



Fannin County Ordinance for Reporting and Collecting Tax on Harvested Timber

December 14, 2023

BE IT RESOLVED, by the Board of Commissioners of Fannin County, Georgia, in regular session and in accordance with and under the authority of the powers vest it by law, that it declares and pass this Ordinance for the purpose of establishing and adopting a standard procedure requiring reporting of Timber Harvest activities in Fannin County, Georgia, and enforcement provisions for the violation of said Ordinance.

WHEREAS *O.C.G.A Section 48-5-7.5*

Standing timber shall be assessed for ad valorem taxation only once and such assessment shall be made following its harvest or sale as provided for in this code section. Search timber shall be subject to ad valorem taxation notwithstanding the fact that the underlying land is exempt from taxation unless such taxation is prohibited by federal law or treaty.

The term “sale” of timber shall mean the arm’s length, bona fide sale of standing timber for harvest separates and from apart from the underlying land and shall not include the stimulus sale of a track of land and timber thereon.

Lump Sum Sales:

Where standing timber is sold, in arm’s-length, bona fide sale, by timber deed, contract, lease, agreement, or otherwise to be harvested within a three-year period after the date of sale and for a lump sum price, so much of said timber as will be harvested within three years shall be assessed for taxation as of the date of the sale. The fair market value of such timber for purpose of ad valorem taxation shall be the lump sum price paid by **the purchaser** in an arm’s length, bona fide sale. Any timber described in any sale instrument which is not harvested within three years after the date of sale shall later be assessed for taxation following its future harvest or sale.

Immediately upon receipt by the seller of the purchase price, the seller shall remit to the purchaser the amount of ad valorem tax due on the sale, in the form of a negotiable instrument payable to the Tax Collector or Tax Commissioner. Such negotiable instruments shall be remitted by the purchaser to the Tax Collector or Tax Commissioner no later than five days after the receipt of the tax from the seller. A purchaser failing to make such remittance shall be personally liable for the tax. With said remittance, the purchaser shall present to the Board of Tax Assessors and to the Tax Collector or Tax Commissioner a report (PT-283T) of the sale showing lump sum sale price of the standing timber, the date of sale, the address of the seller and purchaser, and the location of the standing timber in the county. The Tax Collector or Tax Commissioner shall collect from the purchaser the seller’s negotiable instrument in payment of the tax; and a receipt showing payment of the tax shall promptly be delivered by the Tax Collector or Tax Commissioner to the seller.

Upon request of the purchaser, the Tax Collector or Tax Commissioner shall enter upon or attached to the instrument conveying the standing timber a certification that the ad valorem tax has been paid, the date, and the amount of the tax. The certificate shall be signed by the Tax Collector or Tax Commissioner or his deputy. The purchaser may then present the instrument together with the certificate to the Clerk of Superior Court of the county in which the standing timber is located, who shall then file the instrument for record.

Unit Price sales:

Any person purchasing standing timber, in an arm's-length bona fide sale, by timber deed, contract, lease, agreement, or otherwise by unit prices shall furnish a report (PT-283T) to the seller and the county Board of Tax Assessors within 45 days after the end of each calendar quarter. The (PT-283T) shall show the total dollar value of standing timber paid to the seller and the volume, in pounds, if available, or measured volume, of softwood and hardwood pulpwood, chip and saw logs, saw timber, polls, posts, and fuel wood harvested. This report (PT-283T) shall include data through the last business day of the calendar quarter, the names and addresses of the seller and their purchaser, and the location of the harvested timber. A copy of this report (PT-283T) shall also be furnished by the seller to the Tax Assessors Office within 60 days after the end of the calendar quarter. The fair market value of such timber for purposes of ad valorem taxation shall be the total dollar values paid by the purchaser in the arm's length, bona fide sale.

Owner Harvests:

Owners of real property in this state who harvest standing timber from their own land shall report (PT-283T) the volume, in pounds, if available, or measured volume, of softwood and hardwood pulpwood, chip and saw logs, saw timber, poles, posts, and fuel wood harvested through the last business day of each calendar quarter from said lands to the Tax Assessors Office within 45 days after the end of each calendar quarter. Such reports (PT-283T) shall also identify the location of the tract from which the standing timber was harvested. The fair market value of such timber for the purpose of ad valorem taxation shall be as determined under subsection (g) of this Code section. Ad valorem taxes shall be paid by the landowner as provided in subsection (h) of this Code section.

Other sales and Harvests:

Every sale and every harvest of timber not previously taxed (excepting only a sale not for harvest within three years) shall be a taxable event. If any such sale or harvest is not a reportable taxable event described under subsection (c), (d), or (e) of this Code section, such timber shall be subject to ad valorem taxation under this subsection; and search sale or harvest shall be reported and taxed under the provisions of subsection (c), (d), or (e) of this Code section, whichever is most nearly applicable.

Any ad valorem tax or penalty which is not timely paid as provided in this code section shall bear interest at the rate specified in code section 48 to 40 from the due date. Unpaid taxes, penalties, and interest imposed under this code section shall constitute a lien against the property of the person responsible for payment of such taxes and shall be collected in the same manner as other unpaid ad valorem taxes are collected.

The millage rate applicable at the time of the sale or the time of harvest standing timber shall be of the millage levied by the taxing authority on tangible property for the preceding calendar year.

Any person who fails to timely make any report or disclosure required by this code section shall pay a penalty of 50% of the tax due, except that if the failure to comply is unintentional and the report or disclosure is filed within 12 months after the due date the amount of the penalty shall be 1% for each month or part of the month that the report or disclosure is late.

WHEREAS, it is the desire of Fannin County, Georgia, in order to comply with Georgia law to adopt a reporting requirement for the Harvesting of Timber. The completion of the PT -2383T (attached) form and reporting to applicable public officials will allow taxation of harvested timber at fair market value; and

WHEREAS, this Ordinance will allow for the monitoring of Timber Harvest necessary to allow efficient collection of the timber tax;

NOW, THEREFORE BE IT ORDAINED BY THE FANNIN COUNTY COMMISSION,

Pursuant to the authority granted by the Constitution of the state of Georgia in Article 9, Section 2, Paragraph 1, and Article 9, Section 2, Paragraph 3 that the following resolution adopted and given force in Fannin County:

Section 1:

All Harvested Timber be reported on a PT-283T form to the Tax Assessors, Tax Collector, or Tax Commissioner according to *O.C.G.A Section 48-5-7.5. See attached PT -2383T*