**South Carolina General Assembly**

121st Session, 2015-2016

**H. 3262**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. Stringer

Document Path: l:\council\bills\bbm\9114dg15.docx

Companion/Similar bill(s): 3263

Introduced in the House on January 13, 2015

Currently residing in the House Committee on **Ways and Means**

Summary: Income tax credit

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/18/2014 House Prefiled

12/18/2014 House Referred to Committee on **Ways and Means**

1/13/2015 House Introduced and read first time ([House Journal‑page 175](file:///h:\HJ%20Archive\2015\01-13-15.docx))

1/13/2015 House Referred to Committee on **Ways and Means** ([House Journal‑page 175](file:///h:\HJ%20Archive\2015\01-13-15.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=3262&session=121&summary=B) at the website

**VERSIONS OF THIS BILL**

[12/18/2014](file:///p:\pprever\2015-16\3262_20141218.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 4 TO CHAPTER 28, TITLE 12 SO AS TO IMPOSE AN ADDITIONAL USER FEE EQUAL TO FIVE CENTS A GALLON ON CERTAIN MOTOR FUELS, TO PROVIDE THAT THE REVENUE BE CREDITED TO THE COUNTY ROAD TRANSFER FUND, AND TO TERMINATE THE ADDITIONAL USER FEE ONCE CERTAIN ROADS ARE TRANSFERRED TO COUNTY CONTROL; BY ADDING ARTICLE 6 TO CHAPTER 11, TITLE 56 SO AS TO IMPOSE AN ADDITIONAL ROAD TAX IN THE SAME MANNER AS THE ADDITIONAL USER FEE; BY ADDING CHAPTER 29 TO TITLE 57 SO AS TO SET FORTH THE PROCESS BY WHICH THE DEPARTMENT OF TRANSPORTATION TRANSFERS NON‑FEDERAL AID STATE ROADS TO THE COUNTIES OF THIS STATE, TO ESTABLISH THE COUNTY ROAD TRANSFER FUND, AND TO SPECIFY THE MANNER IN WHICH REVENUES ARE DISTRIBUTED AND EXPENDED; AND BY ADDING SECTION 12‑6‑3765, SO AS TO ALLOW AN INDIVIDUAL TAXPAYER TO CLAIM A FIFTY DOLLAR INCOME TAX CREDIT IF THE INDIVIDUALS LISTED ON THE RETURN HAVE DRIVEN FIVE THOUSAND MILES IN THIS STATE DURING THE TAX YEAR.

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

SECTION 1. A. Chapter 28, Title 12 of the 1976 Code is amended by adding:

“Article 4

Imposition of Additional User Fee

Section 12‑28‑410. (A) In addition to the user fee imposed pursuant to Section 12‑28‑310, a user fee equal to five cents a gallon is imposed on:

(1) all gasoline, gasohol, or blended fuels containing gasoline that are used or consumed for any purpose in this State; and

(2) all diesel fuel, substitute fuels, or alternative fuels, or blended fuels containing diesel fuel that are used or consumed in this State in producing or generating power for propelling motor vehicles.

(B) Except where specified otherwise, the user fee imposed pursuant to this article shall be imposed, collected, and administered in the same manner as the user fee imposed pursuant to Section 12‑28‑310.

Section 12‑28‑420. All revenue collected pursuant to this article must be credited to the County Road Transfer Fund (T‑Fund) created pursuant to Section 57‑29‑30.

Section 12‑28‑430. Unless reauthorized by the General Assembly, the provisions of this article terminate on the first July first after all existing non‑federal aid roads are transferred to county control and are upgraded to good condition, pursuant to Chapter 29, Title 57.”

B. This section takes effect July 1, 2015.

SECTION 2. A. Chapter 11, Title 56 of the 1976 Code is amended by adding:

“Article 6

Road User Fee

Section 56‑11‑510. (A) In addition to the road tax imposed pursuant to Section 56‑11‑410, a road user fee for the privilege of using the streets and highways in this State is imposed upon every motor carrier. The user fee is equivalent to five cents a gallon, calculated on the amount of gasoline or other motor fuel used by the motor carrier in its operations within this State.

(B) Except where specified otherwise, the road user fee imposed pursuant to this article shall be imposed, collected, and administered in the same manner as the road tax imposed pursuant to Section 56‑11‑410.

Section 56‑11‑520. All revenue collected pursuant to this article must be credited to the County Road Transfer Fund (T‑Fund) created pursuant to Section 57‑29‑30.

Section 56‑11‑530. Unless reauthorized by the General Assembly, the provisions of this article terminate on the first July first after all existing non‑federal aid roads are transferred to county control and are upgraded to good condition, pursuant to Chapter 29, Title 57.”

B. This section takes effect July 1, 2015.

SECTION 3. Title 57 of the 1976 Code is amended by adding:

“CHAPTER 29

Transfer of Roads to County Control

Section 57‑29‑10. This chapter is intended to set forth the process by which the Department of Transportation transfers non‑federal aid state roads to the counties of this State.

Section 57‑29‑20. As used in this chapter:

(1) ‘County transportation committee’ means the committee appointed by each county’s legislative delegation to adopt a countywide transportation plan and administer ‘C’ funds pursuant to Section 12‑28‑2740.

(2) ‘Department’ means the South Carolina Department of Transportation.

(3) ‘Road’ has the same meaning as provided in Section 57‑3‑120.

Section 57‑29‑30. (A) There is created in the state treasury a fund separate and distinct from the general fund of the State, the Capital Reserve Fund, and all other funds entitled the County Road Transfer Fund (T‑Fund). Earnings and interest on this fund must be credited to it and added to the county distribution in proportion to each county’s portion of the fund, as set forth in subsection (B).

(B) The monies from the fund must be apportioned among the counties of the State based on the ratio of non‑federal aid state road miles contained within that county divided by the total miles of all non‑federal aid roads under state control as of July 1, 2015. However, if a county decommissions or closes a road transferred to county control pursuant to Section 57‑29‑40, then the distribution immediately following the decommissioning or closure must be adjusted to reflect the reduction in non‑federal aid state road miles within the county and under state control.

(C) Subject to subsection (B), the State Treasurer shall distribute the monies to each county transportation committee on the same schedule as ‘C’ funds are distributed. T‑Fund monies must be kept in a separate account and must not be comingled with ‘C’ funds or any other funds. A county transportation committee only may expend monies from the fund to maintain or upgrade existing non‑federal aid roads upon the transfer of such roads to county control. Distributions of monies from the fund, including earnings and interest, may be carried forward until the next year and only may used for the same purposes.

Section 57‑29‑40. (A) The department shall transfer non‑federal aid state roads, or portions thereof, to county control only when the county transportation committee certifies that sufficient T‑Fund monies exist to maintain or upgrade the road to good condition, as determined by the county public works and engineering department. In determining good condition, the county public works and engineering department shall utilize a grading system consistent with the grading system used by the Road Data Services Division of the South Carolina Department of Transportation.

(B) The department and each county transportation committee shall coordinate to develop the most efficient and cost‑effective method of transferring roads to county control.

(C) Any road reclassified from a road eligible for federal aid to a non‑federal aid state road is also eligible to be transferred to county control.

(D) The department may promulgate regulations necessary to implement the provisions of this chapter.

Section 57‑29‑50. The department may not begin construction on new non‑federal aid state roads after July 1, 2015. However, required maintenance on existing non‑federal aid state roads continues to be the responsibility of the department until such roads are transferred to county control.

Section 57‑29‑60. (A) The department, in consultation with the State Treasurer, shall issue quarterly reports detailing the revenue credited to the T‑Fund and payments made from the T‑Fund to the county transportation committees. The department must make the report available on its website.

(B) By December thirty‑first of each year, the department must submit to the General Assembly a non‑federal aid road transfer status report for the previous fiscal year. The report must contain the number of road miles transferred and the number of road miles remaining with the department, both for the entire state and for each individual county.

Section 57‑29‑70. Each county transportation committee must submit an annual report to its legislative delegation detailing the amount of money received from the T‑Fund, the balance in the account maintaining T‑Funds, any road transfer activities, and any other information requested by the delegation.

Section 57‑29‑80. Upon the termination of Article 4, Chapter 28, Title 12 and Article 6, Chapter 11, Title 56, all remaining T‑Fund balances only may be used to continue to maintain or upgrade roads transferred pursuant to this chapter.”

SECTION 4. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑3765. (A) For tax years beginning after 2015 and ending before 2021, an individual taxpayer may claim an income tax credit for the additional user fee paid pursuant to Section 12‑28‑410. To claim the credit, an individual must certify that, cumulatively, the individuals listed on the return have driven five thousand miles in this State during the tax year. The credit is equal to fifty dollars. The credit only may be claimed once on a return.

(B) It is the intent of the General Assembly that the credit allowed pursuant to subsection (A) be paid for by the State from increases in general fund revenue growth as projected by the Board of Economic Advisors, February fifteenth initial economic forecast.”

SECTION 5. Except where provided otherwise, this act takes effect upon approval by the Governor.

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