

## SDAAO CONFERENCE

MAY 11, 2007

PRESENTED BY DEPARTMENT OF REVENUE AND REGULATION

FOR DISCUSSION PURPOSES

**10-3-32. Posting of real estate transfers to assessment rolls.** Upon receipt from the register of deeds of the certified list of transfers of real estate, it shall be the duty of the county director of equalization to check the assessment rolls of real estate for that year and change upon such list the assessment thereof to the true owner as shown by such list.

**10-21-35. Divided assessment when portion of real estate purchased.** Any person who has purchased an interest in any real estate causing the property to be divided and has filed all legal documents with the register of deeds may request the director of equalization to divide the assessed value between each property. The person requesting the assessed value to be divided shall pay the share of taxes against such real estate without requiring the immediate payment of the taxes charged against the remaining property. The taxes shall be divided according to any agreement made by the purchaser and seller; if there is no agreement, the taxes shall be divided by the proportionate area purchased. The tax receipt shall show the portion of the taxes paid and the name and address of the person paying the tax.

**10-6A-4. Annual application for freeze--Filing deadline--Forms--Petition for recalculation of taxes upon failure to meet deadline.** The application for the real property tax assessment freeze provided under this chapter shall be annually submitted on or before April first on forms prescribed by the secretary of revenue and regulation. The form shall be made available to the county treasurer who shall, upon request of an applicant, assist the applicant in completing the form. A person failing to comply with the April first deadline for the previous year, but otherwise qualifying for the real property tax assessment freeze provided under this chapter, may petition the board of county commissioners to recalculate the taxes based on the valuation the person would have received under this program and abate the difference in taxes.

**10-18-2. Compromise, abatement or rebate of uncollectible tax--Circumstances in which authorized--Apportionment among funds and taxing districts.**

(8) The board may abate or refund the taxes pursuant to § 10-6A-4.

### SUGGESTED PROCEDURE – Elderly Freeze Abatements

1. Treasurer receives all "late" applications- - also gives property owner abatement form to be completed and returned.
2. Treasurer / Dir of Equal / Auditor - work up application checking income, value of property, etc.
3. Auditor calculates difference of taxes - -
4. Pull tax bill that is generated in December for payment the next year for properties affected
5. Treasurer presents form and abatement form to commissioners for action (first meeting in January)
6. If approved, recalculate tax bill and send to taxpayer

(This procedure is being given to Auditor, Treasurer and Dir of Equal.)

## **HB 1187 – Military - - Owner – Occupied – has emergency clause**

Section 1. That chapter 10-13 be amended by adding thereto a NEW SECTION to read as follows:

Any person who is on temporary duty assignment for the military which causes the person to fail to comply with the application deadline for a property classification as an owner-occupied single-family dwelling pursuant to §§ 10-13-39 to 10-13-40.3, inclusive, but otherwise qualifying for the classification provided under this chapter, may petition the board of county commissioners to recalculate the taxes based on the classification the person would have received under this chapter and abate or refund the difference in taxes pursuant to chapter 10-18.

Section 2. That § 10-18-2 be amended by adding thereto a NEW SUBDIVISION to read as follows:

The board may abate or refund the taxes pursuant to section 1 of this Act.

Section 3. Whereas, this Act is necessary for the immediate preservation of the public peace, health, or safety, an emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval.

## **HB 1248 – Change in Assessed Value by more than 20%**

Section 1. That chapter 10-6 be amended by adding thereto a NEW SECTION to read as follows:

If the assessed valuation of any real property increases by more than twenty percent in a year, the director of equalization shall provide written notice to the property owner, unless the property was subject to an addition, improvement, or change in use or classification. The written notice shall provide:

- (1) Notification of the current assessed valuation, the prior year's assessment, and the percentage increase of the assessed valuation;
- (2) A statement that the director of equalization will provide to the property owner, upon request, sales of comparable property or other information supporting the increased assessed valuation; and
- (3) Information about the appeal process.

The secretary of the Department of Revenue and Regulation may promulgate rules, pursuant to chapter 1-26, concerning the form and content of the notice.

## **SB 83 – Assessment Freeze**

10-6A-3. This chapter does not apply to a single-family dwelling with a full and true market value of one hundred fifty thousand dollars or more unless the applicant has received the freeze on assessments in a preceding year on the single-family dwelling. Beginning on January 1, 2008, the eligibility qualification value of the single-family dwelling provided in this section shall be annually increased by an index factor. The index factor is the annual percentage change in the consumer price index for urban wage earners and clerical workers as computed by the Bureau of Labor Statistics of the United States Department of Labor for the year before the year immediately preceding the year of adjustment or the annual percentage change in federal social security payments for the preceding year, whichever is greater.

## **SB 96 – Disabled Veteran**

One hundred thousand dollars of the full and true value of the total amount of a dwelling or portion thereof that is owned and occupied for the full calendar year in which a tax is levied by a veteran who is rated as permanently and totally disabled from a service-connected disability is exempt from property taxation. For the purposes of this section, the term, dwelling, means any house, manufactured home, or mobile home, and includes the platted lot upon which the structure is situated or one acre, whichever is less, and the garage, whether attached or unattached. The veteran shall apply for this partial exemption on a form prescribed by the secretary of revenue and regulation.

## **SB 125 – Mobile Home – Moving by owner of real property**

Section 1. If a mobile home or manufactured home as defined in chapter 32-7A has been abandoned and left on leased real property, the owner of real property may sell the mobile home or manufactured home under the provisions of chapter 21-54. A mobile home or manufactured home is considered abandoned if the owner of the mobile home or manufactured home has not removed the home from the real property owner's land within thirty days of the court issuing a writ of possession as provided in chapter 21-16. Upon issuance of the writ of possession by the court, the owner of real property shall give the owner of the mobile home or manufactured home and any lienholder with a lien properly noted pursuant to chapter 32-3, written notice of intent to sell the home pursuant to chapter 21-54 if the home is not removed from the real property owner's property within thirty days. The notice shall be sent to the owner of the mobile home or manufactured home at the owner's last known address. The Department of Revenue and Regulation shall promulgate rules pursuant to chapter 1-26 to prescribe a form for the written notice. Any written notice shall be sent by certified mail. The sale is subject to any taxes owed on the home and unpaid lot rent but such unpaid lot rent lien may not exceed two month's lot rent at the price previously agreed to by the owner of real property and owner of the mobile home or manufactured home.

Section 2. After the owner of the abandoned mobile home or manufactured home has been provided thirty days written notice, and before the owner of real property proceeds with the sale of the abandoned mobile home or manufactured home, the owner of the real property shall provide written notice of intent to sell the abandoned property to the county treasurer where the home is located. The Department of Revenue and Regulation shall promulgate rules pursuant to chapter 1-26 to prescribe a form for the written notice. If the treasurer has not issued a distress warrant and informed the owner of real property of such issuance within thirty days of the notice required by this section or the mobile home or manufactured home has not been removed by its owner or any lien holder within thirty days of the notice provided by section 1 of this Act, the owner of real property may proceed with the sale pursuant to chapter 21-54.

Section 3. If an abandoned mobile home or manufactured home fails to sell at a sale held pursuant to chapter 21-54, title to the mobile home or manufactured home is irrevocably vested with the owner of the real property. The owner of the real property on which the mobile home or manufactured home resides, may obtain an abandoned title without payment or obligation to pay any taxes owed on the home or any lien on the home at the time of acquisition. However, if the owner of the real property intends any use of the abandoned mobile home or manufactured home other than disposal, the owner of the real property may obtain an abandoned title after paying any taxes owed on the home. The department shall promulgate rules pursuant to chapter 1-26 to prescribe a form that shall be used to apply for the abandoned title.

Section 4. If an owner of the real property obtains a title to a mobile home or manufactured home pursuant to section 3 of this Act, the owner of the real property shall obtain a permit pursuant to § 32-5-16.3 to move the abandoned mobile home or manufactured home. If the owner of the real property files an affidavit with the county treasurer stating that the owner is going to move the abandoned mobile home or manufactured home for the sole purpose of disposal, the county treasurer shall issue the permit provided by § 32-5-16.3 without receiving payment of the current year's taxes. The Department of Revenue and Regulation shall promulgate rules pursuant to chapter 1-26 to prescribe a form for the affidavit.

Section 5. The county treasurer shall deliver the affidavit filed pursuant to section 4 of this Act to the board of county commissioners after issuance of the permit. Upon receipt of the affidavit, the board of county commissioners shall abate any taxes owed on the mobile home or manufactured home.