



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: S. 0401 Introduced on February 3, 2021
Author: Gustafson
Subject: Millage Increases
Requestor: Senate Finance
RFA Analyst(s): Miller
Impact Date: February 3, 2021

Fiscal Impact Summary

This bill may have an undetermined increase for local property tax revenue due to the permissive nature.

Explanation of Fiscal Impact

Introduced on January 12, 2021

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

This bill allows a county, by a positive majority vote, to adopt an ordinance or resolution to suspend the millage rate increase limitation for the purposes of supporting a fire protection district created pursuant to Chapter 19, Title 4. Currently, §6-1-320(G)(1) allows for the suspension of the millage rate increase limitations, subject to the results of a referendum, for general operation purposes of fire districts in existence as of January 1, 2014. Additionally, §4-19-10(1) allows the governing body of a county to affect a levy and collection of ad valorem taxes without a limit for the payment of principal and interest of all bonds issued and for the maintenance and operation of the fire protection system. This bill provides another option for a county to suspend the millage rate increase limitation for the purpose of supporting a fire protection district. However, this bill is permissive in nature. Therefore, it is at the discretion of the county as to whether or not to adopt an ordinance or resolution, by a majority vote, to suspend the millage rate limitation and increase ad valorem taxes above what would be allowed pursuant to the millage rate limitation. Therefore, any local property tax revenue increase would be dependent upon the decisions of the county.

Frank A. Rainwater, Executive Director