

APPLICATION FOR SPECIAL ASSESSMENT AS AGRICULTURAL REAL PROPERTY

DEFINITION OF AGRICULTURAL REAL PROPERTY

Agricultural real property shall mean any tract of real property which is used to raise, harvest, or store crops or feed, breed, or manage livestock, or to produce plants, trees, fowl, or animals useful to man, including the preparation of the products raised thereon for man's use and disposed of by marketing or other means. It includes but is not limited to such real property used for agriculture, grazing, horticulture, forestry, dairying, and mariculture. In the event at least 50% of a real property tract shall qualify as "agricultural real property", the entire tract shall be so classified, provided no other business for profit is being operated thereon. The term "agricultural real property" shall not include any property used as the residence of the owner or others in that the taxation of such property is specifically provided for in Section 12-43-230 of the South Carolina Code of Laws and Department of Revenue Regulation 117-1780.2.

QUALIFICATION REQUIREMENTS

Agricultural real property which is actually used for such purposes and meets certain size or income restrictions, not including, however, owners or lessees who are individuals or partnerships and for certain corporations which do not :

1. Have more than 10 shareholders
2. Have as a shareholder a person (other than an estate) who is not an individual.
3. Have a nonresident alien as a shareholder
4. Have more than one class of stock

Timberland Tracts must be five acres or more. Tract of timberland must be devoted to growing trees for commercial use.

Tracts of timberland less than five acres qualify if any of the following conditions are met :

1. Contiguous to a qualifying tract that meets the minimum acreage requirement
2. Under same management system as a qualifying tract that meets the minimum acreage requirement
3. Owned in combination with nontimberland tracts that qualify as agricultural real property

Nontimberland (cropland) Tracts must be ten acres or more. Tracts of nontimberland less than ten acres qualify if any of the following are met:

1. If contiguous tracts with identical ownership meet the minimum acreage requirement when added together.
2. If a person making application earned at least \$1000 gross farm income in at least three of the past five taxable years preceding the year of the application.
3. If a person making an initial application for the first five years earned at least \$1000 gross farm income in at least three of the first five years. If the new owner fails to meet the income requirements in the five year period, the tract is not considered agricultural real property and is subject to the rollback tax.
4. If the property has been owned by current owner or an immediate family member of the current owner for at least ten years ending January 1, 1994 and the property was classified as agricultural real property for tax year 1994.

The following uses of real property do not qualify as agricultural:

1. Recreation
2. Hunting Clubs
3. Fishing Clubs
4. Vacant Land (land lying dormant)
5. Any similar use.

ROLLBACK PROVISION

If in the tax year in which a change in use of the real property occurs the real property was not valued, assessed, and taxed under this article, then the real property is subject to roll-back taxes for each of the three tax years immediately preceding in which the real property was valued, assessed, and taxed hereunder.

RETURN THIS APPLICATION NOW

This application must be completed in full and the owners of the property or the owners' agent must apply for the four percent legal assessment ratio before the first penalty date (January 15) for the payment of taxes for the tax year for which the owner first claims eligibility for the four percent assessment ratio. No further applications are necessary from the current owner while the property for which the initial application was made continues to meet the eligibility requirements. If a change in ownership or use occurs, the owner who had qualified for the special assessment ratio allowed by this section shall notify the assessor of the change in classification within six months of the change. Another application is required by the new owner to qualify for future years at the four percent ratio allowed by this section. (Section 12-43-220(c)and(d) of the South Carolina Code of Laws). Please file as soon as possible to avoid any unnecessary delays in processing your application.

KEEP A COPY

Keep a copy of the original for your records. Make any necessary corrections such as mailing address, zip code, etc. directly on the front of this application. Mail it to the county in which the property resides. If you have any questions concerning this application, please call the Assessor's office. Return address and phone # provided on front top of application.