**A** **BILL**

TO AMEND SECTION 12‑36‑2120, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EXEMPTIONS FROM THE STATE SALES AND USE TAX, SO AS TO EXEMPT FROM THESE TAXES GROSS PROCEEDS OF SALES OR SALES PRICE OF CHILDREN’S CLOTHING SOLD TO A PRIVATE CHARITABLE ORGANIZATION FOR THE SOLE PURPOSE OF DISTRIBUTION AT NO COST TO NEEDY CHILDREN AND TO DEFINE “CLOTHING” AND “NEEDY CHILDREN”.

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

SECTION 1. Section 12‑36‑2120 of the 1976 Code, as last amended by Act 235 of 2012, is further amended by adding an appropriately numbered new item at the end to read:

“( ) children’s clothing sold to a private charitable organization exempt from federal and state income tax for the sole purpose of distribution by that organization to needy children. For purposes of this item:

(a) ‘clothing’ means those items exempt from sales and use tax pursuant to item (57)(a)(i) and (iii) of this section; and

(b) ‘needy children’ means children eligible for free meals under the National School Lunch Program of the United States Department of Agriculture.”

SECTION 2. This act takes effect July 1, 2013.

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