**South Carolina General Assembly**

124th Session, 2021-2022

**A203, R229, H5144**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. G.M. Smith, Wheeler, Lowe, Kirby, Weeks, R. Williams, Jefferson and Yow

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Introduced in the House on March 29, 2022

Introduced in the Senate on April 7, 2022

Last Amended on May 11, 2022

Passed by the General Assembly on May 12, 2022

Governor's Action: May 16, 2022, Signed

Summary: Property tax exemptions, rural telephone cooperatives

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 3/29/2022 House Introduced and read first time ([House Journal‑page 27](file:///h%3A%5Chj%5C20220329.docx))

 3/29/2022 House Referred to Committee on **Ways and Means** ([House Journal‑page 27](file:///h%3A%5Chj%5C20220329.docx))

 3/30/2022 House Member(s) request name added as sponsor: Wheeler

 3/31/2022 House Member(s) request name added as sponsor: Lowe, Kirby

 3/31/2022 House Committee report: Favorable **Ways and Means** ([House Journal‑page 30](file:///h%3A%5Chj%5C20220331.docx))

 4/5/2022 House Member(s) request name added as sponsor: Weeks

 4/6/2022 House Member(s) request name added as sponsor: R.Williams, Jefferson, Yow

 4/6/2022 House Requests for debate‑Rep(s).  Dabney, Gatch, May, McCravy, Bennett, Wooten, Jones ([House Journal‑page 74](file:///h%3A%5Chj%5C20220406.docx))

 4/6/2022 House Requests for debate removed‑Rep(s).  McCravy, Jones, Dabney, May, Wooten, Gatch, Bennett ([House Journal‑page 140](file:///h%3A%5Chj%5C20220406.docx))

 4/6/2022 House Read second time ([House Journal‑page 143](file:///h%3A%5Chj%5C20220406.docx))

 4/6/2022 House Roll call Yeas‑108 Nays‑0 ([House Journal‑page 143](file:///h%3A%5Chj%5C20220406.docx))

 4/7/2022 House Read third time and sent to Senate

 4/7/2022 Senate Introduced and read first time ([Senate Journal‑page 12](file:///h%3A%5Csj%5C20220407.docx))

 4/7/2022 Senate Referred to Committee on **Finance** ([Senate Journal‑page 12](file:///h%3A%5Csj%5C20220407.docx))

 5/3/2022 Senate Committee report: Favorable with amendment **Finance** ([Senate Journal‑page 10](file:///h%3A%5Csj%5C20220503.docx))

 5/5/2022 Senate Committee Amendment Adopted ([Senate Journal‑page 30](file:///h%3A%5Csj%5C20220505.docx))

 5/5/2022 Senate Read second time ([Senate Journal‑page 30](file:///h%3A%5Csj%5C20220505.docx))

 5/5/2022 Senate Roll call Ayes‑39 Nays‑0 ([Senate Journal‑page 30](file:///h%3A%5Csj%5C20220505.docx))

 5/10/2022 Senate Read third time and returned to House with amendments ([Senate Journal‑page 45](file:///h%3A%5Csj%5C20220510.docx))

 5/11/2022 House Senate amendment amended ([House Journal‑page 82](file:///h%3A%5Chj%5C20220511.docx))

 5/11/2022 House Roll call Yeas‑106 Nays‑0 ([House Journal‑page 83](file:///h%3A%5Chj%5C20220511.docx))

 5/11/2022 House Returned to Senate with amendments ([House Journal‑page 84](file:///h%3A%5Chj%5C20220511.docx))

 5/12/2022 Senate Concurred in House amendment and enrolled ([Senate Journal‑page 96](file:///h%3A%5Csj%5C20220512.docx))

 5/12/2022 Ratified R 229 ([Senate Journal‑page 230](file:///h%3A%5Csj%5C20220512.docx))

 5/16/2022 Signed By Governor

 5/31/2022 Effective date 05/16/22

 5/31/2022 Act No.  203

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=5144&session=124&summary=B) at the website

**VERSIONS OF THIS BILL**

[3/29/2022](file:///p%3A%5Cpprever%5C2021-22%5C5144_20220329.docx)

[3/31/2022](file:///p%3A%5Cpprever%5C2021-22%5C5144_20220331.docx)

[5/3/2022](file:///p%3A%5Cpprever%5C2021-22%5C5144_20220503.docx)

[5/5/2022](file:///p%3A%5Cpprever%5C2021-22%5C5144_20220505.docx)

[5/11/2022](file:///p%3A%5Cpprever%5C2021-22%5C5144_20220511.docx)

(A203, R229, H5144)

**AN ACT TO AMEND SECTION 12‑37‑220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO FURTHER SPECIFY THE APPLICATION OF THE EXEMPTION OF PROPERTY OF TELEPHONE COMPANIES AND RURAL TELEPHONE COOPERATIVES.**

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

**Findings**

SECTION 1. The General Assembly finds:

 (1) the rural telephone exemption found in Section 12‑37‑220(B)(10) of the 1976 Code provides an exemption from property taxation for property “used in providing rural telephone service”;

 (2) the General Assembly intends to clarify existing law by passage of this act to provide that the exemption for property “used in providing telephone service” applies to all property used for such purposes, regardless of technology or whether it also may be used for other purposes;

 (3) there are various other existing exemptions in the 1976 Code where the General Assembly qualifies the term “use” or “used” by including “exclusively”, “primarily”, “solely”, or “substantially”, or where the General Assembly limits the exemption for “dual purpose” property by requiring an allocation; and

 (4) the exemption found in Section 12‑37‑220(B)(10) has never been and is not qualified or limited in any manner.

**Property tax exemption, rural telephone cooperatives**

SECTION 2. Section 12‑37‑220(B)(10) of the 1976 Code is amended to read:

 “(10)(a) notwithstanding any other provisions of law, the property of telephone companies and rural telephone cooperatives operating in this State used in providing rural telephone service, which was exempt from property taxation as of December 31, 1973, shall be exempt from such property taxation; provided, however, that the amount of property subject to ad valorem taxation of any such company or cooperative in any tax district shall not be less than the net amount to which the tax millage was applied for the year ending December 31, 1973. Any property in any tax district added after December 31, 1973, shall likewise be exempt from property taxation in the proportion that the exempt property of such company or cooperative as of December 31, 1973, in that tax district was to the total property of such company or cooperative as of December 31, 1973, in that tax district;

 (b) property qualifying for the exemption authorized by subitem (a) includes property used in providing telephone service, as defined in Section 33‑46‑20, in rural areas, including mixed‑use property, without regard to:

 (i) the extent to which such property is used in providing services in addition to telephone service in rural areas; and

 (ii) the technology used including, but not limited to, the provision of broadband over a high‑speed Internet connection that allows the customer to access basic voice grade local service from the voice provider of the customer’s choice;”

**Time effective**

SECTION 3. This act takes effect upon approval by the Governor and applies to property tax years beginning after 2021.

Ratified the 12th day of May, 2022.

Approved the 16th day of May, 2022.

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