

REPORT OF THE PROPERTY TAX SUBCOMMITTEE

(G.R. Smith, Herbkersman, Finlay, Weeks & Hewitt - Staff Contact: Meredith Ross)

HOUSE BILL 4243

H. 4243 -- TO AMEND SECTION 12-39-250, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ADJUSTMENTS IN VALUATION AND ASSESSMENT FOR PURPOSES OF AD VALOREM TAXATION, SO AS TO REQUIRE AN ADJUSTMENT FOR DAMAGES CAUSED BY FLOODING OR A HURRICANE.

Received by Ways and Means:

April 21, 2021

Summary of Bill:

This bill would amend the code section that allows for adjustments to property tax valuation and assessment of real property and improvements, when the property or improvement has been damaged by a fire, by allowing for the same adjustments if the property or improvement is damaged by a flood or hurricane. The adjustment is made "upon application of the taxpayer" which must be made prior to the payment of the tax.

Estimated Revenue Impact:

This bill is not anticipated to have an impact on local expenditure as any additional responsibilities can be managed with existing staff and resources. This bill will result in an undetermined local property tax revenue reduction for those properties with flood or hurricane damage that will be omitted from the tax roll until repairs are complete, beginning in Tax Year (TY) 2021.

Other Notes/Comments:

Passed Property Tax Subcommittee on 4/28, amended to include wind events.

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

GOOD/DOWNEY
MARCH 24, 2022

CLERK OF THE HOUSE

THE PROPERTY TAX SUBCOMMITTEE PROPOSES THE
FOLLOWING AMENDMENT No. TO H. 4243
(COUNCIL\DG\4243C001.NBD.DG22):

REFERENCE IS TO THE BILL AS INTRODUCED.

**AMEND THE BILL, AS AND IF AMENDED, BY
STRIKING ALL AFTER THE ENACTING WORDS AND
INSERTING:**

**/ SECTION 1. SECTION 12-39-250(B) OF THE
1976 CODE IS AMENDED TO READ:**

**“(B) NOTWITHSTANDING ANY OTHER
PROVISION OF LAW, THE COUNTY TAX ASSESSOR
OR THE COUNTY BOARD OF ASSESSMENT
APPEALS, UPON APPLICATION OF THE TAXPAYER,**

MUST ORDER THE COUNTY AUDITOR TO MAKE APPROPRIATE ADJUSTMENTS IN THE VALUATION AND ASSESSMENT OF ANY REAL PROPERTY AND IMPROVEMENTS WHICH HAVE SUSTAINED DAMAGE AS A RESULT OF FIRE, FLOODING, HURRICANE, OR WIND EVENT PROVIDED THAT THE APPLICATION FOR CORRECTION OF THE ASSESSMENT IS MADE PRIOR TO PAYMENT OF THE TAX.”

SECTION 2. THIS ACT TAKES EFFECT UPON APPROVAL BY THE GOVERNOR AND FIRST APPLIES TO PROPERTY TAX YEARS BEGINNING AFTER 2021.

/

RENUMBER SECTIONS TO CONFORM.

AMEND TITLE TO CONFORM.



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	H. 3669	Introduced on January 14, 2021
Author:	Hart	
Subject:	Property Tax	
Requestor:	House Ways and Means	
RFA Analyst(s):	Miller	
Impact Date:	April 30, 2021	

Fiscal Impact Summary

This bill will result in a minimal property tax revenue loss, as less than 1 percent of owner-occupied properties would receive a property tax exemption one year earlier than what is currently allowed beginning in TY 2021. Additionally, RFA anticipates that local governing entities will adjust millage rates, within the millage rate limitations, to offset any loss of property tax revenue due to this bill.

Explanation of Fiscal Impact

Introduced on January 14, 2021

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

This bill allows a veteran of the Armed Forces of the United States, who is permanently and totally disabled as a result of a service-connected disability, to immediately claim a property tax exemption for his owner-occupied property. The veteran must file with the Department of Revenue (DOR) certifying the disability to receive this exemption.

Currently, veteran of the Armed Forces of the United States, who is permanently and totally disabled as a result of a service-connected disability, may claim a property tax exemption of his owner-occupied property. But the exemption does not take effect until the year following the approval from DOR. This bill would allow veteran to receive the exemption one year earlier. According to DOR, 3,185 disabled veterans qualified for this exemption in TY 2020. This represents less than 1 percent of the total owner-occupied properties statewide. This bill will result in a minimal impact to local property tax revenue as there are a limited number of properties that would receive the exemption one year earlier. Additionally, RFA anticipates that

local governing entities will adjust millage rates, within the millage rate limitations, to offset any loss of property tax revenue due to this bill. Therefore, this bill will result in a minimal local property tax revenue loss.

A handwritten signature in black ink, appearing to read "Frank A. Rainwater". The signature is fluid and cursive, with a horizontal line extending from the end of the name.

Frank A. Rainwater, Executive Director

South Carolina General Assembly
124th Session, 2021-2022

H. 4243

STATUS INFORMATION

General Bill

Sponsors: Reps. Crawford, McGinnis, Hardee, J.E. Johnson, Brittain and Weeks

Document Path: I:\council\bill\ncd\11231dg21.docx

Introduced in the House on April 21, 2021

Currently residing in the House Committee on **Ways and Means**

Summary: Property valuation adjustment

HISTORY OF LEGISLATIVE ACTIONS

Date	Body	Action Description with journal page number
4/21/2021	House	Introduced and read first time (House Journal-page 23)
4/21/2021	House	Referred to Committee on Ways and Means (House Journal-page 23)
4/28/2021	House	Member(s) request name added as sponsor: Weeks

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VERSIONS OF THIS BILL

4/21/2021

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A BILL

TO AMEND SECTION 12-39-250, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ADJUSTMENTS IN VALUATION AND ASSESSMENT FOR PURPOSES OF AD VALOREM TAXATION, SO AS TO REQUIRE AN ADJUSTMENT FOR DAMAGES CAUSED BY FLOODING OR A HURRICANE.

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

SECTION 1. Section 12-39-250(B) of the 1976 Code is amended to read:

“(B) Notwithstanding any other provision of law, the county tax assessor or the County Board of Assessment Appeals, upon application of the taxpayer, must order the County Auditor to make appropriate adjustments in the valuation and assessment of any real property and improvements which have sustained damage as a result of fire, flooding, or a hurricane provided that the application for correction of the assessment is made prior to payment of the tax.”

SECTION 2. This act takes effect upon approval by the Governor and first applies to property tax years beginning after 2020.

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