~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

January 22, 2015

**S. 153**

Introduced by Senators Shealy and Hembree

S. Printed 1/22/15--S.

Read the first time January 13, 2015.

**THE COMMITTEE ON FINANCE**

To whom was referred a Bill (S. 153) to amend Section 12‑37‑220 of the 1976 Code, relating to a tax exemption for a disabled veteran, to provide that the tax exemption is allowed to the, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

HUGH K. LEATHERMAN, SR. for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Fiscal Impact Summary**

This bill is not expected to impact state expenditures or revenues.

The bill is expected to lower local property tax revenue beginning in FY 2015-16 by $49,000. If all 3,365 taxpayers previously denied the exemption applied and were approved in the first year, the maximum local revenue reduction for FY 2015-16 would be approximately $625,000.

**Explanation of Fiscal Impact**

**Local Revenue**

The bill extends the current private passenger vehicle property tax exemption for disabled veterans to a surviving spouse. Under Section 12-37-220(B)(3), two vehicles owned or leased by a disabled veteran are exempt from local property taxes. The bill would extend the exemption for one vehicle to a surviving spouse of a disabled veteran and would go into effect immediately

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 12‑37‑220 OF THE 1976 CODE, RELATING TO A TAX EXEMPTION FOR A DISABLED VETERAN, TO PROVIDE THAT THE TAX EXEMPTION IS ALLOWED TO THE SURVIVING SPOUSE OF THE PERSON ON ONE PRIVATE PASSENGER VEHICLE OWNED OR LEASED BY THE SPOUSE FOR THEIR LIFETIME OR UNTIL THE REMARRIAGE OF THE SURVIVING SPOUSE.

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

SECTION 1. Section 12‑37‑220(B)(3) of the 1976 Code is amended to read:

“(B)(3) Two private passenger vehicles owned or leased by any disabled veteran designated by the veteran for which special license tags have been issued by the Department of Motor Vehicles under the provisions of Sections 56‑3‑1110 to 56‑3‑1130 or, in lieu of the license, if the veteran has a certificate signed by the county service officer or the Veterans Administration of the total and permanent disability which must be filed with the Department of Motor Vehicles~~;~~. The exemption extends to the surviving spouse of the person on one private passenger vehicle owned or leased by the spouse for their lifetime or until the remarriage of the surviving spouse;”

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

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