

Definitions and Frequently Asked Questions (FAQ) *(this section is still under construction)*

Definitions of “Problem Areas” Often Associated w/ Property Assessments, Taxes & Appeals:

Additional Living Area = also identified on public records as “A” areas, within a residential structure. This is considered marketable “heated living area” but is also defined as possessing a quality, utility and functionality that is measurably different as that found within the core of the structure. For example, an “attic” living area may be occupied as such but with lower ceiling heights and use a less effective cooling system when compared with the lower floors. Quality differentials have sometimes been overlooked as reviews of many properties have been updated due to recent sales and/or building permit reviews. If a property has not been sold in the last 10 years or seen building permit indicating a significant physical change during that time, it is very likely that these subtle value indicators are less accurate compared with the overall market. A less detailed or accurate description of quality and condition relative to the current market, more likely than not, would indicate an overstatement of value when compared for equity with comparable or like properties.

ALJ = Administrative Law Judge. When a property owner’s appeal is not resolved at the BAA (Board of Adjustment and Appeals) level, then the next level of appeal is through an Administrative Law Judge which is part of the state’s appellate court system which convenes regularly in Columbia. A very small number of appeals relative to the number of original appeals filed by property owners each year require a hearing before an ALJ. In special situations, the County Assessor may appeal the ruling of the BAA to the ALJ, even if the original ruling of the local BAA favors the property owner. When this unusual instance occurs it more likely because a “rule of law” has either been overlooked by the BAA or the question is one that begs a ruling from a member of the judiciary, even if it is to confirm the actions of the local BAA. In these cases, the County Assessor and the property owner initiating the appeal continue to cooperate in the exchange of information and data relating to the appeals process. To appeal a ruling of the ALJ, the case would have to be heard by the State Supreme Court. Further appeals would likely be referred to the Civil Courts of Appeals within the Federal Judiciary.

Allocation = Percentage of a specific parcel’s overall value “allocated” or designated as representative of an owner’s primary residence (subject to a lower assessment for tax purposes) with the remainder of the overall value assessed at a higher standard rate. The total value of the allocation between the primary residence (calculated at the lower assessment rate) and the portion not considered to be the owner’s primary residence (calculated at the higher assessment rate) should equal 100% of the appraised market value of the property.

Annual Appeal “Window” = As per SC law every property owner has the right to appeal the appraised value and/or assessment used for property tax purposes. A 60-day “window” opens on January 1st of each year for all Charleston County property owners during which any owner may file a written appeal of specific property values. The appraised value of record, or a lower value if appealed successfully, will be used for the billing cycle that occurs the following fall. Other opportunities after March 1st may reopen an owner’s rights to appeal a property value or assessment used for tax purposes. Whenever a written notice of a value or reassessment change is mailed to the property owner a new “window”, typically 30-90 days from the date of mailing, exists for filing an appeal. The South Carolina Legislature is currently (as of spring 2007) considering certain changes to the dates and deadlines which may apply to appeals in the future as a result of changes approved to the State Constitution relating to property taxes approved by voters in 2006.

Apportionment = Percentage of the common areas, including open spaces, ingress and egress, within a Horizontal Property Regime (condominium development) assigned to the value of an individual condo unit within the entire complex. Total apportionment as assigned to each condo unit will equal 100% if the sum of the apportionment of all units within the complex is calculated. Since the apportionment of the common area values may have been assigned when the complex was originally developed or created, often using a now undefined assignment of weight based on original unit measurements, condition, location and/or market value, the percentage of overall common area values may or may not be an accurate reflection of current conditions.

Appraisal Report = A statement of value, typically written, involving real estate that is require to adhere to certain professional standards.

Appraised Market Value = estimate of the market value of a specific property as of a given date. It is the estimated price in terms of money or its equivalent that a willing buyer would pay and a willing seller would accept for a property in its current condition with both parties being fully and accurately informed about the condition of the property and the market. For county-wide tax assessment purposes, all taxable real estate is typically appraised as of specific date every five years. Subsequent improvements, new construction and renovations of specific properties may result in triggering an interim reassessment of the property for tax purposes in the calendar year immediately following completion of the improvements. For example, new construction or renovation work “completed for its intended use” before December 31, 2006, may be subject to an interim reassessment for the Fall 2007 property tax billing cycle. Whereas if the work is not completed for intended use until February 1, 2007, the property may not be subject to an interim reassessment until the Fall 2008 billing cycle. Values of

current improvements are also valued in terms of the current assessment cycle's target date which is December 31, 2003. This means that a new house built in 2006 and valued for the first time for tax purposes in 2007, will be appraised as if it was a new house (current condition) in place on December 31, 2003 (target date of current assessment cycle for all taxable property in Charleston County).

Appraiser = An individual who concludes an estimate of value, in this case involving real estate, based on an analysis of the property after having appropriately considered market data and conditions.

Assessment = A percentage of the appraised market value used for the calculation of property taxes actually levied annually and billed to each property owner. Typically all non-industrial real estate is assessed for tax purposes at 6% of the appraised market value. Under SC law, a property owner may receive a lower assessment of 4% if the property is declared by the owner to be their primary residence.

Assessor = A County Assessor is a local government official, appointed by the County Council in the case of Charleston County, who is responsible for collecting and maintaining accurate records on the description and current values of taxable property within the county. From these records the Assessor is able to measure the "tax base" for the county and each of the local governments and taxing authorities located within the county.

Assessor's Office = The physical office where the Assessor maintains the records related to the county's tax base, including proof of primary residency for 4% assessments, documentation of individual properties, various maps in association with general planning, taxation and GIS.

Auditor =

BAA = Board of Assessment and Appeals. This is the county board made up of both real estate professionals and laymen appointed by the Charleston County Council that is charged to hear the appeals of property values that have not been resolved during conferences held between property owners who have appealed and appraisers within the Assessor's office who have been initially assigned to review the appeal. The vast majority of property owner's appeals are resolved before they reach the BAA. To appeal a ruling of the BAA, an appellant would have to declare their intentions in writing to seek a hearing before an Administrative Law Judge. Any appeal of the BAA's ruling must be filed within a specific number of days following notice of their findings. The local Assessor's office is charged to cooperate and assist the appellant if they desire to appeal further.

B and B = Bed and Breakfast

BAR = Board of Architectural Review

Building Code =

BZA = Board of Zoning Appeals

CAMA = Computer Assisted Mass Appraisal system. This is the term which is often used to describe the computer software that is used to develop a comprehensive county-wide data base that in turn is used to develop a method of valuing tens of thousands of properties. The system's accuracy is based on reviews of comparable sales, regular recollection of data following completion of new construction and general updates to property descriptions in preparation of periodic reassessments all dependent on consistently describing and matching properties of like kind and quality.

Commercial = Non-residential use, including retail stores, office uses, some institutional uses (such as schools and museums) small warehouses and most ancillary infrastructure related to these uses.

Commercial Appraisal Report =

Comparable Sales =

Condition =

Condominium Complex = a/k/a a Condo Complex, defined as all the parts of what may have once been a single property, subsequently subdivided as an HPR, including all individually owned condominium units located within a related complex containing two or more **condo units** and all the common areas related to the same. A condo complex may be designed for residential, commercial or industrial use. In urban or more densely developed areas it may be designed for mixed use, including for example both residential and commercial units. A complex may also contain both improved and unimproved condo units which might allow for expansion and/or modification of the condominium complex and the description of its common areas in the future.

Condominium Unit = a/k/a a Condo, individually owned condominium unit located within a complex that contains two or more condo units. A condominium unit represents a portion of a larger property (identified as a Condominium Complex) including an individually owned unit and a portion of the common areas assigned for value purposes to each unit. A condo unit may be described as residential, commercial or industrial and may be further defined as an improved or unimproved portion of the complex.

Construction Defect = Any condition related to defective materials and/or labor which upon discovery may reduce the market value of a property either temporarily (if the condition is "curable") or permanently (if the condition is "incurable"). Except in rare circumstances, the defect is considered "incurable" if in the effort to fix the problem, it would require expending resources that would exceed the value of the property without the defect. Historic properties with a combined historic and market value would sometimes qualify as an exception.

Cost =

Density =

Desk Review =

Duplex = 2 residential units, each unit being more or less equal in size and/or quality with the other.

Easement =

Environmental Hazards =

Equity or Equity Appeal = a term used in the mass assessment of real estate to mean that comparable properties (those that are similar in use, kind and quality) are also showing similar appraised values overall. SC law requires that if accurate and true market value is not possible (which is often the case when a target assessment date is more than 3 years old), then at least the values used must be considered to be “equitable”. When an owner chooses to appeal a property’s value based on “equity”, then it would imply that like use, kind and quality properties are showing values that are inconsistent with the specific property’s value that is being appealed.

Family Trust =

Field Review =

Flood Plain = refers to both FEMA flood map designations and actual market perceptions of both tidal and seasonal storm flooding within a defined area. Potential water damage may be on-going or associated with historically documented risk rates.

Floor Area or Floor Area Upper = Shown as “F” or “FU” on the CAMA system sketch of residential buildings to indicate principal living areas typically associated with the core or main body of the structure, including living areas of highest quality and maximum utility on the main floors of the house. These areas consistently represent the highest unit values within the improvements as shown as differentiated from “A” areas and other lesser enclosed spaces.

Four-Plex (4-Plex) = 4 residential units, w/ no one unit clearly dominant in terms of size and/or quality

Hardscaping = improvements made in order to enhance functionality, typically minimal contributors to overall value, generally referring to paving associated with access, walkways and/or open parking areas, sometimes considered to be a specific function of landscaping or similar form of general site improvements not directly related to a building or structure.

Heated Living Area = the outside or exterior measurements of that portion of a building which is considered to be enclosed living space using generally accepted market expectations. An enclosed porch may not be considered standard living space if it significantly lacks comparable insulation and access to utilities as found in the remainder of the dwelling.

Homestead Exemption = An additional designation over and above “Primary Residence” that applies to holders of a 4% assessment in which a portion of the property taxes are paid by the state (based on up to the first \$50,000 of the appraised value) and reducing the actual tax bill to the property owner by that amount annually. The exemption is granted following application by a qualified owner and is designed to benefit owner occupied properties where one or more of the legal owners may be either over 65 years of age, legally disabled or blind. The benefit is transferable in certain cases to survivors of such previously qualified owners who are deceased. Property tax benefits associated with *a Homestead Exemption declaration is related to but not the same as a declaration of Primary Residence*. Both declarations, if applicable, result in lowering a property owner’s annual tax liability. Application for Homestead Exemption is made through the Auditor’s office. If similarly qualified for prior years, applicants may seek retroactive implementation for only 1 year for the exemption and a corresponding refund of any overpayments made by the property owner for that year.

HPR = Horizontal Property Regime, a/k/a Condominium Complex, including all Condominium Units and Common Areas. Typically common areas of a HPR or Condo Complex are not taxed. Theoretically, the value of these parts of the overall complex are apportioned among the individual condo units, proportionate to their size, location and/or original market value as estimated when the complex was initially created or developed.

Historic Fabric =

Historic Value =

Improvements = any and all man-made structures added to what might otherwise be described as “raw” or undeveloped land, including landscaping, “hardscaping”, buildings and utilities.

Income =

Land = the undeveloped or unimproved portion of a real estate parcel; the lot or parcel of land excluding buildings and improvements, if any.

Land Appraisal =

Life Estate =

Limited Appraisal / Exterior Only =

Limited Appraisal / Restricted Use Report =

Market or Market Appeal = a term used in the mass assessment of real estate to mean that comparable properties (those that are similar in use, kind and quality) are currently being sold for a value that can be predicted to fall within a specific and measurable value range. SC law requires that accurate and true current market values be used for the assessment of property values for tax purposes. The law also allows the use of a 5-year reassessment cycle whereby an historic “target date” is used to establish a uniform county-wide date of value. As market values have in recent years been more likely to increase over time, it has generally been accepted by all (assessment officials and property tax payers) that the lower “historic” market value is “equitable” is not always true market value. In certain situations involving specific local market conditions, or when entire real estate markets may experience a

downturn in what were once rapidly rising property values, then SC law allows the property owner to seek relief through the appeals process. If the current market value of a specific property can be proven to be less than the value reflected in an earlier time period, then this forms the basis for a Market Value Appeal. When an owner chooses to appeal a property's value based on "market", then it would imply that like use, kind and quality properties are showing current values through recent sales that are inconsistent and lower than the property's value that is being appealed.

Minimal Site Improvements = in the case of **Vacant Land**, minimal site improvements may be the remainder of a previously removed site improvement such as a concrete slab, frame garage or archeological/historical resources. In most situations, minimal site improvements do not measurably contribute to or detract from the value of the property, except in some cases, due to external conditions or regulations, these "minimal improvements" may become an encumbrance on the value of what might otherwise be considered as vacant and developable land.

Mixed Use = typically a parcel or property occupied by 2 or more complementary user types with 2 or more units devoted to different uses, such as a ground floor commercial/retail store and an upper floor residential unit.

Multi-Family = an improved property with 5 or more residential units located within the same structure or within multiple structures located on the same parcel or lot.

Notorious Condition or Event = Negative market perceptions associated with a specific property as a result of extensive publicity or public association with criminal activity or notorious events having taken place on the property. Negative impact on value can be measured by extrapolating value differences, if any, among sales of like kind, use and quality properties, otherwise differentiated only by the notorious condition.

Off Street Parking =

Porch or Piazza = Covered porch or gallery shown on CAMA sketch as "R" areas.

Primary Residence = a designation based on a property owner's declaration that a specific property is being used as the owner's primary residence which entitles the owner to a lower assessment rate and as a result a lower annual property tax bill. A primary residence is limited to one residence (or portion of a single parcel) that is actually occupied and physically used by the property owner as their primary residence. In certain situations this declaration may include an adjacent vacant lot or one with only limited improvements directly related to the function and utility of the primary residence. Likewise it may also include immediately adjacent condo units which function as part of the owner's extended primary residence. It may also include multiple residential units on a single parcel which are occupied by the owner or by the owner's immediate family as defined by the DOR. Application for Primary Residence designation and the 4% assessment ratio is made through the Assessor's office. If similarly qualified for prior years, applicants may seek retroactive implementation for up to 2 years for the lower assessment and a corresponding refund of any overpayments made by the property owner for those same years.

Quality =

Residential = Real Estate that is currently used primarily for residential, living or domicile purposes, including improved properties designed for occupancy by people as living quarters and locations that the market and/or governmental regulations such as zoning has restricted development to residential uses.

SF = Square footage as defined by the outside or exterior measurements of an improvement or the boundaries of the land area or lot.

SFR = Single Family Residence (further defined as a residential property with 1 main or dominant residential unit and not more than 3 attached or detached subordinate residential units located on the same site, parcel or lot).

Style = Refers to the overall or dominant architectural influence found in a particular structure which may be determined by any number of factors including year built, floor plan or architectural/stylistic details.

Traffic =

Treasurer's Office =

Triplex = 3 residential units, w/ no one unit clearly dominant in terms of size and/or quality

Units =

URAR = "Uniform Real Estate Appraisal Report", standard appraisal form used or accepted by most public agencies and financial institutions that are governed by Federal rules relating to financially insured and/or regulated transactions. This form is typically used by an appraiser for reporting the appraised value of most single family residential properties.

User Fees =

Vacant Land = Generally considered as an unimproved parcel or lot that may or may not contain minimal site improvements that do not measurably contribute to the value of the property beyond the value of the land. In certain situations, a "double lot" may have been legally subdivided, so that it may be potentially developed in the future, but it continues to function as a "garden lot" of an adjacent residence. Under SC law, if the owner of the adjacent property qualifies as an owner occupant with primary residence status (including a 4% assessment) then in most cases the adjacent vacant lot may be eligible for a similarly lower assessment.

Water = Water View, Water Frontage, Lake View, Pond, Marsh View, Marsh Frontage, Wetlands

Year Built (Age) = Typically the year that the original or core structure was built. Subsequent additions or major renovations that result in a fundamental change in the quality or even style of an original structure should be noted for the record but the year in which the original structure was commenced (or in some cases completed) is usually given to be the “Year Built” from which the age is determined.

Zoning =

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