COMMITTEE REPORT

March 2, 2021

**H. 3726**

Introduced by Reps. West, G.M. Smith, W. Cox, M.M. Smith, Pope, Simrill, Elliott, B. Cox, W. Newton, Thayer, Gagnon, Herbkersman, White, Wheeler, Rutherford, Ballentine and Ott

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Read the first time January 27, 2021.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (H. 3726) to amend Section 12‑36‑90, as amended, Code of Laws of South Carolina, 1976, relating to the definition of “gross proceeds of sales”, etc., respectfully

**REPORT:**

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

G. MURRELL SMITH, JR. for Committee.

**A** **BILL**

TO AMEND SECTION 12‑36‑90, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DEFINITION OF “GROSS PROCEEDS OF SALES”, SO AS TO EXCLUDE AMOUNTS RECEIVED FROM A BUYDOWN.

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

SECTION 1. Section 12‑36‑90(2) of the 1976 Code is amended by adding an appropriately lettered subitem at the end to read:

“( ) amounts received from a buydown. For purposes of this subitem, ‘buydown’ means an agreement between a retailer and a manufacturer or wholesaler in which the retailer receives a payment from the manufacturer or wholesaler that requires the retailer to reduce the sales price of the manufacturer’s or wholesaler’s product to the retail purchaser. This subitem does not apply to amounts received by a retailer from a retail sales transaction in which a retail purchaser uses a manufacturer’s or wholesalers’ coupon.”

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

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