COMMITTEE REPORT

February 17, 2016

**S. 626**

Introduced by Senators Gregory, Hayes and Reese

S. Printed 2/17/16--S.

Read the first time March 26, 2015.

**THE COMMITTEE ON FINANCE**

To whom was referred a Bill (S. 626) to amend Section 12‑37‑220, as amended, Code of Laws of South Carolina, 1976, relating to property tax exemptions, so as to exempt eighty percent, etc., respectfully

**REPORT:**

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

Amend the bill, as and if amended, by striking all after the enacting clause and inserting:

/ SECTION 1. Section 12‑37‑220(B) of the 1976 Code, as last amended by Act 259 of 2014, is further amended by adding items at the end to read:

“(52) eighty percent of the fair market value of a renewable energy generation property required to be returned, pursuant to Section 12‑37‑970, or to be appraised and assessed pursuant to Section 12‑4‑540. For purposes of this item, ‘renewable energy generation property’ means property that generates electric power by the use of a renewable energy resource, as defined in Section 58‑40‑10(F). This exemption only applies for the ten consecutive property tax years after the facility becomes operational, provided, however, that the property became operational after property tax year 2012 and before property tax year 2021. For property that became operational in property tax year 2013 or 2014, this exemption applies for ten consecutive property tax years beginning in property tax year 2016. This exemption applies only if the property does not meet the exemption of distributed renewable energy generation property for residential use provided by item (53). A taxpayer claiming an exemption allowed by this item also may not claim the exemption, pursuant to Section 12‑37‑220(A)(7);

(53) distributed renewable energy generation property for residential use. For purposes of this item, ‘distributed renewable energy generation property’ means property that generates electric power by the use of a renewable energy resource, as defined in Section 58‑40‑10(F), that has a nameplate capacity of no greater than twenty kilowatts.”

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

Renumber sections to conform.

Amend title to conform.

HUGH K. LEATHERMAN, SR. for Committee.

**A** **BILL**

TO AMEND SECTION 12‑37‑220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO EXEMPT EIGHTY PERCENT OF THE FAIR MARKET VALUE OF A RENEWABLE ENERGY RESOURCE FOR A PERIOD OF TEN YEARS PROVIDED THE PROPERTY IS OPERATIONAL BY DECEMBER 31, 2020, AND TO EXEMPT A DISTRIBUTED RENEWABLE ENERGY GENERATION PROPERTY FOR RESIDENTIAL USE.

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

SECTION 1. Section 12‑37‑220(B) of the 1976 Code, as last amended by Act 259 of 2014, is further amended by adding items at the end to read:

“(52) eighty percent of the fair market value of a renewable energy resource, as defined in Section 58‑40‑10(F), required to be returned pursuant to Section 12‑37‑970 or to be appraised and assessed pursuant to Section 12‑4‑540. This exemption only applies for the ten consecutive property tax years after the facility becomes operational, provided, however, that the property is operational by December 31, 2020. This exemption applies only if the property does not meet the exemption of distributed renewable energy generation property for residential use provided by item (53);

(53) distributed renewable energy generation property for residential use. For purposes of this item, ‘distributed renewable energy generation property’ means property that generates electric power by the use of a renewable generation resource, as defined in Section 58‑40‑10(F), that has a nameplate capacity of no greater than twenty kilowatts.”

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

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