**A** **BILL**

TO AMEND SECTION 12‑37‑245, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE HOMESTEAD EXEMPTION ALLOWANCE INCREASE, SO AS TO RAISE THE ALLOWANCE FROM FIFTY THOUSAND DOLLARS TO SEVENTY‑FIVE THOUSAND DOLLARS; AND TO AMEND SECTION 12‑37‑250, RELATING TO THE HOMESTEAD EXEMPTION FOR TAXPAYERS SIXTY‑FIVE AND OVER OR THOSE TOTALLY AND PERMANENTLY DISABLED OR LEGALLY BLIND, SO AS TO MAKE A CONFORMING CHANGE.

Whereas, the Homestead Exemption Act went into effect on January 1, 1972, with an exemption amount of five thousand dollars; and

Whereas, in 1973, the exemption amount was increased to ten thousand dollars; and

Whereas, the exemption amount was again increased in 1978 and 1979 to twelve thousand dollars and fifteen thousand dollars, respectively; and

Whereas, the exemption amount next increased in 1984 to twenty thousand dollars; and

Whereas, most recently, in 2000 the exemption amount was increased from twenty thousand dollars to fifty thousand dollars; and

Whereas, in the last sixteen years since the exemption amount was changed, the average annual inflation rate has been 2.2% each year, and if applied to the exemption amount, would require an increase to nearly seventy thousand dollars; and

Whereas, if the General Assembly does not increase the homestead exemption amount then its relative value to the State’s seniors, disabled, and blind will continue to decrease. Now, therefore,

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

SECTION 1. Section 12‑37‑245 of the 1976 Code is amended to read:

“Section 12‑37‑245. The exemption amount of the homestead exemption allowed pursuant to Section 12‑37‑250 ~~of the 1976 Code~~ is raised from twenty to fifty thousand dollars for property tax year 2000 and thereafter, to be funded as provided herein. For property tax year 2016 and thereafter, the exemption amount of the homestead exemption allowed pursuant to Section 12‑37‑250 is raised from fifty thousand dollars to seventy‑five thousand dollars, to be funded as provided herein. The amount appropriated to the Trust Fund for Tax Relief must be used to reimburse counties, municipalities, school districts, and special purpose districts, as applicable, for ~~this~~ these increased exemption ~~amount~~ amounts in the manner provided in Section 12‑37‑270 ~~of the 1976 Code~~.”

SECTION 2. Section 12‑37‑250(A)(1) of the 1976 Code is amended to read:

“(1) The first ~~fifty~~ seventy‑five thousand dollars of the fair market value of the dwelling place of a person is exempt from county, municipal, school, and special assessment real estate property taxes when the person:

(i) has been a resident of this State for at least one year and has reached the age of sixty‑five years on or before December thirty‑first;

(ii) has been classified as totally and permanently disabled by a state or federal agency having the function of classifying persons; or

(iii) is legally blind as defined in Section 43‑25‑20, preceding the tax year in which the exemption is claimed and holds complete fee simple title or a life estate to the dwelling place. A person claiming to be totally and permanently disabled, but who has not been classified by one of the agencies, may apply to the state agency of Vocational Rehabilitation. The agency shall make an evaluation of the person using its own standards.”

SECTION 3. This act takes effect upon approval by the Governor and applies to property tax years beginning after 2015.

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