The background features a dark blue gradient with several overlapping, semi-transparent circles in various shades of blue and teal. A solid black horizontal bar spans the top of the image, containing the title text in white. Below the black bar is a thin, light teal horizontal line, followed by a larger area with the same blue gradient and circle pattern as the top section.

# **2012 CHANGES AFFECTING LEGAL RESIDENCE QUALIFICATION**

# TWO MAJOR CHANGES

1. Restricts the number of “legal residences” for a married couple (and other household members) to one , regardless of the state (ie: husband can not claim legal residence status in Ohio or Columbia, SC and the wife claim legal status in Myrtle Beach).
2. For multi- owners of property (other than husband and wife), the occupant of the residence whose ownership is less than 50% receives the legal residence assessment ratio for only that portion of the property which they own.

# New Certifications Required on Legal Residence Applications

“Under penalty of perjury I certify that:

- (A) the residence which is the subject of this application is my legal residence and where I am domiciled at the time of this application and that neither I, nor any member of my household, claim to be a legal resident of a jurisdiction other than South Carolina.
- (B) that neither I, nor a member of my household, claim the special assessment ratio allowed by this section on another residence.”

# DEFINITIONS

## “Member of My Household”

(A) the owner-occupant’s spouse, except when that spouse is legally separated from the owner-occupant; and

(B) any child under the age of eighteen years of the owner-occupant claimed or eligible to be claimed as a dependent on the owner-occupant’s federal income tax return. 12-43-220(c)(2)(iii).

# Ownership, Occupancy and Domicile Required for Legal Residence Taxation

(2) (i) To qualify to for the special property tax assessment ratio allowed for a legal residence (4%), the owner – occupant must have actually owned and occupied the residence as his legal residence and domiciled at that address for some period during the applicable tax year. A residence which has been qualified as a legal residence for any part of the year is entitled to the 4% assessment ratio for the entire year, for the exemption from property taxes levied for school operations pursuant to Section 12-37-251 for the entire year, and for the homestead exemption under Section 12-37-250, if otherwise eligible, for the entire year.

# Multiple Owners

If the owner-occupant owns less than 50%, the 4% assessment ratio allowed for the legal residence status will apply only to the % of the value owned by that legal resident. The remaining value of the property will receive the 6% assessment ratio.

A special rule applies where all owners are immediate family members, whereby if the owner – occupant owns 25% and the remaining 75% is owned by immediate family members, the full value of the property may qualify for the 4% assessment ratio.

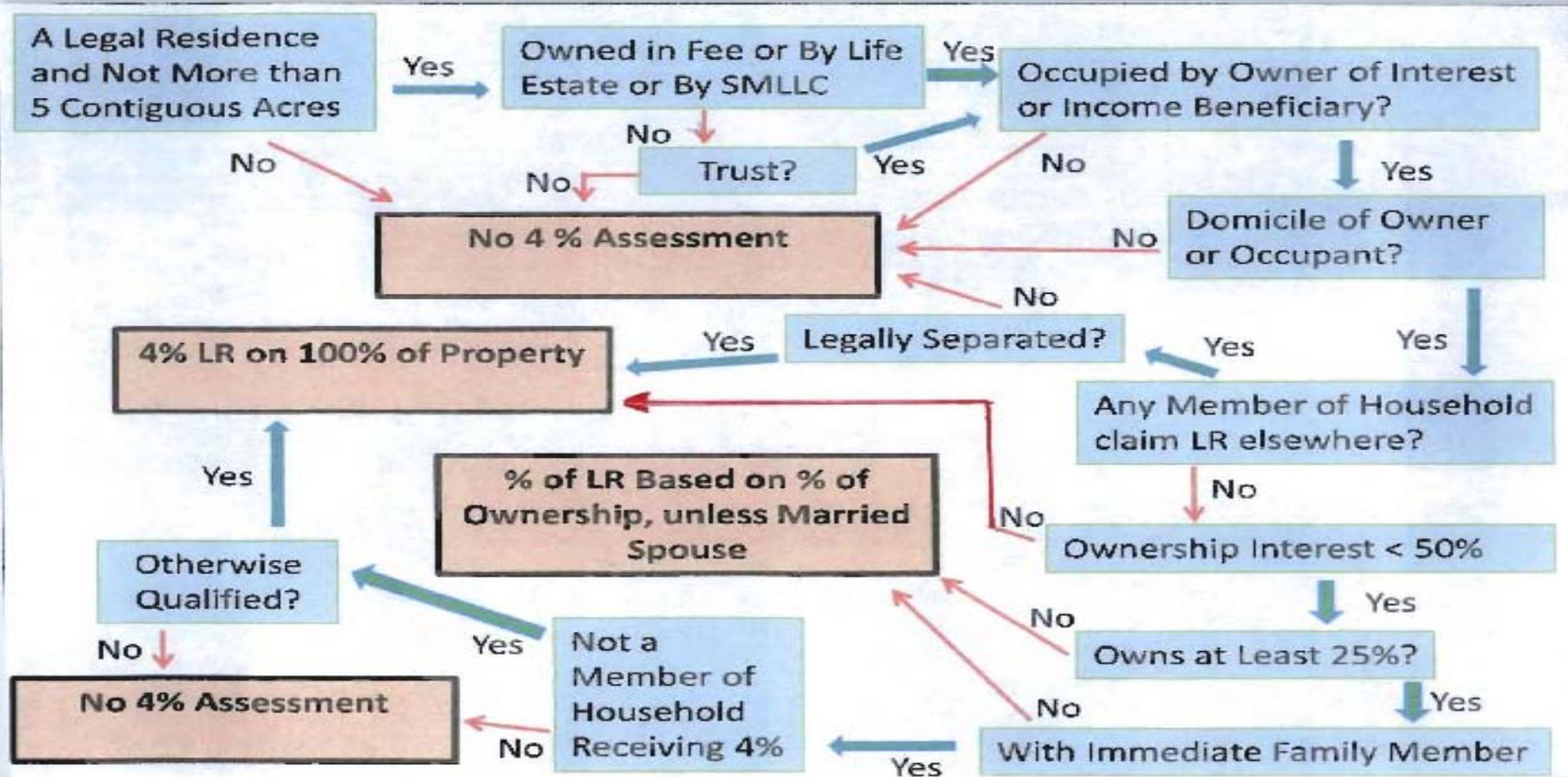
# DEFINITIONS

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“Immediate Family”

“Immediate family member” means  
a parent, child, or sibling  
[12-43-220(c)(8)]

# Complexities of Decision Tree for 4%



## **ACTION REQUIRED: 2012 Law Changes Affecting Legal Residence Status**

The South Carolina General Assembly has passed two new law amendments relating to the determination of legal residence status. As a result of these changes, which may affect the legal taxable status of your property, the County has implemented a new application for legal residence status to comply with the new State law. All properties that have multiple owners, where the owners are not husband and wife, must complete a new application for legal residence status no later than November 30, 2012. Failure to do so may result in the property being subject to a 6% assessment ratio. Legal residence status allows a 4% assessment ratio. The new application is available online at [www.HorryCounty.org](http://www.HorryCounty.org). If you have changes in your legal residence status, a new application must be completed and submitted to the Assessor's Office. If these changes in the law affect your qualification for legal residence status, or if other changes affect your legal residence status, you could be responsible for additional taxes and penalties. See the reverse side for a description of these law amendments.

**REMINDER:** State Law requires all property owners who have received the legal residence status to notify the County Assessor's Office within six months of any change that affects the status of their property as a legal residence. For example, legal residence status is impacted if a property is rented more than 14 days during a calendar year. For more information, visit [www.HorryCounty.org](http://www.HorryCounty.org) or contact the Assessor's Office at 843-915-5040.

**MORE INFORMATION ON OTHER SIDE**

# Law Changes Affecting Legal Residence Status

ACT No. 179 R. 207, H. 3934 EFFECTIVE DATE: MAY 31, 2012

The amendment to §12-43-220(c) adopts some new application language for the legal residence 4% assessment ratio to require the applicant to certify that neither they nor any member of their household\* claim to be a resident of a jurisdiction other than South Carolina, and that they nor any member of their household claim the 4% assessment ratio on another residence. This same provision is further amended to provide that for interests created by deed, any applicant owning less than a fifty percent interest receives the legal residence assessment ratio for only that portion of the property which they own. This is similar to the fractional interest rule for the elderly homestead exemption. The code section is further amended to create a special rule for immediate family members jointly owning a property by deed, to allow the entire property to receive the legal residence assessment ratio.

**\*MEMBER OF HOUSEHOLD: DEFINITION: "a member of my household" means: (A)the owner-occupant's spouse, except when that spouse is legally separated from the owner-occupant; and (B) any child under the age of eighteen years of the owner-occupant claimed or eligible to be claimed as a dependent on the owner-occupant's federal income tax return.**

For more information, visit [www.HorryCounty.org](http://www.HorryCounty.org) or contact the Assessor's Office at 843-915-5040.