the truck is assigned to a particular retail outlet in the Local Jurisdiction for the purpose of making retail deliveries in the Local Jurisdiction from the retail outlet, even though returning at the end of the day to the warehouse, the use is taxable.
 - 5. **Example 5.** Same facts as in Example 4, except the warehouse is located in the Local Jurisdiction and the vehicles are used to make shipments outside the Local Jurisdiction. The use is taxable.
- (2) A retailer located outside the Local Jurisdiction is required to collect the use tax under the Special County Tax Act but only if:
- (a) The retailer has a "substantial presence" within the Local Jurisdiction, and;
 - (b) A retailer shall be deemed to have a substantial presence within the Local Jurisdiction if the retailer:
 - 1. has a place of business located in the Local Jurisdiction.

2. solicits sales on a regular and recurring basis within a Local Jurisdiction through agents or representatives, or
 3. delivers goods into the Local Jurisdiction on a regular and recurring basis, or
 4. meets, with respect to the Local Jurisdiction, any of the criteria established by O.C.G.A. §§ [48-8-2\(3\)](#) as to "dealers".
- (3) A lessor outside the Local Jurisdiction with a substantial presence within such Local Jurisdiction is required to collect a use tax under the Special County Tax Act with respect to leases, regardless of where the lease is executed or property transferred, where the lessor acquires notice that the property will be used by the lessee principally within the Local Jurisdiction.

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.05

Authority: O.C.G.A. §§ [48-8-113](#); [48-8-117](#); [48-8-119](#).

History. Original Rule entitled "Use Tax; Collection by Dealers" was filed on July 22, 1987; effective August 11, 1987.

Rule 560-12-6-.06. Sales Prior to Effective Date.

- (1) The Special County Tax shall not apply to a sale of goods when the contract was entered into prior to the effective date of the tax, and delivery was completed prior to such effective date; nor to the purchase price, sale or use of building and construction materials when the contract pursuant to which the materials are purchased or used was advertised for bid prior to approval of the levy of the tax by the county or municipality and the contract was entered into as a result of a bid actually submitted in response to such advertisement prior to approval of the levy of the tax.
- (2) The rules stated in the amended regulation may be illustrated as follows:
 - (a) **Example 1.** A written lease agreement executed prior to effective date of Special County Tax in a Local Jurisdiction is taxable beginning with the first rental payment made on or after effective date to the extent such payment represents use on or after effective date of such tax.
 - (b) **Example 2.** A written contract which was executed prior to the effective date of Special County Tax in a Local Jurisdiction and which required deliveries of goods in intervals, is taxable under the Special County Tax with respect to deliveries made on or after effective date of such tax unless such building and construction materials were sold, and subsequently used exclusively, to perform a specific bona fide contract which was advertised for bid prior to approval of the levy of such tax

by the county or municipality and which was entered into as a result of a bid actually submitted in response to such advertisement prior to the approval of the levy of the tax.

- (c) **Example 3.** An Admission charge for an event is taxable if the event is held on or after effective date of Special County Tax regardless of when a ticket, if any, was sold.

- (3) The use in the Local Jurisdiction of tangible personal property acquired by purchase outside the Local Jurisdiction is not taxable under the use tax provision of the Special County Tax Act unless delivery was made or passage of title occurred on or after effective date of such tax in the Local Jurisdiction.

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.06

Authority: O.C.G.A. §§ [48-8-112](#); [48-8-118](#).

History. Original Rule entitled "Sales Prior to Effective Date" was filed on July 22, 1987; effective August 11, 1987.

Rule 560-12-6-.07. Credit for Taxes Paid.

Where a Special County Sales or Use Tax has been paid with respect to tangible personal property by the purchaser either in another Special County tax jurisdiction within the State or in a tax jurisdiction outside the State, the tax may be credited against the tax authorized to be imposed by the Special County Tax Act upon the same property. If the amount of sales or use tax so paid is less than the amount of the use tax due under the Special County Tax Act, the purchaser shall pay an amount equal to the difference between the amount paid in other tax jurisdiction and the amount due under the Special County Tax Act. The Commissioner may require such proof of payment in another local tax jurisdiction as he deems necessary and proper. No credit shall be granted, however, against the tax imposed under the Special County Tax Act for tax paid in another jurisdiction if the tax paid in such other jurisdiction is used to obtain a credit against any other local sales and use tax levied in the county or in a special district which includes the county; and taxes so paid in another jurisdiction shall be credited first against the tax levied under the Local Option Tax Act, if applicable, and then against the tax levied under the Special County Tax Act.

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.07

Authority: O.C.G.A. § [48-8-116](#).

History. Original Rule entitled "Credit for Taxes Paid" was filed on July 22, 1987; effective August 11, 1987.

Rule 560-12-6-.08. Penalties and Interest.

The amounts and rates of penalties and interest provided for by the State Sales and Use Tax Act and Regulations relating thereto shall apply to liabilities under the Special County Tax Act. Said

penalties an interest are in addition to and separate from the penalty and interest provisions of the State Sales and Use Tax Act and Regulations relating thereto.

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.08

Authority: O.C.G.A. § [48-8-113](#).

History. Original Rule entitled "Penalties and Interest" was filed on July 22, 1987; effective August 11, 1987.

Rule 560-12-6-.09. Obligation to Collect and Remit Tax.

- (1) In the situation where such sales are subject to the Special County Tax, every dealer making sales of tangible personal property at retail in this State and every dealer making sales of tangible personal property at retail outside this State or the geographic areas of the Special County tax jurisdiction for distribution, storage, use or other consumption in the Special County tax jurisdiction shall add the amount of tax imposed by the Act upon the purchaser to the sales price or charge, which shall then be a debt from the purchaser or consumer to the dealer until paid, and shall be recoverable at law in the same manner as any other debt.
- (2) The retailer shall collect and the purchaser shall pay the Special County Tax. Any retailer who shall neglect, fail, or refuse to collect and remit the tax as required by law, upon any, every and all taxable sales made by him, his agents, or employees, or upon tangible personal property and services which are subject to the Special County Tax Act shall be liable for and pay the tax himself.
- (3) Each sales tax return remitting Special County Tax shall separately identify the location of each retail establishment at which any of the Special County Tax remitted was collected and shall specify the amount of sales and amount of taxes collected at each such establishment for the period of the return so as to thereby facilitate determination of the State Revenue Commissioner that all Special County Tax is collected and distributed according to situs of sale.

Cite as Ga. Comp. R. & Regs. R. 560-12-6-.09

Authority: O.C.G.A. §§ [48-8-113](#); [48-8-114](#).

History. Original Rule entitled "Obligation to Collect and Remit Tax" was filed on July 22, 1987; effective August 11, 1987.

Subject 560-12-7. EDUCATIONAL LOCAL OPTION TAX.

Rule 560-12-7-.01. Definitions.

- (1) The term "Educational Local Option Tax" as used in these regulations shall mean the 1% sales and use tax for use by the School Board of such counties and/or independent school

boards as authorized under provisions and conditions of Article VIII, Section VI, Paragraph IV of the Georgia Constitution.

- (2) The term "Educational Local Option Tax Act" as used in these regulations shall mean Act No. 19 (Resolution No. 728) set forth in the Georgia Constitution authorizing a 1% sales and use tax for such School Board or School Boards of Education located within a county.
- (3) The term "School Board" as used in these regulations shall include any Board of Education of such school district in a county or the Board of Education of any independent school district authorized to levy an Educational Local Option Tax under the authority of Article VIII, Section VI, Paragraph IV of the Georgia Constitution.
- (4) The term "State Sales and Use Tax Act" as used in these regulations, shall mean the Georgia Retailers' and Consumers' Sales and Use Tax Act, approved February 20, 1951 (Ga. L. 1951, p. 360) as amended.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.01

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Definitions" adopted as ER. 560-12-7-0.11-.01. F. June 23, 1997; eff. July 1, 1997, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Rule 560-12-7-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.02

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-31](#), [48-8-141](#).

History. Original Rule entitled "Brackets for Collection of Tax" adopted as ER. 560-12-7-0.11-.02. F. June 23, 1997; eff. July 1, 1997, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Repealed: F. Oct. 8, 2004; eff. Oct. 28, 2004.

Rule 560-12-7-.03. Applicability of State Sales and Use Tax Act and Regulations.

- (1) All sales and other transactions not taxable under the State Sales and Use Tax Act are not taxable under the Educational Local Option Tax Act. Similarly, all sales and other transactions exempt from the State Sales and Use Tax Act, with the exception of the exemption as provided for in O.C.G.A. § [48-8-3\(57\)](#) relating to eligible food and beverages purchased for off-premises consumption, are exempt from the Educational Local Option Tax.

- (a) **Example 1:** A sale in interstate commerce by a Georgia dealer is not taxable under the State Sales and Use Tax Act. Consequently, such a sale would not be a taxable sale under the Educational Local Option Tax Act.
 - (b) **Example 2:** A sale to the University System of Georgia is exempt under the State Sales and Use Tax Act. Consequently, such a sale is also exempt under the Educational Local Option Tax Act.
 - (c) **Example 3:** A sale of eligible food and beverages for off-premises consumption is gradually exempt under the State Sales and Use Tax Act. However, such a sale is not exempt under the Educational Local Option Tax Act.
- (2) Regulations previously or hereafter adopted under the State Sales and Use Tax Act governing taxability under that Act shall apply under the Educational Local Option Tax Act unless expressly stated to be inapplicable to the Educational Local Option Tax.
 - (3) Regulations previously or hereafter adopted under the State Sales and Use Tax Act governing administrative or remedial procedures or requirements under that Act shall also apply to administration of the Educational Local Option Tax Act unless expressly stated to be inapplicable to the Educational Local Option Tax.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.03

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Applicability of State Sales and Use Tax Act and Regulations" adopted as ER. 560-12-7-0.11-.03. F. June 23, 1997; eff. July 1, 1997, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Rule 560-12-7-.04. Taxable Transactions.

- (1) Sales.
 - (a) Sales transactions otherwise taxable under the State Sales and Use Tax Act, including both sales and leases, are taxable if the sale occurs within a taxing district. A "sale" occurs within a taxing district if:
 - 1. In the case of sales of tangible personal property, the transfer of title or possession, or both, takes place within the taxing district; provided, however, that no tax shall be imposed upon the sale of tangible personal property which is ordered by and delivered to the purchaser by the seller at a point outside the geographical area governed by any of the local governments imposing the tax, regardless of the point at which title passes, when such delivery is made by the seller's vehicle, U.S. Mail, common carrier or by private or contract carrier licensed by the Interstate Commerce Commission or the Georgia Public Service Commission;

2. In the case of leases, the lease is executed within the taxing district, or the leased property is transferred to the lessee within the taxing district.
- (b) A sale of tangible personal property by a seller within the taxing district where transfer of both title and possession occurs, in good faith, outside the taxing district is not taxable under the Educational Local Option Tax Act. In determining where title passes, the Uniform Commercial Code-Sales, O.C.G.A. § [11-2-401](#), will be followed.
- (c) All sales by a retailer through a place of business located within the taxing district are presumed to be taxable under the Educational Local Option Tax Act unless the contrary is shown by the records required herein.
1. All deliveries of tangible personal property must be made in good faith. Delivery will be presumed to have been made in accordance with the usual practices with respect to such sales unless the contrary is shown by the records required herein.
 2. Retailers within the taxing district, in order to support a claim that a sale through a place of business within the taxing district is not taxable under the Educational Local Option Tax Act are required to maintain records supporting that claim, including:
 - (i) records of the manner in which the order was placed;
 - (ii) a copy of the order showing the name and address of the purchaser and the sales price;
 - (iii) a copy of any agreement executed in connection with the sale which governs the passage of title and the transfer of possession;
 - (iv) records of the manner in which delivery is made and the identity of the person who made delivery.
- (d) The rules stated in this provision may be illustrated as follows:
1. **Example 1.** A purchase order by a person outside the taxing district is received through the mail by a taxing district retailer. The purchase order provides that the seller agrees to deliver the goods to the purchaser. The order is filled by mail shipment by the seller to the purchaser. The sale is not taxable.
 2. **Example 2.** Same type of order as in Example 1 except that the purchaser or purchaser's representative comes within the taxing district to receive the goods. The sale is taxable.

3. **Example 3.** An order is placed with a retail outlet located outside the taxing district. The goods are shipped in the seller's vehicles from the dealer's warehouse to the store outside the taxing district where the customer receives them. The sale is not taxable. If the customer, after placing the order with the branch, comes to the dealer's warehouse in the taxing district to receive the goods, the sale is taxable.
4. **Example 4.** A dealer located in a taxing district receives an order by mail from a location outside that taxing district. By written agreement of the parties, the order is filled F.O.B. the seller's place of business, the seller placing the goods with a common carrier for shipment. The sale is not taxable.

(2) Services.

- (a) Services otherwise taxable under the State Sales and Use Tax Act are taxable under the Educational Local Option Tax Act if the purchase of the service is made inside the taxing district. A purchase of a service occurs inside the taxing district if:
 1. the services are performed inside the taxing district or;
 2. the obligation to perform the service is undertaken in the taxing district by virtue of performance beginning inside the taxing district.
- (b) The rules stated in this provision may be illustrated as follows:
 1. **Example 1.** A purchaser acquires inside or outside a taxing district a bus ticket for transportation from a point within a taxing district to any other point in Georgia. Under paragraph (2)(a)2 of this regulation, the transaction is taxable under the Educational Local Option Tax Act. If the transportation is from a point outside a taxing district to a point inside a taxing district, the transaction is not taxable under the Educational Local Option Tax Act.
 2. **Example 2.** A purchaser acquires inside a taxing district a bus ticket for transportation between two points lying wholly outside such taxing district. Under paragraph (2)(a)1. of this regulation, the purchase is not taxable under the Educational Local Option Tax Act.
 3. **Example 3.** A telephone utility provides telephone service to a location inside the taxing district, but the periodic billings are made to a location outside the taxing district. Under paragraph (2)(a)1 of this regulation, the charge for such service is taxable. If the example is reversed so that the service is provided to a location outside the taxing district but the billings

are made inside the taxing district, the service would not be taxable under the Educational Local Option Tax Act.

4. **Example 4.** A taxi operator is engaged by a passenger inside a taxing district. Performance of this service requires the operator to transport his passenger outside the taxing district. Under paragraph (2)(a)1 of this regulation, the service is taxable. If the example is reversed so that the taxi operator is engaged by a passenger outside a taxing district but transports his passenger to a point inside a taxing district, the service is not taxable under the Educational Local Option Tax Act.

(3) Admission charges.

- (a) Sales of tickets and charges for admission to places of amusement, sports, or entertainment, otherwise taxable under the State Sales and Use Tax Act, are taxable under the Educational Local Option Tax Act if the place of amusement, sports, or entertainment making the admission charge is located inside a taxing district, irrespective of where the ticket, if any, is purchased.
- (b) Sales of tickets within a taxing district are not taxable under the Educational Local Option Tax Act if the place of amusement, sports or entertainment is not located inside a taxing district.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.04

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Taxable Transactions" was adopted as ER. 560-12-7-0.11-.04. F. June 23, 1997; eff. July 1, 1997, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this ER is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Rule 560-12-7-.05. Use Tax; Collection by Dealers.

(1) Liability.

- (a) The owner or user of tangible personal property acquired by a purchase or lease made outside a taxing district, shall be liable for a use tax under the Educational Local Option Tax upon the first instance of use, storage, consumption, or distribution of the property within the taxing district unless the use is insubstantial.
- (b) "Insubstantial use" within the meaning of paragraph (1)(a) means use occurring solely by virtue of movement of the property through the taxing district.
- (c) The rules stated in the foregoing paragraphs may be illustrated as follows:

1. **Example 1.** Y Corporation is engaged in the construction business and maintains its sole office outside the taxing district. Y Corporation, in performing a contract within the taxing district employs on the construction site certain equipment, such as bulldozers, purchased by it outside the taxing district. Under paragraph (1)(a), the use of equipment is taxable under the Educational Local Option Tax Act.
 2. **Example 2.** Same facts as in Example 1, except that Y Corporation also has a truck which makes deliveries of construction materials from the corporation's office to the construction site and then returns to the corporation's office. Under paragraph (1)(b), use of the truck is not taxable under the Educational Local Option Tax Act. Use of the construction materials are taxable.
 3. **Example 3.** X Corporation maintains a warehouse in the taxing district in which it stores supplies, not held for resale but to be used in its operations outside the taxing district. Under paragraph (1)(a), the storage is taxable under the Educational Local Option Tax Act.
 4. **Example 4.** Z Corporation, a retail chain, maintains a warehouse for its retail goods outside the taxing district. Trucks based, serviced and routed from the warehouse are used solely to make shipments from the warehouse to retail outlets in the taxing district. Under paragraph (1)(b), the use of the trucks is not taxable under the Educational Local Option Tax Act. If, however, the truck is assigned to a particular retail outlet in the taxing district for the purpose of making retail deliveries in the taxing district from the retail outlet, even though returning at the end of the day to the warehouse, the use is taxable.
 5. **Example 5.** Same facts as in Example 4, except that the warehouse is located in the taxing district and the vehicles are used to make shipments outside the taxing district. The use is taxable under the Educational Local Option Tax Act.
- (2) A retailer located outside the taxing district is required to collect the use tax under the Educational Local Option Tax Act but only if:
- (a) The retailer has a "substantial presence" within the taxing district, and;
 - (b) A retailer shall be deemed to have a substantial presence within the taxing district if the retailer:
 1. Has a place of business located in the taxing district; or

2. Solicits sales on a regular and recurring basis within a taxing district through agents or representatives; or
 3. Delivers goods into the taxing district on a regular and recurring basis; or
 4. Meets, with respect to the taxing district, any of the criteria established by O.C.G.A. § [48-8-2\(3\)](#) as to "dealers."
- (3) A lessor outside the taxing district with a substantial presence within such taxing district is required to collect a use tax under the Educational Local Option Tax Act with respect to leases, regardless of where the lease is executed or property transferred, where the lessor acquires notice that the property will be used by the lessee principally within the taxing district.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.05

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Use Tax; Collection by Dealers" was adopted as ER. 560-12-7-0.11-.05. F. June 23, 1997, eff. July 1, 1997, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this ER is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Rule 560-12-7-.06. Sales Prior to Effective Date.

- (1) The Educational Local Option Tax shall not apply to a sale of goods when the contract was entered into and delivery was completed prior to such effective date of the tax. Nor shall the tax apply to the purchase price, sale or use of building and construction materials when the contract pursuant to which the materials are purchased or used was advertised for bid prior to approval of the levy of the tax by the school board and the contract was entered into as a result of a bid actually submitted in response to such advertisement prior to approval of the levy of the tax.
- (2) The rules stated in this regulation may be illustrated as follows:
 - (a) **Example 1.** A written lease agreement executed prior to an effective date of Educational Local Option Tax in a taxing district is taxable beginning with the first rental payment made on or after an effective date to the extent such payment represents use on or after an effective date of such tax.
 - (b) **Example 2.** A written contract which was executed prior to the effective date of Educational Local Option Tax in a taxing district and which required deliveries of goods in intervals, is taxable under the Educational Local Option Tax with respect to deliveries made on or after an effective date of such tax. The transaction would not be taxable if the purchases were building and construction materials sold and,

subsequently, used exclusively to perform a specific bona fide contract which was advertised for bid prior to approval of the levy of such tax by the school boards, and the contract was entered into as a result of a bid actually submitted in response to such advertisement prior to the approval of the levy of the tax.

- (c) **Example 3.** An admission charge for an event is taxable if the event is held on or after an effective date of the Educational Local Option Tax regardless of when a ticket, if any, was sold.
- (3) The use in the taxing district of tangible personal property acquired by purchase outside the taxing district is not taxable under the use tax provision of the Educational Local Option Tax Act unless delivery was made or passage of title occurred on or after an effective date of such tax in the taxing district.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.06

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Sales Prior to Effective Date" was adopted as ER. 560-12-7-0.11-.06. F. June 23, 1997, eff. July 1, 1997, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this ER., is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Rule 560-12-7-.07. Credit for Taxes Paid.

Where an Educational Local Option Tax has been paid with respect to tangible personal property by the purchaser, either in another taxing district within the State or in a taxing jurisdiction outside the State, and where the purpose and intent of the tax are similar to the tax authorized to be imposed by the Educational Local Option Tax Act, said tax may be credited against the tax authorized to be imposed by the Educational Local Option Tax Act upon the same property. If the amount of sales or use tax so paid is less than the amount of the use tax due, as authorized to be imposed by the Educational Local Option Tax Act, the purchaser shall pay an amount equal to the difference between the amount so paid in the other taxing district, or in such taxing jurisdiction outside the State, and the amount due as authorized to be imposed by the Educational Local Option Tax Act. The State Revenue Commissioner may require proof of payment in another taxing district in this State, or in a taxing jurisdiction outside the State, as is deemed to be necessary and proper.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.07

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Credit for Taxes Paid" was adopted as ER. 560-12-7-0.11-.07. F. June 23, 1997, eff. July 1, 1997, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this ER., is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Rule 560-12-7-.08. Penalties and Interest.

The amounts and rates of penalties and interest provided for by the State Sales and Use Tax Act and Regulations relating thereto shall apply to liabilities under the Educational Local Option Tax Act. Said penalties and interest are in addition to and separate from the penalty and interest provisions of the State Sales and Use Tax Act and Regulations relating thereto.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.08

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Penalties and Interest" was adopted as ER. 560-12-7-0.11-.08. F. June 23, 1997, eff. July 1, 1997, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this ER., is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Rule 560-12-7-.09. Obligation to Collect and Remit Tax.

- (1) In the situation where sales are subject to the Educational Local Option Tax, every dealer making sales of tangible personal property at retail in this State, and every dealer making sales of tangible personal property at retail outside this State, or the geographic areas of the taxing district for distribution, storage, use or other consumption in the taxing district shall add the amount of tax imposed by this Act upon the purchaser to the sales price or charge. The tax shall then be a debt from the purchaser or consumer to the dealer until paid, and shall be recoverable at law in the same manner as any other debt.
- (2) The retailer shall collect and the purchaser shall pay the Educational Local Option Tax. Any retailer who shall neglect, fail, or refuse to collect and remit the tax as required by law upon any and every taxable sale made by the dealer, the dealer's agents, or employees, or upon tangible personal property and services which are subject to the Educational Local Option Tax Act, shall be liable for payment of the tax.
- (3) Each sales tax return used to remit Educational Local Option Tax shall separately identify the location of each retail establishment at which any of the Educational Local Option Tax remitted was collected and shall specify the amount of sales and amount of taxes collected at each such establishment for the period of the return, so as to thereby facilitate determination by the State Revenue Commissioner that all Educational Local Option Tax is collected and distributed according to situs of sale.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.09

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Obligation to Collect and Remit Tax" was adopted as ER. 560-12-7-0.11-.09. F. June 23, 1997, eff. July 1, 1997, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this ER is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Rule 560-12-7-.10. Determination of Entitlement and Certification of Distribution.

- (1) Funds will be certified for disbursement by the Revenue Commissioner pursuant to this Act only to those county and/or independent school board(s) whose election superintendent has certified to the Revenue Commissioner their qualifications and entitlement to receive disbursements thereunder. A copy of the referendum certified by the election superintendent forwarded to the Revenue Commissioner by either the Secretary of State's office or the election superintendent shall constitute such certification.
- (2) The distribution percentage for each school district shall be based upon one of the following methods:
 - (a) The ratio that the student enrollment in each school district, or portion thereof, bears to the total student enrollment as established by the last FT count prior to the imposition of the tax; or
 - (b) Any local legislation enacted to provide for a specific distribution formula.
- (3) The Commissioner shall distribute the tax proceeds in accordance with a certificate of distribution which shall be executed on behalf of each respective county and/or independent school board within the taxing district.
 - (a) This Certificate of Distribution shall be submitted in writing to the Commissioner within 60 days of the tax being approved by the voters within such taxing district.
 - (b) A new Certificate of Distribution shall be submitted to the Commissioner for any new or continuing Educational Local Option Tax within such taxing district.
 - (c) A Certificate of Distribution must contain a total of specified percentages or other allocation equal to one hundred percent of the tax proceeds eligible for distribution.

Cite as Ga. Comp. R. & Regs. R. 560-12-7-.10

Authority: O.C.G.A. Secs. [48-2-12](#), [48-8-141](#).

History. Original Rule entitled "Determination of Entitlement and Certificate of Distribution" was adopted as ER. 560-12-7-0.11-.10. F. June 23, 1997, eff. July 1, 1997, the date of adoption, to remain in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this ER., is adopted, as specified by the Agency.

Amended: Permanent Rule of same title adopted. F. Nov. 3, 1997; eff. Nov. 23, 1997.

Chapter 560-13. FEES AND EXCISE TAXES.

Subject 560-13-1. FIREWORKS EXCISE TAX.

Rule 560-13-1-.01. Fireworks Excise Tax.

(1) **Purpose.** This Rule addresses the taxation of fireworks under Article 7 of Chapter 13 of Title 48 of the Official Code of Georgia Annotated.

(2) **Definitions.** For purposes of this Rule only:

(a) "Consumer fireworks" means any small fireworks devices containing restricted amounts of pyrotechnic composition, designed primarily to produce visible or audible effects by combustion, that comply with the construction, chemical composition, and labeling regulations of the United States Consumer Product Safety Commission as provided for in Parts 1500 and 1507 of Title 16 of the Code of Federal Regulations, the United States Department of Transportation as provided for in Part 172 of Title 49 of the Code of Federal Regulations, and the American Pyrotechnics Association as provided for in the 2001 American Pyrotechnics Association Standard 87-1, and additionally means Roman candles;

(b) "Gross receipts" means the total amount of consideration, including cash, credit, property, and services, for which personal property or services are sold, leased, or rented, valued in money, whether received in money or otherwise.

1. "Gross receipts" includes

(i) the seller's cost of the property sold;

(ii) the cost of materials used, labor, or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

(iii) charges by the seller for any services necessary to complete the sale; and

(iv) delivery charges.

2. "Gross receipts" does not include

(i) discounts, including cash, term, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;

(ii) interest, financing, and carrying charges from credit extended on the sale of personal property or services, if the amount is separately stated on the invoice, bill of sale, or similar document given to the purchaser; or

(iii) taxes.

(c) "Seller" means the person who is issued a license pursuant to O.C.G.A. § [25-10-5.1](#).

- (3) **Rate and base.** In addition to all other taxes of every kind imposed by law, on or after July 1, 2015, a fireworks excise tax is imposed at the rate of 5 percent of gross receipts from retail sales of
- (a) consumer fireworks;
 - (b) wire or wood sparklers of 100 grams or less of mixture per item;
 - (c) other sparkling items which are nonexplosive and nonaerial and contain 75 grams or less of chemical compound per tube or a total of 500 grams or less for multiple tubes;
 - (d) snake and glow worms;
 - (e) smoke devices; and
 - (f) trick noise makers which include paper streamers, party poppers, string poppers, snappers, and drop pops each consisting of 0.25 grains or less of explosive mixture.
- (4) **Sourcing.** Sales subject to the fireworks excise tax are sourced in accordance with the rules set forth in O.C.G.A. §§ [48-8-77\(b\)\(1\)](#) and [48-8-77\(c\)](#).
- (5) **Imposition upon the seller.**
- (a) The fireworks excise tax is imposed upon the seller.
 - (b) If the seller itemizes the fireworks excise tax on the purchaser's invoice, the fireworks excise tax is excluded from the fireworks excise tax base.
 - (c) If the seller itemizes the fireworks excise tax on the purchaser's invoice, the seller must include the fireworks excise tax in the sales and use tax base pursuant to O.C.G.A. § [48-8-2\(34\)](#).
 - (d) Example: A seller sells \$100 of fireworks and itemizes the fireworks excise tax on the purchaser's invoice. The sales tax rate in the county where the purchaser receives the fireworks is 7%. The fireworks excise tax is \$5, and the sales tax is \$7.35 (7% of \$105).
- (6) **Tax returns.** Sellers must report and remit the fireworks excise tax electronically on a separate return on or before the 20th day of the month following the month of sale. Sellers must file a return even for months during which no taxable sales were made.
- (7) **Penalties and Interest.**
- (a) When a seller fails to file a return or to pay the full amount of the fireworks excise tax due, in addition to other penalties provided by law, a penalty will be added to the tax in the amount of 5 percent or \$5.00, whichever is greater, if the failure is

for not more than 30 days. An additional penalty of 5 percent or \$5.00, whichever is greater, will be added for each additional 30 days or fraction of 30 days during which the failure continues. The penalty for any single violation must not exceed 25 percent or \$25.00 in the aggregate, whichever is greater. If the failure is due to reasonable cause shown to the satisfaction of the commissioner in affidavit form attached to the return and remittance is made within ten days of the due date, the return may be accepted exclusive of penalties and interest. In the case of a false or fraudulent return or of a failure to file a return where willful intent exists to defraud the state of any tax due, a penalty of 50 percent of the tax due will be assessed.

- (b) The fireworks excise tax bears interest in accordance with O.C.G.A. § [48-2-40](#).
 - (c) In addition to the tax and the penalties and interest due under this paragraph, a seller who knowingly and willfully violates the requirements of this Rule will be assessed a civil penalty of not more than \$10,000.
- (8) **Vendors' compensation.** In reporting and paying the amount of tax due under O.C.G.A. § [48-13-50.3](#), each seller is allowed the following deduction, but only if the return was timely filed and the amount due was not delinquent at the time of payment:
- (a) A deduction of 3 percent of the first \$3,000.00 of the combined total amount reported due on such return for each location; and
 - (b) A deduction of one-half of 1 percent of that portion exceeding \$3,000.00 of the combined total amount reported due on such return for each location.
- (9) **Exemptions.** The fireworks excise tax is imposed on retail sales as prescribed in this Rule regardless of whether the retail sale is exempt from sales and use tax.
- (10) **Sales for resale.** The burden of proving that a sale of tangible personal property is not a sale at retail is on the seller unless the seller, in good faith, takes a properly completed certificate of exemption from the purchaser who:
- (a) Is engaged in the business of selling tangible personal property;
 - (b) Has a valid sales tax registration number at the time of purchase and has listed his or her sales tax number on the certificate; and
 - (c) At the time of purchasing the tangible personal property, the seller has no reason to believe that the purchaser does not intend to resell it in his or her regular course of business.
- (11) **Periods of limitation for assessment of the tax.**

- (a) Except as otherwise provided in this paragraph, in the case where a return is filed, the tax must be assessed within three years after the return was filed. For purposes of this Rule, a return filed before the last filing day prescribed by law will be considered as filed on the last day. If an extension of time for filing a return is granted and the return is filed on or before the extended date, the return will be considered as filed on the extended due date.
 - (b) In the case of a false or fraudulent return filed with the intent to evade the tax or a failure to file a return, the tax may be assessed at any time.
 - (c) Where, before the expiration of the time prescribed in this paragraph for the assessment of the tax, both the commissioner and the person subject to assessment have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the agreed upon period. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the previously agreed upon period. The commissioner is authorized in any such agreement to extend similarly the period within which a claim for refund may be filed.
 - (d) If a claim for refund of taxes paid for any period is filed within the last six months of the period during which the commissioner may assess the amount of taxes, the assessment period is extended for a period of six months beginning on the day the claim for refund is filed.
 - (e) No action without assessment may be brought for the collection of any tax after the expiration of the period for assessment.
- (12) **Refunds.** Fireworks excise tax erroneously or illegally assessed and collected and interest on the tax will be refunded in accordance with O.C.G.A. § [48-2-35](#). Refund claims must be filed electronically on the Georgia Tax Center website. When a purchaser files a refund claim, the Claim for Refund must be accompanied by a properly completed Waiver of Vendor's Rights (Form ST-12A) or a Purchaser's Claim for Sales Tax Refund Affidavit (Form ST-12B). When the claimant has remitted tax directly to the Department, the ST-12A and ST-12B are not required.

Cite as Ga. Comp. R. & Regs. R. 560-13-1-.01

Authority: O.C.G.A. §§ [48-13-130](#) through [48-13-133](#), [48-2-35](#), [48-2-40](#).

History. Original Rule entitled "Fireworks Excise Tax" adopted. F. June 26, 2015; eff. July 16, 2015.

Amended: F. July 15, 2016; eff. August 4, 2016.

Subject 560-13-2. STATE HOTEL-MOTEL FEE.

[Rule 560-13-2-.01. State Hotel-Motel Fee.](#)

- (1) **Purpose.** This Rule addresses the state hotel-motel fee imposed pursuant to O.C.G.A. § [48-13-50.3](#).
- (2) **Definitions.** For purposes of this Rule only:
- (a) "Extended stay rental" means providing for value to the public a hotel room for longer than 30 consecutive days to the same customer;
 - (b) "Hotel" means a building that has 5 or more hotel rooms under common ownership, regardless of the name of the facility and regardless of how the facility classifies itself.
 - 1. **Example:** A guest rents a cabin at a facility that has 10 free-standing cabins on a single property. Each cabin is offered as a single accommodation, and the guest renting the cabin has access to all the rooms in the cabin. The cabin is not a "hotel" because it does not have 5 or more hotel rooms.
 - (c) "Hotel room" means a room (or suite of conjoined rooms offered as a single accommodation) (i) in a hotel (ii) that is used to provide private sleeping accommodations to paying customers and (iii) that typically includes linen or housekeeping service. A hotel room is usually occupied by transients or travelers who do not enjoy an exclusive right or privilege with respect to the room, but instead merely have an agreement for the private use or possession of the room. A room is a hotel room only if the customer has the right to exclude other customers from the room.
 - 1. **Example:** A facility consists of rooms with beds for rent. A customer renting a bed in a room does not have the right to exclude another customer from renting a bed in the same room. Since the room is not a private sleeping accommodation, it is not a "hotel room."
 - 2. **Example:** A camp provides overnight sleeping accommodations in multi-bed, single-room cabins. The guests provide their own bedding. The accommodations provided by the camp are not "hotel rooms" because they are not private and because the camp does not provide linen service.
 - 3. **Example:** A hotel rents a suite with two bedrooms, two bathrooms, and a kitchen at a nightly rate of \$400. The suite comprises one "hotel room."
 - (d) "Innkeeper" means any person who is subject to taxation, under Title 48, Chapter 13, Article 3 of the Official Code of Georgia, for the furnishing for value to the public a hotel room.
- (3) **Imposition.** In addition to taxes of every kind imposed by law, innkeepers must charge a state hotel-motel fee of \$5.00 per night to hotel customers for each calendar night a hotel room is rented or leased unless the rental is excluded under paragraph (7) or until the rental becomes an "extended stay rental" in accordance with paragraph (8).

- (4) **Date of imposition.** The state hotel-motel fee is imposed on rentals of hotel rooms occurring on or after July 1, 2015 for which payment is tendered on or after July 1, 2015.
- (a) **Example:** On June 15th, a customer reserves and pays for a hotel stay to begin July 2, 2015 and to end at check out on July 13, 2015. The customer does not owe the state hotel-motel fee because she paid for the hotel room rental prior to July 1, 2015.
 - (b) **Example:** Assume the same facts as in subparagraph (a), except the customer pays for her stay upon checkout. The customer owes \$55 in state hotel-motel fees.
 - (c) **Example:** A customer checks into a hotel on June 1, 2015 and checks out and pays for her stay on July 2, 2015. The customer does not owe the state hotel-motel fee for the 30 nights in June because the fee was not in effect. The customer does not owe the fee for the July 1 rental because the customer became an extended stay occupant on July 1.
 - (d) **Example:** Assume the same facts as in subparagraph (c), except the customer pays for the hotel room in May, rather than July. The customer does not owe the fee because she paid prior to July 1, 2015.
 - (e) **Example:** A customer checks into a hotel on June 15, 2015 and checks out and pays for his stay on July 20, 2015. The customer owes the state hotel-motel fee for each night from July 1 through July 15. Beginning July 16, the date on which the customer becomes an extended stay occupant, the customer does not owe the fee. The customer owes state hotel-motel fees in the amount of \$75.
 - (f) **Example:** Assume the same facts as subparagraph (e), except the customer pays on June 1, 2015 for his entire stay. The customer does not owe the fee because he paid prior to July 1, 2015.
- (5) **Liability of innkeepers and third parties.** The state hotel-motel fee is a debt from the hotel customer to the innkeeper until it is paid and is recoverable at law in the same manner as authorized for the recovery of other debts. Any innkeeper who neglects, fails, or refuses to collect the state hotel-motel fee as required by this Rule is liable for the fee. Third parties making hotel reservations on behalf of hotel customers must remit all state hotel-motel fees collected by the third parties. If a third party has contracted with an innkeeper to collect taxes and/or fees from hotel customers, the Department may assess and collect state hotel-motel fees from either the innkeeper or the third party.
- (6) **Sales and use tax base.** If the state hotel-motel fee is separately itemized on the bill, it is excluded from the sales price for purposes of calculating sales and use tax.
- (a) **Example:** The price to rent a hotel room for one night is \$100.00. The bill shows \$100 for one night's stay and a separate line-item of \$5.00 for the state hotel-motel fee. The state and local sales tax rate in the county where the hotel is located is 7%. The sales tax is, therefore, \$7.00 (7% of \$100.00).

(7) Exemptions and exclusions.

- (a) Except as otherwise provided in this Rule, exemptions under O.C.G.A. §§ [48-8-3](#) and [48-13-51\(h\)](#) do not apply to the state hotel-motel fee.
- (b) Federal government immunity. The state hotel-motel fee does not apply to hotel rooms rented by the federal government by a check drawn on a federal government account, by a credit card centrally billed to the federal government, or by a federal government purchase order.
- (c) Foreign diplomats. Foreign missions, their members, and dependents and Taipei Economic and Cultural Representative Office (TECRO), Taipei Economic and Cultural Offices (TECOs), their employees and dependents are exempt from the fee to the same extent they are exempt from sales and use tax.
- (d) Student housing. A facility providing housing to students pursuant to a contract with a school is not subject to the fee, so long as the facility does not provide housekeeping, linen, or other customary hotel services.
- (e) Special care facilities. A facility that is registered with or licensed by a Georgia state governmental agency, whether publicly or privately owned and operated, which accepts persons who require special care on account of age, illness, or mental or physical incapacity, and which provides this special care by nurses, orderlies, or aides, is not a hotel. Accordingly, the sleeping accommodations in this type of facility are not subject to the state hotel-motel fee. Examples of these types of facilities are nursing homes, rest homes, convalescent homes, maternity homes, homes for persons with disabilities, residence homes for adults, assisted living facilities, and similar facilities.
- (f) Rooms used by the hotel. Rooms used by the hotel in the provision of hotel services, for which no consideration is received, are not subject to the fee. Examples include, but are not limited to, rooms provided to:
 - 1. Quality assurance inspectors;
 - 2. A weekend manager on duty;
 - 3. A food and beverage team assisting with in-house events.
- (g) Complimentary accommodations. Complimentary accommodations for which no rent or other consideration is paid are not subject to the fee. The following accommodations are not complimentary and are, therefore, subject to the fee:
 - 1. Accommodations provided to hotel employees at no charge if the accommodations must be included in the employee's wages for purposes of federal income tax;

2. Rooms bartered as payment to vendors such as musicians and photographers;
3. Rooms purchased by redeeming reward points when the hotel receives consideration from a fund or other third party; and
4. Additional nights provided to guests who purchase a specified number of nights.
 - (i) **Example:** A hotel advertises, "Buy 4 nights, get the 5th night free." Taking advantage of the deal, a guest purchases 5 nights for \$400. Each night of the guest's 5-night stay is subject to the fee.
 - (ii) **Example:** A hotel's rate for a one-night rental of 50 rooms is \$5000. In exchange for a guest's \$5000 payment for a 50-room block, the hotel gives the guest an additional room for one night at no additional charge. Because the guest has rented 51 rooms for one night at the price of \$5000, the fee applies to each of the 51 rooms.

(8) **Extended stay rentals.**

- (a) When a customer rents a hotel room, the innkeeper must collect the state hotel-motel fee regardless of whether the room is rented under a contract that provides that the customer will have the right to occupy the room for longer than 30 consecutive days.
- (b) The first 30 days of the rental are subject to the fee and will not be refunded even if the rental becomes an extended stay rental.
- (c) Once a rental becomes an extended stay rental (upon the 31st day of continuous occupancy), no further state hotel-motel fee must be collected with respect to the hotel room, provided that the customer's days of consecutive occupancy are not interrupted. This is so, regardless of whether the right to occupy the room is granted under separate, successive contracts.
- (d) Changing hotel rooms in the same hotel does not interrupt the period of consecutive occupancy.
 - (i) **Example:** A hotel customer occupies a particular room in a hotel for 10 consecutive days and, on the 11th day, changes to a different room in the same hotel (second room) and occupies the second room for an additional 30 consecutive days. The rental becomes an extended stay rental on the 21st day that the customer occupies the second room in the same hotel.

- (e) An extended stay occupant who transfers from one hotel to a different hotel, whether or not run by the same operator, loses extended stay rental status and must complete the required number of days at the second hotel before the rental becomes an extended stay rental there. Similarly, a change of hotels by a customer who is not yet an extended stay occupant interrupts the number of consecutive days necessary to establish an extended stay rental.
 - (i) **Example:** A customer rents a suite of rooms in a hotel. After 20 days, the customer moves to a different hotel owned by the same chain. The customer spends another 20 days at the second hotel. The rental is not an extended stay rental at either hotel because the customer did not occupy a hotel room at least 31 consecutive days at either hotel. The customer may not aggregate the time spent between the two hotels to meet the 31-consecutive-day criteria for extended stay rentals.
- (f) For the purpose of determining whether a business entity qualifies as an extended stay occupant of a hotel, days that the business pays rent to the hotel, regardless of whether the hotel room is actually occupied, are considered days that the room is occupied by the business, provided that the employee, customer, client, or other person staying in the room does not reimburse or pay the business for the right to occupy the room. However, days for which an employee, customer, client, or other person pays or reimburses the business for the right to occupy the room or rooms, whether as part of a package or otherwise, are considered days that the room or rooms are occupied by that person and are not considered days of occupancy by the business. The renewal of a rental contract between a business and a hotel, as long as the rental is continuous, does not interrupt the business's occupancy.
 - (i) **Example:** A company rents three hotel rooms. One room is occupied by an employee of the company, one room is occupied by a client, and the last room remains unoccupied. The employee does not pay for the right to occupy the room; however, the client compensates the company for use of the room. The days that the room is occupied by the company's employee and the days that the third room remains unoccupied are considered to be days of occupancy for the company with respect to such rooms. Accordingly, after 31 consecutive days of occupancy, the company is considered to be an extended stay occupant of the two rooms. The days that the room is occupied by the company's client, however, are not considered to be days that the room is occupied by the company. Consequently, the company cannot become an extended stay occupant with respect to the room that is occupied by the client.
- (g) If an extended stay occupant permits the hotel to rent his or her room(s) to other customers during the occupant's temporary absence, and the occupant does not have the right to occupy any other room or rooms in the hotel during that absence, the occupant's period of consecutive occupancy in that hotel is considered to have

ended. Therefore, when the occupant resumes occupancy in the hotel, he or she will not be considered an extended stay occupant of the hotel until a new 31-day period of consecutive occupancy is established. The customer to whom the room or rooms are rented during the former extended stay occupant's absence may establish extended stay status based on whether such customer occupies the room(s) for the requisite number of consecutive days.

- (9) **Guaranteed no-show revenue.** When the agreement between the customer and the hotel provides that the room will not be released or offered to other occupants even if the customer never occupies the room, the innkeeper must collect the state hotel-motel fee for every night for which the customer has reserved and paid for the room, regardless of whether the customer actually stays in the room.
- (10) **Returns.** Innkeepers must report and remit the state hotel-motel fee electronically on a separate return on or before the 20th day of the month following the month of collection. Innkeepers must file a return even for months during which no accommodations were provided. If an innkeeper fails to collect the fee, the innkeeper must report and remit the fee on or before the 20th day of the month following the month of an accommodation for which the fee should have been collected.
- (11) **Penalties and Interest.**
 - (a) When any innkeeper fails to file a return or to pay the full amount of the state hotel-motel fee due, in addition to other penalties provided by law, a penalty will be added to the fee in the amount of 5 percent or \$5.00, whichever is greater, if the failure is for not more than 30 days. An additional penalty of 5 percent or \$5.00, whichever is greater, will be added for each additional 30 days or fraction of 30 days during which the failure continues. The penalty for any single violation must not exceed 25 percent or \$25.00 in the aggregate, whichever is greater. If the failure is due to reasonable cause shown to the satisfaction of the commissioner in affidavit form attached to the return and remittance is made within ten days of the due date, the return may be accepted exclusive of penalties and interest. In the case of a false or fraudulent return or of a failure to file a return where willful intent exists to defraud the state of the state hotel-motel fee, a penalty of 50 percent of the fee due will be assessed.
 - (b) The state hotel-motel fee bears interest in accordance with O.C.G.A. § [48-2-40](#).
- (12) **Vendors' compensation.** In reporting and paying fees due under O.C.G.A. § [48-13-50.3](#), each innkeeper is allowed the following deduction, but only if the return was timely filed and the amount due was not delinquent at the time of payment:
 - (a) A deduction of 3 percent of the first \$3,000.00 of the combined total amount reported due on such return for each location; and

- (b) A deduction of one-half of 1 percent of that portion exceeding \$3,000.00 of the combined total amount reported due on such return for each location.

(13) Periods of limitation for assessment of fees.

- (a) Except as otherwise provided in this paragraph, in the case where a return is filed, the fee must be assessed within three years after the return was filed. For purposes of this Rule, a return filed before the last filing day prescribed by law will be considered as filed on the last day. If an extension of time for filing a return is granted and the return is filed on or before the extended date, the return will be considered as filed on the extended due date.
- (b) In the case of a false or fraudulent return filed with the intent to evade the fee or a failure to file a return, the fee may be assessed at any time.
- (c) Where, before the expiration of the time prescribed in this paragraph for the assessment of the fee, both the commissioner and the person subject to assessment have consented in writing to its assessment after such time, the fee may be assessed at any time prior to the expiration of the agreed upon period. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the previously agreed upon period. The commissioner is authorized in any such agreement to extend similarly the period within which a claim for refund may be filed.
- (d) If a claim for refund of fees paid for any period is filed within the last six months of the period during which the commissioner may assess the amount of fees, the assessment period is extended for a period of six months beginning on the day the claim for refund is filed.
- (e) No action without assessment may be brought for the collection of any fee after the expiration of the period for assessment.

- (14) Refunds.** State hotel-motel fees erroneously or illegally assessed and collected and interest on those fees will be refunded in accordance with O.C.G.A. § [48-2-35](#). Refund claims must be filed electronically on the Georgia Tax Center website. When a hotel customer files a refund claim, the Claim for Refund must be accompanied by a properly completed Waiver of Vendor's Rights (Form ST-12A) or a Purchaser's Claim for Sales Tax Refund Affidavit (Form ST-12B). When the claimant has remitted fees directly to the Department, the ST-12A and ST-12B are not required.

Cite as Ga. Comp. R. & Regs. R. 560-13-2-.01

Authority: O.C.G.A. §§ [48-13-50.3](#), [48-2-35](#), [48-2-40](#).

History. Original Rule filed as Emergency Rule 560-13-2-0.30-.01 on June 26, 2015; effective July 1, 2015, to remain in effect for a period of 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency.

Adopted: Permanent Rule entitled "State Hotel-Motel Fee." F. Oct. 20, 2015; eff. Nov. 9, 2015.

Amended: F. July 15, 2016; eff. August 4, 2016.

Subject 560-13-3. TRANSPORTATION SERVICES TAX.

Rule 560-13-3-.01. Transportation Services Tax.

- (1) **Purpose.** This Rule addresses the transportation services tax imposed pursuant to Title 48, Chapter 13, Article 8 of the Official Code of Georgia.
- (2) **Definitions.** For purposes of this Rule only:
 - (a) "Fare" means a fee by a For-Hire Ground Transport Service Provider for a Journey.
 - (b) "For-Hire Ground Transport Service Provider" means a Limousine Carrier, Ride Share Network Service, Taxi Service, or Transportation Referral Service.
 - (c) "For-Hire Ground Transport Trip" means any request for a Journey by passenger vehicle provided for by a For-Hire Ground Transport Service Provider for which a person is charged a fee, whether such Journey was completed or not.
 - (d) "Journey" means a transport of a person from one location to another, as requested by such person.
 - (e) "Limousine Carrier" means any person licensed with Georgia pursuant to O.C.G.A. § [40-1-151\(5\)](#) who owns or operates a prearranged service regularly rendered to the public by furnishing transportation as a motor carrier for hire, not over fixed routes, by means of one or more unmetered:
 1. Limousines;
 2. Extended limousines;
 3. Sedans;
 4. Extended sedans;
 5. Sport utility vehicles;
 6. Extended sport utility vehicles;
 7. Other vehicles with a capacity for seating and transporting no more than 15 persons for hire including the driver; or
 8. Any combination of subparagraphs (2)(e)1. through (2)(e)7. on the basis of telephone contract or written contract.

- (f) "Ride-Share Network Service" means any person or entity that uses a digital network or internet network to connect passengers to ride-share drivers for the purpose of prearranged transportation for hire or for donation. The term excludes any "corporate sponsored vanpool" or "exempt rideshare" as such terms are defined in O.C.G.A. § [40-1-100](#), provided that such corporate sponsored vanpool or exempt ride-share is not operated for the purpose of generating a profit.
- (g) "Shared For-Hire Ground Transport Trip."
1. "Shared For-Hire Ground Transport Trip" means
 - (i) any For-Hire Ground Transport Trip in which a person has been matched with another person (other than the driver) by a For-Hire Ground Transport Service Provider for purposes of such Journey; and
 - (ii) any For-Hire Ground Transport Trip in which a person makes a request to be matched with another person (other than the driver) for purposes of such Journey by a For-Hire Ground Transport Service Provider, even if the For-Hire Ground Transport Service Provider does not match the person with another person, but only if the For-Hire Ground Transport Service Provider, in its regular course of business, matches passengers with other passengers in exchange for a reduced Fare.
 2. The number of passengers in a passenger group at a single location allowed to request a Shared For-Hire Ground Transport Trip may be limited by the For-Hire Ground Transport Service Provider. Notwithstanding subparagraph (2)(g)1., a Journey provided by a For-Hire Ground Transport Service Provider to a passenger group that exceeds the service provider's Shared For-Hire Ground Transport Trip passenger group limit constitutes a For-Hire Ground Transport Trip and does not constitute a Shared For-Hire Ground Transport Trip, even if the passenger group requests a Shared For-Hire Ground Transport Trip.
- (h) "Taxi Service" means any taxicab company or provider that utilizes a motor vehicle or similar vehicle, device, machine, or conveyance to transport passengers; uses a taximeter; and is authorized to provide taxicab services pursuant to an ordinance of a local government in Georgia.
- (i) "Transportation Referral Service" means any person or entity that books, refers clients to, collects money for, or advertises transportation services provided by a Limousine Carrier or Taxi Service by means of a telephone, through cellular telephone software, through the internet, in person, by written instrument, by any person, or by any other means, and does not own or lease any motor vehicle required to be registered with the Department of Public Safety as a Limousine

Carrier or a Taxi Service. A Transportation Referral Service shall not include emergency or nonemergency medical transports.

(3) Imposition.

- (a) Beginning August 5, 2020, an excise tax known as the transportation services tax is levied on For-Hire Ground Transport Trips and Shared For-Hire Ground Transport Trips.
 - 1. Example: Using Ride, Inc.'s mobile application, a person requests Ride, Inc., a For-Hire Ground Transport Service Provider and a Ride Share Network Service, to transport the person from point A to point B. Ride, Inc. must collect and remit the transportation services tax.
 - 2. Example: A passenger telephones Great Cabs, a For-Hire Ground Transport Service Provider and Taxi Service, to send a taxi to transport the passenger from point A to point B. Great Cabs dispatches a taxi to point A where it picks up and transports the passenger to point B. The driver charges a Fare to the passenger. The driver is not a For-Hire Ground Transport Service Provider; therefore, Great Cabs must remit the tax to the Department.
- (b) The transportation services tax shall be collected and remitted by the For-Hire Ground Transport Service Provider itself and not the vehicle driver. Notwithstanding the foregoing, to the extent a Transportation Referral Service books or refers clients for a For-Hire Ground Transport Trip to a Taxi Service or a Limousine Carrier which is also a For-Hire Ground Transport Service Provider, then the Taxi Service or Limousine Carrier, and not the Transportation Referral Service, shall be responsible for the collection and remittance of such excise tax.
- (c) A For-Hire Ground Transport Service Provider is relieved from the duty to collect the transportation services tax if the For-Hire Ground Transport Service Provider takes, in good faith, as such term is more fully described in O.C.G.A. § [48-8-38](#), a certificate of exemption from a purchaser of a For-Hire Ground Transport Trip.
- (d) In lieu of collecting the tax, a For-Hire Ground Transport Service Provider is permitted to absorb the tax in accordance with O.C.G.A. § [48-8-36](#) and Rule [560-12-2-.21](#).
- (e) The transportation services tax is a debt from the passenger to the For-Hire Ground Transport Service Provider until it is paid and is recoverable at law in the same manner as authorized for the recovery of other debts.
- (f) Any For-Hire Ground Transport Service Provider who neglects, fails, or refuses to collect the transportation services tax as required by this Rule is liable for the fee.

- (g) The transportation services tax shall be administered, collected, and due and payable in the same manner as would otherwise be required by the tax imposed under Title 48, Chapter 8, Article 1 of the Official Code of Georgia.

(4) Rate.

- (a) Beginning August 5, 2020 through and including March 31, 2022, the rate of the tax is 50¢ for For-Hire Ground Transport Trips and 25¢ for Shared For-Hire Ground Transport Trips.
- (b) In calendar year 2022 and annually thereafter, the Department will adjust the rate effective April 1 to reflect the effect of annual inflation or deflation for the cost of living that consumers in this state experienced on average during the immediately preceding calendar year. For such purpose, the Department will use the Consumer Price Index for All Urban Consumers rate published by the Bureau of Labor Statistics of the United States Department of Labor. The Department will publish the rate to its website on or before March 1st of each year.
- (c) The examples in this Rule assume rates of 50¢ for For-Hire Ground Transport Trips and 25¢ for Shared For-Hire Ground Transport Trips. The rates in the examples may not be current. For-Hire Ground Transport Service Providers are responsible for collecting the tax at the current rate as published on the Department's website.
- (d) The rate applies to each Fare charged by the For-Hire Transportation Service Provider, documented by the For-Hire Transportation Service Provider's records and passenger receipts.
 - 1. Example: A group of passengers at a single location calls a Taxi Service to transport the group from point A to point B. The Taxi Service dispatches a taxicab to point A, which then transports the group to point B. The Taxi Service charges one Fare as shown on the Taxi Service's records and the passenger receipt. The Taxi Service must collect the transportation services tax in the amount of 50¢ (the 50¢ tax on For-Hire Ground Transport Trips X 1 Fare = 50¢) and remit the tax to the Department, regardless of whether the passengers split the Fare or one passenger pays the entire Fare.
 - 2. Example: A group of four passengers at a single location requests a ride through a mobile application provided by Ride, Inc., a Ride Share Network Service. The group requests Ride, Inc. to pick them up at point A. The group has not been matched with another person by Ride, Inc., nor has the group of passengers made a request to Ride, Inc. to be matched with another person by Ride, Inc. The driver picks up the group at point A and drops each passenger off at different destination points. Ride, Inc. charges each passenger a separate Fare, as indicated by Ride, Inc.'s records and the passengers' receipts. Ride, Inc. must collect the transportation services tax in

the amount of \$2.00 (the 50¢ tax on For-Hire Ground Transport Trips X 4 Fares = \$2.00) and remit the tax to the Department, regardless of whether the passengers pay separately or one passenger pays for all the Fares.

3. Example: Assume the same facts as in subparagraph (4)(d)2., except that Ride, Inc. charges only one Fare, as indicated by the Ride Inc.'s records and the passengers' receipts. Ride, Inc. must collect the transportation services tax in the amount of 50¢ (the 50¢ tax on For-Hire Ground Transport Trips X 1 Fare = 50¢) and remit the tax to the Department, regardless of whether the passengers split the Fare or one passenger pays the entire Fare.
4. Example: Using a mobile application, a passenger requests a ride from Ride, Inc., a Ride Share Network Service. The passenger requests to share the ride with passengers that Ride, Inc. chooses to pick up along the way. After picking up the first passenger, the driver then picks up one lone passenger and one 2-passenger group. Ride, Inc. charges each lone passenger a separate Fare and charges one Fare to the 2-passenger group, as indicated by Ride, Inc.'s records and the passengers' receipts. Ride, Inc. must collect the transportation services tax in the amount of \$1.00 (the 25¢ tax on Shared For-Hire Ground Transport Trips X 4 Fares = \$1.00) and remit the tax to the Department.
5. Example: A passenger requests a ride through the mobile application of Ride, Inc., a Ride Share Network Service. The passenger has not been matched with another person by Ride, Inc., nor has the passenger made a request to Ride, Inc. to be matched with another person by Ride, Inc. The driver picks up the passenger at point A and, at the passenger's request, drives the passenger to point B to pick up a passenger chosen by the passenger. The driver then transports both passengers to point C. As indicated by Ride Inc's records and the passengers' receipts, Ride, Inc. charges one Fare for the Journey from point A to point B and one Fare for the Journey from point B to point C. Ride, Inc. must collect the transportation services tax in the amount of \$1.00 (the 50¢ tax on For-Hire Ground Transport Trips X 2 Fares = \$1.00) and remit it to the Department, regardless of whether the passengers split the Fares or one passenger pays for both Fares.
6. Example: Assume the same facts as in subparagraph (4)(d)5, except that Ride, Inc. charges one Fare for the Journey from point A to point B to point C, as indicated by Ride, Inc.'s records and the passengers' receipts. Ride, Inc. must collect the transportation services tax in the amount of 50¢ (the 50¢ tax on For-Hire Ground Transport Trips X 1 Fare = 50¢) and remit the tax to the Department, regardless of whether the passengers split the Fare or one passenger pays the entire Fare.

(5) Itemized charges.

- (a) Separate or itemized charges for either (i) a waiting period; (ii) a cancellation or no-show; or (iii) travel time by the For-Hire Ground Transportation Service Provider without transporting one or more persons by the For-Hire Ground Transportation Service Provider do not constitute Fares and, as such, are not subject to the transportation services tax.
- (b) In the event a For-Hire Ground Transportation Service Provider charges a flat fee that includes at least one Journey provided by the For-Hire Ground Transportation Service Provider, then such flat fee constitutes a single Fare that is subject to the transportation services tax.
 - 1. Example: A group of people hires a Limousine Carrier to pick up the group at point A, transport the group to point B, wait at point B for several hours, and then transport the group back to point A. The Limousine Carrier charges a fee for the Journey from point A to point B, another fee for the Journey from point B back to point A, and another fee for the waiting period. Each fee for a Journey constitutes one Fare. Thus, the Limousine Carrier must collect the transportation services tax in the amount of \$1.00 (the 50¢ tax on For-Hire Ground Transport Trips X 2 Fares = \$1.00) and remit the tax to the Department, regardless of whether the passengers split the Fare or one passenger pays the entire Fare. The transportation services tax does not apply to the charge for the waiting period because the charge is not a Fare.
 - 2. Example: A group of people hires a Limousine Carrier for the evening to pick up the group at point A, transport the group to point B, wait at point B for several hours, and then transport the group back to point A. The Limousine Carrier charges a flat fee for the entire evening. The flat fee constitutes a Fare. The Limousine Carrier must collect the transportation services tax in the amount of 50¢ (the 50¢ tax on For-Hire Ground Transport Trips X 1 Fare = 50¢) and remit the tax to the Department, regardless of whether the passengers split the Fare or one passenger pays the entire Fare.

(6) Exemptions and exclusions.

- (a) Persons that are exempt from sales tax on purchases of services under Chapter 8 of Title 48 of the Official Code of Georgia are exempt from the transportation services tax. To make a purchase that is exempt from transportation services tax, persons qualifying for exemption must present to the dealer the same documentation that they would otherwise present to make a purchase exempt from sales tax.
- (b) Foreign missions, their members, and dependents and Taipei Economic and Cultural Representative Office (TECRO), Taipei Economic and Cultural Offices

(TECOs), their employees and dependents are exempt from the transportation services tax to the same extent they are exempt from sales and use tax.

- (c) The transportation services tax does not apply to charges for delivery of tangible personal property.
- (d) Trips that originate in another state and end in Georgia or originate in Georgia and end in another state are not subject to the transportation services tax.

(7) Application of sales and use tax.

- (a) Beginning on August 5, 2020, For-Hire Ground Transport Trips and Shared For-Hire Ground Transport Trips are exempt from state and local sales and use taxes.
- (b) Tangible personal property used and consumed in the performance of a For-Hire Ground Transport Trip, including, but not limited to, gasoline, automobile accessories, and automobile parts are subject to sales and use taxes.

(8) Returns.

- (a) For-Hire Ground Transport Service Providers must report and remit the tax electronically to the Department.
- (b) Returns and taxes are due on the 20th day of each month following the month of collection in accordance with O.C.G.A. § [48-2-39](#).
- (c) For-Hire Ground Transport Service Providers are required to report tax exempt trips.
- (d) For-Hire Ground Transport Service Providers are required to file returns for months in which no trips were provided.

(9) Quarterly reporting.

- (a) Every quarter, For-Hire Ground Transport Service Providers must report the total number of trip originations per county and the total number of trip destinations per county on the transportation services tax quarterly report. The transportation services tax quarterly report will appear on the returns for the September, December, March, and June periods. Service providers who have provided trips during the quarter must complete the quarterly report to submit their September, December, March, and June returns.
- (b) For-Hire Ground Transport Service Providers must report one origination and one destination for each For-Hire Ground Transport Trip and each Shared For-Hire Ground Transport Trip.

1. **Example:** Rideshare, Inc. in one quarter provides 1,000 For-Hire Ground Transport Trips that begin and end in Fulton County, 10 Shared For-Hire Ground Transport Trips that begin in Fulton County and end in DeKalb County, 15 For-Hire Ground Transport Trips that begin in DeKalb County and end in Fulton County, and 300 Shared For-Hire Ground Transport Trips that begin in Cherokee County and end in Clayton County. Rideshare, Inc. must report 300 originations and zero destinations for Cherokee County, zero originations and 300 destinations for Clayton County, 15 originations and 10 destinations for DeKalb County, and 1,010 originations and 1,015 destinations for Fulton County.

(10) **Penalties and interest.**

- (a) The penalty provisions applicable to sales and use tax in Title 48 of the Official Code of Georgia are applicable to the transportation services tax. In addition to those penalties, any For-Hire Ground Transport Service Provider that knowingly and willfully violates the requirements of Title 48, Chapter 13, Article 8 of the Official Code of Georgia may be assessed a civil penalty of not more than \$10,000.00 in addition to the amount of tax due.
- (b) The transportation services tax bears interest in accordance with O.C.G.A. § [48-2-40](#).

(11) **Vendors' compensation.** When reporting and paying the tax, each For-Hire Ground Transport Service Provider is allowed the following deduction, but only if the return was timely filed and the amount due was not delinquent at the time of payment:

- (a) A deduction of three percent of the first \$3,000.00 of the total tax reported due on such return; and
- (b) A deduction of one-half of one percent of that portion exceeding \$3,000.00 of the total tax reported due on such return.

(12) **Periods of limitation for assessment of fees.** Except as otherwise provided in O.C.G.A. § [48-2-49](#) and Title 48 of the Official Code of Georgia, the transportation services tax may be assessed at any time.

(13) **Refunds.** Tax erroneously or illegally assessed and collected and interest on the tax will be refunded in accordance with O.C.G.A. § [48-2-35](#) and O.C.G.A. § [48-2-35.1](#).

- (a) For-Hire Ground Transport Service Providers seeking a refund must file a claim electronically.

- (b) Purchasers (i.e., passengers) seeking a refund must file the paper Claim for Refund (Form ST-12) and either the Waiver of Vendor's Rights (Form ST-12A) or the Affidavit for Purchaser's Claim for Tax Refund (Form ST-12B).
- (c) A refund claim may be filed at any time within three years after the date of the payment of the tax to the Department.

Cite as Ga. Comp. R. & Regs. R. 560-13-3-.01

Authority: O.C.G.A. Title 48, Chapter 13, Article 8; O.C.G.A. §§ [40-1-100](#), [40-1-151](#), [48-2-12](#), [48-2-35](#), [48-2-35.1](#), [48-2-39](#), [48-2-49](#), [48-8-36](#), [48-2-35.1](#), [48-8-3](#), [48-8-38](#).

History. Original Rule entitled "Transportation Services Tax" adopted. F. Mar. 25, 2022; eff. Apr. 14, 2022.