



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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Bill Number: S.0350  
 Author: Campbell  
 Requestor: Senate Finance  
 Date: January 25, 2015  
 Subject: SC Community Economic Development Act  
 RFA Analyst(s): Martin

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**Estimate of Fiscal Impact**

	FY 2015-16	FY 2016-17
<b>State Expenditure</b>		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
<b>Local Expenditure</b>	N/A	N/A
<b>Local Revenue</b>	N/A	N/A

**Fiscal Impact Summary**

This bill would have no effect on General Fund income, bank, or insurance premium tax revenues in FY2015-16.

**Explanation of Fiscal Impact**

**State Expenditure**

N/A

**State Revenue**

This bill would amend Section 4 of Act 314 of 2000, as last amended by Act 248 of 2010 to extend the provision of the South Carolina Community Economic Development Act through June 30, 2020. After this date, all laws and regulations dealing with community development corporations and community development financial institutions would be repealed. A community development corporation is a nonprofit corporation which is tax exempt and has a primary mission of developing and improving low-income communities and neighborhoods through economic and related development. A community development financial institution is an organization that has a primary mission of promoting community development by providing credit, capital, or development services to small businesses or home mortgage assistance to individuals. Pursuant to Act 314 of 2000 and Section 12-6-3530, a taxpayer is allowed a tax credit against South Carolina income tax, bank tax, or insurance premium tax equal to thirty-three (33) percent of the investment in a community development corporation or community

development financial institution. The total credit that may be claimed by all taxpayers is \$1,000,000 in one calendar year and \$5,000,000 for all calendar years. Any unused credit may be carried forward and must be used before the taxable year that begins on or after ten (10) years from the date of the acquisition of stock or other equity interest that is the basis for the credit. The provisions of this credit terminate on June 30, 2015. This bill extends the termination date by five years to June 30, 2020, and is a continuation of programs and services that are currently in place.

**Local Expenditure**

N/A

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director