

# **State of Georgia Property Tax Assessments Statutes**

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## **Basis for Property Tax Assessments – Market Value**

All property is appraised for taxation at its fair market value (Sec. 48-5-6, Code) based on a cash sale (Sec. 48-6-1, Code). Fair market value is defined as the amount a knowledgeable buyer would pay for property and a willing seller would accept for the property at an arm's-length, bona fide sale. When no ready market exists for equipment, machinery, and fixtures, fair market value may be determined by any reasonable, relevant, and useful information available to the appraiser and assessor. Original cost, depreciation, and inflation may be factors in valuation (Sec. 48-5-2(3)(A), Code).

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## **Real Property Defined**

Realty or real estate means (1) all lands and the buildings thereon, (2) all things permanently attached to land or to the buildings thereon, and (3) any interest existing in, issuing out of, or dependent upon land or the buildings thereon (Sec. 44-1-2, Code). Sec. 44-1-6, Code, provides that (1) anything that is intended to remain permanently in its place even if it is not actually attached to the land is a fixture, which constitutes a part of the realty and passes with it, (2) machinery that is not actually attached to the realty but is movable at pleasure is not a part of the realty, and (3) anything detached from the realty becomes personalty instantly upon being detached. Improvements consisting of walls, doors, floor coverings, electrical, plumbing, heating and air distribution systems, ceilings, and lighting were attached to and formed an integral part of the building and as such were fixtures that comprised part of the real estate (McKinsey and Co., Georgia Court of Appeals, 224 Ga. App. 593, 481 S.E.2d 580, February 12, 1997; CCH GEORGIA TAX REPORTS, ¶ 200-305).

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## **Personal Property Defined**

Personalty or personal estate means all property that is movable in nature, has inherent value or is representative of value, and is not otherwise defined as realty (Sec.44-1-3(a), Code).

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## **Intangible Property Taxes**

Intangible property has not been taxed since 1995.

