**A** **BILL**

TO AMEND ARTICLE 3, CHAPTER 37, TITLE 12 OF THE 1976 CODE, RELATING TO PROPERTY TAXES AND EXEMPTIONS, BY ADDING SECTION 12‑37‑221 TO PROVIDE FOR THE EXEMPTION OF A PORTION OF THE FAIR MARKET VALUE OF ALL REAL PROPERTY ASSOCIATED WITH A FACILITY FOR THE GENERATION OF ELECTRIC POWER PLACED INTO SERVICE AFTER THE EFFECTIVE DATE OF THIS ACT AND TO SUBJECT THE REMAINING PORTION TO A STATE PROPERTY TAX AND PROVIDE FOR ITS DISTRIBUTION AMONG THE POLITICAL SUBDIVISIONS OF THIS STATE.

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

SECTION 1. Article 3, Chapter 37 of Title 12 of the 1976 Code is amended by adding:

“Section 12‑37‑221. (A) For purposes of ad valorem taxes imposed by a political subdivision, eighty‑five percent of the total fair market value of all real property associated with a facility for the generation of electric power placed into service after the effective date of this act, and otherwise subject to property tax, is exempt from property tax imposed by any applicable political subdivision.

(B) The eighty‑five percent of the fair market value of property qualifying for the exemption in subsection (A) is subject to a state property tax. The state property tax must be assessed at a ratio of ten and one‑half percent for school operating, county operating, and municipal operating purposes only. The millage rate for each purpose must not exceed the average annual rate imposed for that purpose throughout the State and must be set annually in the general appropriations act. The tax must be imposed by the county treasurer and collected in the same manner as other property taxes collected by the county for the same purpose and remitted upon receipt to the State Treasurer.

(C) Upon receipt of the tax imposed by this section, the State Treasurer shall transfer the amount collected for school operating purposes to the Homestead Exemption Fund to be distributed in the manner provided by this fund and the State Treasurer shall transfer the amount collected for county and municipal operating purposes to the Local Government Fund to be distributed in the manner provided by this fund.”

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

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