**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 6‑1‑180 SO AS TO AUTHORIZE THE LOCAL GOVERNING BODY OF A COUNTY OR MUNICIPALITY TO IMPOSE A COMMUNITY CHARGE ON NONPROFIT HOSPITALS AND INSTITUTIONS OF HIGHER LEARNING, TO PROVIDE GUIDELINES FOR THE METHOD OF DETERMINING THE CHARGE, AND TO PROVIDE CERTAIN COLLECTION MEASURES.

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

SECTION 1. Article 1, Chapter 1, Title 6 of the 1976 Code is amended by adding:

“Section 6‑1‑180. (A) The local governing body of a county or municipality, by ordinance, may impose a community charge on nonprofit hospitals and institutions of higher learning within the jurisdiction, except that a county only may impose the charge in the unincorporated areas of the county. The local governing body, in accordance with the provisions of subsection (B), shall determine the method by which the community charge is calculated, except that the community charge must be imposed uniformly and the charge may not exceed the costs of the services provided to the hospitals and institutions.

(B)(1) A community charge imposed against a nonprofit hospital must be determined based on the gross proceeds of the hospital within the applicable jurisdiction. A community charge only may be imposed if the nonprofit hospital had at least one billion dollars in gross proceeds in the previous fiscal year.

(2) A community charge imposed against an institution of higher learning must be determined based on enrollment at the institution.

(C)(1) If a hospital or private institution of higher learning fails to timely pay the community charge, then the local governing body may petition the Department of Revenue to remove the nonprofit status of the hospital or institution for purposes of South Carolina income taxes. If the entity loses its nonprofit status, then the community charge may be collected in the same manner as delinquent income taxes.

(2) If a public institution of higher learning fails to timely pay the community charge, then the local governing body shall notify the State Treasurer, and upon notification, the State Treasurer must withhold the distribution of state appropriations to the institution until the institution provides proof of payment of the community charge.”

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

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