

The Appraisal Process

A Guide to the Property Tax Appeals Process in South Carolina

South Carolina State law requires that the value of real estate be established as of December 31 of the preceding tax year. The Assessor's Office works throughout the year to collect and review property changes in order to estimate the market value of these properties for the following tax year.

- View properties

Approximately every third or fourth year, an appraiser will view each property. In addition, all new construction, alterations or improvements will be viewed in the current year to determine the taxable status for the following tax year.

- Gathers information

The appraiser gathers information on all characteristics of the property that affect market value, such as size, condition, quality, basement finish and extra features.

- Estimates value

The property characteristics are entered into a computerized system. The computer aids the assessor in estimating the property value. Information from actual sales is used to determine the market value of your property. The market value estimated by the assessor in a reassessment year should be at, or very close to, the amount the property would sell for if placed on the open market.

- Notification

In years when real property is appraised under a county equalization program, substantially all required Notices of Valuation must be mailed by February first. The assessment on December 31 of the preceding year forms the basis for the following year's market value estimate.

What else should I check?

Review the "classification" on the "Notice of Valuation" to make sure the use of your property and the assessment ratio is correct. Make sure that you are receiving the best tax rate for which your property is eligible. Consider whether there have been changes in the property. Have there been improvements that increase its value? Or are there major structural problems that might not be apparent from an outside inspection?

Also check data collected on your home. Measurements, date of construction, number of rooms, etc. are available on our web site or by contacting the assessor's office.

Notices of Valuation are mailed when the assessor increases the market value by one thousand dollars or more, or whenever the first property tax assessment is made on the property. Please read the notice carefully. There are specific dates for mailing your appeal or for hand delivery of your written appeal. Don't wait until the filing time period expires or until you receive your tax bill in the fall.

Keys to Understanding Property Appraisal

How is an appraisal done?

The county appraiser is required to visit your property at least once every four years. The appraiser will perform an exterior inspection of each property. The appraiser will look for changes such as a room addition or the construction of a deck, check for noticeable structural damage, and determine the property's general condition.

Back in the office, the appraiser uses computer-generated data to analyze the property based upon its age, size, style of construction, and replacement costs. Sales information is also reviewed and analyzed.

What determines value for tax purposes?

According to state law, your property must be appraised at "market value" as it exists on December 31 of the preceding year. Market Value is the most probable price which a property should bring in a competitive and open market under conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeable, and assuming that price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are both motivated;
2. Both parties are well informed or well advised;
3. A reasonable time is allowed for exposure in the open market
4. Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Procedures and Deadlines

When you receive your assessment notice, read it for instructions about deadlines and filing procedures. If they are not clear, call the assessor's office for information. Be sure you understand and follow instructions. A missed deadline or incorrect filing can cause an appeal to be dismissed. Remember that the Assessor's Office does not set taxes. The amount of taxes you pay depends on the budgets set by your governing bodies - such as the state, county, cities, and schools.

The Appraisal Process

1. Why do county appraisers appraise property?

In South Carolina, the cost of local services is spread across the value of taxable property. County appraisers are responsible for uniformly and accurately valuing all real property under the County Assessor's jurisdiction. That way, we have a fair, up-to-date basis for sharing the annual cost of local services. Local services include police and fire protection, roads, parks, public health services and schools.

2. How is fair market value determined?

The county appraiser should be able to explain in depth how your property was valued. There are three basic approaches to value: (1) the sales (2) the cost and (3) the income approach. The county appraiser considers all three approaches to value in order to determine the market value of the subject.

Sales Approach

In the sales approach, the county appraiser reviews similar properties that have sold, compares them to your property and may make adjustments for differing characteristics. This approach is typically applied to residential property in an area with a good number of sales. This approach is sometimes used for multi-unit dwellings and commercial property. Sale prices, however, are used to compare the values produced by the cost approach.

Cost Approach

The cost approach is based on the idea that the value of an existing property is the value of the land plus the replacement cost of the improvements minus depreciation. Depreciation is not the number of years the improvements have been used; it is the loss in value due to physical deterioration, functional and/or economic obsolescence. This approach is considered most applicable when property is new or unique, or there are few sales in the area.

Income Approach

In the income approach, the value of the property is estimated based upon the income the property is expected to produce. It is used to value commercial property when sufficient market rent information is available.

An assessment appeal is not a complaint about higher taxes. It is an attempt to prove that your property's estimated market value is either inaccurate or unfair.

The Appeals Process

In years when there is no notice of property tax assessment, each taxpayer may file a written notice of objection to the assessor to one or more of the following: the fair market value, the special use value, the assessment ratio, or the property tax assessment.

The failure to serve a written notice of objection by March first is a waiver of the taxpayer's right of protest for that year and the assessor may not review any request filed after March first.

Notice of Valuation and Classification

The assessor is required to send the taxpayer a notice of valuation and classification whenever the fair market value or special use value is increased by one thousand dollars or more, or whenever the first property tax assessment is made on the property. When you receive your assessment notice, read it for instructions about deadlines and filing procedures. If they are not clear, call the Assessor's Office for information (843.726.7725). Be sure you understand and follow the instructions. A missed deadline or incorrect filing can cause an appeal to be dismissed.

The first opportunity you have to appeal is when you receive the notice of your property's value and classification. You can appeal your notice by filing a written notice of objection with the county assessor within ninety (90) days from the date of notice.

1. **Informal Meeting:** The appeal process begins with an informal meeting with a representative of the County Assessor's office. It is also your opportunity to explain why you believe the county's value is not correct.
2. **Protest Filed:** If you are not satisfied with the results of the informal meeting, you can file a written protest within 30 days of the date of your conference
3. **NOD-Notice of Determination:** The County Assessor must mail a final Notice of Determination of Market Value after reviewing your property.
4. **County Board of Equalization:** After receiving the Assessor's Notice of Determination (NOD), you can appeal to the Jasper County Board of Assessment Appeals by filing a written protest with the Board within 30 days of this date of Notice.
5. **Administrative Law Judge Division:** If you are not satisfied with the decision made by the County Board of Assessment Appeals, you may appeal to the Administrative Law Judge Division within 30 days of the County Board's written decision.