Taxpayers can't catch a break

Many Oconee County tax bills to increase despite reduced millage

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WALHALLA — Oconee County taxpayers can't seem to catch a break.

County Council approved this week Auditor Ken Nix's millage recommendation of 204.3, which shaves 3.8 mills from last year's rate.

Nevertheless, Nix forthrightly explained at Tuesday night's council meeting that the tax reduction likely won't spare most homeowners from staring at a higher tax bill when notices start arriving by mail early next month.


Nix

How could a reduction in the millage result in a higher tax bill for many?

Nix blamed the odd circumstance on the fact that the school district's millage dropped considerably this year, which impacts the credit allotted to primary residential property owners.

Nix gave several examples. For instance, the owner of a home valued at $100,000, and assessed at a 4 percent residential rate, would be billed $817.20 in taxes when the new millage rate of 204.3 is applied.

Last year, the same owner would have been billed $832.40 because the millage rate was 208.1.

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However, a year ago the school operating millage credit was 107.1 mills, or $428.40. When this credit was applied to the $832.40 property tax, it left the taxpayer with a bill of $404.

The school credit this year is 101 mills, or $405.60. When subtracted from the $817.20 property tax, it results in a net tax bill of $411.60, or $7.60 more than last year.

Taxpayers with property valued at $100,000 assessed at a 6 percent non-residential rate would see a reduction in their tax bills of $22.60 because they do not get a school operating millage credit.

"Most everyone, I suspect, will see a change in their tax bill this year regardless because of the reassessment," Nix said. "Some will go up and some will go down."

Nix said that lake properties have decreased in values, while normal lots out in the county have increased.

South Carolina adopted tax reform in 2006 that eliminated the property tax for school operations on owner-occupied homes. In return, states reimbursed school districts with revenue collected through a one-cent increase in the sales tax.

The reform also capped appraised or market property values at 15 percent.

Nix admitted that predicting millage needed to fund this year's county budget is tricky during a countywide reassessment. He said assessed values are constantly changing because of appeals that might take four or more months to resolve.

"In a year of reassessment, real property is subject to increased levels of appeals," Nix said. "Our estimates are conservative, but the uncertainty of the market leads to an increased concern of the Auditor."

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