**A** **BILL**

TO AMEND SECTIONS 4‑10‑20, AS AMENDED, 4‑10‑350, AS AMENDED, 4‑10‑580, AND 4‑37‑30, AS AMENDED, ALL OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE LOCAL OPTION SALES TAX, THE CAPITAL PROJECT SALES TAX, THE PERSONAL PROPERTY TAX EXEMPTION SALES TAX, AND THE TRANSPORTATION INFRASTRUCTURE SALES TAX, SO AS TO EXEMPT FROM THESE TAXES FOOD ITEMS ELIGIBLE FOR PURCHASE WITH UNITED STATES DEPARTMENT OF AGRICULTURE FOOD COUPONS AND TO MAKE THIS EXEMPTION APPLY PROSPECTIVELY.

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

SECTION 1. Section 4‑10‑20 of the 1976 Code, as last amended by Act 151 of 1997, is further amended to read:

“Section 4‑10‑20. A county, upon referendum approval, may levy a sales and use tax of one percent on the gross proceeds of sales within the county area which are subject to tax under Chapter 36 of Title 12 and the enforcement provisions of Chapter 54 of Title 12. The sale of items with a maximum tax levied in accordance with Section 12‑36‑2110 and Article 17 of Chapter 36 of Title 12 is exempt from the local sales and use tax. Unprepared food items eligible for purchase with United States Department of Agriculture food coupons are exempt from the tax imposed pursuant to this article. The adopted rate also applies to tangible personal property subject to the use tax in Section 12‑36‑1310. Taxpayers required to remit taxes under Section 12‑36‑1310 shall identify the county or municipality in the county area in which tangible personal property purchased at retail is stored, used, or consumed in this State. Utilities are required to report sales in the county or municipality in which consumption of the tangible personal property occurs. A taxpayer subject to the tax imposed by Section 12‑36‑920, who owns or manages rental units in more than one county or municipality, shall report separately in his sales tax return the total gross proceeds from business done in each county or municipality.”

SECTION 2. Section 4‑10‑350(B) of the 1976 Code, as added by Act 138 of 1997, is amended to read:

“(B) The tax authorized by this article is in addition to all other local sales and use taxes and applies to the gross proceeds of sales in the applicable area that is subject to the tax imposed by Chapter 36 of Title 12 and the enforcement provisions of Chapter 54 of Title 12. The gross proceeds of the sale of items subject to a maximum tax in Chapter 36 of Title 12 are exempt from the tax imposed by this article. Unprepared food items eligible for purchase with United States Department of Agriculture food coupons are exempt from the tax imposed pursuant to this article. The tax imposed by this article also applies to tangible personal property subject to the use tax in Article 13, Chapter 36 of Title 12.”

SECTION 3. Section 4‑10‑580(B) of the 1976 Code, as added by Section 99, Part II, Act 387 of 2000, is amended to read:

“(B) The tax authorized by this article is in addition to all other local sales and use taxes and applies to the gross proceeds of sales in the applicable area that is subject to the tax imposed by Chapter 36 of Title 12 and the enforcement provisions of Chapter 54 of Title 12. The gross proceeds of the sale of items subject to a maximum tax in Chapter 36 of Title 12 are exempt from the tax imposed by this article. Unprepared food items eligible for purchase with United States Department of Agriculture food coupons are exempt from the tax imposed pursuant to this article. The tax imposed by this article also applies to tangible personal property subject to the use tax in Article 13, Chapter 36 of Title 12.”

SECTION 4. Section 4‑37‑30(A)(9) of the 1976 Code, as last amended by Act 368 of 2000, is further amended to read:

“(9) The tax authorized by this section is in addition to all other local sales and use taxes and applies to the gross proceeds of sales in the applicable jurisdiction which are subject to the tax imposed by Chapter 36 of Title 12 and the enforcement provisions of Chapter 54 of Title 12. The gross proceeds of the sale of items subject to a maximum tax in Chapter 36 of Title 12 are exempt from the tax imposed by this section. ~~The gross proceeds of the sale of food lawfully purchased with~~ Unprepared food items eligible for purchase with United States Department of Agriculture food ~~stamps~~ coupons are exempt from the tax imposed by this section. The tax imposed by this section also applies to tangible personal property subject to the use tax in Article 13, Chapter 36 of Title 12.”

SECTION 5. This act takes effect upon approval by the Governor, but the amendments to Sections 4‑10‑20, 4‑10‑350(B), 4‑10‑580(B), and 4‑37‑30(A)(9) of the 1976 Code apply with respect to imposition of local sales taxes pursuant to referenda held after that date.

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