

I. Why Do We Pay Property Tax?

Local governments collect property taxes to provide for the services most of us take for granted. Schools, police and fire protection, roads and bridges, EMS, water and sewer systems, the judicial system and public libraries are financed through revenue from the property tax. A review of your most recent tax bill shows a detailed breakdown of how and where your tax dollars go. We are all asked to pay a share of the cost of these services by paying tax in proportion to the value of our property. Real property taxes are paid by owners of land, mobile homes, and buildings, including homeowners, landlords, business owners, and industries. Property taxes are based on the market value of the land and buildings as of December 31st of the preceding year. For example, the tax bill you receive this fall will be based on property values and construction that existed on December 31, 2008.

II. Where Does The Property Tax Revenue Go?

The local school boards, county and city councils and special-purpose districts determine how much money must be collected to fund their budgets and the tax rate necessary to meet those budgets. For many governments, property taxes make up only a portion of the total amount of revenue needs to fund the budget. Fees and other sources of income make up the remainder.

Just because collecting the tax is a county function does not mean that all the taxes collected are the responsibility of the county. In fact, only about one fifth (1/5) of the typical tax bill in Beaufort pays for county operation costs. The rest of the revenue is distributed to the 16 other local government entities and school district whose budgets rely on property taxes.

III. Why Have Reassessment?

The previous reassessment program in Beaufort County was implemented in 2004. Originally scheduled for 2003, the reassessment was delayed one year by Beaufort County Council. The market value level for the 2004 program was based on fair market value effective on December 31, 2002.

The current reassessment program, originally scheduled for 2008, but delayed one year by Beaufort County Council, reflect fair market values as of December 31, 2007. This market value date is in accordance with state law; however, in light of changed conditions, it was necessary to modify the valuation tables to the mass appraisal market model.

From the time your property is added to the tax rolls, the appraisal does not change unless there is a change to the property that will affect the market value (such as a new structure, an addition to an existing structure, the removal of a structure, a change in the use of land, a assessable transfer of interest) or a reassessment program. Fair and equitable taxes are not possible unless the true value of each property is

known. Only real estate property values are affected by reassessment. Values of personal property such as cars, boats and motorcycles are kept current through annual updates by the South Carolina Department of Revenue and Taxation. SC law requires counties to implement reassessment programs every five years. After implementation of the 2009 reassessment program, work will begin on the 2013 program.

IV. How Is Reassessment Done?

For the 2009 reassessment, appraisers in the County Assessor's office examined properties to determine current market value as of December 31, 2007. Determining the market value on all these properties is a massive undertaking, requiring the Assessor to maintain information on each property located in the county, including size, age, location and certain other features. To find the fair market value of any piece of property, the Assessor researches what similar properties have sold for, current replacement cost, how much it takes to operate and repair, how much rent the property may earn, and other factors affecting its value. Unless there are new structures or other improvements to the property, or if there is an assessable transfer of interest, taxable values are now limited (capped) to no greater than a 15% increase from the tax year 2008 appraisal.

All county appraisers receive extensive training and must be licensed by the SC Real Estate Appraisal Board. It is important to remember that the Assessor does not create value; only the market place can do that. The basic principles of value such as supply and demand, competition and contribution are major factors in determining a property's fair market value.

V. How Will I Be Advised Of My 2009 Reassessment Change?

More than 125,000 reassessment notices showing the market value and the limited (capped) value as of December 31, 2007, will be mailed in August 2009. This notice is not a tax bill nor is it the amount of taxes to be paid. It simply notifies taxpayers of a change in their property's value. The notice includes the updated market value, the limited (capped) taxable value, the assessed value, the assessment ratio, the number of acres or lots, the location of the property, and the map reference number. It also includes the appeal procedure you must follow if you disagree with the taxable value placed on your property.

VI. How Can I Be Sure My Reassessment Is Fair And Correct?

If you disagree or have questions concerning the new value assigned to your property, you have the right to appeal. You have 90 days from the date on the reassessment notice to file your objection. You must file a written notice of your appeal to

the Beaufort County Assessor, P.O. Box 1508, Beaufort, SC 29901, and state why you believe the new appraisal is incorrect. Please provide supporting documents or facts that substantiates your appeal. The appeal is based on the value of the property, not the potential amount of taxes. Upon receipt of the appeal, a staff appraiser will review all submitted information and look for any obvious errors in the record. If no data errors are found, the appraiser will review sales of comparable properties in your neighborhood to determine if your market value is reasonable and equitable compared with these sales. The appraiser may contact you by phone with his/her findings and go over what they have found and answer any questions you may have. The appraiser may discuss whether a value change is warranted and you may agree with his/her decision. If you do not agree with this decision you are entitled to an informal conference at one of our offices in Beaufort, Bluffton or Hilton Head. We will schedule this conference for you. To be sure your appraisal is fair and correct you should verify that any items that affect market value such as land size, age and size of the structure, etc. are correct and that your property is not appraised for more than sales of comparable properties have indicated your property to be worth. Property Data is available at the Beaufort County Assessor's Office, Beaufort County Government Center, Administration Building, Room 210, 100 Ribaut Road, Beaufort, S.C. from 8:00 - 5:00 Monday through Friday. Property data and reassessment information is also available on the Internet at www.bcqov.net.

After the property review by telephone or conference, you will receive, by mail, a notice of determination as to the value. If you do not agree with this decision you have 30-days from the date on the notice to Protest in writing and your appeal will continue until resolved (see appeal information on the back of the reassessment notice). State law requires that your taxes be paid by January 15th without penalties. However, if you appealed your property value, and it is not settled by December 31st of the current tax year, the Assessor shall notify the County Auditor to adjust the property tax notice to 80% or more as agreed to, in writing, by the taxpayer.

VII. Will My Taxes Increase Because Of Reassessment?

Some property owners will notice a decrease in taxes, some will stay the same and some will pay more taxes. Reassessment is not done to raise taxes, the purpose is to distribute the taxes collected more fairly among all property owners. Five years has passed since the 2004 reassessment program of which those market values were based on sales from 2001 and 2002; in most cases, property values for the 2009 reassessment are likely to increase.

VIII. How Is Property Taxed?

All property is appraised at fair market value. (Bona-fide agricultural property is appraised at use value, which is based

on the soil's capability to produce certain agricultural commodities.) Real property within the same classification has a uniform assessment ratio throughout the state. Those classifications and ratios are:

- Industrial and Utility Companies 10.5%
- Transportation Companies 9.5%
- Owner Occupied Residential Property 4.0%
- Agricultural Properties of Individuals..... 4.0%
- Agricultural Properties of Certain Corporations 6.0%
- Other Properties..... 6.0%

The assessed value is a result of the appraised value or use value multiplied by the assessment ratio. Industrial, utility and transportation company property is appraised by the SC Department of Revenue and Taxation. The County Assessor appraises all other real estate.

Once the appraisals and assessments are complete, they are certified to the County Auditor, who adds the assessed value to that of personal property and calculates the tax millage or levy for each district. The millage rates are based on the total assessed value within the district and their revenue requirements. The amount of property tax owed is then calculated on each parcel as shown in the chart below:

Appraised Value Or Use Value	X	Assessment Ratio (4%, 6%, 9.5% or 10.5%)	=	Assessed Value
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Assessed Value X Millage Rate (Tax Levy)	=	Property Tax
Property Tax - State Property Tax Relief	=	Net Tax Due

For example: The 2008 taxes on an owner-occupied residence appraised at \$100,000 located in District 100, Beaufort Outside was:

Appraised \$100,000	X	Ratio 4%	=	Assessment \$4,000	X	Levy .2456	=	Taxes \$ 982.40
<u>Property Tax Relief</u>				\$4,000	X	.1026	=	<656.80>
<u>Net Tax Due</u>								\$ 567.60

**A Message from
Wm Weston J. Newton, Chairman of the
Beaufort County Council,
to the Citizens of Beaufort County**

August 2009

The South Carolina Code of Laws has established that every five years, all real property in Beaufort County will be reappraised and adjusted to current market value in order to ensure fairness in the taxation process. The last reassessment program was conducted in 2004 by the Beaufort County Assessor's office. Without periodic reassessment programs, taxpayers in our community will continue to pay property taxes based on outdated appraisals. This often results in an unfair distribution of the property tax burden due to market influences created by an active real estate market such as we have in Beaufort County. Property Tax Reform Act 388 of 2006 changed the way reassessments are administered in S.C. Increase in market value is limited to 15% from the last reassessment unless there have been additions or improvements made to the property or there has been an assessable transfer of interest in the property.

Real estate is but one of several components that make up the total tax base for Beaufort County, the school district, fire districts, and other taxing entities. Other tax base components include vehicles, manufacturing property, utility property, business, and personal property. All components of the total tax base are included in calculating annual millage rates, but only one, real estate, is subject to reassessment. While the values of the other types of property are updated continuously, increases or decreases in the totals of the other components can also affect tax burden shifts during a reassessment year. Please understand that the purpose of this complicated process is to ensure fairness and equity in our local taxation.

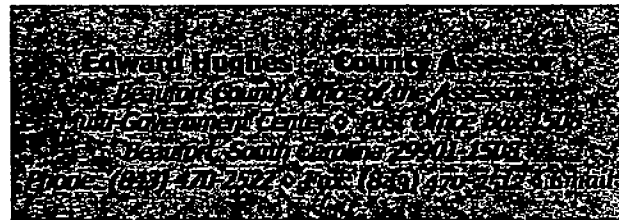
The Assessor and his staff are available to answer questions you may have about your property's value. In order to make it easier for you to determine the basis of your appraisal, the Assessor's data for all property is available on the Internet at www.bcgov.net. I hope you will find that the 2009 Reassessment process provides a fair estimate of the market value of your property. Please read the information in this brochure as it further explains the reassessment program, the appeal process, and shows a sample of the change of assessment notice mailed to all Beaufort County property owners.

Sincerely,



Wm Weston J. Newton
Chairman, Beaufort County Council

Contact Information



Office Locations

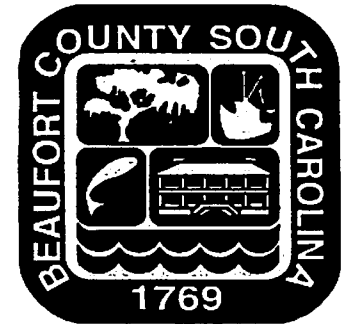
Beaufort Office: 100 Ribaut Road, Admin Bldg. Rm# 210, Beaufort, SC 29902, 843-470-2522/2519, 843-470-2512 (Fax)
Bluffton Office: 4819 Bluffton Pkwy, Myrtle Park Bldg. Rm# 220, Bluffton, SC 29910, 843-757-1500 Ext:236, 843-757-1046 (Fax)

Hilton Head Office: 539 William Hilton Pkwy Rm#106, Hilton Head Island, SC 29926, 843-341-8411, 843-341-2811 (Fax)

Sample Reassessment Notice

Notice of Classification, Appraisal & Assessment of Real Estate - 2009 Tax Year									
CLASSIFICATION	LOTS/ ACRES	MARKET VALUE	NEW CONSTRUCTION	CAPPED TAXABLE (LIMITED VALUE)	TAXABLE VALUE	X	RATIO	ASSESSMENT	ESTIMATE
Owner Occupied Residential	1.00	235,000	10,000	184,000	194,000	X	0.04	7,760	200
Other Property						X			260,300
Market Value Agricultural	10.25	25,300				X			
Use Value Agricultural	10.25	1,486			1,486	X	0.04	59	
TOTAL ASSESSMENT									195,486
Not the Tax Amount									

**Beaufort County
Reassessment
2009**



**Important Property Tax
Information**