

How Will Our Budget Affect Your Budget?

Property Taxes

Property Tax Overview

Property taxes are the City's largest revenue source, comprising roughly 52% of all General Fund revenues. Property taxes are levied on all residential, commercial, and personal property in the City of Clemson. The tax levy on a particular piece of property is determined by three factors: market value, assessment ratio, and millage rate.

- *Market value* is determined by the Pickens County Assessor's Office using a variety of factors such as size, condition, location, and recent selling prices of comparable properties.
- *Assessment ratio* is a percentage which is multiplied by the appraised market value of a property to determine the assessed value. Owner-occupied residences are assessed at 4%. Commercial properties and motor vehicles are generally assessed at 6% and personal property at 10.5%.
- Millage is a term used to describe the rate of taxes levied. A mill is calculated at one dollar per one thousand dollars of assessed value:

$$\frac{\$1,000 \text{ assessed value}}{\$1 \text{ of tax}} = .001 = 1 \text{ mill}$$

The South Carolina State Code of Laws limits the annual percentage increase in the millage rate to the increase in the Consumer Price Index plus the annual projected increase in population, with the exception that a municipality may utilize any allowed, but unused millage rate increase for the three previous tax years.

For property taxes to be fair and uniform, property values need to be updated to reflect market values for every property. State law requires reassessment every five years. Property was reassessed in Pickens County during FY 2020.

Calculating Your Property Tax Bill



Market Value:
\$200,000

Assessment Ratio 4%
Millage Rate 92 mills
LOST Credit Rate (FY23) 0.1371%

Market Value	\$	200,000
x Assessment Ratio	x	0.04
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Assessed Value	\$	8,000
Assessed Value	\$	8,000
x Millage Rate	x	0.09200
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Tax Bill	\$	736.00

Market Value	\$	200,000
x LOST Credit Rate	x	0.001371
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LOST Credit	\$	274.20

Tax Bill	\$	736.00
- LOST Credit Amount	-	274.20
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Amount Paid By Owner	\$	461.80

While the millage rate has increased from 85.5 to 92 mills, the Local Option Sales Tax (LOST) credit rate is anticipated to be higher this fiscal year. This increased credit rate will further offset the tax bill and reduce the amount paid by the owner. The increased LOST credit rate is anticipated to offset the millage increase so that the homeowner's final 2024 tax bill should not be measurably different from the final 2023 tax bill.