**South Carolina General Assembly**

118th Session, 2009-2010

**A280, R302, S717**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Coleman, Setzler, Land, Campbell and Hayes

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Introduced in the Senate on April 15, 2009

Introduced in the House on February 16, 2010

Last Amended on May 26, 2010

Passed by the General Assembly on June 1, 2010

Governor's Action: June 11, 2010, Vetoed

Legislative veto action(s): Veto overridden

Summary: Sales and use tax exemptions

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

4/15/2009 Senate Introduced and read first time [SJ](file:///h:\SJ%20Archive\2009\04-15-09.docx)‑5

4/15/2009 Senate Referred to Committee on **Finance** [SJ](file:///h:\SJ%20Archive\2009\04-15-09.docx)‑5

2/3/2010 Senate Committee report: Favorable **Finance** [SJ](file:///h:\SJ%20Archive\2010\02-03-10.docx)‑31

2/4/2010 Scrivener's error corrected

2/4/2010 Senate Read second time [SJ](file:///h:\SJ%20Archive\2010\02-04-10.docx)‑8

2/9/2010 Senate Read third time and sent to House [SJ](file:///h:\SJ%20Archive\2010\02-09-10.docx)‑17

2/16/2010 House Introduced and read first time [HJ](file:///h:\HJ%20Archive\2010\02-16-10.docx)‑8

2/16/2010 House Referred to Committee on **Ways and Means** [HJ](file:///h:\HJ%20Archive\2010\02-16-10.docx)‑8

5/20/2010 House Recalled from Committee on **Ways and Means** [HJ](file:///h:\HJ%20Archive\2010\05-20-10.docx)‑30

5/25/2010 House Debate adjourned until Wednesday, May 26, 2010 [HJ](file:///h:\HJ%20Archive\2010\05-25-10.docx)‑46

5/26/2010 House Amended [HJ](file:///h:\HJ%20Archive\2010\05-26-10.docx)‑19

5/26/2010 House Read second time [HJ](file:///h:\HJ%20Archive\2010\05-26-10.docx)‑19

5/26/2010 House Roll call Yeas‑91 Nays‑0 [HJ](file:///h:\HJ%20Archive\2010\05-26-10.docx)‑19

5/27/2010 House Read third time and returned to Senate with amendments [HJ](file:///h:\HJ%20Archive\2010\05-27-10.docx)‑33

6/1/2010 Senate Concurred in House amendment and enrolled [SJ](file:///h:\SJ%20Archive\2010\06-01-10.docx)‑148

6/7/2010 Ratified R 302

6/11/2010 Vetoed by Governor

6/16/2010 Senate Veto overridden by originating body Yeas‑33 Nays‑10 [SJ](file:///h:\SJ%20Archive\2010\06-16-10.docx)‑31

6/16/2010 House Veto overridden Yeas‑103 Nays‑1 [HJ](file:///h:\HJ%20Archive\2010\06-16-10.docx)‑417

7/13/2010 Effective date 06/16/10

7/14/2010 Act No. 280

**VERSIONS OF THIS BILL**

[4/15/2009](file:///p:\pprever\2009-10\717_20090415.docx)

[2/3/2010](file:///p:\pprever\2009-10\717_20100203.docx)

[2/4/2010](file:///p:\pprever\2009-10\717_20100204.docx)

[5/20/2010](file:///p:\pprever\2009-10\717_20100520.docx)

[5/26/2010](file:///p:\pprever\2009-10\717_20100526.docx)

(A280, R302, S717)

**AN ACT TO AMEND SECTION 12‑36‑2120, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO SALES TAX EXEMPTIONS, SO AS TO EXEMPT MACHINERY, EQUIPMENT, BUILDING AND OTHER RAW MATERIALS, AND ELECTRICITY USED BY A FACILITY OWNED BY A TAX EXEMPT ORGANIZATION INVESTING AT LEAST TWENTY MILLION DOLLARS OVER THREE YEARS IN THE FACILITY WHEN THAT FACILITY IS USED PRINCIPALLY FOR RESEARCHING AND TESTING THE IMPACT OF NATURAL HAZARDS SUCH AS WIND, FIRE, EARTHQUAKE, AND HAIL ON BUILDING MATERIALS USED IN RESIDENTIAL, COMMERCIAL, AND AGRICULTURAL BUILDINGS.**

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

**Sales tax exemption, certain research and testing equipment**

SECTION 1. Section 12‑36‑2120 of the 1976 Code, as last amended by Act 124 of 2009, is further amended by adding a new item at the end appropriately numbered to read:

“( ) machinery and equipment, building and other raw materials, and electricity used in the operation of a facility owned by an organization which qualifies as a tax exempt organization pursuant to the Internal Revenue Code Section 501(c)(3) when the facility is principally used for researching and testing the impact of such natural hazards as wind, fire, water, earthquake, and hail on building materials used in residential, commercial, and agricultural buildings. To qualify for this exemption, the taxpayer shall notify the department of its intent to qualify and shall invest at least twenty million dollars in real or personal property at a single site in this State over the three‑year period beginning on the date provided by the taxpayer to the department in its notices. After the taxpayer notifies the department of its intent to qualify and use the exemption, the department shall issue an appropriate exemption certificate to the taxpayer to be used for qualifying purposes. Within six months of the third anniversary of the taxpayer’s first use of the exemption, the taxpayer shall notify the department in writing that it has met the twenty million dollar investment requirement or, that it has not met the twenty million dollar investment requirement. The department may assess any tax due on the machinery and equipment purchased tax free pursuant to this item but due the State as a result of the taxpayer’s failure to meet the twenty million dollar investment requirement. The running of the periods of limitations for assessment of taxes provided in Section 12‑54‑85 is suspended for the time period beginning with notice to the department before the taxpayer uses the exemption and ending with notice to the department that the taxpayer either has met or has not met the twenty million dollar investment requirement.”

**Time effective**

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

Ratified the 7th day of June, 2010.

Vetoed by the Governor -- 6/11/2010.

Veto overridden by Senate -- 6/16/2010.

Veto overridden by House -- 6/16/2010.

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