**A** **BILL**

TO AMEND SECTION 42‑5‑190, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO TAX ON SELF‑INSURERS, SO AS TO PROVIDE THAT THE WORKERS’ COMPENSATION COMMISSION SHALL RETAIN A PORTION OF ALL ASSESSMENTS PAID BY SELF‑INSURERS WITH THE REMAINDER TO BE DEPOSITED WITH THE STATE TREASURER AND TO PROVIDE THAT THE WORKERS’ COMPENSATION COMMISSION SHALL RETAIN A PORTION OF ANY PENALTIES ASSESSED WITH THE REMAINDER TO BE REMITTED TO THE GENERAL FUND.

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

SECTION 1. Section 42-5-190 of the 1976 Code is amended to read:

“Section 42‑5‑190. Every employer carrying his own risk under the provisions of Section 42‑5‑20 shall report under oath to the South Carolina Workers’ Compensation Commission his actual cost incurred under the provisions of this title. The report must be made in the form prescribed by the commission by the fifteenth day of the third month following the close of the self‑insurer’s fiscal year. The commission shall assess against the actual cost incurred a maintenance tax computed by taking ~~four~~ two and one‑half percent of the actual cost of operating under the provisions of this title as determined by the commission. ~~For fiscal year 1990‑91, the maintenance tax is at the rate of three and one‑half percent. For fiscal year 1991‑92 and thereafter, the maintenance tax is at the rate of two and one‑half percent.~~ The assessments must be paid to the commission which~~, in turn,~~ shall ~~deposit them with the State Treasurer~~ retain fifty percent or no less than two million two hundred thousand dollars of the funds, which shall be used for the purpose of paying salaries and expenses of the Workers’ Compensation Commission. The remainder shall be deposited with the State Treasurer. In the event of failure to pay the tax within fifteen days of the date set forth in this section, the commission may assess against the self‑insurer a penalty of five percent of the unpaid tax. If the self‑insurer fails to pay the tax and penalty within fifteen days of notice by the commission, interest must be added to the amount of the deficiency at the rate of five percent for each month or fraction of a month from the date the tax was due originally until the date the deficiency is paid and the commission may initiate proceedings to withdraw the privilege of self‑insuring in this State. The total maximum interest to be charged may not exceed twenty‑five percent. The penalty under this section is payable to the commission, and fifty percent of the interest shall be retained by the Commission, while the remainder must be remitted to the general fund.

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

‑‑‑‑XX‑‑‑‑