

**REPORT OF THE
ECONOMIC DEVELOPMENT,
CAPITAL IMPROVEMENT &
OTHER TAXES SUBCOMMITTEE**

(Loftis, Cobb-Hunter, Stavrinakis, Hardwick & Lowe - Staff Contact: AJ Newton)

SENATE BILL 350

S. 350 -- Senators Campbell, Malloy, Setzler, Scott, Alexander, Hembree, O'Dell, Hayes, Grooms, Cleary, Williams, Bennett, Johnson, Hutto, L. Martin, Fair, Turner, Allen, Matthews, Peeler, Lourie, Courson, Coleman, Jackson, McElveen, Shealy, Sabb, Kimpson, Nicholson and Sheheen: A BILL TO AMEND SECTION 4 OF ACT 314 OF 2000, AS LAST AMENDED BY ACT 248 OF 2010 TO TERMINATE THE PROVISIONS OF THE SOUTH CAROLINA COMMUNITY ECONOMIC DEVELOPMENT ACT ON JUNE 30, 2020.

Summary of Bill:

This bill provides a five-year extension for the South Carolina Community Economic Development Act so that these provisions governing community development corporations and community development financial institutions are set to terminate on June 30, 2020, rather than June 30, 2015.

Introduced: 01/20/2015

Received by Ways and Means: 03/17/2015

Estimated Fiscal Impact:

This bill would have no Fiscal Impact.

Subcommittee Recommendation:

Favorable

Full Committee Recommendation:

Pending

Other Notes/Comments:

N/A



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S.0350
 Author: Campbell
 Requestor: Senate Finance
 Date: January 25, 2015
 Subject: SC Community Economic Development Act
 RFA Analyst(s): Martin

Estimate of Fiscal Impact

	FY 2015-16	FY 2016-17
State Expenditure		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	N/A	N/A
Local Revenue	N/A	N/A

Fiscal Impact Summary

This bill would have no effect on General Fund income, bank, or insurance premium tax revenues in FY2015-16.

Explanation of Fiscal Impact

State Expenditure

N/A

State Revenue

This bill would amend Section 4 of Act 314 of 2000, as last amended by Act 248 of 2010 to extend the provision of the South Carolina Community Economic Development Act through June 30, 2020. After this date, all laws and regulations dealing with community development corporations and community development financial institutions would be repealed. A community development corporation is a nonprofit corporation which is tax exempt and has a primary mission of developing and improving low-income communities and neighborhoods through economic and related development. A community development financial institution is an organization that has a primary mission of promoting community development by providing credit, capital, or development services to small businesses or home mortgage assistance to individuals. Pursuant to Act 314 of 2000 and Section 12-6-3530, a taxpayer is allowed a tax credit against South Carolina income tax, bank tax, or insurance premium tax equal to thirty-three (33) percent of the investment in a community development corporation or community

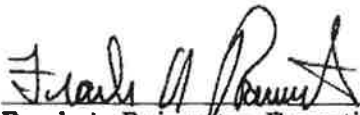
development financial institution. The total credit that may be claimed by all taxpayers is \$1,000,000 in one calendar year and \$5,000,000 for all calendar years. Any unused credit may be carried forward and must be used before the taxable year that begins on or after ten (10) years from the date of the acquisition of stock or other equity interest that is the basis for the credit. The provisions of this credit terminate on June 30, 2015. This bill extends the termination date by five years to June 30, 2020, and is a continuation of programs and services that are currently in place.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director

South Carolina General Assembly
121st Session, 2015-2016

S. 350

STATUS INFORMATION

General Bill

Sponsors: Senators Campbell, Malloy, Setzler, Scott, Alexander, Hembree, O'Dell, Hayes, Grooms, Cleary, Williams, Bennett, Johnson, Hutto, L. Martin, Fair, Turner, Allen, Matthews, Peeler, Lourie, Courson, Coleman, Jackson, McElveen, Shealy, Sabb, Kimpson, Nicholson and Sheheen

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Introduced in the Senate on January 20, 2015

Introduced in the House on March 17, 2015

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

Summary: SC Community Economic Development Act

HISTORY OF LEGISLATIVE ACTIONS

Date	Body	Action Description with journal page number
1/20/2015	Senate	Introduced and read first time (Senate Journal-page 1)
1/20/2015	Senate	Referred to Committee on Finance (Senate Journal-page 1)
1/28/2015	Senate	Committee report: Favorable Finance (Senate Journal-page 27)
1/29/2015		Scrivener's error corrected
1/29/2015		Scrivener's error corrected
3/5/2015	Senate	Read second time (Senate Journal-page 30)
3/5/2015	Senate	Roll call Ayes-37 Nays-3 (Senate Journal-page 30)
3/17/2015	Senate	Read third time and sent to House (Senate Journal-page 18)
3/17/2015	House	Introduced and read first time (House Journal-page 34)
3/17/2015	House	Referred to Committee on Ways and Means (House Journal-page 34)

View the latest [legislative information](#) at the website

VERSIONS OF THIS BILL

[1/20/2015](#)

[1/28/2015](#)

[1/29/2015](#)

[1/29/2015-A](#)

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

3
4 COMMITTEE REPORT
5 January 28, 2015

6

7

S. 350

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9 Introduced by Senators Campbell, Malloy, Setzler, Scott,
10 Alexander, Hembree, O'Dell, Hayes, Grooms, Cleary, Williams,
11 Bennett, Johnson, Hutto, L. Martin, Fair, Turner, Allen, Matthews,
12 Peeler, Lourie, Courson, Coleman, Jackson, McElveen, Shealy,
13 Sabb, Kimpson and Nicholson

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15 S. Printed 1/28/15--S. [SEC 1/29/15 3:31 PM]

16 Read the first time January 20, 2015.

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THE COMMITTEE ON FINANCE

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20 To whom was referred a Bill (S. 350) to amend Section 4 of Act
21 314 of 2000, as last amended by Act 248 of 2010 to terminate the
22 provisions of the South Carolina Community Economic
23 Development Act on June 30, etc., respectfully

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REPORT:

25 That they have duly and carefully considered the same and
26 recommend that the same do pass:

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28 HUGH K. LEATHERMAN, SR. for Committee.

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STATEMENT OF ESTIMATED FISCAL IMPACT

Fiscal Impact Summary

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33 This bill would have no effect on general fund income, bank, or
34 insurance premium tax revenues in FY2015-16.

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Explanation of Fiscal Impact

State Revenue

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37 This bill would amend Section 4 of Act 314 of 2000, as last
38 amended by Act 248 of 2010 to extend the provision of the South
39 Carolina Community Economic Development Act through June 30,
40 2020. After this date, all laws and regulations dealing with
41 community development corporations and community development
42 financial institutions would be repealed. A community development

1 corporation is a nonprofit corporation which is tax exempt and has
2 a primary mission of developing and improving low-income
3 communities and neighborhoods through economic and related
4 development. A community development financial institution is an
5 organization that has a primary mission of promoting community
6 development by providing credit, capital, or development services
7 to small businesses or home mortgage assistance to individuals.
8 Pursuant to Act 314 of 2000 and Section 12-6-3530, a taxpayer is
9 allowed a tax credit against South Carolina income tax, bank tax, or
10 insurance premium tax equal to thirty-three (33) percent of the
11 investment in a community development corporation or community
12 development financial institution. The total credit that may be
13 claimed by all taxpayers is \$1,000,000 in one calendar year and
14 \$5,000,000 for all calendar years. Any unused credit may be carried
15 forward and must be used before the taxable year that begins on or
16 after ten (10) years from the date of the acquisition of stock or other
17 equity interest that is the basis for the credit. The provisions of this
18 credit terminate on June 30, 2015. This bill extends the termination
19 date by five years to June 30, 2020, and is a continuation of
20 programs and services that are currently in place.

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22 Frank A. Rainwater, Executive Director

23 Revenue and Fiscal Affairs Office

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A BILL

TO AMEND SECTION 4 OF ACT 314 OF 2000, AS LAST AMENDED BY ACT 248 OF 2010 TO TERMINATE THE PROVISIONS OF THE SOUTH CAROLINA COMMUNITY ECONOMIC DEVELOPMENT ACT ON JUNE 30, 2020.

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

SECTION 1. Section 4 of Act 314 of 2000, as last amended by Act 248 of 2010, is further amended to read:

“SECTION 4. Unless reauthorized by the General Assembly, the provisions of this act shall terminate on June 30, ~~2015~~ 2020, and this act and all other laws and regulations governing, authorizing, and otherwise dealing with community development corporations and community development financial institutions are deemed repealed on that date.”

SECTION 2. This act takes effect upon approval by the Governor.

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