**A** **BILL**

TO AMEND SECTION 12‑6‑2295, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ITEMS INCLUDED AND EXCLUDED FROM THE TERMS “SALES” AND “GROSS RECEIPTS”, SO AS TO PROVIDE THAT RECEIPTS FROM THE OPERATION OF A CABLE SYSTEM ARE ATTRIBUTABLE TO THIS STATE IN PRO RATA PROPORTION OF THE COSTS OF PERFORMING THE SERVICE.

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

SECTION 1. Section 12‑6‑2295(A)(7) of the 1976 Code, as added by Act 265 of 2018, is amended to read:

“(7) any receipts from the operation of a cable system, as defined in Section 58-12-300, including cable service and any noncable or nonvideo services, or receipts from the provision of direct broadcast satellite service that are attributable to this State in pro rata proportion of the costs of performing the service, including the costs of acquiring programming distribution rights and constructing and maintaining distribution infrastructure, that the service provider incurs within this State. For purposes of this subsection, if a pass-through business operates a cable system, then a corporation that owns an interest in that pass-through business, either directly or indirectly, must be treated as operating a cable system. As used in this subsection, the term ‘direct broadcast satellite service’ means the distribution or broadcasting of programming or services by satellite directly to the subscriber’s premises without the use of ground receiving or distribution equipment, except at the subscriber’s premises or in the uplink process to the satellite.”

SECTION 2. This act takes effect upon approval by the Governor and applies to all open tax periods excluding assessments under judicial review as of the date of the Governor’s approval.

‑‑‑‑XX‑‑‑‑