

1975 WL 29133 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

October 9, 1975

\*1 The term 'assessed value' as used in Article 10, Section 5 of the Constitution is that value determined by applying the ratios provided in Act 208, Acts of 1975, to the property's fair market value. (1976 and subsequent tax years)

TO: William F. Able, Esq.  
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### QUESTION

Act 208, Acts of 1975, classified all property in the State for tax purposes and further provides the ratio to be applied to the fair market value of such property to set the taxable value. You request the opinion of whether such tax values constitute the 'assessed value of all taxable property' as the phrase is used in Article 10, Section 5 of the Constitution.

### CONSTITUTIONAL PROVISION AND STATUTE INVOLVED

Article 10 of the Constitution and Act 208, Acts of 1975.

### DISCUSSION

The Constitution does not preclude the General Assembly from reasonably classifying property for tax purposes and assessing the classes at different rates. [Newberry Mills, Inc. v. Dawkins](#), 259 S. C. 7, 190 S. E. 2d 503; [Holzwasser v. Brady](#), 262 S. C. 481, 205 S. E. 2d 701.

The 1975 Act provides the ratios to be applied to fair market value of the property in the different classes so as to set the tax value and is consistent with the requirements placed upon the General Assembly by Article 10 of the Constitution. Article 10, Section 3A of the Constitution, as amended, provides:  
'All property subject to taxation shall be taxed in proportion to its value.'

It has long been the procedure in this State to apply a ratio to the fair market value of property to determine its assessed value. As understood by this office, the assessed or tax value of property is the only value reflected upon the tax duplicate that is required by Section 65-1768, which duplicate is the warrant for the levy and collection of the tax. This procedure has likewise been judicially recognized. [State v. Cheraw & D. R. Co.](#), 54 S. C. 564, 32 S. E. 691; [Newberry Mills v. Dawkins](#), supra; [Holzwasser v. Brady](#), supra.

The term 'assessment' as used in Article 10, Section 13 of the Constitution has been construed to mean 'the value placed upon property for the purpose of taxation by officials appointed for that purpose.' [Powell v. Chapman](#), 260 S. C. 516, 197 S. E. 2d 287. The Court, in that case, held that the 'assessed valuation' of county property leased under the Industrial Revenue Bond Act was to be included as taxable property for purposes of the bonded debt limitations.

### CONCLUSION

It is therefore the opinion of this office that the 'assessed value' as used in Article 10, Section 5 of the Constitution is that value determined by applying the ratio provided by the 1974 Act to the fair market value of taxable property. Such, logically, is for tax years for which Act 208 is applicable.

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