



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 4556
Author: Duckworth
Subject: Property tax exemptions
Requestor: House Ways and Means
RFA Analyst(s): Jolliff
Impact Date: March 3, 2016

Estimate of Fiscal Impact

	FY 2016-17	FY 2017-18
State Expenditure		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	(\$ 1,854,000)	\$0

Fiscal Impact Summary

The bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

The bill is expected to reduce local property tax revenue by approximately \$1,854,000 in FY 2016-17.

Explanation of Fiscal Impact

State Expenditure

The Department of Revenue indicates that the bill is not expected to impact expenditures for the General Fund, Federal Funds, or Other Funds to administer the expanded property tax exemption for emergency medical technicians.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

This bill would amend the property tax exemption in Section 12-37-220(B)(1)(e) to apply to emergency medical technicians beginning in tax year 2016. The section exempts the owner occupied home of a qualifying individual or surviving spouse from local property taxes. The bill would expand the definition of a qualifying individual to include a former emergency medical technician who is permanently and totally disabled as a result of an emergency medical service-

connected disability. The exemption also applies to the surviving spouse of a qualifying individual or emergency medical technician killed in the line of duty.

Currently, the exemption applies to permanently and totally disabled veterans of the armed forces, former law enforcement officers, and former firefighters who have a service related disability or were killed in the line of duty and their surviving spouses. The Department of Revenue has authorized 17,263 property exemptions under this section. Based upon data from the Bureau of Labor Statistics and Department of Defense, we estimate that there are approximately 65,560 SC residents employed in these professions currently. Dividing the exemptions by the current employment figure, exemptions account for approximately 26.3% of current employment.

The bill would add emergency medical technicians to this section. There are currently 10,100 emergency medical technicians in the state certified by DHEC. Multiplying this figure by 26.3%, we estimate that adding emergency medical technicians will result in 2,660 additional exemptions. Based upon the average estimated home value for 2016 of \$150,437 and factoring in the applicable homestead exemptions for school operations and disabled persons, the property tax reduction would average approximately \$697 per exemption. In total, local property tax revenue will be reduced by approximately \$1,854,000 in FY 2016-17 as a result of this exemption.



Frank A. Rainwater, Executive Director