

## Session 115 - (2003-2004)

### H 3065 (Rat #0401) General Bill, By Kirsh

#### Summary: Overdue Tax Debit Collection Act

AN ACT TO AMEND SECTION 4-29-67, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE FEE IN LIEU OF PROPERTY TAX, SO AS TO DELETE THE NET PERCENT VALUE METHOD OF CALCULATING ANNUAL FEE PAYMENTS; TO AMEND SECTION 12-6-2220, RELATING TO ALLOCATION AND APPORTIONMENT FOR PURPOSES OF THE STATE INCOME TAX, SO AS TO PROVIDE FOR THE ALLOCATION OF DIVIDENDS; TO AMEND SECTION 12-6-3365, AS AMENDED, RELATING TO THE CORPORATE INCOME TAX MORATORIUM FOR JOB CREATION, SO AS TO CLARIFY THE APPLICATION OF THE MORATORIUM TO INSURANCE PREMIUM TAXES; TO AMEND SECTION 12-6-3480, RELATING TO TAX CREDITS, SO AS TO FURTHER PROVIDE THE MANNER IN WHICH CREDITS ARE ALLOWED AND MAY BE CLAIMED; TO AMEND SECTIONS 12-6-5020, AS AMENDED, AND 12-6-5030, RELATING TO THE FILING OF CONSOLIDATED CORPORATE INCOME TAX RETURNS AND COMPOSITE INDIVIDUAL INCOME TAX RETURNS, SO AS TO REQUIRE THE DETERMINATION OF CREDITS ON A CONSOLIDATED BASIS AND FURTHER PROVIDE FOR COMPOSITE RETURNS; TO AMEND SECTION 12-8-1520, RELATING TO STATE INCOME TAX WITHHOLDING, SO AS TO PROVIDE ADDITIONAL REQUIREMENTS FOR WITHHOLDING AGENTS; TO AMEND SECTION 12-10-105, RELATING TO ANNUAL FEES FOR JOB DEVELOPMENT CREDITS FOR PURPOSES OF THE ENTERPRISE ZONE ACT OF 1995, SO AS TO EXTEND THESE FEES TO JOB RETRAINING CREDITS IN EXCESS OF TEN THOUSAND DOLLARS AND PROVIDE FOR THE COLLECTION OF THESE FEES; TO AMEND SECTION 12-20-105, AS AMENDED, RELATING TO TAX CREDITS FOR PURPOSES OF THE CORPORATE LICENSE TAX, SO AS TO CLARIFY THE APPLICATION OF THESE CREDITS; TO AMEND SECTION 12-28-740, RELATING TO EXEMPTIONS FROM THE MOTOR FUELS USER FEE, SO AS TO DELETE A REFERENCE TO A CREDIT, BY ADDING SECTION 12-28-1400, SO AS TO REQUIRE SUCH REPORTING AS THE DEPARTMENT OF REVENUE MAY REQUIRE BY REGULATION FOR PURPOSES OF THE USER FEE ON MOTOR FUELS AND PROVIDE AN ADDITIONAL CIVIL PENALTY FOR VIOLATORS; TO AMEND SECTION 12-28-1730, AS AMENDED, RELATING TO PENALTIES FOR PURPOSES OF THE MOTOR FUELS TAX, SO AS TO DELETE A CIVIL PENALTY; TO AMEND SECTION 12-36-2510, RELATING TO THE SOUTH CAROLINA SALES AND USE TAX ACT, SO AS TO PROVIDE FURTHER FOR THE ISSUE OF CERTIFICATES BY THE DEPARTMENT OF REVENUE FOR DIRECT PAY AND EXEMPTIONS AND PROVIDE FOR MORE EFFICIENT ADMINISTRATION OF SALES TAXES AND SALES TAX EXEMPTIONS; TO REPEAL SECTION 12-37-290, RELATING TO AN OBSOLETE HOMESTEAD EXEMPTION PROVISION; TO AMEND SECTION 12-44-50, AS AMENDED, RELATING TO THE "FEE IN LIEU OF TAX SIMPLIFICATION ACT OF 1997", SO AS TO REVISE THE ELIGIBILITY TO USE THE NET PERCENT VALUE METHOD OF CALCULATING THE ANNUAL FEE PAYMENT, TO AMEND SECTIONS 12-54-42 AND 12-54-43, AS AMENDED, RELATING TO THE UNIFORM METHOD OF COLLECTION AND ENFORCEMENT OF STATE LEVIED TAXES, SO AS TO CLARIFY THE APPLICATION OF PENALTIES FOR FAILING TO PROVIDE WITHHOLDING STATEMENTS, AND CLARIFY AND REVISE THE APPLICATION OF CIVIL PENALTIES FOR FILING GROUNDLESS RETURNS OR FOR MISUSE OF A SALES TAX CERTIFICATE; BY ADDING SECTION 12-54-123 SO AS TO PROTECT FROM LIABILITY A PERSON WHO SURRENDERS THE PROPERTY OF ANOTHER LEVIED ON BY THE DEPARTMENT OF REVENUE; TO AMEND SECTIONS 12-54-210 AND 12-54-240, AS AMENDED, RELATING TO THE COLLECTION AND ENFORCEMENT OF STATE TAXES, SO AS TO INCREASE THE PENALTY FOR FAILURE TO KEEP RECORDS, FILE RETURNS, AND COMPLY WITH REGULATIONS, UPDATE REFERENCES RELATING TO THE CONFIDENTIALITY OF RETURNS, AND DELETE AN EXEMPTION TO THE CONFIDENTIALITY REQUIREMENTS FOR RECORDS SUBPOENAED BY A FEDERAL GRAND JURY; TO AMEND SECTIONS 12-60-420 AND 12-60-490, BOTH AS AMENDED, RELATING TO THE REVENUES PROCEDURE ACT, SO AS TO PROVIDE THAT THE APPLICATION OF A DIVISION DECISION OR A DETERMINATION OF DEFICIENCY APPLIES TO LOCAL TAXES ADMINISTERED BY THE DEPARTMENT OF REVENUE AND REQUIRE SUCH NOTICE TO PROVIDE THAT FAILURE TO FILE A PROTEST WILL RESULT IN A DECISION BECOMING FINAL AND TO PROVIDE FURTHER FOR SETOFFS AGAINST TAX REFUNDS; TO AMEND SECTION 61-4-720, AS AMENDED, RELATING TO THE REGULATION OF WINE, SO AS TO REPLACE THE LIMITATION TO DOMESTIC WINE WITH WINE PRODUCED ON THE PREMISES WITH A MAJORITY OF THE JUICE FROM FRUIT OR BERRIES GROWN IN THIS STATE FOR WINE SALES AND TASTINGS AT LICENSED WINERIES IN THIS STATE; BY ADDING SECTION 61-4-725 SO AS TO ALLOW A LICENSED WINERY TO SELL, DELIVER, AND PERMIT ON-PREMISES CONSUMPTION ON SUNDAYS IN JURISDICTIONS WHERE MINIBOTTLE SALES ARE ALLOWED ON SUNDAYS; TO AMEND SECTIONS 61-4-730 AND 61-4-747, RELATING TO REGULATION OF WINE, SO AS TO REPLACE THE REQUIREMENT THAT PERMITTED WINERIES SELL ONLY DOMESTIC WINE WITH WINE PRODUCED ON THE PREMISES WITH A MAJORITY OF THE JUICE FROM FRUIT OR BERRIES GROWN IN THIS STATE IN ORDER TO SELL AND DELIVER WINE IN THIS STATE

AND TO REQUIRE OUT-OF-STATE WINE SHIPPERS TO PAY SALES AND EXCISE TAXES ON WINE SHIPPED TO RESIDENTS OF THIS STATE BY JANUARY TWENTIETH OF EACH YEAR FOR THE PRECEDING YEAR, BY ADDING SECTION 12-21-1085, SO AS TO PROVIDE THOSE TAXES ALLOWED ON BEER AND WINE, BY ADDING 61-6-1555, SO AS TO ALLOW AN AIRLINE COMPANY TO PURCHASE BEER, WINE, AND ALCOHOLIC LIQUOR DIRECTLY FROM A LICENSED WHOLESALER, TO PROVIDE THAT THE WHOLESALER MAY SELL AND DELIVER THE BEER, WINE, AND ALCOHOLIC LIQUOR TO AN AIRLINE COMPANY, AND TO PROVIDE A PENALTY IF A PERSON USES BEER, WINE, OR ALCOHOLIC LIQUOR PURCHASED PURSUANT TO THIS SECTION FOR ANOTHER PURPOSE OTHER THAN THE SALE OR USE BY THE AIRLINE COMPANY, TO AMEND SECTION 12-6-3360, AS AMENDED, RELATING TO THE TARGETED JOBS TAX CREDIT, SO AS TO REVISE THE DEFINITION OF "NEW JOB", TO AMEND SECTIONS 12-6-40 AND 12-6-50, BOTH AS AMENDED, RELATING TO DEFINITIONS AND CONFORMITY PROVISIONS FOR PURPOSES OF THE SOUTH CAROLINA INCOME TAX ACT, SO AS TO UPDATE THE REFERENCE DATE BY WHICH THIS STATE ADOPTS VARIOUS PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986 AND CLARIFY THOSE PROVISIONS NOT ADOPTED, TO AMEND TITLE 12 BY ADDING CHAPTER 55 ENACTING THE OVERDUE DEBT COLLECTION ACT AUTHORIZING THE SOUTH CAROLINA DEPARTMENT OF REVENUE TO IMPOSE A COLLECTION ASSISTANCE FEE ON CERTAIN OVERDUE TAX DEBTS EQUAL TO TWENTY PERCENT OF THE OVERDUE AMOUNT AND TO ALLOW THE DEPARTMENT TO RETAIN A PORTION OF THE COLLECTION ASSISTANCE FEE FOR ITS OPERATION, TO AMEND SECTION 12-36-2120, AS AMENDED, RELATING TO SALES AND USE TAX EXEMPTIONS, SO AS TO EXEMPT PRESCRIPTIONS AND OVER-THE-COUNTER MEDICINES AND MEDICAL SUPPLIES SOLD TO A FREE CLINIC, BY ADDING SECTION 12-37-223 SO AS TO EXEMPT FROM PROPERTY TAX A SUFFICIENT AMOUNT OF THE FAIR MARKET VALUE OF REAL PROPERTY TO LIMIT TO TWENTY PERCENT INCREASES IN FAIR MARKET VALUE OF SUCH PROPERTY ATTRIBUTABLE TO REASSESSMENT PROGRAMS AND PROVIDE THE MANNER IN WHICH THIS EXEMPTION APPLIES AND ITS DURATION, TO REPEAL SECTION 12-37-223A, RELATING TO A COUNTY OPTION PROPERTY TAX EXEMPTION LIMITING TO FIFTEEN PERCENT INCREASES IN FAIR MARKET VALUE OF REAL PROPERTY AS A RESULT OF REASSESSMENT, BY ADDING SECTION 12-37-130, SO AS TO ESTABLISH A TASK FORCE TO STUDY THE IMPACT OF THIS NEW EXEMPTION ON HOMEOWNERS AND THE REAL ESTATE INDUSTRY, AND TO AMEND SECTION 6-1-320, AS AMENDED, RELATING TO LIMITS ON PROPERTY TAX MILLAGE INCREASES, SO AS TO CLARIFY THE CALCULATION OF THE INCREASED MILLAGE ALLOWED PURSUANT TO INCREASES IN THE CONSUMER PRICE INDEX. - ratified title

12/04/02	House	Prefiled
12/04/02	House	Referred to Committee on Ways and Means
01/14/03	House	Introduced and read first time HJ-32
01/14/03	House	Referred to Committee on Ways and Means HJ-32
04/09/03	House	Committee report: Favorable with amendment Ways and Means HJ-17
04/10/03	House	Amended HJ-34
04/10/03	House	Read second time HJ-35
04/10/03	House	Unanimous consent for third reading on next legislative day HJ-35
04/11/03	House	Read third time and sent to Senate HJ-5
04/14/03		Scrivener's error corrected
04/15/03	Senate	Introduced and read first time SJ-48
04/15/03	Senate	Referred to Committee on Finance SJ-48
03/10/04	Senate	Committee report: Favorable with amendment Finance SJ-14
03/11/04	Senate	Amended SJ-22
03/11/04	Senate	Read second time SJ-22
06/02/04	Senate	Amended SJ-78
06/02/04	Senate	Read third time and returned to House with amendments SJ-78
06/03/04	House	Senate amendment amended HJ-22
06/03/04	House	Debate adjourned HJ-43
06/03/04	House	Returned to Senate with amendments HJ-56
06/03/04	House	Reconsider vote whereby amendments 2A and 5A adopted--then both amendments tabled HJ-60
06/03/04	House	Concurred in Senate amendment and enrolled HJ-60
06/03/04		Ratified R 401
12/17/04		Vetoed by Governor
01/12/05	House	Veto sustained Yeas-33 Nays-76 HJ-56