

BOARD AGENDA ITEM

September 27, 2011

SUBJECT:

Rollback of 2011 – 2012 Millage for Reassessment

BACKGROUND INFORMATION:

The South Carolina Code of Laws, § 12-43-217 (A) states “once every fifth year each county or the State shall appraise and equalize those properties under its jurisdiction. Property valuation must be complete at the end of December of the fourth year and the county or State shall notify every taxpayer of any change in value or classification if the change is one thousand dollars or more. In the fifth year, the county or State shall implement the program and assess all property on the newly appraised values.” Aiken and Saluda Counties have completed their reassessment programs. Reassessed values will be reflected on fall 2011 tax bills.

State law requires that rollback millage be used in a year in which a reassessment program is implemented. Rollback millage ensures that a government entity does not receive a windfall for changes in existing property tax values as result of reassessment.

ADMINISTRATIVE CONSIDERATION:

At its June 21, 2011 meeting, the Board approved operating millage and debt service millage at 137.5 and 32.5 mills, respectively, for the 2011 – 2012 school year. These rates were tentative pending each county’s completion of the reassessment program and availability of reassessed values. The tentative 137.5 mills for operating millage represented no change from 2010 – 2011; debt service millage was increased by 9.0 mills to meet new debt service requirements.

Based on reassessed values and related information provided by the counties, the Administration calculates the rollback millage for operating at 131.6 mills. The rollback millage for debt service is calculated at 31.5 mills. Total millage would be 163.1 mills, 6.9 mills less than rates tentatively approved in June 2011.

RECOMMENDATION:

Approve operating and debt service at 131.6 mills and 31.5 mills for 2010 – 2011.

PREPARED BY:

Marion O. Traxler III