Study: Oconee has state's second-lowest tax burden

BY STEVEN BRADLEY
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SENECA — A recent study shows Oconee County residents have the state's second-lowest tax burden, just behind Horry County, with neighboring Pickens finishing sixth.

The study by financial technology company Smart Asset calculated the amount of money a specific person at the national median household income would pay in income, sales, property and fuel taxes in each county.

The 2013 U.S. median household income was $52,250, according to the U.S. Census Bureau, and property taxes were figured using a hypothetical $250,000 property.

In total tax burden, Oconee ranked 383rd nationally among counties — out of more than 3,300 in the nation — putting it in the top 12 percent in the U.S, while Pickens was 487th.

Oconee particularly excelled in property taxes, where it ranked sixth in the state and 220th nationally with the average owner of a $250,000 home paying $1,192 in taxes each year. At $6 cheaper, Pickens actually ranked one spot higher — fifth — for property taxes.

Oconee is one of seven counties in the state that does not collect county sales tax — only the state rate of 6 percent — and thus is tied for the state's lowest sales tax at an average of $954 dollars per

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SC's 10 lowest tax burdens

1. Horry
2. **Oconee**
3. Beaufort
4. Georgetown
5. Chesterfield
6. **Pickens**
7. Florence
8. Abbeville
9. Darlington
10. Edgewood

SOURCE: SMARTASSET.COM

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year, while Pickens ranked ninth at an average of $1,113 per year with its 7-percent rate.

Sales tax burden was estimated based on an estimate of 35 percent of take-home or after-tax pay being spent on taxable goods.

The state's average effective property tax rate — annual taxes paid as a percentage of home value — are the sixth lowest in the country at just 0.57 percent. South Carolinians pay an average of $778 a year in property taxes.

Oconee was slightly better than the state average on fuel tax at $166, while Pickens was slightly more expensive at $188. Those dollar amounts were figured using the nationwide average fuel economy and multiplying the average gallons of gas used per driver in each county by the fuel tax.

By comparison, Richland County has the worst total tax burden of the state's 46 counties. It has an 8-percent sales tax and the state's second-highest property taxes.

Newberry County ranks last in the state, and 1,227th nationally, for property taxes. Its estimated average property tax using the same variables is $2,044.

Anderson and Greenville counties finished near the middle of the pack at 25th and 34th, respectively, in total tax burden.

Oconee Economic Alliance executive director Richard Blackwell said the county's low overall tax burden was a major selling point for the community on multiple levels, including real estate, quality of life and doing business.

"Anytime you can talk about keeping the tax burden (down), whether it's a family, a person or a business, and you can show them that it is extremely low, it helps to sell Oconee County and put a positive light on Oconee County," he said.

Blackwell said the areas that particularly tipped the study in Oconee's favor are property taxes and sales tax.

"We don't have the capital projects tax, the 1-cent thing, and we don't have some of those local option sales taxes, so we've got strictly that 6 percent across the board, which differs when you compare us versus other communities across the state," he said. "And our property taxes are relatively low when you compare us across the 46 counties.

"On the whole, we are cheaper than our neighbors when you compare us to Georgia and North Carolina, which on the economic development front are the two primary states that we're always competing against. Again, anytime we can show a low tax burden it helps to raise people's eyebrows toward our community."

sbradley@upstatetoday.com | (864) 973-6685