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Indicates New Matter

COMMITTEE REPORT

February 5, 2014

**S. 809**

Introduced by Senator Leatherman

S. Printed 2/5/14--S.

Read the first time January 14, 2014.

**THE COMMITTEE ON FINANCE**

To whom was referred a Bill (S. 809) to amend Section 4‑10‑330, as amended, Code of Laws of South Carolina, 1976, relating to the capital projects sales tax, so as to delete, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

HUGH K. LEATHERMAN, SR. for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**REVENUE IMPACT 1/**

This bill is not expected to impact local revenues.

**Explanation**

This bill would require that the referendum on the question of imposing or re-imposing the capital project sales tax be held at the time of the general election. The bill does not alter Section 4-10-330(c) in a manner that would affect local sales and use tax revenue.

*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 SECTION 4‑10‑330, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CAPITAL PROJECTS SALES TAX, SO AS TO DELETE A PROVISION ALLOWING THE REFERENDUM FOR IMPOSITION OR REIMPOSITION TO BE HELD AT A TIME OTHER THAN AT THE TIME OF THE GENERAL ELECTION.

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

SECTION 1. Section 4‑10‑330(C) of the 1976 Code, as last amended by Act 49 of 2009, is further amended to read:

“(C) Upon receipt of the ordinance, the county election commission must conduct a referendum on the question of imposing the sales and use tax in the area of the county that is to be subject to the tax. The referendum for imposition or reimposition of the tax must be held at the time of the general election ~~unless the vote is to reimpose a tax in effect on or before June 1, 2009, and in existence at the time of such vote, in which case the referendum may be held on a general election day or at a time the governing body of the county and the Department of Revenue determine necessary to permit the tax to be reinstated and continue without interruption. The choice of election times rests with the governing body of the county. However, a referendum to reimpose an existing tax as permitted above only may be held once whether or not the referendum is held on a general election day or at another time~~. Two weeks before the referendum the election commission must publish in a newspaper of general circulation the question that is to appear on the ballot, with the list of projects and the cost of the projects. If the proposed question includes the use of sales taxes to defray debt service on bonds issued to pay the costs of any project, the notice must include a statement indicating that principal amount of the bonds proposed to be issued for the purpose and, if the issuance of the bonds is to be approved as part of the referendum, stating that the referendum includes the authorization of the issuance of bonds in that amount. This notice is in lieu of any other notice otherwise required by law.”

SECTION 2. This act takes effect upon approval by the Governor and first applies to a referendum for which a referendum date is not set as of the time of approval.

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