AMENDED

April 26, 2012

**H. 4697**

Introduced by Reps. Harrison, Limehouse, J.E. Smith, Stavrinakis, Brady, Sellers, Sottile, Gilliard, McCoy, Daning, Crosby, Munnerlyn, Gambrell, Agnew, Bowen, Erickson, Horne, Govan, Funderburk, Whipper, R.L. Brown and Neilson

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Read the first time January 31, 2012.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**REVENUE IMPACT 1/**

This amended bill is expected to decrease state general fund admissions tax revenue by an estimated $2,117,240 in FY2012-13, and increase revenue allocated to the South Carolina Arts Commission by an estimated $2,117,240 in FY2012-13.

**Explanation of Amendment (April 19, 2012) – By the House Ways & Means Committee**

This amendment would reduce the amount of any remaining balance of the general fund portion of the state admissions tax revenues after all required transfers from fifteen percent to eight and one-half percent. Based on the Board of Economic Advisors’ general fund revenue estimate of February 15, 2012, the admissions tax is expected to generate an estimated $31,208,566 in FY2012-13. After allocating twenty-six percent of admissions tax revenue pursuant to Section 12-62-100(A)(1) from the previous fiscal year, a net estimated $24,908,700 would remain in the state general fund. Applying a rate of eight and one-half percent to the remaining net portion of state admissions tax revenue yields an estimated $2,117,240 that would be transferred to the South Carolina Arts Commission in FY2012-13.

**Explanation of Bill Filed January 31, 2012**

This bill would add Section 60-15-100 to allow an amount equal to fifteen percent of the balance remaining of the general fund portion of state admissions tax revenues for the previous fiscal year after the transfer required pursuant to Section 12-62-100 must be transferred annually to the South Carolina Arts Commission. Section 12-62-100(A)(1) requires an amount equal to twenty-six percent of the general fund portion of admission tax collected for the previous fiscal year must be funded annually by September first to the Department of Parks, Recreation, and Tourism for the exclusive use of the South Carolina Film Commission. Based on the Board of Economic Advisors’ General Fund revenue estimate of February 15, 2012, the admissions tax is expected to generate an estimated $31,208,566 in FY2012-13. After allocating twenty-six percent of admissions tax revenue from the previous fiscal year, a net estimated $24,908,700 would remain in the state general fund. Applying a rate of fifteen percent to the remaining net portion of state admissions tax revenue yields an estimated $3,736,305 that would be transferred to the South Carolina Arts Commission in FY2012-13.

*Approved By:*

Frank A. Rainwater

Board of Economic Advisors

1/ 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 or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTIONS 60‑15‑100 AND 60‑15‑110 SO AS TO PROVIDE AN ANNUAL TRANSFER TO THE SOUTH CAROLINA ARTS COMMISSION OF AN AMOUNT EQUAL TO FIFTEEN PERCENT OF THE GENERAL FUND PORTION OF STATE ADMISSIONS TAX REVENUES IN THE PREVIOUS YEAR AFTER OTHER TRANSFERS REQUIRED FROM THE REVENUE AND TO REQUIRE THE COMMISSION TO EXPEND AT LEAST SEVENTY PERCENT OF ITS STATE APPROPRIATED FUNDS ON GRANTS FOR CHILDREN’S AND COMMUNITY PROGRAMS.

Amend Title To Conform

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

SECTION 1. Chapter 15, Title 60 of the 1976 Code is amended by adding:

“Section 60‑15‑100. An amount equal to eight and one‑half percent of the balance remaining of the general fund portion of state admissions tax revenues for the previous fiscal year after the transfer required pursuant to Section 12‑62‑60 must be transferred annually to the South Carolina Arts Commission for its use.

Section 60‑15‑110. The South Carolina Arts Commission shall expend at least seventy percent of funds from the admissions tax on grants to support the statewide improvement of learning and enrichment opportunities for children and communities through educational and cultural programs with proven research‑based strategies.”

SECTION 2. This act takes effect upon approval by the Governor and applies for fiscal years beginning after June 30, 2012.

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