

# Legal Residence in South Carolina

*A homeowner's guide to qualifying for legal residence for property tax reasons*

For property tax purposes, legal residence represents the permanent home or dwelling place owned by a person and occupied by the owner thereof. It is the home where a person intends to remain permanently for an indefinite time. A home may be determined a legal residence, even though the person may be temporarily living at another location. Legal residence does not include those homes maintained for recreational or vacation purposes.

## ***What is legal residence?***

Legal residence refers to an owner-occupied home. A legal residence includes no more than five acres of contiguous land, owned totally or in part and occupied by the owner. It applies to additional dwellings located on the same property and occupied by immediate family members of the owner. These residences are taxed on an assessment equal to 4% of the fair market value of the property. To this value, a local rate is applied to determine taxes due. In addition to the special assessment ratio of 4%, the legal residence is also exempt from payment of taxes for school operating purposes.

## ***What are the qualifications?***

To qualify for the special 4% property tax assessment ratio, the owner of the property must have actually owned and occupied the residence as his legal residence and been occupying that address for some period during the applicable tax year. Only an owner-occupant is eligible to apply for the 4% special assessment.

If the property has located on it any rented mobile homes or residences or any business for profit, the 4% assessment does not apply to those businesses or rental properties.

## ***When do I apply for legal residence?***

The owner of the property or the owner's agent must apply for the 4% assessment ratio before the first penalty date for the payment of taxes for the tax year for which the owner first claims eligibility for this assessment ratio.

Once the application for legal residence has been approved, no further application is necessary while the property continues to meet the eligibility requirements. A new application must be filed if in any year you change your legal residence or move to another property. A new application must be filed on the new legal residence during the filing period.

***What if I do not apply?***

If an application for the special 4% assessment is not made on a legal residence, a 6% assessment ratio is applied to the property.

***What is the assessment ratio on a second home?***

The assessment ratio on a second home or vacation home is 6%. These homes are not eligible for an exemption from taxes for school operating purposes.

***Homestead Exemption***

If you have resided in South Carolina for a full calendar year and you are 65 years or older, legally blind or permanently and totally disabled, you are eligible for a Homestead Exemption of \$50,000 from the value of your home for tax purposes.

The application for exemption must be made to the auditor in the county where the dwelling is located.

For more information about property taxes and legal residence, contact the assessor in the county where you live.

For more information on the homestead exemption, contact the auditor in the county where you live.