



County of Lexington

Assessment & Equalization
212 S. Lake Drive, Suite 201
Lexington, SC 29072
Telephone (803) 785-8190

Annual Ownership Certificates to be Mailed in July 2008

SC Code of Laws 12-37-3160 (B) requires the County Assessor to annually mail an ownership certificate to certain property owners.

The Lexington County Assessor's Office will mail Annual Ownership Certificates on Friday, June 20, to certain property owners in the County.

This mailing is a result of the legislation that occurred after the South Carolina Property Tax Reform Act of 2006 was enacted. This the first time Lexington County has been required to do such a mailing, which is due to the change in state law.

Approximately 14,000 certificates will be mailed. They will be sent to property owners who are defined by law as "not natural persons." To explain, they will be mailed to those people who own real estate through a legal entity. A "legal entity" means a corporation, partnership, limited liability company, unincorporated association, trust, etc.

The purpose of the certificate is to determine whether an Assessable Transfer of Interest has occurred. If it has, then the real property is subject to reappraisal the following year, beginning in 2008, for transfers that occurred in 2007.

About 88 percent of property owners in Lexington County will not receive a certificate. Anyone who does not receive a certificate does not need to be concerned with this notice.

According to current S.C. law, an Assessable Transfer of Interest (ATI) subjects the property that transferred to reappraisal at current market value the year following the transfer. In other words, properties that transferred in 2007 may be subject to reappraisal in 2008.

Prior to this law, properties were generally reappraised every five years in cyclical countywide reassessments. The last countywide reassessment in Lexington County occurred in 2005.

Failure to return the form and/or provide the information required may result in an unnecessary reappraisal of the property. Therefore, property owners who receive the form in the mail are strongly encouraged to return the form and provide the required information.

Substantial civil penalties apply if information is falsified. Some owners may want to consult their attorneys or accountants about specific provisions of the law or to confirm that a transfer is or is not an ATI.

If you receive a certificate and have any questions, contact the Lexington County Assessor's Office at (803) 785-8190.

To view the applicable portion of SC Code of Laws, and view the Annual Ownership Certificate, go to www.lex-co.com.

SIDEBAR

Assessable Transfers of Interest (ATI's) are not always obvious, and include many transactions that many people would not normally consider sales.

The following are a few examples of Assessable Transfers of Interest from SC 12-37-3150 (A):

- Conveyances by deed or land contract
- Conveyances to and distributions from trusts, and changes in the sole present beneficiary of trusts
- Distribution of property (real estate/real property) under a will or by intestate succession
- Conveyances by some leases
- Partial interest sale of more than 50% ownership interest in a corporation, partnership, sole proprietorship, LLC, LLP or other legal entity
- Change in use of agricultural real property, which subjects the property to roll back tax
- Change in use of real property resulting from a zoning change

In addition, the following trading or stock transactions may result in an ATI:

- Merger of two or more companies or the acquisition of company by another company or individual
- The initial public offering (IPO) of the stock of a company, or the secondary public offering of a company
- Transfer from one entity to another entity
- Trading of stock of a privately held company
- Public offer to purchase stock from present stockholders to gain control of a company