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Indicates New Matter

COMMITTEE REPORT

April 23, 2015

**H. 3149**

Introduced by Reps. G.M. Smith, G.R. Smith, Cobb‑Hunter and Johnson

S. Printed 4/23/15--H.

Read the first time January 13, 2015.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (H. 3149) to amend Section 12‑39‑360, Code of Laws of South Carolina, 1976, relating to a county’s authority to extend the payment of property taxes for service members, etc., respectfully

**REPORT:**

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

W. BRIAN WHITE for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Fiscal Impact Summary**

This bill is expected to have a minimal expenditure impact on county governments for administrative purposes. The bill is expected to have a minimal impact on property tax collections due to a small delay in the timing of the receipt of property taxes.

**Explanation of Fiscal Impact**

**Local Expenditure**

This bill amends Section 12-39-360 to require a county to allow an extension on the payment of property taxes for a service member in or near a hazard duty zone. Currently, a county may extend the date for paying property taxes for persons serving within the United States Armed Forces or National Guard in or near a hazard duty zone. This bill would change the section to require a county to allow an extension upon application from the qualifying taxpayer. The deferment would begin on the date the tax is due and end ninety days after the last date of deployment. The county may charge interest on any balance unpaid after the ninety day period beginning from the original due date. Based on information received from county governments, counties seldom receive requests for this type of extension. Therefore, we estimate this bill will have a minimal expenditure impact on county governments for administrative purposes for administering the extensions.

**Local Revenue**

This bill would allow a deferment on the payment of property taxes for service members in the United States Armed Forces or National Guard serving in or near hazard duty zones. The deferment would begin on the tax due date and end ninety days after the last date of deployment. Based upon the information received from counties, counties rarely receive a request for an extension, and we anticipate that the bill will have a minimal impact on property tax collections due to a small delay in the timing of the receipt of property taxes.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 12‑39‑360, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO A COUNTY’S AUTHORITY TO EXTEND THE PAYMENT OF PROPERTY TAXES FOR SERVICE MEMBERS IN OR NEAR A HAZARD DUTY ZONE, SO AS TO REQUIRE EACH COUNTY TO ALLOW FOR A DEFERMENT, TO PROVIDE THE DEFERMENT BEGINS ON THE TAX DUE DATE AND ENDS NINETY DAYS AFTER THE LAST DATE OF DEPLOYMENT, AND TO PROVIDE THAT NO INTEREST MAY BE CHARGED DURING THE DEPLOYMENT UNLESS THE TAX IS NOT PAID WITHIN THE NINETY‑DAY GRACE PERIOD.

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

SECTION 1. Section 12‑39‑360 of the 1976 Code is amended to read:

“Section 12‑39‑360. Upon application from the taxpayer, a county ~~may~~ must extend the date for filing returns and the payment of property taxes for persons serving with the United States Armed Forces or National Guard in or near a hazard duty zone. The deferment begins on the tax due date and ends ninety days after the last date of deployment. The auditor may require the taxpayer to provide proof of deployment. If the tax is paid in full within ninety days after the last date of deployment, no interest may be charged. When the property tax amount is not paid in full within the ninety days, interest may be charged on any unpaid amount at the rate it would have accrued since the original property tax due date.”

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

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