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CLIENT ALERT: REASSESSMENT MAY BOOST PROPERTY TAXES

In 2009, there will be a countywide reassessment in Beaufort County. Due primarily to market conditions, the Beaufort County Assessor's Office has said it expects a record number of appeals this year. While we hope the assessor's appraisals would fall in line with recent market conditions, we believe that in many cases your taxes may actually increase.

As a courtesy and service to property owners, we would like to pass along what we have learned and provide you with useful information in the event you wish to appeal your 2009 reassessment.

Property Tax Increases and S.C. Law

According to South Carolina law, any increase in the assessor's appraised value of real property during a reassessment is capped at 15 percent unless the property is sold or in some way improved. If a sale or improvement occurred, the 15 percent cap would be waived, and the value of the property adjusted to reflect "fair market value."

Through our experience and through conversations with local tax authorities, we have learned the following:

1. The Beaufort County Assessor's Office has indicated that 2009 reassessment notices will be mailed from late August to mid-September.
2. The date upon which reassessment values are based is December 31, 2007, before much of the real estate market's decline.
3. If you purchased your property during 2007 or 2008, the Beaufort County Assessor's Office is likely to use the purchase price as the appraised value, despite any decline in value that may have occurred afterward.
4. Under South Carolina law and based upon current Beaufort County millage rates, primary residents are taxed at an effective tax rate that is sometimes more than 60 percent less than non-primary residents.

Appealing Your Reassessment

An appeal must occur within 90 days of the date a reassessment notice is mailed. Prior to receiving your notice, we suggest you first visit Beaufort County's website at www.bcgov.net for more information on the reassessment process. Then, begin to organize important documents and information relevant to the value of your property that will help you determine whether the assessor's appraised value is fair. Should you wish to further explore appeals options after receiving your notice, Beaufort County's website provides helpful information to guide you through the steps of an appeal.

If you have any questions or would like additional information, please contact Andrew E. Colvin at (843) 689-6277 or by e-mail, acolvin@nexsenpruet.com.

