

Tax Section of the Georgia Society of CPAs
Georgia Tax Court Position Paper
November 3, 2009

Over the past few years, interest in establishing a Georgia Tax Court has intensified. At least two sets of proposed legislation to establish such a court have been widely circulated. This legislation has sparked considerable interest among the members of the Georgia Society of Certified Public Accountants in general and the members of the Tax Section of the Georgia Society of Certified Public Accountants in particular. The Tax Section of the Georgia Society of Certified Public Accountants has expended considerable energy in analyzing and evaluating the proposed legislation.

The Tax Section of the Georgia Society of Certified Public Accountants includes members who, cumulatively, have generated hundreds of years of experience addressing tax matters, including foreign, Federal, Georgia (as well as the other states), and local tax matters. The typical Georgia taxpayer facing a tax dispute can generally seek resolution of that dispute through one of three methods, with each method having major deficiencies. Specifically, after the taxing authority has issued its final assessment, the taxpayer can:

(1) file a tax appeal in the appropriate one of Georgia's 159 Superior Courts (not particularly tax savvy in the norm since the Superior Court Judges must also hear the most serious and complex social cases including murder and domestic relations; it is slow, expensive, and generally unfair because Superior Court decisions are not widely published, resulting in a knowledge advantage for the state), or

(2) file a demand for a hearing under the Administrative Procedures Act (generally biased for the state, expensive, and uniform results are not really possible due to the lack of publication of case decisions) or,

(3) pay the tax as determined by the taxing authority and file a claim for refund; if the claim for refund is denied, file a complaint for a refund (suit of illegality) in the county Superior Court. (This is an expensive process of which the typical Georgia taxpayer is unaware.)


As indicated above, neither of these options is efficient, cost effective or without bias. Moreover, Georgia tax law no longer follows the "simple" course as it generally did from its 1954 debut until about ten years ago. Georgia tax law has grown increasingly complex. In the last few years (particularly since the year 2000) it seems as if the Georgia Statutes have been designed to match the Federal Tax Code in complexity. As a result of this complexity, the need for adjudicators with superior tax knowledge grows daily. This fact, too, calls out for a specialized streamlined system of tax dispute resolution. Without adjudicators with sufficient

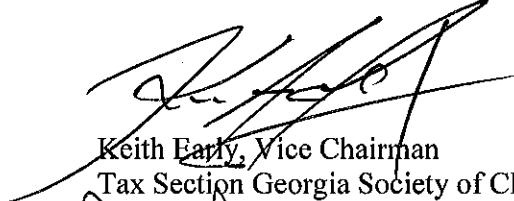
The GSCPA Tax Section serves the interest of its members and the public by advocating sound tax policy, fostering public trust, and assisting its members in being highly competent providers of tax services.

tax knowledge, the cost of resolving tax disputes becomes greater, and the time to resolve disputes becomes longer, neither of which bode well for the typical Georgia taxpayer.

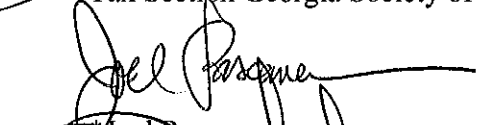
Therefore, the Tax Section of the Georgia Society of Certified Public Accountants hereby expresses its support for the establishment of a Georgia Tax Court at the earliest possible time, and its members are prepared to devote time and energy (and to support other organizations) in the pursuit of that endeavor.

Sincerely,

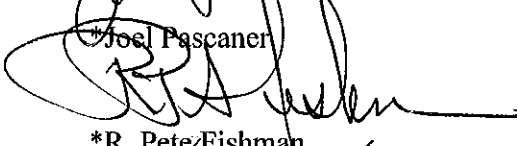

John Masters, Chairman
Tax Section Georgia Society of CPAs



Keith Early, Vice Chairman
Tax Section Georgia Society of CPAs

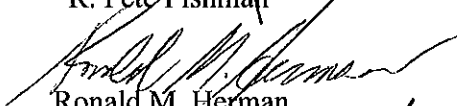

*Bradford C. Dickson

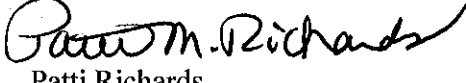

*Joel Pascaner

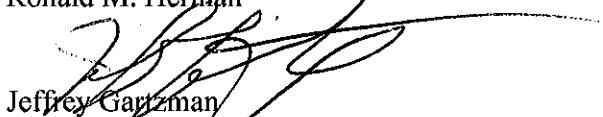

*Jim Taudte

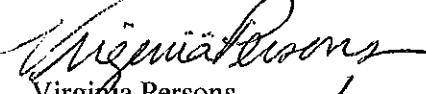

*R. Pete Fishman

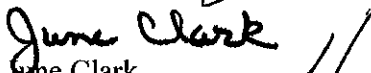

*Larry W. Nichols



Ronald M. Herman


Patti Richards


Jeffrey Gartzman


Virginia Persons


June Clark


Emmett King


William C. Harshman


James Cline


Bo Jackson

Steve Bancroft


John Pitts

Jason Pease

Tom Bowen

*Past Chairman, Tax Section (formerly Tax Committee) of the Georgia Society of CPAs