~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

April 28, 2022

**S. 233**

Introduced by Senator Turner

S. Printed 4/28/22--H.

Read the first time March 8, 2022.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (S. 233) to amend Section 12-37-220(B)(1)(b) of the 1976 Code, relating to property exempted from ad valorem taxation, to provide that a, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by adding appropriately numbered SECTIONS to read:

/ SECTION \_\_. A. Section 12‑39‑250(B) of the 1976 Code is amended to read:

“(B) Notwithstanding any other provision of law, the county tax assessor or the County Board of Assessment Appeals, upon application of the taxpayer, must order the County Auditor to make appropriate adjustments in the valuation and assessment of any real property and improvements which have sustained damage as a result of fire, flooding, hurricane, or wind event provided that the application for correction of the assessment is made prior to payment of the tax.”

B. Section 12-37-220(B)(14) of the 1976 Code is amended to read:

“(14) all farm buildings and agricultural structures owned by a producer in this State used to house livestock, poultry, crops, farm equipment, or farm supplies and all farm machinery and equipment including self‑propelled farm machinery and equipment except for motor vehicles licensed for use on the highways. For the purpose of this section ‘self‑propelled farm machinery and equipment’ means farm machinery or equipment which contains within itself the means for its own locomotion. For purposes of this item, farm equipment includes greenhouses;”

C. 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) The exemption authorized by subitem (a) applies to all such property of telephone companies and rural telephone cooperatives operating in this State 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;”

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

SECTION \_\_\_. A. Section 56-3-1490 of the 1976 Code, as added by Act 38 of 2021, is amended to read:

“(B) The qualifying service member or veteran must be one of the registrants of the vehicle. No more than three license plates may be issued to the award recipient. License plates for medals specified in subsection (A) are ~~subject to~~ exempt from the regular motor vehicle registration fee contained in Article 5, Chapter 3, Title 56 ~~but no additional specialty plate fee~~. These special license plates must be issued or revalidated for a biennial period which expires twenty‑four months from the month they are issued.”

B. Any registration fees collected pursuant to Section 56-3-14940 from May 6, 2022, until the effective date of this act must be refunded by the Department of Motor Vehicles. /

Renumber sections to conform.

Amend title to conform.

G. MURRELL SMITH, JR. for Committee.

**A** **BILL**

TO AMEND SECTION 12-37-220(B)(1)(b) OF THE 1976 CODE, RELATING TO PROPERTY EXEMPTED FROM AD VALOREM TAXATION, TO PROVIDE THAT A QUALIFIED SURVIVING SPOUSE MAY QUALIFY FOR AN EXEMPTION IF THE QUALIFIED SURVIVING SPOUSE OWNS THE HOUSE.

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

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

“(1)(a) the house owned by an eligible owner in fee or jointly with a spouse;

(b) the house owned by a qualified surviving spouse ~~acquired from the deceased spouse~~ and a house subsequently acquired by an eligible surviving spouse. The qualified surviving spouse shall inform the Department of Revenue of the address of a subsequent house;

(c) when a trustee holds legal title to a dwelling for a beneficiary and the beneficiary is a person who qualifies otherwise for the exemptions provided in subitems (a) and (b) and the beneficiary uses the dwelling as the beneficiary’s domicile, the dwelling is exempt from property taxation in the same amount and manner as dwellings are exempt pursuant to subitems (a) and (b);

(d) The Department of Revenue may require documentation it determines necessary to determine eligibility for the exemption allowed by this item.

(e) A person who owns an interest in a house and meets all other requirements of this item and is otherwise an eligible owner but for the ownership requirement is deemed to be an eligible owner and is eligible for the exemption allowed by this item so long as the county assessor certifies to the Department of Revenue that the house is located on heirs’ property and the person is the owner-occupied resident of the house. A person eligible pursuant to this subitem must not claim the special assessment rate allowed pursuant to Section 12-43-220(c) on any other property. For purposes of this item, heirs’ property has the same meaning as provided in Section 15-61-320.

(f) As used in this item:

(i) ‘eligible owner’ means:

(A) a veteran of the armed forces of the United States who is permanently and totally disabled as a result of a service‑connected disability and who files with the Department of Revenue a certificate signed by the county service officer certifying this disability;

(B) a former law enforcement officer as further defined in Section 23‑23‑10, who is permanently and totally disabled as a result of a law enforcement service‑connected disability;

(C) a former firefighter, including a volunteer firefighter as further defined in Chapter 80, Title 40, who is permanently and totally disabled as a result of a firefighting service‑connected disability;

(ii) ‘permanently and totally disabled’ means the inability to perform substantial gainful employment by reason of a medically determinable impairment, either physical or mental, that has lasted or is expected to last for a continuous period of twelve months or more or result in death;

(iii) ‘qualified surviving spouse’ means the surviving spouse of an individual described in subsubitem (i) while remaining unmarried, who resides in the house, and who owns the house in fee or for life. Qualified surviving spouse also means the surviving spouse of a member of the armed forces of the United States who was killed in action, or the surviving spouse of a law enforcement officer or firefighter who died in the line of duty as a law enforcement officer or firefighter, as these terms are further defined in Section 23‑23‑10 and Chapter 80, Title 40 ~~who at the time of death owned the house in fee or jointly with the now surviving spouse,~~ if the surviving spouse remains unmarried, resides in the house, and has acquired ownership of the house in fee or for life;

(iv) ‘house’ means a dwelling and the lot on which it is situated classified in the hands of the current owner for property tax purposes pursuant to Section 12‑43‑220(c). However, for an eligible owner that qualifies pursuant to item (1)(e), ‘house’ means a dwelling that is eligible to be classified in the hands of the current owner for property tax purposes pursuant to Section 12‑43‑220(c) except for the ownership requirement.”

SECTION 2. This act takes effect upon approval by the Governor.

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