

**Burnet R. Maybank, III**  
Member  
Admitted in SC

November 17, 2010

The Honorable Daniel T. "Dan" Cooper, Chairman  
House Ways and Means Committee  
525 Blatt Building  
Columbia, South Carolina 29201

Dear Representative Cooper:

I am writing to inform you that the South Carolina Taxation Realignment Commission (TRAC) formally concluded its statutorily authorized work at the October 28, 2010 meeting of the full commission, with all final actions relative to the commission's comprehensive set of findings and recommendations having been completed at that time. Our commission and staff is now finalizing the important, but laborious, task of editing the final report as well as putting the report's recommendations, where applicable, into legislative form, as required by statute. I anticipate this final phase of the process to be completed within a matter of weeks, and well before the commission's statutory dissolution date of January 1, 2011.

As you are aware, TRAC met, at no expense to taxpayers, 17 times at the full commission level, not including numerous subcommittee meetings on a variety of tax specific matters. I am truly proud of the work of this commission and believe the findings and recommendations that have resulted from our work go well beyond the typical "theoretical discourse" often found in similar reports, but instead offer concrete solutions and specific recommendations regarding broad based tax reform. Specifically, TRAC has produced findings and recommendations regarding all facets of the State's sales and use tax structure, to include its scores of exemptions, exclusions, and so called "max taxes", issues surrounding e-commerce vs. "brick and mortar", our nation and State's fundamental shift from a goods to a services based economy, and "streamlined" and "fair taxes", just to name a few. TRAC also makes substantive recommendations regarding the individual income tax, corporate income tax, issues surrounding "timely conformity", property tax (where permitted), fuel tax, tourism taxes as well as "other funds".

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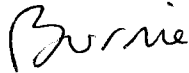
1230 Main Street  
Suite 700 (29201)  
PO Drawer 2426  
Columbia, SC 29202  
www.nexsenpruet.com

**T** 803.540.2048  
**F** 803.727.1472  
**E** BMaybank@nexsenpruet.com  
Nexsen Pruet, LLC  
**Attorneys and Counselors at Law**

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As we edit the final report, I am attaching for your information a copy of TRAC's "homepage" where you will find all pertinent information relative to TRAC's work to date including links to each of the findings and recommendations relative to our study of the State's tax structure as noted above. It is from this comprehensive body of work that we have prepared, and are editing, the final report; a copy of which I look forward to providing you the very near future. In the interim, do not hesitate to contact me if you have any questions.

Very truly yours,



Burnet R. Maybank, III, Chairman  
South Carolina Taxation Realignment Commission

BRM/caa

cc: TRAC  
Mike Shealey  
Craig Parks  
Rena Grant