



Remembering the Past, Preparing for the Future

Richard W. Jantzen, Jr
Assessor

To The Citizens of Aiken County:

The following pages contain information regarding the 2015 reassessment. We've included this packet in order to inform any and all interested parties about the reassessment and how it affects you as a citizen or property owner in Aiken County.

*Property appraisal for the purpose of *ad valorem* ("according to value") taxation is the primary goal of our office, and a great deal of time and effort has gone into inspecting property, analyzing market data, and utilizing this information to credibly value every parcel of property within the county.*

*The various laws and regulations pertaining to reassessment can be quite complicated to those unfamiliar with the process. Further, the methods and terminology used by appraisers doing mass appraisal for *ad valorem* taxation differs from those used in other related fields such as fee appraisal for mortgage financing, though the ultimate goal of determining credible fair market value is the same. This confusion can often lead to frustration, and may cause individuals, even those otherwise familiar with the appraisal process, some anxiety.*

We realize this, and we make every effort to be as transparent as possible in how our work is done, and what procedures are in place to allow you to appeal any value which you may disagree with. Our office will make every effort to explain why your property is valued as such, and your appellate options if you disagree. Our office will help guide you through this process from beginning to end. We want there to be as little confusion as possible for you, while clearly setting forth what is and is not allowed under current laws and regulations.

The assessor's office is only responsible for the valuation of real property. *Issues directly relating to taxes, as-such, are handled by both the Auditor's Office and the Treasurer's Office, depending on the particular point of concern. If, in the course of ascertaining what your concerns are, we find that another department can answer your questions more effectively, we will direct you accordingly.*

We encourage you to utilize the county website which includes a considerable amount of information regarding real property in the county. Diligent effort has been undertaken to ensure the correctness of our data. Nevertheless, there may be occasions in which our information may require further elaboration or investigation, and we encourage you to contact our office regarding any information about your property which may help us in making a more complete assessment of its value.

We hope that the information provided will help you to better understand this vitally important function of county government, and, again, we encourage you to contact the Aiken County Assessor's Office with any further questions or concerns.

Respectfully Yours,
Richard W. Jantzen, Jr., CGM
Aiken County Assessor



YOUR GUIDE TO THE REASSESSMENT PROGRAM



WHY REASSESS?

Reassessment is required by law. Act 208, as passed by the General Assembly in 1975, provides that all real property will be valued at its current market value (the price your property would sell for in the open real estate market). Act 208 also provides for the classification of all real property for assessment purposes and provides that all real property be assessed at one time.

In 1996 the legislature passed Code of Laws Section 12-43-217(a) "Notwithstanding any other provision of law, once every fifth year each county or the State shall appraise and equalize those properties under its jurisdiction. Property valuation must be complete at the end of December of the fourth year and the county or State shall notify every taxpayer of any change in value or classification if the change is one thousand dollars or more. In the fifth year, the county or State shall implement the program and assess all property on the newly appraised values."

As with the previous reassessments of 1982, 1989, 1995, 2000, 2005, 2010; the 2015 reassessment is part of a continuing reassessment program designed to equalize property values, redistributing the tax on real property on a more equitable basis.



WHAT COUNTY OFFICIAL IS RESPONSIBLE FOR REASSESSMENT?

The Aiken County Assessor whose duties include:

South Carolina Code of Laws Section 12-37-90:

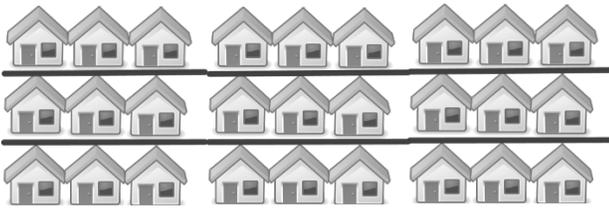
The assessor is responsible for the operations of his office and shall:

- maintain a continuous record of recorded deed sales transactions, building permits, tax maps, and other records necessary for a continuing reassessment program;
- diligently search for and discover all real property not previously returned by the owners or their agents or not listed for taxation by the county auditor, and list such property for taxation in the name of the owner or person to whom it is taxable;
- when values change, reappraise and reassess real property so as to reflect its proper valuation in light of changed conditions, except for exempt property and real property required by law to be appraised and assessed by the department, and furnish a list of these assessments to the county auditor;
- determine assessments and reassessments of real property in a manner that the ratio of assessed value to fair market value is uniform throughout the county;
- appear as necessary before an appellate board to give testimony and present evidence as to the justification of an appraisal;
- have the right of appeal from a disapproval of or modification of an appraisal made by him;
- perform duties relating to the office of the assessor required by the laws of this state



be the sole person responsible for the valuation of real property, except that required by law to be appraised and assessed by the department, and the values set by the assessor may be only altered by the assessor or by legally constituted appellant boards, the department, or the courts;

- have the right to enter and examine all new nonresidential buildings and structures and those portions of an existing nonresidential building or structure covered by a building permit for renovations or additions.



HOW IS PROPERTY REASSESSED?

Real property is reassessed at fair market value using a “Mass Appraisal” process which may be described as: “The practice of valuing a universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing.”

It may also be described as the “appraisal of multiple properties”, as of a given date, by a systematic uniform application of appraisal methods and techniques for statistical review and analysis of results. A mass appraisal establishes an individual property value (result) for each property in a group of properties as of a certain date (date of value).

Determining the value on all these properties is a massive undertaking. This requires the Assessor to maintain information on each property. Appraisers in the County Assessor’s office examine market sales data and physical characteristics of all properties in the County.

All County appraisers receive extensive training and must be licensed by the South Carolina Real Estate Appraisal Board. **It is important to remember that the Assessor does not create value; only the market place can do that.** The principals of supply and demand are the largest single factor in determining a property’s worth.

WHY IS CURRENT MARKET VALUE IMPORTANT?

The market value of property will continue to change. Unfortunately, property values do not all change at the same rate; some increase or decrease at a faster rate due to location, desirability of the neighborhood or property, age and physical condition, etc.. The key word in the reassessment program is accuracy. Taxes cannot be levied fairly unless the true value of each property is known. Correct assessments are not possible unless correct appraisals of property are made in light of present value, not what it was worth in past years. This is the most important function of a continuing assessment equalization system.

THE SOUTH CAROLINA REAL PROPERTY VALUATION REFORM ACT

The voters of South Carolina passed Act 388 the “Real Property Tax Reform Bill” in 2006. This bill caps the increase in value on a property at 15% over a five year period unless there is an “Assessable Transfer of Interest”.

The South Carolina Real Property Valuation Reform Act of 2006:

- Exempts legal residence from school operating millage.
- Reimburses school districts for the tax revenue exempted.
- Increases state sales tax by 1%.
- Reduces state sales tax on unprepared food to 0% effective 11-7-07.



- Caps county and school millage by CPI and population growth.
- Caps increases in value of all property to 15% during the five year reassessment cycle.
- Created what is called an “Assessable Transfer if Interest (ATI)”. An ATI is defined as a transfer of an existing interest in real property that subjects the real property to appraisal. There are specific requirements of defining an Assessable Transfer of Interest.

South Carolina Code of Laws Section 12-37-3140 (B) “Any increase in the fair market value of real property attributable to the periodic countywide appraisal and equalization program implemented pursuant to Section 12-43-217 is limited to fifteen percent within a five-year period to the otherwise applicable fair market value. This limit must be calculated on the land and improvements as a whole. However, this limit does not apply to the fair market value of additions or improvements to real property in the year those additions or improvements are first subject to property tax, nor do they apply to the fair market value of real property when an assessable transfer of interest occurred in the year that the transfer value is first subject to tax.”



WILL TAXES INCREASE DUE TO REASSESSMENT?

Some property owner’s will notice a decrease in taxes, some will stay the same and some will pay more taxes. **Reassessment was not created to raise taxes. It is intended to distribute the taxes collected more fairly among all property owners.** Because there has been five years since last reassessment, of which most of those values were based on sales from 2009 and 2010, property values are likely to increase. Because of the increase in values during reassessment, state law requires that local government reduce the millage rate to what is called a rollback millage.

WHAT IS CLASSIFICATION OF REAL PROPERTY?

The County Assessor is charged by South Carolina Law (Act 208 of 1975 as amended) with classifying real property for assessment purposes. All property appraised by the Aiken County Assessor has been classified into four categories depending on whether an application has been made either for legal residence and/or agricultural use value. Below, you will find a brief explanation as to the meaning of the four classes and the appropriate assessment ratio associated with each class.



1. LEGAL RESIDENCE

Legal Residence refers to the special 4% assessment ratio for owner-occupied homes. This results in a tax savings of more than one-third of the tax bill compared to the 6% ratio if application for special assessment is not made.

A. Definition of Legal Residence: For property tax purposes the term “Legal Residence” shall mean the permanent home or dwelling place owned by a person and occupied by the owner thereof. It shall be the place where he intends to remain permanently for an indefinite time even though he may temporarily be living at another location.

B. Qualification Requirement for Legal Residence: To qualify for the special assessment ratio allowed by this item, the owner-occupant must have actually owned and occupied the



residence as his legal residence and been domiciled at that address for some period during the applicable tax year and remain in that status at the time of filing the application required by this item.

The owner must have title or bond for title recorded in the Register of Deeds Office or have an equity interest (Contract of Sale); and the property must be occupied by the owner as his legal residence. The property can include not more than five acres contiguous thereto and be owned totally or in part in fee or by life estate, but shall not include any portion which is not owned and occupied for residential purposes.

The owner-applicant must make Application attesting, "Under penalty of perjury I certify that; the residence which is subject of this application is my legal residence and where I am domiciled at the time if this application and that I do not claim to be a legal resident of a jurisdiction other than South Carolina for any purpose and that neither I nor any other member of my household is residing in or occupying any other residence which I or any member of my immediate family has qualified for the special assessment ratio allowed by this section".

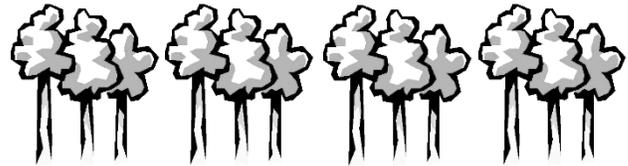
Taxpayers who qualify for legal residence also qualify for additional relief as provided in the Property Tax Reform Act of 2006. This relief is applied to 100% school operating portion of the millage.

C. When to file for Legal Residence: The owner of the property or the owner's agent must make Application for the 4% assessment ratio before the first penalty date for the payment of taxes for the tax year for which the owner first claims eligibility.

In any year that you change legal residence to another property, a new application must be filed

on the new residence during the filing period. The owner shall notify the Assessor of any change in use within six months of the change.

Remember: Failure to file and become qualified means an automatic 6% assessment.



2. AGRICULTURAL USE VALUE

Agricultural Use Value refers to the appraised value assigned to those acreage tracts of land that qualified based on bona fide agricultural use of the property.

A. Requirements for Agricultural Real Property, Section 12-43-232:

- (1) If the tract is used to grow timber, the tract must be five acres or more. Tracts of timberland of less than five acres which are contiguous to or are under the same management system as a tract of timberland which meets the minimum acreage requirement are treated as part of the qualifying tract. Tracts of timberland of less than five acres are eligible to be agricultural real property when they are owned in combination with other tracts of non-timberland agricultural real property that qualify as agricultural real property. For purposes of this item, tracts of timberland must be devoted actively to growing trees for commercial use.
- (2) For tracts not used to grow timber as provided in item (1) of this section, the tract must be ten acres or more. Non-timberland tracts of less than ten acres which are contiguous to other such tracts which, when



added together, meet the minimum acreage requirements, are treated as a qualifying tract. For purposes of this item (2) only, contiguous tracts include tracts with identical owners of record separated by a dedicated highway, street/road or separated by any other public way.

- (3) Non-timberland tracts not meeting the acreage requirement of item (2) qualify as agricultural real property if the person making the application required pursuant to Section 12-43-220(d)(3) earned at least one thousand dollars (\$1,000.00) of gross farm income for at least three of the five taxable years preceding the year of application.

The Assessor may require the applicant(s) to give written authorization consistent with privacy laws allowing the Assessor to verify farm income from the Department of Revenue or the Internal Revenue Service and to provide the Agricultural Stabilization and Conservation Service (ASCS) farm identification number of the tract and allow verification with the ASCS Office.

A. Qualification Requirements for Agricultural Use Value: Agricultural real property actually used for such purposes shall be taxed on an assessment equal to:

1. Four percent of its market value for such agricultural purposes for owners or lessees who are individuals or partnerships and certain corporations which do not:

- (i) Have more than ten shareholders
- (ii) Have as a shareholder a person (other than an estate) who is not an individual.
- (iii) Have a nonresident alien as a shareholder
- (iv) Have more than one class of stock



2. Six percent of its market value for such agricultural purposes for owners or lessees who are corporations, except for certain corporations specified in (A) above [South Carolina Code 12-43-220(d)(1)].

B. When to File for Agricultural Use Value:

The owner of the property or the owner's agent must apply for the special valuation based on agricultural use before the first penalty date for the payment of taxes for the tax year for which the owner first claims eligibility. Example: For tax year 2011, file between January 1, 2011 and January 15, 2012.

Once an initial application for agricultural use value has been qualified, no further application is necessary while the property continues to meet the eligibility requirements of this item. In any year that the ownership changes a new application must be filed by the new owner during the filing period. The owner shall notify the Assessor of any change in use within six months of the change. Remember: Failure to file and become qualified means an automatic 6% assessment.

C. Rollback Taxes: When real property is in agricultural use and is being valued, assessed and taxed under the provisions of this article, is applied to another use other than agricultural, it shall be subject to additional taxes, hereinafter referred to as rollback taxes, equal in the amount equal to the difference, if any, between the taxes payable on the basis of the agricultural use valuation and assessment, and the taxes that would have been paid had the property been taxed at the market value appraisal and 6% assessment ratio. The rollback can be applied to the property for the current tax year (the year in change in use) and each of the five tax years immediately preceding the year of change in use [South Carolina Code 12-43-220(d)(4)].



3. PROPERTY APPRAISED BY THE SC DEPARTMENT OF REVENUE

Properties involving transportation, utilities, manufacturing and personal property are appraised by the South Carolina Department of Revenue and are assessed as follows:

- Transportation, railroads, airlines, and pipelines real and personal property are assessed at 9.5%.
- Utilities real and personal property are assessed at 10.5%.
- Manufacturing real and personal property are assessed at 10.5%.

Notification of Appraisal/Assessment information on property appraised by the South Carolina Department of Revenue is sent to the property owner directly from the Department of Revenue. Information on the appraisal notice described in this brochure is for property appraised by Aiken County only and does not include property appraised by the South Carolina Department of Revenue.

4. HOMESTEAD EXEMPTION

The homestead exemption is not to be confused with legal residence. The elderly (over age 65), the blind, the disabled and surviving spouse may be eligible for a \$50,000 deduction from the Assessor's market value appraisal of their legal residence. The owner's tax bill will show the reduction if the owner has qualified for the homestead exemption. Application must be made to the Aiken County Auditor's Office, 1930 University Pkwy, Ste 2699, Aiken, South Carolina 29801, or call (803) 642-1510 for exact requirements.



HOW CAN I CHALLENGE THE APPRAISAL/ASSESSMENT OF MY PROPERTY?

If you disagree with the Assessor's appraisal and/or assessment of your property and wish to appeal, state law provides the following procedure in Section 12-60-2510 through 2520 of the 1976 Code of Laws as amended.

1. Within 90 days of the date of assessment the Tax Payer or his agent must file a **written objection** to one or more of the following: the fair market value, the special use value, the assessment ratio, and the assessment with the Assessor.
2. Representatives may include the following
(a) Attorney – a member in good standing of the Bar or Highest Court of the Jurisdiction shown.
(b) Certified Public Accountant – Duly qualified to practice as a certified public accountant in the jurisdiction shown.
(c) Officer – a bona fide officer of the taxpayer organization.
(d) Full time employee – a full time employee of the taxpayer.
(e) Family Member – a member of the taxpayer's immediate family (i.e. spouse, parent, child, brother or sister).
(f) Return Preparer.
(g) Duly appointed representative of an estate appointed by a probate Judge.
3. The **written objection** must contain:
(a) the name, address, and telephone number of the property tax payer;
(b) a description of the property in issue; by parcel ID number and situs address;
(c) a statement outlining the reasons for the appeal, including any law or other authority upon which the taxpayer relies;



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- (d) the value and classification which the property taxpayer considers the **fair market value**, special use value, if applicable, and the proper classification.
- (e) a statement and analysis of facts supporting the taxpayer's position .

In the years when there is **NO** notice of property tax assessment; a taxpayer may appeal the

fair market value, the special use value, the assessment ratio and the property tax assessment of a parcel at any time. The appeal must be submitted in **writing** to the assessor. An appeal submitted before the first penalty date applies for the property tax year for which the penalty would apply. An appeal submitted on or after the first penalty date applies for the succeeding property tax year.



A FINAL WORD ON TAXES AND FAIR ASSESSMENT

Not every property will experience the same rate of increase or decrease in property value. The location, type of property, market activity, and the appraised value prior to reassessment, whether above or below the prescribed assessment ratio, all impact the change in value and amount of taxes. In addition, the millage rates set in the future between reassessments to provide revenue needed for local government services will affect the taxes paid by all property owners. The Assessor provides only the information needed by those branches of government which set the tax rate.

Tax bills are prepared in September/October and mailed in October/November by the Aiken County Auditor. Tax payment dates for real property are:

- Thru January 15 - no penalty
- Thru February 1 - 3% penalty
- Thru March 16 - 10% additional penalty added
- Thru April 30 - 15% additional penalty and costs added

Taxes are calculated by:

APPRAISED / TAXABLE VALUE x ASSESSMENT RATIO = ASSESSMENT

ASSESSMENT x MILLAGE RATE – EXEMPTIONS = TAXES

Residential property that is the owner's primary residence has an assessment ratio of 4%; providing proper application has been made. All other residential and commercial property is assessed at a 6% ratio. Industrial property, which is appraised by the Department of Revenue, is assessed at 10.5% ratio.