~~Indicates Matter Stricken~~

Indicates New Matter

AMENDED

April 26, 2012

**H. 4082**

Introduced by Reps. Vick, Edge, Hiott, Hayes, R.L. Brown, Jefferson, Bowers, Anthony, Skelton, Williams, McLeod, G.M. Smith, Weeks, Gilliard, Agnew, Horne, Funderburk, Tribble, Pinson, Clemmons and Neilson

S. Printed 4/26/12--H.

Read the first time April 13, 2011.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

**EXPLANATION OF IMPACT:**

The Forestry Commission indicates that this bill will not result in any additional cost to the agency. However, since a portion of the Insurance Premium Tax, which currently is deposited into the state general fund, would be transferred to the Forestry Commission under the provisions of H. 4082, as amended, there would be an impact on the state general fund.

**SPECIAL NOTES:**

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this or any other bill.

*Approved By:*

Brenda Hart

Office of State Budget

**A** **BILL**

TO AMEND SECTION 38‑7‑20, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE IMPOSITION OF THE INSURANCE PREMIUM TAX, SO AS TO PROVIDE THAT SEVEN PERCENT OF THE ANNUAL REVENUE OF THIS TAX MUST BE TRANSFERRED TO THE SOUTH CAROLINA FORESTRY COMMISSION AND USED BY IT FOR FIREFIGHTING AND FIREFIGHTING EQUIPMENT REPLACEMENT AND FOREST INDUSTRY ECONOMIC ENHANCEMENT.

Amend Title To Conform

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

SECTION 1. Section 38‑7‑20 of the 1976 Code, as last amended by Act 73 of 2003, is further amended to read:

“Section 38‑7‑20. (A) In addition to all license fees and taxes otherwise provided by law, there is levied upon each insurance company licensed by the director or his designee an insurance premium tax based upon total premiums, other than workers’ compensation insurance premiums, and annuity considerations, written by the company in the State during each calendar year ending on the thirty‑first day of December. For life insurance, the insurance premium tax levied herein is equal to three‑fourths of one percent of the total premiums written. For all other types of insurance, the insurance premium tax levied in this section is equal to one and one‑fourth percent of the total premiums written. In computing total premiums, return premiums on risks and dividends paid or credited to policyholders are excluded.

(B) Effective July 1, 2012, through June 30, 2017, two and one‑quarter percent of the revenue of the premium taxes collected pursuant to this section must be transferred to the South Carolina Forestry Commission and used by that agency for firefighting and firefighting equipment replacement. The remaining insurance premium taxes collected ~~by the director or his designee~~ pursuant to this section must be deposited ~~by him in~~ to the credit of the general fund of the State.”

SECTION 2. This act takes effect July 1, 2012.

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