



GEORGIA AGRICULTURAL TAX EXEMPTION PROGRAM

PROGRAM CHANGES FOR 2019

	New Changes (HB 886)	Old Regulations (HB 983)
Income Qualification	\$5,000- can be aggregated across multiple crops or NAICS codes	\$2,500 per NAICS code
Long-term Agricultural Production	Allowed if sufficient volumes exist to generate at least \$5,000 in aggregate crops on an annual basis; Livestock has also been added to this list.	Limited to timber, orchard crops, pecans, blueberries, blackberries, olives, and horticulture
Tax Documentation	Previous tax forms are still required and must demonstrate income of \$5,000 from combined crops, or provide agriculture commissioner with enough documentation to determine a discretionary approval. Satisfactory documentation could include business plan, tax returns, forms, sales receipt, FSA data, etc.	The following tax forms must be filed and verify an annual income of \$2,500: <ul style="list-style-type: none"> • IRS Schedule F • IRS Schedule E • IRS Form 1065 • IRS Form 1120, 1120(s) • IRS Form 4835 • IRS Form 4797
State Taxpayer Identification Number	Acceptable state taxpayer identification numbers include; the applicant's Georgia Sales and Use Tax Number, a Georgia Individual Income Tax Number (social security number), or a Georgia Corporate Income Tax Number (Federal Employee Identification Number).	
Application Process	All applications will be processed electronically, no mailed applications will be accepted. Apply online at forms.agr.georgia.gov/GATE	Previous applications were accepted by mail and online.
Card Effective Dates	As of 2019 production year, cards will be issued for a three-year term. This will be implemented in a three year phase-in process. All applications will be processed electronically and charged a fee based on the expiration date of their card. One third of applicants will receive a three-year card (\$150), one third will receive a two year card (\$100), and one third will receive a one year card (\$50).	Previous exemptions were good for one year only and cost \$20 to apply online or \$25 by mail.
Card Misuse and Violations	Agriculture commissioner shall provide each applicant a warning message covering consequences of providing false information or misusing the exemption as well as an acknowledgment that all information will be shared with the Department of Revenue. Commissioner may suspend eligibility for up to one year. If a second offense occurs within five years of original suspension, the commissioner may revoke eligibility. All revocations will result in mandatory program ineligibility for three years.	Previous regulations stated only that the agriculture commissioner may revoke the card for abuse or misuse.

CONTINUES ON REVERSE



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Physical Cards	<p>Wallet-sized plastic cards will be issued to cardholders. Cards will be mailed annually to all active accounts in order to signify the current year of eligibility.</p>	<p>Paper cards were printed or reproduced from the GATE website.</p>
Retailer Requirements	<p>Retailers must verify that the GATE card is valid during the current year by checking the card's design and expiration date upon first use. Seller is then authorized to honor the card unless they receive notice of suspension or revocation.</p> <p>Seller is prohibited from providing exemption if producer cannot provide valid GATE card.</p>	<p>Department of Revenue regulations previously held that any person making a sale or lease of agricultural production inputs, ag machinery/equipment, or energy must collect sales and tax unless the purchaser or lessee provides a GATE certificate.</p>

2019 WALLET CARD AND KEY FOB (ACTUAL SIZE)

FRONT: WALLET CARD



REAR: WALLET CARD



FRONT: 2 KEY FOBs



REAR: 2 KEY FOBs

