



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 3463 Amended by Senate Finance Property Tax Sub-Committee on April 17, 2018  
**Author:** Martin  
**Subject:** Property  
**Requestor:** Senate Finance  
**RFA Analyst(s):** Gable  
**Impact Date:** April 23, 2018

**Estimate of Fiscal Impact**

	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
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>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill is not expected to have a significant impact on local property tax revenue as it is common practice to value and assess property being used for agricultural purposes as agricultural property.

**Explanation of Fiscal Impact**

**Amended by Senate Finance Property Tax Sub-Committee on April 17, 2018**

**State Expenditure**

N/A

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

This bill as amended states that property engaging in generally accepted agricultural practices, including but not limited to crop rotation, timberland clearing, and reforestation, on property valued and assessed as agricultural property does not constitute a change of use from agricultural use for valuation and assessment purposes. Additionally, even if nonagricultural property is located in an agricultural structure, the structure will remain considered used for agricultural use

for assessment purposes so long as the primary purpose of the structure is associated with agricultural operations.

The general practice among counties is to value and assess property as agricultural property so long as that property is being used for generally accepted agricultural practices as is required by law currently. This language would further clarify what constitutes agricultural practices. However, there may be a few incidences where this has not been the case and a county changed the property valuation due to one of these factors. Since this bill takes effect in tax year 2017, if a property that qualifies for the valuation and assessment of agricultural property under this amended bill was valued and assessed at a higher rate, a refund may be required. We assume that there will only be a few incidences where property is valued and assessed at a higher rate. Therefore, only a few properties would be affected and there would not be a significant impact on local revenue.



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Frank A. Rainwater, Executive Director