**A** **BILL**

TO AMEND SECTION 12‑36‑2120, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO SALES TAX EXEMPTIONS, SO AS TO EXEMPT A NEW OR USED MOTOR VEHICLE THAT IS PURCHASED FROM A LICENSED DEALER WITH A FUEL ECONOMY OF AT LEAST FORTY MILES PER GALLON; AND TO AMEND SECTION 12‑37‑220, AS AMENDED, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO EXEMPT THE FIRST YEAR OF PROPERTY TAX ON A NEW OR USED MOTOR VEHICLE THAT IS PURCHASED FROM A LICENSED DEALER WITH A FUEL ECONOMY OF AT LEAST FORTY MILES PER GALLON.

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

SECTION 1. Section 12‑36‑2120 of the 1976 Code, as last amended by Act 280 of 2010, is further amended by adding an item at the end to read:

“( ) Notwithstanding Section 12‑36‑2110, a new or used motor vehicle, as defined in Section 56‑5‑130, purchased or leased from a licensed dealer in this State, that has a combined city and highway fuel economy of at least forty miles per gallon, as determined by the United States Environmental Protection Agency.”

SECTION 2. Section 12‑37‑220(B) of the 1976 Code, as last amended by Act 279 of 2010, is further amended by adding an item at the end to read:

“( ) A new or used motor vehicle, as defined in Section 56‑5‑130, purchased or leased from a licensed dealer in this State, that has a combined city and highway fuel economy of at least forty miles per gallon, as determined by the United States Environmental Protection Agency. This exemption only applies for the first full year on which property taxes are due on the qualifying motor vehicle.”

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

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