

1979 WL 43560 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

September 5, 1979

***1 SUBJECT: Property Taxes—Residential Ratio**

Greenville County must apply at least a 3.5 percent ratio to legal residences in 1981. In 1982 it must be four percent.

Honorable Melvin M. Pace
Chairman
Greenville County Council

QUESTION:

In conjunction with the reassessment of property in Greenville County which is to be completed in 1981, what is the ratio that must be used on residential property in 1981?

STATUTE:

[Section 12-43-220, 1976 Code](#) of Laws, as amended.

‘(c) The legal residence and not more than five acres contiguous thereto, when owned totally or in part in fee or by life estate and occupied by the owner of such interest, shall be taxed on an assessment equal to not less than two and one-half percent or not more than four percent of the fair market value of such property for a period of four years as determined by the governing body of the county concerned; provided, that at the completion of the four-year period the property shall be taxed on an assessment of four percent of the fair market value; provided, further, that until the expiration of the four-year period the transition provisions of this section shall not apply; provided, further, that the governing body of any county may exempt such county from the immediate requirement of assessing such property at not less than two and one-half percent or not more than four percent for a period of four years at the fair market value and provide for the transition to such four percent of the fair market value as provided in this section; * * *.’

‘Notwithstanding any other provision of this article, on June 3, 1975, if it is found that there is a variation between the ratios being used and those stated in this section, the county may provide for a gradual transition to the ratios as herein provided for over a period not to exceed seven years; provided, however, that all property within a particular classification shall be assessed at the same ratio, provided, further, however, that all property enumerated in subsection (a) shall be assessed at the ratio provided in such subsection and the property enumerated in subsections (b), (c), (d), (e), (f) and (g) shall be increased or decreased to the ratios set forth in this article by a change in the ratio of not less than one-half of one percent per year nor more than one percent per year. Provided, however, that notwithstanding the provisions of this section, a county may, at its discretion, immediately implement the assessment ratios contained in subsections (b), (c), (d), (e), and (f). * * *.’

DISCUSSION:

The ratio of four percent must eventually be applied state-wide for the taxation of all legal residences, but because of the different ratios in existence in the counties when these provisions were enacted, the counties are given the option of electing to use the four percent immediately or use a transitional period.

The latter provisions above provide that the transition to four percent shall not take more than seven years and the change of existing ratio shall not be less than one-half percent or more than one percent. All of this language was originally a part of Act #208 of the 1975 Acts, as amended in 1976 by Act #681.

*2 Section 12-43-220(c), specifically relating to the taxation of legal residences, must be read with this provision. It provides for the taxation of residences at four percent and states that the four percent may be arrived at over a four-year period. It also states that 'until the expiration of the four-year period, the transition provisions of the section shall not apply'. This provision may be construed as a deferral of the transition for four years where a ratio of 2.5 percent to four percent is in effect. Thus 1980 may be the year that the transition begins, such being the fifth year after the enactment of the proviso.

If the ratio is 2.5 percent in 1976, the ratio for 1981 under this interpretation, must be three and one-half percent and in 1982 must be four percent. Seven years are, therefore, used in reaching four percent.

CONCLUSION:

Greenville County must apply at least a 3.5 percent ratio to legal residences in 1981. In 1982 it must be four percent.

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