New Georgia Laws Ease Intangible Recording Tax Burden for Real Estate Finance

By Stephen B. Schrock, Taylor S. Benatar and Melanie Tate

The 2025 session of the Georgia General Assembly introduced significant amendments to the state's tax code, particularly impacting the intangible recording tax and procedures for tax protest and refunds. House Bill 586 (HB 586) and Senate Bill 141 (SB 141) add new definitions, deadlines, and administrative requirements that affect lenders, borrowers, and practitioners involved in real estate finance and tax appeals.

House Bill 586: Redefining "Long-Term Note Secured by Real Estate"

Effective July 1, 2025, Georgia will adopt a major revision to the application of the intangible recording tax by expanding the definition of a "long-term note secured by real estate." Under HB 586, the threshold for what constitutes a long-term note—thereby triggering the intangible recording tax—is extended from three years (36 months) to 62 months (five years and 2 months).[1]

This change applies to all notes and security instruments that parties ***present for recording*** on or after the effective date, regardless of when they executed the underlying loan documents.[2]

Although, as of the date of this article, the Georgia Department of Revenue's (DOR) online Rules and Regulations (specifically Rule 560-11-8) have not yet been updated to reflect the revised definition of "long-term note"[3], the DOR's Information Bulletin 2025-02 (Bulletin) confirms that the 62-month threshold is controlling for all notes and security instruments presented for recording[4]. There is no legal or procedural conflict, but users should be aware of this temporary inconsistency in the published administrative rules.

Extending the exemption period to 62 months is expected to provide significant financial relief for borrowers and lenders involved in short- and medium-term real estate financing. By raising the threshold, more loans will fall outside the scope of the intangible recording tax, reducing transaction costs and potentially stimulating additional activity in Georgia's real estate market.

Senate Bill 141: Shortening Protest and Refund Deadlines

SB 141 also makes a notable change by extending the timeline for taxpayers to take certain actions regarding protested payments of the intangible recording tax.[5] Specifically, it increases the period to file a claim for refund of a protested payment of intangible recording tax from 30 days to 45 days after the date of payment.[6] This adjustment applies when a taxpayer submits payment under written protest and then seeks a refund of the protested

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[1] House Bill 586 (2025), https://gov.georgia.gov/document/2025-signed-legislation/hb-586/download
[2] Informational Bulletin 2025-02 "Implementation of HB 586 and SB 141," GA Dept. of Rev. Local Gov. Services Div., issued June 27, 2025, https://dor.georgia.gov/document/document/hb-586-sb-141-informational-bulletin-2025-02/download
[3] Subject 560-11-8 Intangible Recording Tax, Rules and Reg. of the State of GA, GA R&R - GAC - Subject 560-11-8 INTANGIBLE RECORDING TAX
[4] Informational Bulletin 2025-02 "Implementation of HB 586 and SB 141," GA Dept. of Rev. Local Gov. Services Div., issued June 27, 2025, https://dor.georgia.gov/document/document/hb-586-sb-141-informational-bulletin-2025-02/download
[5] Senate Bill 141 (2025), Bill Text: GA SB141 | 2025-2026 | Regular Session | Enrolled | LegiScan
[6] Senate Bill 141 (2025), Bill Text: GA SB141 | 2025-2026 | Regular Session | Enrolled | LegiScan

amount.[7] The bill also requires the taxpayer to file a copy of the claim with the collecting officer within the same 45-day window.[8]

While the DOR's current regulation (Rule 560-11-8-.16)[9] still reflects the original 30-day deadline, the DOR's Information Bulletin clarifies and affirms that the 45-day deadline introduced by SB 141 is now in effect.[10] The Bulletin also notes that updated Protest and Claim for Refund forms should reflect this change.[11]

For More Information

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[7] Senate Bill 141 (2025), Bill Text: GA SB141 | 2025-2026 | Regular Session | Enrolled | LegiScan
[8] Senate Bill 141 (2025), Bill Text: GA SB141 | 2025-2026 | Regular Session | Enrolled | LegiScan
[9] Subject 560-11-8 Intangible Recording Tax, Rules and Reg. of the State of GA, GA R&R - GAC - Subject 560-11-8 INTANGIBLE RECORDING TAX
[10] Informational Bulletin 2025-02 "Implementation of HB 586 and SB 141," GA Dept. of Rev. Local Gov. Services Div., issued June 27, 2025, https://dor.georgia.gov/document/document/hb-586-sb-141-informational-bulletin-2025-02/download
[11] Informational Bulletin 2025-02 "Implementation of HB 586 and SB 141", GA Dept. of Rev. Local Gov. Services Div., issued June 27, 2025, https://dor.georgia.gov/document/document/hb-586-sb-141-informational-bulletin-2025-02/download; and Protests and Appeals, Dept. of Rev., Protests and Appeals | Department of Revenue (July 28, 2025).