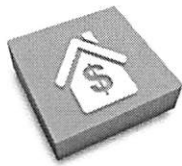


(<http://www.horrycounty.org/Home.aspx>)



## Assessor

The Horry County Assessor's Office appraises and lists all real property for taxation and maintains ownership information. It reviews legal residence (or primary residence) applications, agriculture assessments, and many other ownership functions.

### 2014 Reassessment Program

A state-mandated, countywide reassessment of all real properties located in Horry County is occurring for tax year 2014. Properties will fluctuate in value with general market conditions such as supply and demand, home sales prices, and the state of the economy. A reassessment ensures that property taxes are determined on an updated fair market value of properties. The Horry County Assessor's Office is appraising all property values at fair market value as of December 31, 2013. This new value will be used for calculating property tax bills issued by the Horry County Treasurer's Office during October 2014. Properties that have an increase in value of \$1,000 or more will receive an assessment notice in August 2014.

The South Carolina Code of Laws requires that once every five years all real property in every county within the State will be reappraised and adjusted to current fair market value as of December 31 of the year prior to implementing the reassessment. Only real property is appraised during a reassessment. Values of personal property, such as cars and boats, are adjusted on an annual basis and kept current through the Horry County Auditor's Office at the direction of the South Carolina Department of Revenue. The purpose of a reassessment is to equalize the valuations of all real property in a county. The five-year reassessment cycle in South Carolina is an appraisal freeze, only broken on property sale or change to a property.

The fair market value of real property is constantly changing due to factors such as location, market demand, the age and physical condition of a neighborhood, and the state of the economy. As a result, non-uniformity in values occurs within tax jurisdictions whether or not property values increase or decrease. For example, some comparable houses are now selling for a lower amount than at the time of Horry County's last reassessment in 2010 when the market value was determined as of the end of December 2008. The reassessment process ensures that all houses which have similar characteristics are valued consistently; the property values are equalized allowing property tax to be redistributed on a more equitable basis.

Property owners will pay no more or less than their fair share of the property tax burden. Forecasts indicate that some residents may share a greater burden of the property tax due to a this equalization process as some properties have increased in value, some properties have declined in value, and some have stayed about the same. If your property has increased in taxable value, you will likely receive a higher tax bill. If your property stayed at about the same taxable value, you may receive a higher tax bill because there are some properties that decreased in taxable value, causing the redistribution of the tax burden.

## **Values are calculated using a Mass Appraisal System**

The Horry County Assessor's Office maintains a database of the physical characteristics for approximately 250,000 properties within Horry County. The data includes information such as heated square footage, garages, decks, pools, type and quality of construction, land area, water features, and several other attributes required for the mass appraisal process. Properties are then grouped into one of approximately 2,622 appraisal models based on similar market characteristics.

Licensed staff appraisers determine land values for each of the appraisal models based on analysis of vacant and improved property sales. Structural improvements to the land are valued using a market sales modified Marshall & Swift cost service. The valuations produced for each appraisal model are tested for accuracy using actual market sales. After testing, the result of the mass appraisal model for Horry County is then measured against statistical standards of the International Association of Assessing Officers.

If a model fails the required standards, further review and refinements are necessary before acceptance. Commercial properties may be evaluated on rental income streams, operating expenses, and what kind of investment return can be reasonably expected. Subsequent to the valuation processes and testing, the reappraisal results must be submitted to the South Carolina Department of Revenue for further statistical testing and State approval. The Horry County Assessor is then notified of the approval and program implementation to the taxpayer.

**The official reassessment guide is coming soon and will be posted here.**

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### Guide to Real Property and Assessment

#### Reassessment Program

The last four general reassessment programs were implemented for tax years 1982, 1987, 1999 and 2005. The 2005 reassessment was part of a continuing program to equalize property values, redistributing the tax on real property more equitable. Act 208, as passed by the General Assembly, provides that all real property be valued at its current fair market value (the price your property would sell for in today's market). It also provides for the classification of all real property for assessment purposes and provides that all real property be assessed at once.

#### Why is Current Fair Market Value So 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.

#### 12-43-217 Quadrennial Reassessment; Postponement ordinance

Once every fifth year each County or the State shall appraise and equalize those properties under its jurisdiction. A County by ordinance may postpone for not more than property tax year the implementation of revised values resulting from the equalization program. Horry County is currently scheduled to implement its next reassessment for property tax year 2010.

#### 12-37-3140

- 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 value.

- 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.
- This limit does not 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.

**12-47-3130 Assessable Transfer of Interest**

Assessable transfer of interest means a transfer of an existing interest in real property that subjects the real property to appraisal. For purposes of this definition, an existing interest in real property includes life estate interest.

**Will My Taxes Increase In A Reassessment Year?**

Some people will notice a decrease in taxes, some will stay the same, and some will pay more taxes. Reassessment is not intended to raise taxes, but to distribute them more fairly. Because of the 5-year lapse since the last reassessment, property values are likely to increase in values, State Law requires the local Government reduce the millage rate (tax rate or levy) to what is called "rollback millage."

**S.C. Law Provides Rollback Millage**

Rollback millage is calculated by dividing the prior year property tax revenue by the adjusted total assessed value applicable in the year the values derived from a County wide equalization and reassessment program are implemented. The amount of assessed value must be adjusted by deducting assessments added for property or improvements not previously taxed for new construction and for renovation of existing structures.

**Legal Residence**

Legal residence refers to the special 4% assessment for owner occupied homes. Includes a tax credit in which the school operation tax is exempted.

**Definition of Legal Residence**

For 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. It shall not include a residence maintained principally for vacation or recreational purposes.

**Qualification Requirement**

To qualify 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. The owner must have title (deed or will) or have an equity interest (contract or purchase) 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. Tax payers who qualify for legal residence also qualify for an additional tax credit. The additional credit exempts the school operation taxes.

**When to File for Agricultural Use and/or Legal Residence**

The owner of the property or the owner's agent must apply for the four percent assessment ratio before the first penalty date for payment of taxes for the tax year for which the owner first claims eligibility. For tax year 2009, file between Jan. 1, 2009 and Jan. 15, 2010. Once an initial application

for agricultural use value and/legal residence has been qualified, no further application is necessary while the property continues to meet the eligibility requirements of this item. In any year that you change legal residence to another property, then a new application must be filed on the new legal residence during the filing period. The property owners shall notify the Assessor of any changes in the use within six months of the change. Remember: failure to file and become qualified means an automatic 6% assessment.

**Homestead Exemption**

The homestead exemption is not to be confused with Legal Residence. Those age 65 and over, the blind, the disabled or surviving spouses may be eligible for a \$50,000 deduction from the Assessor's market value appraisal for their legal residence. Applications must be made to the Horry County Auditor between Jan. 1, 2009 and Jan. 15, 2010 for those who have not previously qualified. For more information or exact qualifications, contact the Auditor's Office at 843-915-5051.

**Property Appraised by the SCDOR**

Property involving transportation, utilities, manufacturing and personal property are appraised by the S.C. Dept. 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 at 10.5%
- Manufacturing real and personal property at 10.5%
- Personal property - automobiles and campers are assessed at 6%
- Personal property - boats are assessed at 10.5%
- Certain boats may be taxed at 6%

Notification of appraisal/assessment information on property appraised by SCDOR is sent to the property owner directly. All real and personal property appraised in Horry County, including both property approved by the County and SCDOR are billed through the Horry County Auditor's Office.

**Agricultural Use Value**

Agricultural use value refers to the appraisal value assigned to those acreage tracts of land that qualified based on bona fied agricultural use of the property.

**Requirements for Agricultural Real Property**

- If the tract is used to grow timber it must be five acres or more or be contiguous to or under the same management system as a tract of timberland which meets the minimum requirements. 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. For the purposes of this item, tracts of timberland must be devoted actively to growing trees for commercial use.
- For tracts not used to grow timber as provided in item (1), tracts must be ten acres and up. 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 this item only, contiguous tracts include tracts with identical owners of record separated by a dedicated highway, street or road or separated by any other public way.
- Tracts not meeting the acreage requirements of (2) qualify if the person making the application earned at least \$1,000 of gross farm income for at least three of the five taxable years

proceeding the year of the application. The Assessor may require the applicant to give written authorization consistent with privacy laws allowing the Assessor to verify farm income from the Department of Revenue or the IRS and to provide the Agriculture Stabilization and Conservation Service farm identification number of the tract and allow verification with the ASCS Office.

### **Qualification Requirements for Agricultural Use Value**

Agricultural real property which is actually used for such purposes shall be taxed on assessment equal to:

- Four percent of its fair market value for such agricultural purposes for owners or lessees who are individuals or partnerships and certain corporations which do not: have more than ten shareholders; have as a shareholder a person who is not an individual; have a nonresident alien as a shareholder; or have more than one class of stock.
- Six percent of its fair market value for such agricultural purposes for owners or lessees who are corporations, except for certain corporations specified in (1).

### **Roll-Back Taxes**

- When real property which 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, referred to as roll-back taxes, in the amount equal to the difference, if any, between 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 roll-back can be applied to the property for the year in which the use changed and the immediately four tax years preceding.
- The assessor provides only the information needed by those branches of government which set the tax rate. Tax bills are prepared in September-October by the County Auditor and mailed by the County Treasurer in October.
- The countywide reassessment program is scheduled to be updated every five years. The value will remain as is until the next general reappraisal unless:
  - Construction activity has taken place
  - The property was carried as part of an acreage parcel the prior year and is now a lot
  - Multiple lot discount is applied
  - Owners may have requested a review of the prior year's values to be effective for the current year
  - An assessable transfer of interest occurs
  - Changes by the Assessor required by law

### **Reassessment 2014**

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