

REPORT OF THE REVENUE POLICY SUBCOMMITTEE

(White, J.R. Smith, Bingham, Herbkersman & Pitts - Staff Contact: Rena N. Grant)

SENATE BILL 809

Summary of Bill:

This bill states that a referendum to impose or reimpose the capital project sales tax can only be held during the general election.

Introduced: 01/14/2014

Received by Ways and Means: 02/25/2014

Estimated Fiscal Impact:

This bill is not expected to impact local revenues.

Subcommittee Recommendation: Favorable

Full Committee Recommendation: Pending

Other Notes/Comments:

The legislation does not alter Section 4-10-330(c) in a manner which would impact local sales and use tax revenue.

Statement of Estimated Local Revenue Impact

Date: January 15, 2014

Bill Number: S. 809

Authors: Leatherman

Committee Requesting Impact: Senate Finance Committee

Bill Summary

A BILL TO AMEND SECTION 4-10-330, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CAPITAL PROJECTS SALES TAX, SO AS TO DELETE A PROVISION ALLOWING THE REFERENDUM FOR IMPOSITION OR REIMPOSITION TO BE HELD AT A TIME OTHER THAN AT THE TIME OF THE GENERAL ELECTION.

REVENUE IMPACT ^{1/}

This bill is not expected to impact local revenues.

Explanation

This bill would require that the referendum on the question of imposing or re-imposing the capital project sales tax be held at the time of the general election. The bill does not alter Section 4-10-330(c) in a manner that would affect local sales and use tax revenue.



Frank A. Rainwater
Chief Economist

Analyst: Williams

^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact of Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

South Carolina General Assembly
120th Session, 2013-2014

S. 809

STATUS INFORMATION

General Bill

Sponsors: Senator Leatherman

Document Path: I:\council\bill\bh\26026dg14.docx

Introduced in the Senate on January 14, 2014

Introduced in the House on February 25, 2014

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

Summary: Capital project sales tax

HISTORY OF LEGISLATIVE ACTIONS

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
12/10/2013	Senate	Prefiled
12/10/2013	Senate	Referred to Committee on Finance
1/14/2014	Senate	Introduced and read first time (Senate Journal-page 29)
1/14/2014	Senate	Referred to Committee on Finance (Senate Journal-page 29)
2/5/2014	Senate	Committee report: Favorable Finance (Senate Journal-page 26)
2/19/2014	Senate	Read second time (Senate Journal-page 30)
2/19/2014	Senate	Roll call Ayes-45 Nays-0 (Senate Journal-page 30)
2/20/2014	Senate	Read third time and sent to House (Senate Journal-page 9)
2/25/2014	House	Introduced and read first time (House Journal-page 8)
2/25/2014	House	Referred to Committee on Ways and Means (House Journal-page 8)

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VERSIONS OF THIS BILL

[12/10/2013](#)

[2/5/2014](#)

1 ~~Indicates Matter Stricken~~
2 Indicates New Matter

3
4 COMMITTEE REPORT
5 February 5, 2014
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7 **S. 809**

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9 Introduced by Senator Leatherman

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11 S. Printed 2/5/14--S.

12 Read the first time January 14, 2014.
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15 **THE COMMITTEE ON FINANCE**

16 To whom was referred a Bill (S. 809) to amend Section
17 4-10-330, as amended, Code of Laws of South Carolina, 1976,
18 relating to the capital projects sales tax, so as to delete, etc.,
19 respectfully

20 **REPORT:**

21 That they have duly and carefully considered the same and
22 recommend that the same do pass:
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24 HUGH K. LEATHERMAN, SR. for Committee.
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27 **STATEMENT OF ESTIMATED FISCAL IMPACT**

28 **REVENUE IMPACT**^{1/}

29 This bill is not expected to impact local revenues.

30 **Explanation**

31 This bill would require that the referendum on the question of
32 imposing or re-imposing the capital project sales tax be held at the
33 time of the general election. The bill does not alter Section 4-10-
34 330(c) in a manner that would affect local sales and use tax
35 revenue.
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37 *Approved By:*
38 Frank A. Rainwater
39 Board of Economic Advisors
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41 1/ This statement meets the requirement of Section 2-7-71 for a state revenue
42 impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-

[809-1]

1 85(B) for an estimate of the shift in local property tax incidence by the Office of
2 Economic Research.

[809-2]

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A BILL

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TO AMEND SECTION 4-10-330, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CAPITAL PROJECTS SALES TAX, SO AS TO DELETE A PROVISION ALLOWING THE REFERENDUM FOR IMPOSITION OR REIMPOSITION TO BE HELD AT A TIME OTHER THAN AT THE TIME OF THE GENERAL ELECTION.

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

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SECTION 1. Section 4-10-330(C) of the 1976 Code, as last amended by Act 49 of 2009, is further amended to read:

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~~“(C) Upon receipt of the ordinance, the county election commission must conduct a referendum on the question of imposing the sales and use tax in the area of the county that is to be subject to the tax. The referendum for imposition or reimposition of the tax must be held at the time of the general election unless the vote is to reimpose a tax in effect on or before June 1, 2009, and in existence at the time of such vote, in which case the referendum may be held on a general election day or at a time the governing body of the county and the Department of Revenue determine necessary to permit the tax to be reinstated and continue without interruption. The choice of election times rests with the governing body of the county. However, a referendum to reimpose an existing tax as permitted above only may be held once whether or not the referendum is held on a general election day or at another time. Two weeks before the referendum the election commission must publish in a newspaper of general circulation the question that is to appear on the ballot, with the list of projects and the cost of the projects. If the proposed question includes the use of sales taxes to defray debt service on bonds issued to pay the~~

1 costs of any project, the notice must include a statement indicating
2 that principal amount of the bonds proposed to be issued for the
3 purpose and, if the issuance of the bonds is to be approved as part
4 of the referendum, stating that the referendum includes the
5 authorization of the issuance of bonds in that amount. This notice
6 is in lieu of any other notice otherwise required by law.”

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8 SECTION 2. This act takes effect upon approval by the Governor
9 and first applies to a referendum for which a referendum date is
10 not set as of the time of approval.

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