

BAA CONFERENCE Summary – December 10, 2024

PARCEL ID: R510 010 000 0176 0000
APPELLANT: Eric DeWeerd
APPEAL: Refund for previous years
LOCATION: Beaufort County Council Chambers, Beaufort

Conference Start: 2:02 P.M.

Conference End: 3:42 P.M.

Attending Board Members:

Paul Jernigan, Chairman
Andrew DiSalvo
Stephen Koch
Bob MacKay
Bob Bible

Time into Decision Session: 3:12

Time out of Decision Session: 3:39

Board Conference Narrative Summary:

Board Chairman Paul Jernigan explained the procedures for the Board conference. Both County Assessor and appellant were sworn in.

Documents for the 15 and 17 day exchange were submitted to the Board for review.

Beaufort County Assessor Ebony Sanders presented first. Today's issue is based on a decision by the refund committee to deny tax refund for tax years 2017 and 2018. Mr. and Mrs. DeWeerd owned the property from 2012 through 2022. They benefited from the Legal Residence exemption from 2013 through 2017. In 2018 a county audit was performed, and the legal residence exemption was removed from the property. Taxpayer received a back tax bill for those years he benefited from the legal residence exemption.

The taxpayer received a back tax bill for 2013 through 2017 and letting him know that the legal residence was removed. At that time, the taxpayer did not appeal the decision. We are not here to discuss the back tax bill but refund years that taxpayer may be entitled to. August 6th, 2018, the taxpayer received a letter requesting his tax returns for 2017. He failed to provide his SC resident tax return as requested. Only his federal tax return was submitted. June 23, 2022, property owner applied for legal residency which included a request for Legal residency for 2020 and 2021. A denial letter was sent due to missing documents. Again, we were asking for his state tax returns which were not submitted. Only the Federal return for 2017 was submitted.

In 2023 Assessor Ebony Sanders met with the property owners, even though the property was sold at this point. According to SC Code of Laws, they can request a refund for the years they owned the property. Tax payers provided extensions for tax years 2019 through 2021 and Mrs. Sanders accepted those as evidence of SC residency. Property owners requested a refund for 2017 through 2021. Ms. Sanders submitted a refund request for tax years 2017 through 2021 to the refund committee. Taxpayer received a refund in excess of \$26,000. Committee approved refund for 2019 through 2021 but not 2017 or 2018, as this was outside of the statutory window for tax refund request.

May of 2024, property owner appealed the committee's decision to deny tax years 2017 & 2018 refund request determination of April 17, 2024.

Assessor then cited South Carolina Code of Laws §12-43-220 (c)(3), §12-60-2560, §12-54-85(F)(1)(2014). Speaks to the period of time, 36 months from the time documents are filed. Property owner provided assessor with a refund request for tax year 2020 and 2021 only in 2022. Knowing that Mr. DeWeerd would qualify for an additional year's refund, she granted a refund for 2019 in addition to 2020 and 2021.

Property owner did provide a legal residence application for 2018 but did not provide supporting documentation required. They were not provided to the assessor's office within the 30 day deadline. The only documents received were federal filing receipts, not the state returns required by statute.

South Carolina Statute states the burden of proof is upon the taxpayer to prove residency. It also states the assessor's office can ask for additional documents to prove residency. Assessor accepted requests for extensions to file tax returns as evidence of residency. Property owner failed to provide documents requested within the 30 day timeline and failed to request a refund within the time set forth in SC Statute.

Property owner then requested a refund from 2013 through 2022, but that was not part of his original request for a refund for 2017 and 2018. Based on property owner's paperwork submitted, his request for a refund for previous years would be contrary to state statute.

Assessor presented the timeline of events submitted to County Administrator Michael Moore, Deputy Administrator Dale Butts and Board Coordinator.

1. It was discovered in 2017 that Mr. De Weerd benefited from LR exemption in two jurisdictions and was back-taxed for prior years
2. August 01, 2018, Mr. De Weerd applied for LR
3. August 06, 2018, Mr. De Weerd was informed that his application was missing filed tax returns (2017 SC 1040s)
4. In 2018, Mr. De Weerd failed (and continued to fail after receiving notification) to provide a copy of his 2017 SC 1040 tax returns as requested.
5. Taxpayer filed a request for a refund on June 22, 2022
6. De Weerd was approved (by the committee comprised of the Assessor, Auditor, and Treasurer) and received a refund for 3 tax years for over \$26k
7. Due to statutory refund restrictions, the committee denied De Weerd's refund request for 2017 and 2018.
8. De Weerd appealed his refund denial to the BAA
9. De Weerd contacted the BAA Coordinator, Elizabeth Rigg in May, inquiring about his upcoming BAA conference
10. July 26, 2024 - All parties received an initial notification of the scheduled BAA conference
11. September 9th – Mr. De Weerd received notification and the Assessor's 15-day exchange materials for the scheduled conference
12. September 9th—Mr. De Weerd failed to provide the BAA with his 15-day exchange materials for the scheduled conference on time.
13. September 12th—Mr. De Weerd attempted to provide his 15-day exchange materials to the BAA Coordinator. The Coordinator informed him that his documents submitted would not be accepted as his 15-day exchange evidence. However, Ms. Rigg allowed Mr. De Weerd to rebut the Assessor's timely filed 15-day exchange materials at the 7-day exchange date of September 17th.
14. September 17th – (7-day rebuttal deadline) Mr. De Weerd failed to provide rebuttal materials.
15. September 17th – Mr. De Weerd contacted Ms. Rigg for information regarding the postponement.

16. September 20th—Mr. De Weerd contacted BAA Chairman Paul Jernigan and requested a postponement of his BAA conference. Mr. Jernigan granted Mr. De Weerd's request.

Mr. DeWeerd stated that there was a lot of confusion around this case as he claims he did provide his tax returns to Ms. Kimbro on three separate occasions at the Port Royal, annex when he first appealed. He referred to his 15 day documents, pages 28 and 29. He presented copies to the Board members. Documents were verified by BAA Coordinator. Appellant contends that both federal and state returns were actually attached. Only a picture of PDF symbol was attached to the 15 day documents. Andrew DiSalvo asked to verify that the years in question were 2017 and 2018. Mr. Deweerd stated that he was appealing all years other than those he already received a refund for.

Taxes were paid by the bank unbeknownst to the taxpayer at the 6% rate. Taxpayer was having issues with his bank as he was going through foreclosure and Chapter 11 Bankruptcy.

Andrew DiSalvo asked for the jurisdiction of his bankruptcy and Mr. DeWeerd stated that the first bankruptcy was filed pro se and the second bankruptcy was filed with an attorney in Federal court in Charleston. He asked Mrs. Sanders if the bankruptcy was considered in this refund case. Mrs. Sanders stated no but we may receive final orders from the courthouse. The bankruptcies are considered liens and may be filed with the Register of Deeds or the treasurer's office.

Based on the documents presented, the request for a refund for 2017 and 2018 is denied due to being outside of the statutory limits for a refund request. Mr. DeWeerd was granted a refund for 2019 through 2021 only.

Board Decision Results:

Board voted unanimously in favor of the assessor as the property owner did not meet the burden of proof that the assessor was incorrect in denying a refund for those years, 2017 and 2018 which are outside of the limitation set forth by statute for a refund request.

Additional Attendees:

Ebony Sanders, Beaufort County Assessor

Dylan Kidd, Assistant County Attorney

Milton Boswell, Deputy Assessor

Liz Rigg, BAA Coordinator

Beaufort County Assessor's office staff