**A** **BILL**

TO AMEND CHAPTER 10, TITLE 4 OF THE 1976 CODE, RELATING TO LOCAL SALES AND USE TAX, TO ENACT THE “PUBLIC SAFETY SALES TAX ACT” AND TO PROVIDE FOR THE PURPOSE OF THE TAX AND ITS ENFORCEMENT.

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

SECTION 1. Chapter 10, Title 4 of the 1976 Code is amended by adding:

“ARTICLE 10

PUBLIC SAFETY SALES TAX ACT

Section 4‑10‑1000. This article may be cited as the ‘Public Safety Sales Tax Act.’

Section 4‑10‑1005. As used in this article, a county has the meaning provided for ‘county areas’ in Section 4‑10‑10(1).

Section 4‑10‑1010. (A) The county governing body of a county with a population of less than fifty thousand may submit, by ordinance, a referendum to qualified electors on the question of implementing a public safety sales tax in the county area for the purpose of improving public safety.

(B) A county with a population of less than fifty thousand, upon referendum approval, may levy a sales and use tax of one percent on the gross proceeds of sales within the county area. The public safety sales tax shall be in addition to all other sales and use taxes and shall not be imposed in the county area, unless the governing body of the county submits to the electors, a question to authorize the governing body of the county to impose the tax.

Section 4‑10‑1020. (A) The county election commission shall conduct the referendum at a county or state general, primary, or special election on the question of implementing a public safety sales tax within the county area. The state election laws apply to the referendum mutatis mutandis. The county election commission shall publish the results of the referendum and certify them to the county governing body and to the Department of Revenue. The public safety sales tax must not be imposed in the county area, unless a majority of the qualified electors voting in the referendum approve the question.

(B) The ballot question must read substantially as follows:

‘Must a one percent sales and use tax be levied in \_\_\_\_\_ County for the purpose of improving public safety services, equipment, facilities and personnel, fire protection, emergency management, emergency medical services, E‑911, and environmental services?

Yes 

No 

Those voting in favor of the question shall deposit a ballot with a check or cross mark in the square after the word ‘Yes’, and those voting against the question shall deposit a ballot with a check or cross mark in the square after the word ‘No’.’

(C) If a majority of the votes cast on the question by the qualified electors voting thereon are in favor of the question, then the act shall become effective on the first day of the second quarter after the Department of Revenue receives notice of the adoption of the public safety sales tax.

(D) If a majority of the votes cast by the qualified electors are opposed to the question, then the public safety sales tax shall not become effective unless the question is resubmitted and is approved by the majority of the qualified electors. However, in no event shall a question under this act be resubmitted to the qualified electors sooner than twelve months from the date of the last referendum under this act.

Section 4‑10‑1030. The public safety sales tax authorized by this article is imposed by an enacting ordinance of the county governing body containing the ballot question formulated by the commission pursuant to Section 4‑10‑1020, subject to referendum approval in the county. The ordinance must specify the purpose for which the proceeds of the tax are to be used, which may include projects of the following types:

(1) public safety services, equipment, facilities and personnel;

(2) county sheriff’s office and detention centers;

(3) municipality police and facilities;

(4) fire protection, emergency management, emergency medical services, E‑911; and

(5) environmental services.

Section 4‑10‑1040. The public safety sales tax imposed under this act shall be administered, collected, enforced, and operated as required by the Department of Revenue. The revenues generated shall be deposited in a special fund to be known as the ‘County Public Safety Sales Tax Fund’. This fund is separate and distinct from the general fund of the State and all other funds. After deducting the amount of any refunds and costs to the Department of Revenue of administering the tax, not to exceed one percent of the revenues, the State Treasurer shall distribute the revenues monthly to the county treasurer in the county area in which the public safety sales tax is imposed. All expenditures of the fund arising from the public safety sales tax shall be by a budget appropriation act to be enacted by the governing body of each county or municipality. If the public safety sales tax is rescinded, all funds and interest remaining in the fund shall be continued to be used solely for the designated purposes.

Section 4‑10‑1050. (A) Upon petition of fifteen percent of the qualified electors of a county presented to the governing body of that county which has implemented the one percent sales and use tax authorized by this article requesting that this tax be rescinded, the county governing body shall conduct a referendum on the question of rescinding the public safety sales tax within the county area. The state election laws apply to the referendum mutatis mutandis. The county election commission shall publish the results of the referendum and certify them to the county governing body and the Department of Revenue. The sales and use tax must be rescinded in the county area upon the certification of the results if a majority of the qualified electors voting in the referendum vote in favor of rescinding the tax.

(B) The ballot question must read substantially as follows:

‘Must the one percent public safety sales tax levied in \_\_\_\_\_ County pursuant to Chapter 10, Title 4 of the 1976 Code be rescinded?

Yes 

No 

Those voting in favor of the question shall deposit a ballot with a check or cross mark in the square after the word ‘Yes’, and those voting against the question shall deposit a ballot with a check or cross mark in the square after the word ‘No’.’

(C) If a majority of the votes cast on the question by the qualified electors are in favor of rescinding the tax, that repeal shall become effective on December thirty‑first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified electors voting thereon are opposed to the repeal, then the public safety sales tax authorized in this article shall remain effective until the question is resubmitted under this act to the qualified electors, and the repeal is approved by a majority of the qualified electors voting on the question.

(D) If a county abolishes the public safety sales tax, the county shall notify the Department of Revenue at least ninety days before the effective date of repeal, and the department may withhold two percent of the amount collected after receipt of notice to cover possible refunds or overpayment. After a one year period from the effective date of the repeal of the public safety sales tax in a county, the Department of Revenue shall remit the balance in the fund to the county and close the account of that county.”

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

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