**A** **BILL**

TO AMEND SECTION 12‑37‑220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EXEMPTIONS FROM PROPERTY TAXES, SO AS TO PROVIDE THAT IF A QUALIFYING CHARITABLE ORGANIZATION ACQUIRES PROPERTY THAT WILL BE EXEMPT, THEN THE EXEMPTION TAKES EFFECT UPON THE QUALIFYING CHARITABLE ORGANIZATION ACQUIRING THE PROPERTY.

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

SECTION 1. Section 12‑37‑220(D) of the 1976 Code is amended to read:

“(D) If a church or qualifying charitable organization acquires ownership of real property which will be exempt under this section when owned by the church or qualifying charitable organization, the transferor’s liability for property taxes on the property ceases on the church or qualifying charitable organization acquiring the property, and any exemptions provided in this section then apply, subject to the requirements of Section 12‑4‑720. The property taxes accruing up to the date of the acquisition by the church or qualifying charitable organization, if any, must be paid to the county where the property is located within thirty days of the acquisition date. If the millage has not yet been set for the year when the acquisition occurs, the county auditor shall apply the previous year’s millage in determining any taxes owed. If the millage has been determined, the auditor shall apply the current year’s millage in determining any taxes owed. All taxes, assessments, penalties, and interest on the property acquired by a church or qualifying charitable organization are a first lien on the property taxed, the lien attaching December thirty‑first of the year immediately preceding the calendar year during which the tax is levied. For purposes of this subsection, a qualifying charitable organization is an organization that is a tax exempt organization pursuant to Internal Revenue Code 501(c)(3), devotes at least ninety percent of its total expenses to program services in the year in which the acquisition occurs, as evidenced by the annual financial report submitted by the organization to the Secretary of State, and acquired the real property due to actual or threatened eminent domain actions on other exempt property the organization owns or owned within the same county.”

SECTION 2. This act takes effect upon approval by the Governor and applies to any property tax paid or property tax years beginning on or after January 1, 2015, and if a county accepted property tax payments thereafter in contrast to the provisions of this act, then the county must refund to the qualifying charitable organization the portion paid that is not the transferor’s liability.

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