

# REPORT OF THE REVENUE POLICY SUBCOMMITTEE

(White, Limehouse, Bingham, Pitts & Herbkersman - Staff Contact: Rena N. Grant)

---

---

## HOUSE BILL 4762

---

---

H. 4762 -- Rep. Anthony: A BILL TO AMEND SECTION 6-1-320, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE LIMITATION ON MILLAGE RATE INCREASES AND EXCEPTIONS TO THIS LIMITATION, SO AS TO REVISE THE EXCEPTION TO THIS LIMITATION FOR THE PURCHASE OF CAPITAL EQUIPMENT AND OTHER EXPENDITURES IN A COUNTY HAVING A POPULATION OF LESS THAN ONE HUNDRED THOUSAND PERSONS AND HAVING AT LEAST FORTY THOUSAND ACRES OF STATE FOREST LAND BY CHANGING THE TERM "STATE FOREST LAND" IN THIS EXCEPTION TO THE TERM "STATE OR NATIONAL FOREST LAND".

***Summary of Bill:***

This bill revises the limitation on millage rate increases and exceptions to this limitation by adding or "national" forest land. Currently the law provides for an exemption in a county having a population of less than 100,000 individuals with at least 40k acres of state forest land. The bill simply allows for the inclusion of "national forest land". H. 3812, Act 410 of 2008 inadvertently omitted "national forest".

***Estimated Fiscal Impact:***

The following counties would now qualify for the exemption: Abbeville, Chesterfield, Edgefield, Fairfield, Greenwood, Laurens, McCormick, Newberry, Oconee and Union. The impact on local revenue will depend upon which newly qualifying counties elect to exceed their millage rate increase limitations as a result of adding "national" forest land. The fiscal impact is undetermined as there is no way to know which of the above-referenced counties will elect to exceed their millage rate increase limitations

***Subcommittee Recommendation:*** Favorable

***Full Committee Recommendation:*** Pending

***Other Notes/Comments:***



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
 (803)734-0640 • RFA.SC.GOV/IMPACTS

**Bill Number:** H. 4762  
**Author:** Anthony  
**Subject:** Millage rate increase limits and exceptions  
**Requestor:** House Ways and Means  
**RFA Analyst(s):** Jolliff  
**Impact Date:** April 12, 2016

**Estimate of Fiscal Impact**

	FY 2016-17	FY 2017-18
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	Undetermined	\$0

**Fiscal Impact Summary**

This bill would change qualifications for the millage rate increase limitation exemption in Section 6-1-320(B)(7). Based upon our analysis, the following counties would now qualify for the exemption: Abbeville, Chesterfield, Edgefield, Fairfield, Greenwood, Laurens, McCormick, Newberry, Oconee, and Union. The impact on local revenue will depend up on which local governing bodies, if any, in the newly qualifying counties elect to exceed their millage rate increase limitation as a result of this exemption and as such is undetermined.

**Explanation of Fiscal Impact**

**State Expenditure**

N/A

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

This bill amends the millage rate increase limitation exemption in Section 6-1-320(B)(7) by changing the qualifications for the exemption. Currently, a local governing body in a county with a population of less than one hundred thousand and at least forty thousand acres of state forest land may exceed the millage rate increase limitation to purchase capital equipment and make expenditures related to capital equipment with a two-thirds vote of the membership of the local

governing body. This bill would amend this section by changing the state forest land requirement to state or national forest land. Since forest land is not clearly defined, we have based our analysis on areas named as forests and excluded state parks and managed wetlands. Based upon GIS data obtained from the Department of Natural Resources, we do not find any counties with a population of less than one hundred thousand that have at least forty thousand acres of state forest land. Changing this requirement to forty thousand acres of state or national forest land, we anticipate that the following counties with a population of less than one hundred thousand will qualify for this exemption: Abbeville, Chesterfield, Edgefield, Fairfield, Greenwood, Laurens, McCormick, Newberry, Oconee, and Union. The impact on local revenue will depend up on which local governing bodies, if any, in the newly qualifying counties elect to exceed their millage limitation as a result of this exemption and as such is undetermined.



---

Frank A. Rainwater, Executive Director

**South Carolina General Assembly**  
121st Session, 2015-2016

**H. 4762**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. Anthony

Document Path: I:\council\bill\13578sd16.docx

Introduced in the House on January 27, 2016

Currently residing in the House Committee on **Ways and Means**

Summary: Millage rate increase limits and exceptions

**HISTORY OF LEGISLATIVE ACTIONS**

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
1/27/2016	House	Introduced and read first time ( <u>House Journal-page 83</u> )
1/27/2016	House	Referred to Committee on <b>Ways and Means</b> ( <u>House Journal-page 83</u> )

View the latest legislative information at the website

**VERSIONS OF THIS BILL**

1/27/2016

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

**A BILL**

TO AMEND SECTION 6-1-320, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE LIMITATION ON MILLAGE RATE INCREASES AND EXCEPTIONS TO THIS LIMITATION, SO AS TO REVISE THE EXCEPTION TO THIS LIMITATION FOR THE PURCHASE OF CAPITAL EQUIPMENT AND OTHER EXPENDITURES IN A COUNTY HAVING A POPULATION OF LESS THAN ONE HUNDRED THOUSAND PERSONS AND HAVING AT LEAST FORTY THOUSAND ACRES OF STATE FOREST LAND BY CHANGING THE TERM "STATE FOREST LAND" IN THIS EXCEPTION TO THE TERM "STATE OR NATIONAL FOREST LAND".

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 6-1-320(B)(7) of the 1976 Code, as last amended by Act 410 of 2008, is further amended to read:

"(7) to purchase capital equipment and make expenditures related to the installation, operation, and purchase of the capital equipment including, but not limited to, taxes, duty, transportation, delivery, and transit insurance, in a county having a population of less than one hundred thousand persons and having at least forty thousand acres of state or national forest land. For purposes of this section, "capital equipment" means an article of nonexpendable, tangible, personal property, to include communication software when purchased with a computer, having a useful life of more than one year and an acquisition cost of fifty thousand dollars or more for each unit."

SECTION 2. This act takes effect upon approval by the Governor.

1  
2

---XX---

[4762]

2