**A** **BILL**

TO AMEND SECTION 12‑37‑250 AND SECTION 12‑37‑290, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, BOTH RELATING TO THE HOMESTEAD TAX EXEMPTION, SO AS TO REQUIRE THAT A QUALIFYING DWELLING PLACE ALSO MEETS ALL THE REQUIREMENTS FOR THE SPECIAL ASSESSMENT RATIO, INCLUDING CERTAIN RENTAL PROVISIONS, AND RECEIVES THE SPECIAL ASSESSMENT RATIO.

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

SECTION 1. Section 12‑37‑250(A)(5) of the 1976 Code is amended to read:

“(5) ‘Dwelling place’ means the permanent home and legal residence of the applicant when such permanent home and legal residence is not rented for more than seventy‑two days during the calendar year, when such permanent home and legal residence also meets all other requirements of Section 12‑43‑220(c) for the special assessment ratio, and is receiving the special assessment ratio allowed pursuant to Section 12‑43‑220(c).”

SECTION 2. Section 12‑37‑290 of the 1976 Code, as last amended by Act 87 of 2015, is amended further to read:

“Section 12‑37‑290. The first fifty thousand dollars of the fair market value of the dwelling place of ~~persons shall be~~ a person is exempt from county, school, and special assessment real estate property taxes when ~~such persons have been residents~~ the person:

(1) has been a resident of this State for at least one year~~,~~;

(2) ~~have each~~ has reached the age of sixty‑five years on or before December thirty‑first; or

(3) ~~any person~~ who has been classified as totally and permanently disabled by a state or federal agency having the function of ~~so~~ classifying ~~persons or any~~ a person who is legally blind, as defined in Section 43‑25‑20, preceding the tax year in which the exemption ~~herein~~ is claimed and ~~hold~~ holds complete fee simple title or a life estate to the dwelling place. ~~Any~~ A person claiming to be totally and permanently disabled, but who has not been ~~so~~ classified by one of ~~such~~ the agencies, may apply to the Vocational Rehabilitation Department. The agency shall make an evaluation of ~~such~~ the person using its own standards.

The exemption ~~shall include~~ includes the dwelling place when jointly owned in complete fee simple or life estate by husband and wife and either has reached sixty‑five years of age, or is totally and permanently disabled, on or before December thirty‑first preceding the tax year in which the exemption is claimed and either has been a resident of the State for one year. The exemption ~~shall~~ must not~~,~~ ~~however,~~ be granted unless ~~such persons~~ the person or ~~their agents make~~ his agent makes written application ~~therefor~~ on or before May first of the tax year in which the exemption is claimed and ~~shall~~ also shall pay all real property taxes due by ~~such persons~~ the person before the date prescribed by statute for the imposition t~~hereon~~ of a late penalty or interest charge. The application for the exemption ~~shall~~ must be made to the auditor of the county in which the dwelling place is located upon forms, provided by the county and approved by the department, and a failure to ~~so~~ apply ~~shall constitute~~ constitutes a waiver of the exemption for that year. The term ‘dwelling place’ as used ~~herein shall mean~~ in this section means the permanent home and legal residence of the applicant when such permanent home and legal residence is not rented for more than seventy‑two days during the calendar year, when such permanent home and legal residence also meets all other requirements of Section 12‑43‑220(c) for the special assessment ratio, and is receiving the special assessment ratio allowed pursuant to Section 12‑43‑220(c).

The term ‘permanently and totally disabled’ as used ~~herein shall mean~~ in this section means the inability to perform substantial gainful employment by reason of a medically determinable impairment, either physical or mental, which has lasted or is expected to last for a continuous period of twelve months or more or result in death.

The department shall reimburse the Vocational Rehabilitation Department for the actual expenses incurred in making decisions relative to disability from funds appropriated for homestead reimbursement.

The department shall promulgate ~~such~~ rules and regulations as ~~may be~~ necessary to carry out the provisions ~~herein~~ of this section.

Nothing ~~herein~~ in this section shall be construed as an intent to cause the reassessment of ~~any~~ a person’s property.

The provisions of this section ~~shall~~ apply to life estates created by will and also to life estates otherwise created which were in effect on or before December 31, 1971.”

SECTION 3. This act takes effect upon approval by the Governor and applies to property tax years beginning after 2017.

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