117-1780 Classification of Property - Agricultural Use Property

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117-1780 Classification of Property - Agricultural Use Property.

These regulations address the application of the property tax laws to agricultural property and how property may qualify as agricultural use property. (See also, Property Tax Regulation 117-1840.2 on how to value agricultural use property).

117-1780.1. Definition of Agricultural Real Property.

Agricultural Real Property, as that term is used in 12-43-220(d), 12-43-230, and 12-43-232 of the South Carolina Code of Laws means a tract of real property which is used for agricultural purposes. Real property must meet the requirements for agricultural real property of Code Sections 12-43-220(d), 12-43-230 and 12-43-232 in order to be classified as agricultural real property. Additionally, the term Agricultural Real Property shall not include any property used as the residence of the owner or others. In no event shall real property be classified as agricultural real property when such property is not used for bona fide agricultural purposes. Real property is not used for agricultural purposes unless the owner or lessee thereof has, in good faith, committed the property to that use. Real property which is ostensibly used for agricultural purposes, but which is in reality used for other purposes, is not agricultural real property. The agricultural use of the property must be genuine in nature as opposed to sham or deception. The following factors shall be considered by county assessors in determining whether the tract in question is bona fide agricultural real property: (These factors are not, however, meant to be exclusive and all relevant facts must be considered.)

- 1. The nature of the terrain.
- 2. The density of the marketable product (timber, etc.) on the land.
- 3. The past usage of the land.
- 4. The economic merchantability of the agricultural product.
- 5. The use or not of recognized care, cultivation, harvesting and like practices applicable to the product involved, and any implemented plans thereof.
- 6. The business or occupation of the landowner or lessee, however, the fact that the tract may have been purchased for investment purposes does not disqualify it if actually used for agricultural purposes.

In cases in which the real property is committed to more than one use, one use being agricultural use and the other use or uses being unrelated to agriculture the agricultural activity use must comprise the most significant use of the property in order for it to be classified as agricultural real property.

The following uses of real property do not qualify as agricultural:

- 1. Recreation
- 2. Hunting Clubs
- 3. Fishing Clubs
- 4. Vacant Land (land lying dormant)
- 5. Any other similar use.

117-1780.2. Agricultural Special Assessment Applications.

- I. Qualifications Requirements. Agricultural real property which is actually used for such purposes, not including however, a corporation which is the owner or lessee except for certain corporations which do not:
 - 1. have more than ten (10) shareholders
 - 2. have as a shareholder a person (other than an estate) who is not an individual
 - 3. have a non-resident alien as a shareholder; and
 - 4. have more than one (1) class of stock

II. Definition of Agricultural Real Property. Agricultural real property shall mean any tract of real property which is used to raise, harvest or store crops, feed, breed or manage livestock, or to produce plants, trees, fowl or animals useful to man, including the preparation of the products raised thereon for man's use and disposed of by marketing or other means. It includes but is not limited to such real property used for agricultural, grazing, horticulture, forestry, dairying, and mariculture. In the event at least 50% of a real tract shall qualify as "agricultural real property", the entire tract shall be so classified, provided no other business for profit is being operated thereon. The term "agricultural real property" shall not include any property used as the residence of the owner or other in that the taxation of such property is specifically provided for in Section 2(C) and (E) of the Act.

III. Name shown on Property T	ax Record Soc. Section No. OR Fed. I.D. No.
1	
2	
If more than two (2) owr	ners, attach a sheet with above information on each
owner.	
IV. Tax Map Sheet Reference N	lumber
Location of tract of land	
No. of Acres	
Tax District	

l. Is any portio	n of the entire tr	act being used for ot	ner than agricultural profit.	
NO	YES	IF YES, EXPLAIN		
•		•	of the requirements for	the special
		ppraisal, I certify the ments for the curren	at the tract of land descrittax year.	ibed in this
		ements for the curren		ibed in this
		ements for the curren	t tax year.	ibed in

117-1780.3. Roll Back Provisions on Agricultural Land.

Whenever a tract of real property has 50% or more of its area being used for agricultural purposes, the entire tract shall qualify for agricultural real property. Excluding, however that portion on which a business is operated for profit or on which is located the residence of the owner or others in that the taxation of such property is specifically provided for in Sections 12-43-210 to 12-43-310 of the South Carolina Code of Laws.

If all or a portion of the agricultural part of the tract should change in use as to disqualify the non-agricultural portion which was receiving the agricultural classification, then only that part of the agricultural portion and the non-agricultural portion on which the use changes, shall be subject to the roll-back Code Sections 12-43-210 to 12-43-310.

HISTORY: Added by State Register Volume 28, Issue No. 6, eff June 25, 2004. Amended by State Register Volume 28, Issue No. 8, eff August 27, 2004.