



City Council Worksession
Meeting Minutes – Planning Conference Room – 1st Floor

November 15, 2022

I. CALL TO ORDER

5:00 PM

Mayor Stephen D. Murray III

Members of Council in attendance - Phil Cromer, Neil Lipsitz, Mike McFee, Mitch Mitchell, and Mayor Murray.

II. DISCUSSION ITEMS

A. Beaufort County Quadrennial Property Reassessment.

Ebony Sanders, Beaufort County Assessor, started off by going over the responsibilities of the Assessor as stated in the South Carolina Code of Laws under section 12-37-90. She stated that the reassessment or equalization program is an effort to value real property at its fair market value equitably and uniformly. Every fifth year each County shall appraise and equalize those properties under its jurisdiction. This process must be completed by the end of December of the fourth year. If there is an increase of one thousand dollars or more, the County shall notify those property owners. In the fifth year the County shall implement the program and assess all property on the newly appraised values. She then went over the Historical Market Value Data for the City of Beaufort over the last five years. In 2022, the Market Value was \$2,600,155,327.00 with a Taxable Value of \$2,307,063,194.00.

The next scheduled reassessment implementation is in tax year 2023 with a valuation effective date of December 31, 2022.

A copy of the presentation is attached to these minutes.

III. EXECUTIVE SESSION

Councilman Cromer made a motion to go into Executive Session and seconded by Councilman Lipsitz.

**A. Pursuant to Title 30, Chapter 4, Section (70) (a) (1) of the South Carolina Code of Law:
Discussion regarding Personnel - Administration.**

Councilman Lipsitz made a motion to come out of Executive Session and seconded by Councilman Mitchell.

No actions from Executive Session.

IV. ADJOURN

7:06 PM



Beaufort County South Carolina

Ebony F. Sanders
County Assessor
Beaufort County Assessor's Office
(843) 255-2400 (office)
(843) 255-9404 (fax)
Email: ebonys@bcgov.net

Topics for Discussion

- Duties of the Assessor
- 2023 Quadrennial Reassessment
- 15% Capped (Limited) Value
- Assessable Transfer of Interest (ATI)
- Appeal Process

Duties of the Assessor



Responsibilities of the Assessor

SC Code of Laws 12-37-90

- List and discover all real property
- Annual provides the County Auditor a list and valuations of all real property within the County,
- Maintain a record of deed transfers and sale transactions,
- Maintain a record of building permits, new and existing construction,
- Plats – Creation of subdivisions/land splits / Land consolidations,
- Valuation of Real Property (including manufactured/Mobile Homes)
 - *“The process of valuing a universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing.” (International Association of Assessing Officials)*



2023
Quadrennial Reassessment



What is Reassessment?

- A reassessment or equalization program is an effort to value all real property at its fair market value equitably and uniformly as of an effective date.
- “Countywide” revaluation of all real property
- Real property is reassessed at fair market value (as of effective date) using a “Mass Appraisal” process.
 - *“The process of valuing a universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing.” (International Association of Assessing Officials)*



What is Reassessment (cont.)?

SECTION 12-43-217(A). Quadrennial reassessment;

(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.

Why Reassess?

- The “countywide” reassessment is State law mandated and performed on a five-year cycle unless delayed by County Ordinance.
- Is an “assessment freeze” as of a valuation date
- Temporarily cures market value non-uniformity occurs whether values increase or decrease
- Changes the valuation date so that all properties, at the time of reassessment implementation, are valued using the same date of value.

Note:

The “assessment freeze” is only broken the year following a property sale, non-exempt ownership transfers, or new construction



Historical Market Value Data City of Beaufort

Tax Year	Market Value	Taxable Value
2017 (12/31/2012)	1,934,945,573	1,787,579,869
2018 (12/31/2017)	2,304,822,573	1,950,634,999
2019 (12/31/2017)	2,352,340,673	2,038,696,572
2020 (12/31/2017)	2,397,205,527	2,091,608,426
2021 (12/31/2017)	2,463,721,227	2,163,778,310
2022 (12/31/2017)	2,600,155,327	2,307,063,194
2023 (12/31/2022)	???	???

The increase in market values is the result of the following:

- New Construction (Residential and Commercial),
- Assessable Transfer of Interest (ATIs),
- Land Splits



Why Reassess (cont.)?

- The effective date of the property valuations is **December 31st** of the fourth (4th) year, and the county will notify every taxpayer of any change in value in the fifth (5th) year.
- Next scheduled reassessment implementation is in the tax year **2023** with a valuation effective date of **December 31, 2022**).



Beaufort County Reassessment History

Year of Implementation	
1988	2013
1998 * (Act145 of 1995 - Once every 5years)	2018
2003 (Implemented 2004)	2023
2008 (Implemented 2009)	



How is Property Reassessed?

Appraisal Model. Countywide reassessment involves the mass appraisal process to determine fair market value. This approach utilizes market sales analysis using accepted appraisal methods that conform to the South Carolina Code of Law, the South Carolina Department of Revenue, the International Association of Assessing Officials, and industry standards.



How is the Reassessment Done?

Appraisal Model. This is a grouping of properties with similar characteristics (neighborhood) analyzed by appraisal staff, including property sales transactions within that grouping to determine appraisal factors or rates which are then applied to all properties within that group. All appraisal models must meet or exceed the South Carolina Department of Revenue criteria for accuracy. The Beaufort County Assessor's Office currently employs over 1,300 appraisal models to value over 133,000 parcels of real estate within the County.



Tentative Schedule of Activity

No Later Than:

May 2023

Preliminary reappraisal values and file data provided to Beaufort County Administration.

May 2023

Preliminary Reappraisal data made available to all “Political Subdivisions of Beaufort County.”

June 2023

Finalize reappraisal file submitted to the South Carolina Department of Revenue for review and approval.

August 2023

Assessment notice production

September 2023

Mailing of Assessment Notices

Reassessment Notice Example

Notice of Classification, Appraisal & Assessment of Real Estate

Market Value of property as determined by the Assessor.

Assessment ratio as prescribed by law, either 4% or 6%.

Total Assessment is NOT THE TAX AMOUNT. Value obtained by multiplying the taxable value by the assessment ratio.

CLASSIFICATION	LOTS/ACRES	MARKET VALUE	NEW CONSTRUCTION	CAPPED (LIMITED VALUE)	TAXABLE VALUE	RATIO	ASSESSED VALUES
OWNER OCCUPIED RESIDENTIAL	1.9800	235,000	10,000	134,000	194,000	0.04	7,760
OTHER PROPERTY					*		
MARKET VALUE AGRICULTURAL	10.2500	25,300			*		
USE VALUE AGRICULTURAL	10.2500				1,485	0.04	59
TOTAL MARKET VALUE ESTIMATE >>>		260,300		TOTAL TAXABLE VALUE >>>	195,485	TOTAL ASSESSMENT >>> NOT TAX AMOUNT	7,819

The 15% CAP limitation does not apply to new construction and new sub-divided property.

Capped (limited value) as required under South Carolina Valuation Reform Act of 2006. The cap limits the increase in value of property to no greater than 15% during the five-year reassessment cycle. Exceptions to the limitation: new construction and Assessable Transfer of Interest.

Taxable value takes into consideration the market value, the capped (limited value), other value, new construction, new sub-divided property and agricultural use value. The taxable value is represented by any one of these classifications or a combination from the group.

Citizen's Guide
Beaufort County Reassessment Program 2023
reassessment



[https://www.beaufortcountysc.gov/assessor/
documents/2018-reassessment-guide.pdf](https://www.beaufortcountysc.gov/assessor/documents/2018-reassessment-guide.pdf)

15% Cap Value



15% Capped (Limited) Value

SECTION 12-37-3140. Determining fair market value.

(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.



15% Capped (Limited) Value (cont.)

Capped (Limited) Value:

“Reassessment Cap” limits the amount a property’s taxable value (not market value) can increase during a reassessment. A property’s taxable value may not increase more than 15% of the prior year’s appraised value at reassessment (capping exemptions can be found in the SC Code of Laws 12-37-3140)



15% Cap Value (cont.)

What is Taxable or Capped value?

Market Value may be “capped” at the time of reassessment. If applicable, the taxable (Capped) value is the lower market value or a maximum increase of 15% to the previous market value.

Act 388 of 2006 established definitions of market value for ad valorem tax purposes. The 2023 reassessment taxable value will be the lower of either the property’s fair market value as of December 31, 2022, or the limited (capped) value of no greater than 15% of the 2021 taxable value.

Assessable Transfer of Interest (ATI)



What is an Assessable Transfer of Interest (ATI)?

- Is a transfer of an existing interest in real property that subjects the property to appraisal (i.e., conveyance by deed, land contract, distribution from a trust, or under a will).
- Revaluation is based on sales that occurred as of December 31st of the year of the transfer.
- Valuation determination is placed on the transferred property the following year after the transfer.



Assessable Transfer of Interest “ATI”

- The sale price of a property is not necessarily the fair market value as of December 31st
- Not all property transfers are considered ATIs
- CAP values are removed when an ATI occurs.

The Appeal Process



Appeals

- Taxpayers may appeal the fair market value, the special use value, the assessment ratio, and the property tax assessment of a parcel during the following periods:
 - In years when there is a notice of property tax assessment, owners can submit an appeal Ninety (90) days after the date of the property tax assessment notification,
 - In years when there is no notice of property tax assessment, owners can submit an appeal before the first penalty date; (January 15th).



The Appeal Process

Appeals will be based on **the property's market value as of December 31, 2022**, *not* the amount of taxes owed, and *not* on comparative assessments.

Property owners wishing to file an appeal must do the following:

- File a written notice of appeal or objection to their value, within ninety days of the assessment notice date, with the Beaufort County Assessor's Office;
- State the reasons for the appeal; and
- Provide:
 - supporting documents (facts) that substantiate the appeal, and
 - supporting market sale data that supports the owner's opinion of value as of December 31, 2022.

Main Office

Beaufort Office
100 Ribaut Road
County Administration Building
2nd Floor, Room 210
Beaufort, SC 29901

Satellite Office

Bluffton Office
4819 Bluffton Parkway
Myrtle Park Building,
3rd Floor
Bluffton, SC 29910

Assessor Office Locations

Contact us at:

Office: (843) 255-2400

Fax: (843) 255-9404

Email: assessor@bcgov.net

Mailing Address:

Post Drawer 1228

Beaufort, SC 29901

www.beaufortcountysc.gov



Beaufort County
South Carolina

Ebony F. Sanders
County Assessor

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