**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑20‑24 SO AS TO PROVIDE THAT THE VALUE OF OWNER OCCUPIED PROPERTY MUST BE INCLUDED IN THE CALCULATION OF THE INDEX OF TAXPAYING ABILITY UNTIL A PERMANENT CHANGE IN THE METHOD OF ITS CALCULATION IS ENACTED; AND TO CREATE THE INDEX OF TAXPAYING ABILITY STUDY COMMITTEE, TO PROVIDE FOR ITS MEMBERSHIP AND ITS PURPOSE, AND TO REQUIRE THE COMMITTEE TO REPORT ITS FINDINGS TO THE GENERAL ASSEMBLY BY JANUARY 10, 2010, UPON WHICH DATE THE COMMITTEE SHALL DISSOLVE.

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

SECTION 1. Chapter 20, Title 59 of the 1976 Code is amended by adding:

“Section 59‑20‑24. Notwithstanding Section 59‑20‑20, the value of owner occupied residential property must be included in the calculation of the index of taxpaying ability until a permanent change in the method of computation of the index of taxpaying ability is enacted by the General Assembly.”

SECTION 2. (A) There is created the Index of Taxpaying Ability Study Committee. This committee shall examine the index of taxpaying ability and its relationship to resources available to the individual school districts in support of the education program required by the State and shall review previous recommended changes for determining local shares.

(B) The committee must be composed of:

(1) representatives from the Department of Revenue and the Office of Research and Statistics, appointed by the Chief Economist of the State;

(2) individuals with experience in business, finance, and economics, appointed by the Chief Economist of the State; and

(3) representatives of the business and education communities, including district superintendents and district board of trustees members, appointed by the State Superintendent of Education.

(C) The members of the committee may not receive compensation and are not entitled to receive mileage, subsistence, and per diem authorized by law for members of state boards and committees.

(D) The committee shall report its findings to the General Assembly by January 1, 2010, and shall recommend the appropriate method to be used as the measure of relative school district ability to support the education foundation program. The committee shall dissolve upon the date of its report.

SECTION 3. This act takes effect upon approval by the Governor.

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