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State of South Carolina  
Department of Revenue  
301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

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SC INFORMATION LETTER #98-3

**SUBJECT:** Consumer Price Index for Rollback Millage Calculation  
(Property Tax)

**DATE:** March 2, 1998

**SUPERSEDES:** All previous documents and any oral directives in conflict herewith.

**REFERENCE:** S. C. Code Ann. Section 12-37-251(E) (Supp. 1997)

**AUTHORITY:** S.C. Code Ann. Section 12-4-320 (Supp. 1997)  
SC Revenue Procedure #97-8

**SCOPE:** An Information Letter is a document issued for the purpose of disseminating general information or information concerning an administrative pronouncement.

Information Letters issued to disseminate general information have no precedential value and do not represent the official position of the Department. Information Letters designated as administrative pronouncements are **official advisory opinions** of the Department.

Section 12-37-251 reads, in pertinent part:

(E) In the year of reassessment the millage rate for all real and personal property must not exceed the rollback millage, except that the rollback millage may be increased by the *percentage increase in the consumer price index* for the year immediately preceding the year of reassessment. Rollback millage is calculated by dividing the prior year property tax revenues by the adjusted total assessed value applicable in the year the values derived from a county wide equalization and reassessment program are implemented. This amount of assessed value must be adjusted by deducting assessments added for property or improvements not previously

taxed, for new construction, and for renovation of existing structures.  
(Emphasis added.)

For purposes of Section 12-37-251(E), the Department of Revenue uses the average increase in the Consumer Price Index for All Urban Consumers (CPI-U) which is published by the U.S. Department of Labor's Bureau of Labor Statistics. Therefore, for the 1998 reassessment year, the rollback millage may be increased by **2.3%** - the average increase in the CPI-U for 1997.

The department will publish the allowable increase in the rollback millage for reassessment year 1999 when notified of the average increase in the CPI-U for 1998.