



Millage Rate Process Manual

2026 Edition

A Practical Guide for Georgia Cities

Updated for tax year 2026, including new guidance on rolling back the millage rate for PTRLOST/FLOST.

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1. About This Manual

This manual walks city staff from start to finish through gathering digest information, computing the rollback rate, planning the required advertisements and public hearings, adopting the millage rate, and filing the required state forms. It includes checklists, timelines, worked examples, and templates.

Update the bracketed fields and dates for your city each year.

The Georgia Municipal Association prepares this manual for its member cities and updates it annually as state forms and requirements change. The 2026 edition reflects the current year state forms and compliance requirements, and it adds a full section on rolling back the millage rate for the Property Tax Relief Local Option Sales Tax, commonly referred to as PTRLOST or FLOST.

Please note

This manual is for educational purposes only and does not include all the information a city may need to set its millage rate. Please consult the Georgia Department of Revenue or your city attorney for any legal interpretation.

Statutory references appear throughout. The provisions a city relies on most are O.C.G.A. § 48-5-32 (publication of the current digest and five-year history of levy), O.C.G.A. § 48-5-32.1 (rollback rate, notice of property tax increase, and three public hearings), O.C.G.A. § 48-8-91 (LOST rollback), O.C.G.A. §§ 48-8-109.30 through 48-8-109.42 (PTRLOST/FLOST), and Department of Revenue Rule 560-11-2-.58.

2. What Is New for 2026

The items below are the changes most likely to affect a city this year. Each is covered in more detail in the section noted.

Change	What it means for your city	See
Estimated rollback rate eliminated (SB 566)	Effective this year, SB 566 eliminated the option for a city to provide an estimated rollback rate to the board of tax assessors and the tax commissioner before the notice of assessment is mailed. Cities no longer provide the estimated rollback.	Section 4
PT-32.1 revised 06/26	The worksheet now calculates a final rollback millage rate. Three new lines appear below the traditional rollback rate: PTRLOST/FLOST net proceeds, the millage rate equivalent of those proceeds, and the final rollback millage rate reduced by that equivalent. For applicable cities, this rate must be adopted to prevent a tax increase.	Sections 5 and 8

Change	What it means for your city	See
The percentage increase is now measured against the final rollback rate	Where a city receives PTRLOST/FLOST proceeds, the test for whether a Notice of Property Tax Increase and three public hearings are required is based on the proposed millage rate relative to the final rollback rate, not the traditional rollback rate.	Section 8
Exemptions of reassessment are now shown on the PT-32.1	The reassessment of existing real property column now includes an exemptions line, so the reassessment value used in the rollback calculation is net of exemptions that generate no property tax revenue.	Section 5, Step 2
New Form PT-109M	Municipalities that receive PTRLOST/FLOST sub-distributions from a county complete Form PT-109M to report the proceeds and to document how the benefit was applied. The reporting period is July 1, 2025, through June 30, 2026. This form is required for all cities receiving PTRLOST/FLOST revenue.	Section 8
PT-38 revised 03/26	The City and Independent School Millage Rate Certification retains the gross millage, rollback, and net millage columns. It is filed even if the levy is zero.	Section 5, Step 8
Website posting evidence	The current digest and five-year history of levy must be posted on the city website, where available, and evidence of the posting is expected as part of the compliance record. Notices of property tax increase must also be posted at least one week before each hearing.	Section 5, Step 4
2026 Homeowner Tax Relief Grant	The value eligible for the credit is \$18,000 for tax year 2026, certified on Form PT-553M with a copy of the PT-38 and sample tax bills.	Appendix E

3. Key Definitions

- **Mill or millage rate.** Tax per \$1,000 of assessed value. Assessed value in Georgia is 40 percent of fair market value unless otherwise provided. A mill is one one-thousandth of a dollar.
- **Gross millage rate.** The rate needed to fund the budget from property taxes before any mandatory sales tax rollback is applied.
- **Net millage rate.** The gross millage rate less all applicable rollbacks. This is the rate that appears on the tax bill and in the five-year history of the levy.
- **Rollback rate.** The prior year net M&O millage rate minus the millage equivalent of reassessment growth on existing real property. New growth, such as new construction and annexation, is excluded. For municipal tax purposes, the rollback rate is calculated by the collecting officer of the municipality under O.C.G.A. § 48-5-32.1(a)(9)(B).

- **Millage equivalent.** The number of mills produced when a value is divided by the current year certified digest and the result is multiplied by 1,000, or, in the case of reassessment growth, multiplied by the prior year millage rate.
- **Final rollback millage rate.** New for 2026 on the PT-32.1. The rollback rate is reduced by the millage rate equivalent of PTRLOST/FLOST net proceeds. Where a city receives no PTRLOST/FLOST proceeds, the final rollback rate equals the rollback rate.
- **Sales tax rollback (LOST).** The mandatory reduction of the millage rate to reflect Local Option Sales Tax proceeds. The revenue from the sales tax replaces that portion of property tax collections. Benefits are applied based on distributions from the previous calendar year (January 1-December 31).
- **PTRLOST/FLOST.** The Property Tax Relief Local Option Sales Tax, also referred to as FLOST. Proceeds must be used exclusively for property tax relief for all property types and are applied against the rollback rate itself. Benefits are applied based on July 1-June 30 distributions. Note that this differs from the Local Option Sales Tax (LOST) Rollback and may differ from the City's fiscal year.
- **Levying authority.** The city council or other governing body that sets the city's millage rate.
- **Recommending authority.** A board of education. This is not usually applicable to cities unless the city also levies for an independent school system. School systems do not participate in the PTRLOST/FLOST program.
- **Total net assessed value added by reassessments.** Value added to or deducted from the certified digest as a result of revaluation of existing real property that has not been improved since the previous digest year. It does not include changes from rezoning or from classification or declassification for conservation, preferential agricultural, or historic preservation purposes.

4. Annual Timeline at a Glance

Target window: late June through September, varying with the county digest schedule. Adjust for your fiscal year. The county digest submission to the Department of Revenue generally occurs by September 1 or an approved extension date, and the city calendar is usually driven by when the county certifies digest information to the city.

Spring

- Confirm LOST distributions received during the prior calendar year, and if the city participates, PTRLOST/FLOST sub-distributions received under the intergovernmental agreement.

Digest information received

- The tax commissioner certifies the total net assessed value and provides consolidated reports to the city.
- The board of tax assessors provides the reassessment growth figures and the related exemption amount to the city. This is the trigger to compute the rollback.

Compute the rollback

- Complete the 2026 PT-32.1 for city M&O and for each separate general M&O levy district, if applicable. For cities receiving PTRLOST/FLOST distributions from their county, this cannot be completed until the final PTRLOST/FLOST distribution for the 12-month cycle has been made in late June.
- Complete Form PT-109M first if the city receives PTRLOST/FLOST proceeds, because the PT-32.1 requires the net proceeds figure from that form. This form is required for cities receiving distributions.

Set the proposed millage and choose the advertising path.

- **At or below the final rollback rate.** One advertised meeting notice to adopt the millage rate, published in the newspaper with the Current Property Tax Digest and Five-Year History of Levy and posted on the city website, where one exists, at least one week before the millage rate is adopted.
- **Above the final rollback rate.** Publish the Notice of Property Tax Increase, issue a press release to the local media at the same time as the first advertisement, and hold three public hearings. The notice must be at least 30 square inches, must not appear in the legal notices section, must be published and posted on the city website at least one week before each hearing, and must read exactly as provided by statute, except that a brief reason for the increase may be added.
 - Two of the three hearings may coincide with other required hearings in the millage rate process, such as the budget hearing required by O.C.G.A. § 36-81-5 and the hearing associated with the millage rate advertisement required by O.C.G.A. § 48-5-32.
 - Two of the three hearings must be at least five business days apart. One of the three must begin between 6:00 p.m. and 7:00 p.m. on a business weekday. A hearing may be held on the same day as another hearing only if that other hearing begins no later than 12:00 noon.

Adopt and file

- Adopt the millage rate by ordinance or resolution at the advertised public meeting.
- Submit the signed PT-38 to the Department of Revenue and the county tax commissioner, along with the PT-32.1, the PT-109M where applicable, and the advertising documentation.

5. Step-by-Step Procedure

Step 1. Gather data

- Request from the county tax commissioner and board of tax assessors: the current year net digest by class from the consolidated reports, the total net assessed value added by reassessment of existing real property, the exemption amount applicable to that reassessment value, and new growth detail, such as new construction and annexations.
- Retrieve the prior year completed PT-32.1 and the prior year five-year history. You will drop off the earliest year and add the current year.

- Confirm LOST revenue received for the previous calendar year in order to determine the mill rate that offsets property tax.
- Confirm PTRLOST/FLOST sub-distributions received from the county for July 1 through June 30, together with interest earned and any bank fees or costs. Communicate with the county to confirm that the city's documented sub-distributions match county records before moving forward. Any discrepancies may delay DOR review and finalization.

Step 2. Complete Form PT-109M if the city receives PTRLOST/FLOST

- Sections 1 and 2 of the PT-109M establish the total PTRLOST/FLOST amount available for municipal benefit. That figure feeds directly into the PT-32.1, so complete this form before the rollback worksheet. Section 8 of this manual explains the form line by line.

Step 3. Compute the rollback rate on the PT-32.1

- Enter the prior year digest values, the reassessment of existing real property and the related exemption amount, and the current year digest values. The worksheet automatically derives other net changes to the taxable digest.
- Enter the prior year net M&O millage rate. The worksheet computes the millage equivalent of reassessed value added and the rollback rate.
- Enter the PTRLOST/FLOST net proceeds from the PT-109M. The worksheet computes the millage rate equivalent of those proceeds and the final rollback millage rate.
- Complete a separate PT-32.1 for each general M&O levy district, such as a citywide levy and any special service district with its own M&O rate.

Step 4. Determine a tentative millage rate and build the calendar

- Compare the tentative rate to the final rollback millage rate shown on the PT-32.1. That comparison determines whether the city advertises one adoption meeting or must also publish the Notice of Property Tax Increase and hold three public hearings.
- Work backward from the intended adoption date to set publication dates. Appendix B contains a working calendar example.

Step 5. Publish the required advertisements and website posts

- **Current Property Tax Digest and Five-Year History of Levy.** Published in a newspaper of general circulation, in a prominent location and not with the legal notices, and posted on the city website where one exists, at least seven days before the meeting at which the final millage rate is adopted. There is no size requirement, but the advertisement must be legible. Only maintenance and operation levies must be advertised. Revenue shown must be based on 100 percent collections and must not be reduced for commissions.
- **Notice of Property Tax Increase.** Required only when the proposed rate exceeds the final rollback rate. At least 30 square inches, prominently displayed, not in the legal notices section, published and posted on the website at least one week before each hearing, and worded exactly as provided

by statute. The heading must appear in all upper case and in bold or in a font size larger than the body of the notice. The city *may* provide an explanation of the reasoning/justification for the proposed increase, but that text must be *in addition to* the 30 square inches and does not count toward the space requirement.

- **Press release.** Provided to the local media at the same time, the first advertisement is published. The media is not required to publish it. The city is required only to provide it.
- **Estimated figures.** Estimates may be used, but if actual revenue differs from advertised revenue by more than 3 percent, the advertisement is out of compliance, and the process must begin anew.

Step 6. Conduct the public hearings

- Hold each hearing on the date, time, and place advertised. Allow public comment.
- Adopting a final rate below the advertised rate does not require restarting the process. Proposing a rate above the advertised rate does require beginning the notice and hearing process anew.

Step 7. Adopt the millage rate

- Adopt by ordinance or resolution at the advertised public meeting, specifying the millage rate or rates, the tax year, and the legal authorization. Where PTRLOST/FLOST or other rollbacks apply, state the gross rate, each rollback, and the net rate.

Step 8. File and close out

- Submit the signed PT-38 to the Department of Revenue at local.government.services@dor.ga.gov and provide copies to the county tax commissioner and the clerk of court. The form is filed even if the levy is zero.
- Submit the completed PT-32.1 and, where applicable, the PT-109M signed by the mayor or chief elected official.
- File Form PT-553M for the Homeowner Tax Relief Grant with a copy of the PT-38, two sample tax bills, and the system printout totals.
- Retain copies of the notice advertisements, publisher affidavits, press release, and website screenshots in accordance with the city records retention schedule.

6. Calculating the Gross Millage Rate

Step 1. Determine the gross millage rate

Formula: budget requirement divided by net assessed value, multiplied by 1,000.

Item	Amount
Budget requirement	\$34,654,372
Net assessed value	\$4,396,647,019

Item	Amount
Quotient	0.007882
Gross millage rate	7.882 mills

What is a mill?

One mill equals \$1 in tax for every \$1,000 of assessed value.

How millage is applied to property value

Item	Amount
Fair market value	\$100,000
Assessment ratio	40 percent
Assessed value	\$40,000
Millage rate	2.000 mills
Property tax	\$80.00

7. Rolling Back the Millage Rate for LOST

The Local Option Sales Tax provides property tax relief to city and county taxpayers. When voters approve a LOST, state law requires that the proceeds be used first to roll back the property tax millage rate.

1. Computation. The rollback is calculated annually by determining the property tax revenue the city would need to generate without LOST, then reducing the millage rate by an amount equal to the LOST revenue distributed to the city.
2. Formula. LOST distributions received by the city during the prior calendar year, divided by the current year net taxable digest, multiplied by 1,000, equals the LOST rollback in mills.
3. Presentation. The LOST rollback is shown on the PT-38 as the rollback column and on the five-year history of levy as a reduction from the gross M&O millage rate. Taxpayers see a reduced net city millage rate on their bills because part of the tax burden is shifted from ad valorem tax to sales tax.
4. Transparency. Cities should explain clearly in budget documents and public hearings how LOST revenue reduces the millage rate so that citizens understand the benefit.

Example

If the city would otherwise levy 8.000 mills and LOST provides revenue equivalent to 1.250 mills, the certified net millage rate is 6.750 mills.

The LOST rollback does not change the rollback rate computed under the Taxpayer Bill of Rights. It reduces the gross rate to arrive at the net rate. The PT-32.1 works from net M&O millage rates for both the prior year and the current year, so a city that applies a LOST rollback in both years compares like-for-like.

8. Rolling Back the Millage Rate for PTRLOST/FLOST

The Property Tax Relief Local Option Sales Tax, commonly referred to as PTRLOST or FLOST, allows participating counties and cities to apply sales tax proceeds as an offset to property tax levies. In some cases, it can substantially reduce, or even eliminate, a city's reliance on property tax revenue for general operations.

8.1 What the law requires

- Under O.C.G.A. § 48-8-109.42, any proceeds received by a levying authority, whether a county or a municipality, must be used exclusively for tax relief for all property types. Distribution to cities is governed by the intergovernmental agreement among the participating authorities.
- The millage equivalent of the sales tax is calculated by dividing the sales tax receipts by the net assessed value of the taxable digest. That millage equivalent must be deducted from the rollback millage rate for the current year, which creates the final rollback millage rate.
- Each taxpayer's tax bill must state the dollar amount by which PTRLOST/FLOST reduced property taxes.
- If a participating authority is not in compliance with the required use of proceeds, the State Revenue Commissioner cannot certify the tax digest or issue a collection order.
- A PT-38 must still be filed with the Department of Revenue and the county tax commissioner even if the resulting millage rate is zero. All statutory notice, hearing, and filing requirements continue to apply unless waived by future legislation.

8.2 How PTRLOST/FLOST differs from LOST

The two rollbacks are not interchangeable and are not computed the same way. The table below summarizes the differences a city needs to keep straight.

Feature	LOST	PTRLOST/FLOST
Where it applies	Reduces the gross millage rate to arrive at the net millage rate	Reduces the rollback millage rate to arrive at the final rollback millage rate
Reporting period	Distributions received during the prior calendar year	Sub-distributions received July 1 through June 30, as reported on Form PT-109M
Form used to report proceeds	City records of monthly distributions	Form PT-109M, one form for each distributing county

Feature	LOST	PTRLOST/FLOST
Effect on the tax increase test	None. The rollback rate is computed from net millage rates	Direct. The proposed rate is compared to the final rollback rate.
Unused amounts	Not applicable	If the adopted (effective) millage for the city is reduced to 0.000, the city may have excess proceeds. Excess proceeds carry forward as the starting balance for the following year.
Shown in the five-year history	Yes, as a rollback from gross millage. Exact millage equivalent reflected on publication.	Yes, as a rollback from gross millage. Identify the components. Exact amount not reflected on five-year history template, but should be subtracted and reflected in net millage rate.

8.3 Step by step: computing the PTRLOST/FLOST rollback

Step 1. Assemble the proceeds for the reporting period

- Identify every PTRLOST/FLOST sub-distribution received from the county or consolidated government during the reporting period of July 1, 2025, through June 30, 2026, and note the frequency of distribution.
- Identify interest earned in municipal interest-bearing accounts on those funds.
- Identify any costs or fees, including bank fees, charged against those funds.
- Identify the starting balance, which is the amount remaining after the prior year's benefit application. If the starting balance is greater than zero, an explanation is required on the form.
- A city located in more than one county that levies the tax completes a separate PT-109M for each county and uses the sum of all collections to calculate the millage equivalent.

Step 2. Complete Sections 1 and 2 of Form PT-109M

Section 2 produces the figure that drives everything else.

Line on Form PT-109M	Treatment
Starting balance	Add
Total PTRLOST/FLOST sub-distributions from the county	Add
Interest earned or generated.	Add
Less costs and fees, including bank fees	Subtract
Total PTRLOST/FLOST for municipal benefit	Net proceeds carried to the PT-32.1

Step 3. Enter the net proceeds on the PT-32.1

- Enter the total PTRLOST/FLOST for municipal benefit on the PT-32.1 line labeled PTRLOST/FLOST net proceeds, shown on the form as NP of PTRLOST.
- The worksheet computes the millage rate equivalent of those proceeds, shown as MRE of PTRLOST, as the net proceeds divided by the current year's net taxable digest, multiplied by 1,000.
- The worksheet then computes the final rollback millage rate, shown as RRPTR, as the rollback rate less the millage rate equivalent of the PTRLOST/FLOST proceeds. The result cannot be less than zero.

Step 4. Apply the advertising test to the final rollback rate

- If the proposed millage rate exceeds the final rollback millage rate, the city must publish the Notice of Property Tax Increase, issue the press release, and hold three public hearings before adopting the final rate, in addition to publishing the current digest and five-year history of levy.
- If the percentage tax increase computed on the PT-32.1 is zero (the PT-32.1 will not allow a negative value), the city advertises only the Current Property Tax Digest and Five-Year History of Levy and adopts the rate at that advertised meeting.
- Use the percentage increase computed on the PT-32.1 in the Notice of Property Tax Increase. Do not use the percentage change shown in the current year column of the five-year history.

Step 5. Complete Section 3 of Form PT-109M

Section 3 documents how the benefit was actually applied. It draws three figures from the PT-32.1: the final rollback rate plus the adopted millage rate, the rollback rate millage equivalent, and the PTRLOST/FLOST millage equivalent. From those, the form derives:

- The net millage equivalent relief provided for the current year.
- The dollar amount of PTRLOST/FLOST proceeds applied to millage relief.
- Any excess millage equivalent, which arises when the millage equivalent of the proceeds is larger than the rollback rate available to absorb it.
- The excess PTRLOST/FLOST proceeds will become the carry forward and starting balance for the following digest year.

Because this form is new for 2026, cities should confirm the treatment of any excess with the Local Government Services Division before filing. This form is a requirement and must be submitted to DOR as a component of the millage rate adoption.

Step 6. Reflect the rollback in the levy documents and on the bill

- Show the PTRLOST/FLOST rollback on the five-year history of levy as a reduction from the gross M&O millage rate, and identify the components of the total rollback so that the LOST and PTRLOST/FLOST portions are clear. The PTRLOST/FLOST will not have a dedicated line on the template, but should be reflected in the calculation of the net millage rate.
- Report the gross millage, the rollback, and the net millage on the PT-38. The PT-38 revised 03/26 provides a single rollback column, so a city with both rollbacks should report the combined amount

and attach a schedule identifying each component. Confirm the presentation with the Local Government Services Division.

- Confirm with the billing officer that each tax bill states the dollar amount by which PTRLOST/FLOST reduced the taxpayer's property tax. This is a condition of the program.
- State the amount of PTRLOST/FLOST proceeds and the resulting millage relief in the adopting ordinance or resolution, in the budget document, and at the public hearings.

8.4 Example A: proceeds fully absorbed by the rollback rate

Sample City has a prior year net M&O millage rate of 7.000 mills and a current year net taxable digest of \$234,000,000. Its rollback rate for the current year is 6.910 mills. Section 9 shows the full digest details behind these figures.

Computation	Amount
Total PTRLOST/FLOST for municipal benefit, from Form PT-109M	\$632,500
Current year net taxable digest (CYD)	\$234,000,000
Millage rate equivalent of proceeds (632,500 divided by 234,000,000, times 1,000)	2.703 mills
Rollback millage rate (RR)	6.910 mills
Final rollback millage rate (RRPTR)	4.207 mills
Proposed net millage rate after applying the PTRLOST/FLOST benefit	4.135 mills
Result	At or below the final rollback rate. No tax increase notice or hearings

Because the city passed the entire benefit through to taxpayers, the proposed rate falls below the final rollback rate, and only the Current Property Tax Digest and Five-Year History of Levy advertisement is required. Had the city held the same 6.838 mill rate it would have levied before PTRLOST/FLOST, the proposed rate would have exceeded the final rollback rate of 4.207 mills, and the Notice of Property Tax Increase, the press release, and three public hearings would have been required.

8.5 Example B: proceeds exceed the rollback rate

Assume the same city receives \$1,755,000 in net PTRLOST/FLOST proceeds for the reporting period.

Computation	Amount
Total PTRLOST/FLOST for municipal benefit	\$1,755,000
Millage rate equivalent of proceeds	7.500 mills

Computation	Amount
Rollback millage rate (RR)	6.910 mills
Final rollback millage rate (RRPTR), which cannot be less than zero	0.000 mills
Millage equivalent applied as relief for the current year	6.910 mills
Proceeds applied to millage relief (6.910 mills on the current digest)	\$1,616,940
Excess millage equivalent (7.500 less 6.910)	0.590 mills
Excess proceeds are carried forward as the starting balance for the next year	\$138,060

In this scenario, the levy is eliminated, and the millage rate may be certified as zero. The PT-38 is still filed, the five-year history advertisement is still published, and the excess proceeds are reported as the starting balance on next year's PT-109M.

8.6 A second example for checking your worksheet

The countywide figures below follow the same sequence in a larger digest. Use them to confirm that your worksheet behaves as expected before you enter your own numbers.

Line on the PT-32.1	Amount
Prior year net taxable digest (PYD)	\$779,705,684
Net value added by reassessment of existing real property (RVA)	\$1,603,159
Other net changes to the taxable digest (NAG)	\$26,741,613
Current year net taxable digest (CYD)	\$808,050,456
Prior year millage rate (PYM)	7.840 mills
Millage equivalent of reassessed value added (ME)	0.016 mills
Rollback millage rate (RR)	7.824 mills
PTRLOST/FLOST net proceeds	\$3,500,000
Millage rate equivalent of PTRLOST/FLOST proceeds	4.331 mills
Final rollback millage rate (RRPTR)	3.493 mills
Proposed current year millage rate	4.500 mills
The percentage tax increase, which triggers the notice and three hearings	28.84 percent

8.7 PTRLOST/FLOST compliance checklist

- Form PT-109M completed for each distributing county, signed and dated by the mayor or chief elected official.
- Starting balance explained on the form where it is greater than zero.
- Net proceeds entered on the PT-32.1 and the final rollback millage rate documented.
- Proposed rate compared to the final rollback millage rate, and the advertising path chosen accordingly.
- Sample tax bill showing the dollar amount by which PTRLOST/FLOST reduced the tax.
- Adopting an ordinance or resolution stating the proceeds received and the relief applied.
- Excess proceeds, if any, are documented and carried forward to the next digest year.

9. Worked Example: Sample City in Any County

The example that follows uses a hypothetical city and county. All names, values, and rates are illustrative. Use the same sequence with your own consolidated reports, prior year PT-32.1, and distribution records.

9.1 Digest consolidation summary

Values are 40 percent assessed values taken from the county consolidated reports for the city tax district.

Property class	Prior year digest	Reassessment of existing real property	Other changes to the taxable digest	Current year digest
Real	140,000,000	3,200,000	8,800,000	152,000,000
Personal	88,000,000		2,000,000	90,000,000
Motor vehicles	9,500,000		(1,500,000)	8,000,000
Mobile homes	1,100,000		100,000	1,200,000
Timber, 100 percent	0		0	0
Heavy-duty equipment	0		0	0
Gross digest	238,600,000	3,200,000	9,400,000	251,200,000
Less exemptions	16,600,000	200,000	400,000	17,200,000
Net digest	222,000,000	3,000,000	9,000,000	234,000,000
<i>Abbreviation on the PT-32.1</i>	<i>PYD</i>	<i>RVA</i>	<i>NAG</i>	<i>CYD</i>

Note the exemption amount shown in the reassessment column. The 2026 PT-32.1 nets that amount against gross reassessment growth, because exempt value generates no property tax revenue from inflationary growth.

9.2 Rollback rate computation

Description	Abbreviation	Amount
Prior year net taxable digest	PYD	222,000,000
Net value added by reassessment of existing real property	RVA	3,000,000
Other net changes to the taxable digest	NAG	9,000,000
Current year net taxable digest	CYD	234,000,000
Prior year net M&O millage rate	PYM	7.000
Millage equivalent of reassessed value added, RVA divided by CYD times PYM	ME	0.090
Rollback millage rate, PYM less ME	RR	6.910
PTRLOST/FLOST net proceeds from Form PT-109M	NP	632,500
Millage rate equivalent of those proceeds, NP divided by CYD times 1,000	MRE	2.703
Final rollback millage rate, RR less MRE	RRPTR	4.207

9.3 From budget to net millage rate

Sample City needs \$2,650,000 from property taxes and local sales taxes to fund maintenance and operations.

Computation	Amount
Budget requirement funded by property taxes and local sales taxes	\$2,650,000
Gross millage rate, budget divided by net digest times 1,000	11.325 mills
Less LOST rollback, prior calendar year distributions of \$1,050,000	4.487 mills
Less PTRLOST/FLOST rollback, net proceeds of \$632,500	2.703 mills
Net M&O millage rate	4.135 mills
Net M&O taxes levied, 4.135 mills on \$234,000,000	\$967,590
Compared to the final rollback rate of 4.207 mills	Below. Five-year history advertisement only

9.4 Current property tax digest and five-year history of levy

The advertisement below reflects the figures above. Prior year columns are illustrative.

	2021	2022	2023	2024	2025	2026
Net digest value	205,000,000	210,000,000	214,000,000	218,000,000	222,000,000	234,000,000
Gross M&O millage	10.500	10.800	11.000	11.100	11.200	11.325
Less rollbacks, LOST, and PTRLOST/FLOST	3.500	3.700	3.900	4.100	4.200	7.190
Net M&O millage rate	7.000	7.100	7.100	7.000	7.000	4.135
Net M&O taxes levied	1,435,000	1,491,000	1,519,400	1,526,000	1,554,000	967,590
Net tax dollar increase		56,000	28,400	6,600	28,000	(586,410)
Net tax percent increase		3.90%	1.90%	0.43%	1.83%	(37.73%)

The 2026 rollback line combines the LOST rollback of 4.487 mills and the PTRLOST/FLOST rollback of 2.703 mills. Identify the components in a footnote to the advertisement so taxpayers can see the source of the relief.

9.5 PT-38 entries for the example

Column	Description	Amount
Column 1	Gross millage for maintenance and operations	11.325
Column 2	Less rollback, LOST of 4.487 and PTRLOST/FLOST of 2.703	7.190
Column 3	Net millage for maintenance and operation purposes	4.135
Column 4	Bond millage, if applicable	0.000
Column 5	Total millage, Column 3 plus Column 4	4.135

Attach a schedule to the PT-38 identifying each rollback component, and confirm the presentation with the Local Government Services Division, since the PT-38, revised 03/26, provides a single rollback column.

Appendix A. Advertisement, Notice, and Meeting Templates

Update the bracketed fields each year. The Notice of Property Tax Increase must read exactly as provided by statute, except that a brief reason or explanation for the increase may be added.

A.1 Current property tax digest and five-year history of levy

CURRENT 2026 PROPERTY TAX DIGEST AND FIVE-YEAR HISTORY OF LEVY

The Mayor and City Council of the City of [City] do hereby announce that the millage rate will be set at a meeting to be held at [place of meeting] on [date] at [time], and pursuant to the requirements of O.C.G.A. § 48-5-32 does hereby publish the following presentation of the current year's tax digest and levy, along with the history of the tax digest and levy for the past five years.

[Insert the five-year history table showing net digest value, gross M&O millage, rollbacks, net M&O millage rate, net M&O taxes levied, and the dollar and percentage change for each year.]

A.2 Notice of property tax increase

NOTICE OF PROPERTY TAX INCREASE

The City of [City] has tentatively adopted a 2026 millage rate, which will require an increase in property taxes by [percentage increase over the final rollback rate] percent.

All concerned citizens are invited to the public hearing on this tax increase to be held at [place of meeting] on [date and time of hearing one].

Times and places of additional public hearings on this tax increase are at [place of meeting] on [date and time of hearing two] and [place of meeting] on [date and time of hearing three, one of which must begin between 6:00 p.m. and 7:00 p.m.].

This tentative increase will result in a millage rate of [proposed mills] mills, an increase of [increase in mills] mills. Without this tentative tax increase, the millage rate will be no more than [final rollback mills] mills. The proposed tax increase for a home with a fair market value of [average homestead value from the prior year digest, rounded to the nearest \$25,000] is approximately \$[increase], and the proposed tax increase for nonhomestead property with a fair market value of [average nonhomestead value from the prior year digest, rounded to the nearest \$25,000] is approximately \$[increase].

Publication requirements: at least 30 square inches, prominently displayed, not in the legal notices section, published in the newspaper, and posted on the city website at least one week before each hearing.

Computing the figures in the notice: the dollar increase for an average home is the increase in mills above the final rollback rate multiplied by the average prior year taxable value of the homestead property. The nonhomestead figure uses the average prior year taxable value of real property that has not been granted a homestead exemption. The percentage increase is the proposed rate less the final rollback rate, divided by the final rollback rate.

A.3 Press release, provided to local media at the same time as the first advertisement

PRESS RELEASE ANNOUNCING A PROPOSED PROPERTY TAX INCREASE

The City of [City] today announces its intention to increase the 2026 property taxes it will levy this year by [percentage] percent over the rollback millage rate.

Each year, the board of tax assessors is required to review the assessed value for property tax purposes of taxable property in the county. When the trend of prices on properties that have recently sold indicates there has been an increase in the fair market value of any specific property, the board of tax assessors is required by law to redetermine the value of such property and adjust the assessment. This is called a reassessment.

When the total digest of taxable property is prepared, Georgia law requires that a rollback millage rate be computed that will produce the same total revenue on the current year's digest that last year's millage rate would have produced had no reassessments occurred.

The budget tentatively adopted by the City of [City] requires a millage rate higher than the rollback millage rate. Therefore, before the City Council may finalize the tentative budget and set a final millage rate, Georgia law requires three public hearings to be held to allow the public an opportunity to express their opinions on the increase.

All concerned citizens are invited to the public hearings on this tax increase to be held at [place], [address], on [dates and times].

[Add the specific circumstances that created the need for the increase.]

A.4 Meeting agenda language for the adoption meeting

- Item: Adoption of the 2026 City of [City] maintenance and operations millage rate.
- Action: Consider a resolution or ordinance setting the City of [City] ad valorem millage rate for tax year 2026 at a gross rate of [gross] mills, less a Local Option Sales Tax rollback of [LOST] mills and a PTRLOST/FLOST rollback of [PTRLOST] mills, for a net millage rate of [net] mills, authorizing the Mayor to execute the PT-38 certification and the PT-109M certification where applicable, and directing staff to file all required documentation with the county tax commissioner and the Georgia Department of Revenue.

Appendix B. Working Calendar Example

Day 0 is the date the county certifies the digest information to the city. Adjust for your newspaper publication schedule and your council meeting calendar.

Day	Action
Day 0	Receive reassessment growth figures, the related exemption amount, and city consolidated sheets. Begin the PT-32.1. Complete the PT-109M first if the city receives PTRLOST/FLOST proceeds.
Days 3 to 5	Finance finalizes the PT-32.1 and the PT-109M. The mayor and council set the tentative millage rate. City clerk drafts the notices.
Day 7	Publish the Current Property Tax Digest and Five-Year History of Levy and post it on the city website, at least seven days before the adoption meeting.
Day 10	Publish the first Notice of Property Tax Increase and post it on the website, at least one week before the public hearing. Distribute the press release to local media the same day.
Day 17	Public hearing one. Publish the Notice of Property Tax Increase for public hearing two.
Day 24	Public hearing two. Publish the Notice of Property Tax Increase for public hearing three.
Day 31	Public hearing three, beginning between 6:00 p.m. and 7:00 p.m. on a business weekday, and the adoption meeting. Confirm the five-year history advertisement ran at least seven days prior.
Days 32 to 40	Submit the PT-38, the PT-32.1, and the PT-109M to the Department of Revenue and the county tax commissioner. Assemble the compliance file.

A public hearing may be held on a day on which another public hearing is scheduled, but only if the other hearing begins no later than 12:00 noon. Two of the three hearings must be at least five business days apart.

Appendix C. Records to Maintain on File

1. Consolidation sheets from the county for each city tax district.
2. Signed PT-32.1 worksheets for each general M&O levy.
3. Signed PT-109M for each distributing county, where the city receives PTRLOST/FLOST proceeds.
4. PT-38 City and Independent School Millage Rate Certification, signed by the mayor or city clerk.
5. Five-year history advertisement copy, publisher affidavit, and website screenshot.
6. Notice of Property Tax Increase advertisement copies, publisher affidavits, website screenshots, and the press release, where a tax increase was advertised.
7. Meeting notices, agendas, minutes, and sign-in sheets for each public hearing and the adoption meeting.
8. Ordinance or resolution setting the millage rate.
9. LOST distribution records for the prior calendar year and PTRLOST/FLOST sub-distribution records for the July 1 through June 30 reporting period.
10. Sample tax bills, including one showing the PTRLOST/FLOST reduction and one showing the Homeowner Tax Relief Grant credit with the required statement.

Appendix D. 2026 State Forms and Guidance Cities Use

The state forms and guidance listed below are the ones a city needs, either because the city completes them or because they govern the city's process. Current-year versions are released each spring and are available from your county tax commissioner or the Local Government Services Division. Keep the current year versions on file with this manual.

Document	Why the city needs it
2026 PT-32.1, Computation of Millage Rate Rollback and Percentage Increase in Property Taxes, revised 06/26	The rollback worksheet. Now computes the final rollback millage rate, including the PTRLOST/FLOST millage equivalent. Complete one for each general M&O levy.
2026 PT-109M, PTRLOST/FLOST Revenue and Benefit Sub-Distributions, revised 06/26	Municipal form reporting PTRLOST/FLOST proceeds for July 1, 2025, through June 30, 2026, and documenting the application of benefits and any carry forward.
2026 PT-38, City and Independent School Millage Rate Certification, revised 03/26	Certifies the city's gross millage, rollback, and net millage. Filed even if the levy is zero.
2026 Compliance Guide for Advertising Digest History and Public Hearings on Increase in Property Taxes	The controlling guidance on advertisement content, size, timing, and website posting, with statutory text, Rule 560-11-2-.58, and worked examples, including the PTRLOST/FLOST rollback.
2026 Current Tax Digest and Five-Year History of Levy workbook	Department formats for the five-year history advertisement with built-in formulas for totals and the dollar and percentage change.
2026 Notice of Property Tax Increase template	The statutory notice wording in fillable form.
2026 Press Release for Tax Increase template	The press release provided to local media with the first advertisement.
2026 PT-553M, Homeowner Tax Relief Grant Certification for Municipality and Independent School, and the municipal instructions	Certifies the HTRG credit for the city. Requires a copy of the PT-38, two sample tax bills, and system printout totals.
2026 Fillable List of Local Homestead Exemptions	Documents each local homestead exemption granted by the city. Submitted even if the city grants none.
2026 Digest Checklist Responsibilities	Shows where the city fits in the county submission, including the requirement that the PT-38 be provided for each city.
Insurance Premium and Local Option Sales Tax Proceeds for 2026 Millage Adjustment, April 2026	Department listing of prior-calendar-year proceeds distributed to counties and school systems. Useful context when reconciling city LOST distributions.
2026 Final Homestead Maximum Memoranda	Annual amounts for the disabled veteran exemption and the Social Security maximum are used in age-based exemption testing.

Appendix E. 2026 Reference Amounts

Item	Amount or date
Assessment ratio	40 percent of the fair market value, unless otherwise provided
Homeowner Tax Relief Grant eligible value, tax year 2026	\$18,000
Disabled veteran, surviving spouse, and minor child exemption, tax year 2026	\$126,526
Social Security maximum used for age-based exemption income testing, 2025 income year	\$99,648
PTRLOST/FLOST reporting period for the 2026 digest	July 1, 2025, through June 30, 2026
LOST rollback measurement period	Prior calendar year distributions
Minimum size of the Notice of Property Tax Increase advertisement	30 square inches
Minimum publication lead time, five-year history advertisement	Seven days before the adoption meeting
Minimum publication and posting lead time, notice of property tax increase	One week before each public hearing
Tolerance on the advertised revenue when estimates are used	3 percent

Verify these amounts against the current year Department of Revenue memoranda before use. The Local Government Services Division may be reached at 404-724-7003.