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HOUSE AMENDMENTS AMENDED-RETURNED TO HOUSE

September 22, 2020

**S. 545**

Introduced by Senator Alexander

S. Printed 9/22/20--S.

Read the first time February 20, 2020.

**A** **BILL**

TO AMEND SECTION 12‑43‑335(A) OF THE 1976 CODE, RELATING TO ASSESSING THE PROPERTY OF MERCHANTS AND OTHER RELATED BUSINESSES, TO REQUIRE THE DEPARTMENT OF REVENUE TO FOLLOW CERTAIN NORTH AMERICAN CLASSIFICATION SYSTEM MANUAL PROVISIONS; AND TO REPEAL SECTION 12‑39‑70 OF THE 1976 CODE, RELATING TO APPRAISING AND ASSESSING THE PERSONAL PROPERTY OF BUSINESSES UNDER THE JURISDICTION OF THE COUNTY AUDITOR.

Amend Title To Conform

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

SECTION 1. Section 12‑39‑70 of the 1976 Code is amended to read:

“Section 12‑39‑70. For the purpose of appraising and assessing personal property of businesses and other entities under the jurisdiction of the county auditor, the county auditor must use the department’s Form PT‑100 and shall follow the classification of the most recent North American Industry Classification System Manual, as follows:

(1) Sector 11, subsectors 111, 112, 113, 114, and 115, unless exempt;

(2) Sector 52, subsectors 522, 523, 524, and 525; Sector 53, subsectors 531 and 533; and Sector 55, subsector 551, unless exempt;

(3) Sector 51, subsector 512; Sector 54, subsector 541; Sector 61, subsector 611; Sector 62, subsectors 621, 622, 623, and 624; Sector 71, subsector 712; Sector 72, subsector 721; and Sector 81, subsectors 813 and 814, unless exempt.”

SECTION 2.A. For tax year 2020, to the extent loans under the paycheck protection program in Section 1102 of Public Law 116‑136, Title 1 are forgiven and excluded from gross income for federal income tax purposes under Section 1106 of Public Law 116‑136, Title 1, those loans are excluded for South Carolina income tax purposes. Further, to the extent the federal government allows the deduction of expenses associated with the forgiven paycheck protection program loans, these expenses will be allowed as a deduction for South Carolina income tax purposes.

B. This act takes effect upon approval by the Governor.

SECTION 3. A. Section 12‑6‑40(A)(1)(a) and (c) of the 1976 Code, as last amended by Act 16 of 2019, is further amended to read:

“(a) Except as otherwise provided, ‘Internal Revenue Code’ means the Internal Revenue Code of 1986, as amended through December 31, ~~2018~~ 2019, and includes the effective date provisions contained in it.

(c) If Internal Revenue Code sections adopted by this State which expired or portions thereof expired on December 31, ~~2017, or during 2018~~ 2019, are extended, but otherwise not amended, by congressional enactment during ~~2019~~ 2020, these sections or portions thereof also are extended for South Carolina income tax purposes in the same manner that they are extended for federal income tax purposes.”

B. Notwithstanding any other provision of law, for purposes of any law that provides for taxes administered by the Department of Revenue, the State specifically does not adopt the provisions of Section 204(a) of the Taxpayer Certainty and Disaster Tax Relief Act of 2019 as it pertains to individuals. In administering taxes, the Department of Revenue shall account for the nonadoption set forth in this section.

C. This SECTION takes effect upon approval by the Governor.

SECTION 4. This act takes effect upon approval by the Governor and applies to property tax returns due after December 31, 2020.

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