# **POINT OF SALE Property Tax Increases**

South Carolina REALTORS®



When you purchase a home, the assessor can raise the assessed value of your home to the current sales price (point of sale assessment). SC Property taxes are calculated by the formula below.

## MILLAGE RATE × ASSESSMENT RATIO × VALUE )

Officials

set by 4% - Primary Home set by Local Elected 6% - Rental, Commercial, Land Assessor 10% - Industrial

- TAX CREDITS

set by Elected Officials

#### ASSESSMENT CAPS

New laws limit the increase on assessed property VALUE to 15 percent every five years. The cap is removed if the property is involved in an "assessable transfer."

#### **ASSESSABLE TRANSFERS**

Sale of property Rent-to-own Transfer to/from trusts Transfer by will Long-term lease (20 years) Corporate transfers Changes in zoning / rollback taxes

## **EXEMPT TRANSFERS**

Any IRS-exempt transfer Transfer to spouse (divorce) Insurance rebuilds (fire, etc.) Foreclosure, forfeiture, deed in lieu Life estates Tax sales Security interests

### REDUCE YOUR TAX LIABILITY

- ✓ Apply for the legal residence tax ratio of 4% (only one legal residence is allowed.)
- Appeal the tax assessor's appraisal if it is too high.
- Apply for all eligible tax credits (school operations, disability, senior citizen). Note: Elected officials set the county millage tax rate. Be proactive by voting.

