

2012 Calendar

GREC Brokerage Course & Trust Accounts Class

Dates:

- July 11 & 12, 2012
Dublin Board
www.dublingarealestate.com
- August 8 & 9, 2012
Cherokee Association
www.cherokeeassociationofrealtors.com
- August 29 & 30, 2012
GAMLS
www.gamls.com

Common Violations Class

Dates:

- June 21, 2012
Rome Board
706-295-1727
- July 10, 2012
Central Georgia Bd.
478-922-0099
- August 7, 2012
GAMLS
770-493-9000

Georgia Instructor Training Workshop (GIT)

- September 13-14, 2012
Macon, GA

[Click here to see GREC Disciplinary Sanctions](#)

Georgia Real Estate Commission
Suite 1000
International Tower
229 Peachtree Street NE
Atlanta, GA 30303-1605
Phone 404-656-3916

Trust Accounts Property Management Ethics, Renewals

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Trust Account Tip

A Trust Account must be a "Federally Insured Checking Account." It can be an interest bearing checking account provided all interested parties agree in writing in advance and stipulate the party that will be entitled to the interest earned on the funds.

The Trust Account cannot be a savings account, a money market account, or any other type of investment account. Trust Funds must be maintained continuously in the Trust Account and cannot be moved from one account to another to take advantage of higher interest rates, etc.

In the event the Broker needs to open a new Trust Account and move Trust Funds, an addendum to the contract or lease must be prepared and signed by all parties to notify the parties prior to trust funds being moved from one Trust Account to another Trust Account. [Rule 520.1.08](#)

Property Management Tip

If you are going to manage property for others, consider purchasing property management specific software. There are several to choose from, and they can help you avoid problems with the License Laws, Rules, and Regulations. Programs can be especially useful regarding [Rule 520.1.08](#) by making sure you keep track of the amount available per owner in the Broker's Trust Account. Remember that each month the Broker must perform a Trust Account reconciliation which is different than reconciling your bank account. Property Management specific software helps make that task easier.

Ethics and Real Estate Courses

The National Association of Realtors developed and published a Code of Ethics and Standards of Practice. Over the years, these standards have been regarded as a guideline for the professional and ethical practice of real estate brokerage.

The Georgia Real Estate Commission often receives calls regarding any requirements of a licensee to complete an "Ethics" course. The Georgia License Laws, Rules, and Regulations require every course authorized by the Georgia Real Estate Commission to include "acknowledgement and coverage of the ethical implications of the subject matter of the course". [\(520-2-.04\(5\)\)](#) However, the Commission does **not** require that licensees complete a specific "Ethics" course.

A Board of Realtors® (which is a trade association, not a regulatory body) has specific requirements for maintaining membership in the association and these requirements are unrelated to the requirements of the License Laws, Rules, and Regulations. To review Georgia License Laws, Rules, and Regulations go to www.grec.state.ga.us. For information regarding Realtor® associations, visit www.realtor.org.

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GREC**

**“Being a Broker
& Staying Out of
Trouble”**

**“Practicing Real
Estate & Staying
Out of Trouble”**

**“Avoiding Trust
Account
Trouble”**

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Suggestions
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Payment of Commissions

A Broker is not entitled to any part of the monies in the Trust Account that were paid to the Broker in connection with any real estate transaction until the transaction has been consummated or terminated.

This applies to the Broker's commission as well. Those fees can only be distributed after the completion of the transaction. [43-40-20\(e\)](#) and [520-1-.08](#).



Property Tax Terminology Review

The [Georgia Department of Community Affairs \(DCA\)](#) publishes snapshots of information for each county and is a useful resource for real estate licensees. The [Georgia Department of Revenue](#) provides a [website](#) that includes a general explanation of the property tax laws of Georgia. In addition, there is an index and link for each County that includes local data and direct links. The following are general property tax definitions. For further information on property assessment values, contact the Board of Tax Assessor's office for a specific County.

Assessed property value: In Georgia, property is required to be assessed at 40% of the fair market values unless otherwise specified by law. The Board of Tax Assessors assesses property at the county level.

Millage rate: The tax rate is expressed in mills for property. One mill produces \$1.00 tax for every \$1,000 worth of property value. The rates for each county are set annually by the board of county commissioners, or other governing authority of the taxing jurisdiction, and by the Board of Education. (If the millage rate is 32 and the property is assessed at \$200,000, the property tax would be $0.032 \times \$200,000 = \$6,400$)

Board of Equalization: The BOE is a public body charged with the duty of hearing and deciding appeals taken by taxpayers on assessments established by the Board of Tax Assessors (or other body other than the courts).

Sources: [Georgia Department of Revenue](#), [Georgia Department of Community Affairs \(DCA\)](#), [DeKalb County Tax Assessor website](#), *The Language of Real Estate by John W. Reilly*

Plan Ahead for Your License Renewal

Remember, the Georgia “Illegal Immigration Reform and Enforcement Act of 2011” requires all applicants for real estate licensure or appraiser classification, and those applying for renewal of an existing license or classification, [Appraisal Management Companies, Instructors, and School Directors](#) to submit certain documents to the Georgia Real Estate Commission (GREC). Here is a link to a form that outlines what is required: <http://www.grec.state.ga.us/PDFS/Other/GRECGREAB%20Verification%202012.pdf>

“Your Renewal Date”

Have you looked at your Real Estate Pocket Card lately? The card states your name as licensed, the date originally licensed, and the End of your Renewal period.

The [Firm and Licensee Status Report](#) is available online at [this link in the Online Services for Real Estate Firms](#). It helps the Broker manage and reconcile the firm's records with information in the Commission's firm and licensee files. The Report provides the names of all licensees of the firm who must renew within the quarter, including the license number, license type, renewal date, number of CE hours due at renewal and the amount of renewal fees due. Historically, about 2,200 licensees renew their licenses each month.

Because of the new requirement of certain documents for renewal (as mentioned above), licensees should begin the renewal process about a month before his/her deadline. Your renewal fee is due by the last day of the month of your birthday in the designated year as indicated on your pocket card. [520-1-.04](#) and [520-1.05\(3\)](#).