

Ferdinand supports curbing tag tax

In an Op-Ed in the Atlanta Journal-Constitution, Fulton County Tax Commissioner Arthur Ferdinand called for the reduction of the ad valorem tax on motor vehicles. Here below is what he wrote:

Ending tax on tags would be fairer to all

Arthur E. Ferdinand - For the Journal-Constitution
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The majority of complaints in a tax office come from the motor vehicle divisions; the wait lines are frustrating, made more so by having to shell out far too much money on your birthday just to be able to drive to work. The laws governing motor vehicle ad valorem taxes are far too complicated and get worse every year. You are more likely to have documents out of order when you renew a tag than when you pay property taxes.

The notion of paying a tax to drive a vehicle on the roads of Georgia is one that has always troubled me. More offensive is the fact that the amount paid for the privilege of driving on our roads depends on the price of the vehicle you prefer and where you happen to live. Imagine how disruptive and unmanageable it would be if the State Road and Tollway Authority decided that the toll for using Ga. 400 depended on whether you drove a Benz or a Ford.

The wear and tear on Georgia roads caused by an expensive Porsche is the same as the wear and tear on the road from a Toyota. Therefore, I do not believe the more expensive car should pay a penny more to drive on our highways.

Taxes paid when you register your car are calculated the same way as your property taxes. It depends on the value of your vehicle and the millage or taxing rate in your municipality. Since Fulton County has 14 municipalities, the same vehicle requires the payment of 14 different tag tax amounts depending on where you live. And did you know that it is cheaper to register a car in Buckhead than it is to register the same vehicle in Hancock County, one of the poorest counties in the state?

This tax does not seem fair to poor or rich alike. In fact, there are thousands of different ad valorem taxes for the same vehicle depending on the millage rate in the municipality in which the vehicle is domiciled.

Vehicle owners pay a princely sum in sales tax when they purchase their vehicles; part of the federal, county and municipal taxes they pay is for highway and road maintenance. Let us not forget gasoline taxes, with the increasing price of gasoline being a new burden on every household. At the same time, the state government sits on a surplus of \$582 million.

Let's give that windfall back to the people. The proposal I gave on Monday to the committee chaired by state Rep. Mark Burkhalter (R-Alpharetta) was to replace the ad valorem tax with a fixed fee of \$75 or less, and at the same time reimburse the county and other municipalities for any loss in revenue.

Based on the number of vehicles currently registered in Fulton County, a flat registration fee of \$75 across the board would require the state to give the county \$43 million to make the municipalities whole; a fee of \$50 would require the state to reimburse the municipalities and the county \$54 million.

This reimbursement process would work in a similar manner as the governor's homestead credit, in which the state pays a part of your property taxes directly to the county every year. In this case the reimbursement would be on a monthly basis depending on how many vehicles are registered in the county that month.

And who is to say what I'd do with the money I'd save in ad valorem taxes on my birthday? I might be tempted to buy a new automobile.

Arthur E. Ferdinand is Fulton County tax commissioner.