

REPORT OF THE SALES AND INCOME TAX SUBCOMMITTEE

(Allison, Simrill, G.M. Smith, Hosey & Stavrinakis - Staff Contact: Katie Owen)

HOUSE BILL 3089

H. 3089 -- Reps. Pope, Tallon and Hixon: A BILL TO AMEND SECTION 12-6-1140, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEDUCTIONS ALLOWED FROM SOUTH CAROLINA TAXABLE INCOME OF AN INDIVIDUAL FOR PURPOSES OF THE SOUTH CAROLINA INCOME TAX ACT, SO AS TO ALLOW A MAXIMUM THREE THOUSAND DOLLAR A YEAR DEDUCTION FOR VOLUNTEER STATE CONSTABLES DESIGNATED BY THE STATE LAW ENFORCEMENT DIVISION AS STATE CONSTABLES AND TO PROVIDE THE ELIGIBILITY REQUIREMENTS FOR THIS DEDUCTION.

Summary of Bill:

This bill allows a maximum \$3,000 income tax deduction for volunteer state constables.

Introduced: 12/11/2012

Received by Ways and Means: 12/11/2012

Estimated Fiscal Impact:

This bill is expected to reduce General Fund individual income tax revenue by an estimated \$178,176 in FY 13-14.

Subcommittee Recommendation:

Favorable

Full Committee Recommendation:

Pending

Other Notes/Comments:

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Statement of Estimated State Revenue Impact

Date: February 4, 2013

Bill Number: H.B. 3089

Authors: Pope, Tallon, Hixon, Wells, and McCoy

Committee Requesting Impact: House Ways & Means Committee

Bill Summary

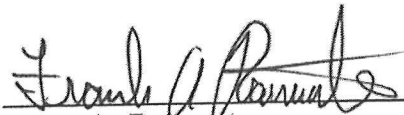
A bill to amend Section 12-6-1140, as amended, of the Code of Laws of South Carolina, 1976, relating to deductions allowed from South Carolina taxable income of an individual for purposes of the South Carolina Income Tax Act, so as to allow a maximum three thousand dollar a year deduction for volunteer state constables designated by the State Law Enforcement Division as state constables and to provide the eligibility requirements for this deduction.

REVENUE IMPACT ¹¹

This bill is expected to reduce General Fund individual income tax revenue by an estimated \$178,176 in FY2013-14.

Explanation

This bill would amend Section 12-6-1140(10) by allowing an individual serving as a "volunteer state constable" a \$3,000 individual income tax deduction. Volunteer state constables are appointed by the Governor and serve without compensation to assist in the detection of crime and the enforcement of any criminal laws of this State. All constables appointed are required to furnish evidence that they are knowledgeable of the duties and responsibilities of a law enforcement officer, and are required to take training as may be prescribed by the Chief of the State Law Enforcement Division (SLED). This bill would waive the requirement of satisfying a minimum number of points pursuant to Section 23-9-190 to qualify for the tax deduction. According to SLED, there are currently 1,024 volunteer state constables. Multiplying 1,024 volunteer advanced state constables by a \$3,000 income tax deduction and applying an average tax rate of 5.8 percent would reduce General Fund individual income tax revenue by an estimated \$178,176 in FY2013-14. This individual income tax deduction would apply to tax years beginning with 2013.



Frank A. Rainwater
Chief Economist

Analyst: Martin

¹¹ 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

H. 3089

STATUS INFORMATION

General Bill

Sponsors: Reps. Pope, Tallon, Hixon, Wells, McCoy and Daning

Document Path: I:\council\bills\dka\3000sd13.docx

Introduced in the House on January 8, 2013

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

Summary: Income tax deductions

HISTORY OF LEGISLATIVE ACTIONS

Date	Body	Action Description with journal page number
12/11/2012	House	Prefiled
12/11/2012	House	Referred to Committee on Ways and Means
1/8/2013	House	Introduced and read first time (<u>House Journal-page 79</u>)
1/8/2013	House	Referred to Committee on Ways and Means (<u>House Journal-page 79</u>)
2/27/2013	House	Member(s) request name added as sponsor: Daning

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VERSIONS OF THIS BILL

12/11/2012

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8
9 **A BILL**

10
11 TO AMEND SECTION 12-6-1140, AS AMENDED, CODE OF
12 LAWS OF SOUTH CAROLINA, 1976, RELATING TO
13 DEDUCTIONS ALLOWED FROM SOUTH CAROLINA
14 TAXABLE INCOME OF AN INDIVIDUAL FOR PURPOSES
15 OF THE SOUTH CAROLINA INCOME TAX ACT, SO AS TO
16 ALLOW A MAXIMUM THREE THOUSAND DOLLAR A
17 YEAR DEDUCTION FOR VOLUNTEER STATE
18 CONSTABLES DESIGNATED BY THE STATE LAW
19 ENFORCEMENT DIVISION AS STATE CONSTABLES AND
20 TO PROVIDE THE ELIGIBILITY REQUIREMENTS FOR THIS
21 DEDUCTION.

22
23 Be it enacted by the General Assembly of the State of South
24 Carolina:

25
26 SECTION 1. A. Section 12-6-1140(10)(a) of the 1976 Code, as
27 last amended by Act 116 of 2007, is further amended to read:

28 “(a) A deduction calculated as provided in this item for a
29 volunteer firefighter, rescue squad member, volunteer member of a
30 Hazardous Materials (HAZMAT) Response Team, reserve police
31 officer, Department of Natural Resources deputy enforcement
32 officer, ~~or a member of the State Guard, or a volunteer state~~
33 constable appointed pursuant to Section 23-1-60 for the purpose of
34 assisting named law enforcement agencies and who has been
35 designated by the State Law Enforcement Division as a state
36 constable not otherwise eligible for this exemption.”

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39 B. Section 12-6-1140(10)(c) of the 1976 Code, as last amended
40 by Act 116 of 2007, is further amended by adding at the end:
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1 “(v) In the case of a volunteer state constable and in lieu of
2 minimum points determining eligibility, this deduction is allowed
3 only if the volunteer state constable completes a minimum logged
4 service time of two hundred forty hours per year and has been
5 designated by the State Law Enforcement Division as a state
6 constable before the taxable year for which the deduction is first
7 claimed and if the volunteer state constable is current with the
8 required SLED approved annual training for constables for the
9 most recently completed fiscal year as evidenced by a copy of the
10 documentation provided to SLED of this annual training filed with
11 the volunteer state constable’s state income tax return.”

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13 SECTION 2. This act takes effect upon approval by the Governor
14 and applies for taxable years beginning after 2012.

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