

REPORT OF THE PROPERTY TAX SUBCOMMITTEE

(Clyburn, Merrill, Huggins, Skelton & G.R. Smith - Staff Contact: Emily Heatwole)

HOUSE BILL 4520

H. 4520 -- Rep. Herbkersman: A BILL TO AMEND SECTION 12-43-220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT "UNCLE PRESTON'S LAW" TO ALLOW A TAXPAYER TO CLAIM THE FOUR PERCENT ASSESSMENT RATIO ON A RESIDENTIAL PROPERTY OTHER THAN THEIR LEGAL RESIDENCE IF THE ADDITIONAL RESIDENCE IS USED AS A RESIDENCE BY A FAMILY MEMBER WHO IS OVER THE AGE OF SIXTY-FIVE.

Summary of Bill:

Allows the special 4% assessment for property that is used to house a family member who is over the age of 65 and who does not pay rent.

Introduced: 01/21/2014

Received by Ways and Means: 01/21/2014

Estimated Fiscal Impact:

PENDING

Subcommittee Recommendation:

Favorable

Full Committee Recommendation:

Pending

Other Notes/Comments:

South Carolina General Assembly
120th Session, 2013-2014

H. 4520

STATUS INFORMATION

General Bill

Sponsors: Rep. Herbkersman

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Introduced in the House on January 21, 2014

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

Summary: Uncle Preston's Law

HISTORY OF LEGISLATIVE ACTIONS

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
1/21/2014	House	Introduced and read first time (<u>House Journal-page 10</u>)
1/21/2014	House	Referred to Committee on Ways and Means (<u>House Journal-page 10</u>)

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VERSIONS OF THIS BILL

1/21/2014

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A BILL

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TO AMEND SECTION 12-43-220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT "UNCLE PRESTON'S LAW" TO ALLOW A TAXPAYER TO CLAIM THE FOUR PERCENT ASSESSMENT RATIO ON A RESIDENTIAL PROPERTY OTHER THAN THEIR LEGAL RESIDENCE IF THE ADDITIONAL RESIDENCE IS USED AS A RESIDENCE BY A FAMILY MEMBER WHO IS OVER THE AGE OF SIXTY-FIVE.

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

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SECTION 1. This act may be cited as "Uncle Preston's Law".

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SECTION 2. Section 12-43-220(c) of the 1976 Code, as last amended by Act 179 of 2012, is further amended by adding an appropriately numbered subitem at the end to read:

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"() (i) Notwithstanding any other provision of law, a taxpayer meeting all the other requirements of this subsection may claim the four percent assessment ratio on a residential property other than their legal residence if the additional residence is used as a residence by a family member who is over the age of sixty-five. This subitem does not apply if the family member pays rent. For purposes of this subitem, 'family member' means a parent, sibling, child, aunt, uncle, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, or grandchild.

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(ii) This subitem does not apply unless the owner of the properties or the owner's agent applies for the four percent assessment ratio on both residences before the first penalty date for the payment of taxes for the tax year for which the owner first

1 claims eligibility for this assessment ratio. The burden of proof for
2 eligibility for the four percent assessment ratio on both residences
3 is on the taxpayer. The taxpayer must provide the proof the
4 assessor requires, including, but not limited to, a copy of the
5 owner's most recently filed South Carolina individual income tax
6 return, copies of South Carolina motor vehicle registrations for all
7 motor vehicles registered in the name of the owner, and other
8 proof required by the assessor necessary to determine eligibility for
9 the assessment ratio allowed by this subitem.

10 (iii) The special four percent assessment ratio allowed by this
11 subitem must be construed as a property tax exemption for an
12 amount of the fair market value of the residence sufficient to equal
13 a four percent assessment ratio and other exemptions allowed
14 applicable to property qualifying for the special assessment ratio.”
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16 SECTION 3. This act takes effect upon approval by the Governor
17 and applies for property tax years beginning after 2013.

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