



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. 0231 Introduced on January 10, 2023
Author: Harpootlian
Subject: Railroads, Municipal Privilege or License Tax
Requestor: Senate Finance
RFA Analyst(s): Wren
Impact Date: February 23, 2024

Fiscal Impact Summary

This bill removes the maximum allowable amounts that a municipality may collect for the privilege or license tax from persons operating railroads in this state as common carriers.

The revenue impact of this bill on municipal governments that impose the privilege or license tax is undetermined and will depend on the difference between the actual amount currently being imposed and the amount collected upon implementation of this bill. This change will vary by municipality. The Municipal Association of South Carolina (MASC) indicates that data are not available on the actual privilege or license tax collected by municipalities currently to determine the impact. Based on MASC's calculations, they estimate that the current maximum tax is up to \$55,680 based on population for the 165 municipalities with railways.

Explanation of Fiscal Impact

Introduced on January 10, 2023

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

This bill removes the maximum allowable amounts that a municipality may collect for the privilege or license tax from persons operating railroads in this state as common carriers. The table below provides the current amounts that municipalities may charge for the privilege or license tax.

Population	Amount of Privilege or License Tax
Not exceeding 250	\$10
More than 250 and not exceeding 500	\$15
More than 500 and not exceeding 750	\$20
750 to 1,000	\$25
More than 1,000 and not exceeding 5,000	\$25 for the first 1,000 inhabitants and \$25 for each additional 1,000 inhabitants or major fraction thereof
More than 5,000 and not exceeding 10,000	\$25 for the first 1,000 inhabitants and \$30 for each additional 1,000 inhabitants or major fraction thereof
More than 10,000	\$25 for the first 1,000 inhabitants and \$35 for each additional 1,000 inhabitants or major fraction thereof

Additionally, a municipality may not currently assess or collect a privilege or license tax exceeding \$2,000.

The revenue impact of this bill on municipal governments that impose the privilege or license tax is undetermined and will depend on the difference between the actual amount currently being imposed and the amount collected upon implementation of this bill and will vary by municipality. MASC indicates that data are not available on the actual privilege or license tax collected by municipalities. However, they estimate that the maximum tax that could be charged currently is approximately \$55,680 based on population for the 165 municipalities with railways. The table below provides MASC's calculations for reference.

Municipality	2020 Population	Max Rate Per Operator	Number of Operators	Operators	Current Potential Collections*
Greenville	70,720	\$2,000	3	Carolina Piedmont, Norfolk Southern, CSX	\$6,000
Columbia	136,632	\$2,000	2	CSX, Norfolk Southern	\$4,000
North Charleston	114,852	\$2,000	2	CSX, Norfolk Southern	\$4,000
Florence	39,899	\$1,390	2	CSX, SC Central Railroad	\$2,780
Spartanburg	38,732	\$1,355	2	Norfolk Southern, CSX	\$2,710
Greer	35,308	\$1,215	2	CSX, Norfolk Southern	\$2,430
Charleston	150,227	\$2,000	1	CSX	\$2,000
Rock Hill	74,372	\$2,000	1	Norfolk Southern	\$2,000
Anderson	28,106	\$970	2	Norfolk Southern, Pickens Rail	\$1,940
Summerville	50,915	\$1,775	1	Norfolk Southern	\$1,775
Goose Creek	45,946	\$1,600	1	CSX	\$1,600
Sumter	43,463	\$1,495	1	CSX	\$1,495
Myrtle Beach	35,682	\$1,250	1	RJ Corman Railroad	\$1,250
Aiken	32,025	\$1,110	1	Aiken Railroad	\$1,110
Cayce	13,781	\$480	2	CSX, Norfolk Southern	\$960
Orangeburg	13,240	\$445	2	CSX, Norfolk Southern	\$890
Conway	24,849	\$865	1	RJ Corman Railroad	\$865
Mauldin	24,724	\$865	1	Carolina Piedmont	\$865
Fort Mill	24,521	\$865	1	Norfolk Southern	\$865
Simpsonville	23,354	\$795	1	Carolina Piedmont	\$795
Easley	22,921	\$795	1	Norfolk Southern	\$795
Greenwood	22,545	\$795	1	CSX	\$795
Newberry	10,691	\$375	2	CSX, Norfolk Southern	\$750
Hanahan	20,325	\$690	1	CSX	\$690
Clemson	17,681	\$620	1	Norfolk Southern	\$620
West Columbia	17,416	\$585	1	Norfolk Southern	\$585
Laurens	9,335	\$265	2	Carolina Piedmont, CSX	\$530
Moncks Corner	13,297	\$445	1	CSX	\$445

Municipality	2020 Population	Max Rate Per Operator	Number of Operators	Operators	Current Potential Collections*
Gaffney	12,764	\$445	1	Norfolk Southern	\$445
Chester	5,269	\$145	3	Lancaster & Chester, CSX, Norfolk Southern	\$435
Irmo	11,569	\$410	1	CSX	\$410
Forest Acres	10,617	\$375	1	CSX	\$375
Lyman	6,173	\$175	2	CSX, Norfolk Southern	\$350
Fountain Inn	10,416	\$340	1	Carolina Piedmont	\$340
Seneca	8,850	\$265	1	Norfolk Southern	\$265
Lancaster	8,460	\$235	1	Lancaster & Chester	\$235
Georgetown	8,403	\$235	1	CSX	\$235
Union	8,174	\$235	1	Norfolk Southern	\$235
Camden	7,788	\$235	1	CSX	\$235
Clinton	7,633	\$235	1	CSX	\$235
Hardeeville	7,473	\$205	1	CSX	\$205
Hartsville	7,446	\$205	1	SC Central Railroad	\$205
Bennettsville	7,020	\$205	1	Pee Dee River Railroad	\$205
Belton	4,335	\$100	2	Pickens, Greenville & Western	\$200
Duncan	4,041	\$100	2	CSX, Norfolk Southern	\$200
Mullins	4,026	\$100	2	CSX, RJ Corman	\$200
Dillon	6,384	\$175	1	CSX	\$175
Darlington	6,149	\$175	1	SC Central Railroad	\$175
Lake City	5,903	\$175	1	CSX	\$175
Wellford	3,293	\$75	2	CSX (on boundary, cannot tell if actually within city limits), Norfolk Southern	\$150
Batesburg- Leesville	5,270	\$145	1	Norfolk Southern	\$145
Central	5,247	\$145	1	Norfolk Southern	\$145
Cheraw	5,040	\$145	1	CSX	\$145
Abbeville	4,874	\$125	1	CSX	\$125
Blythewood	4,772	\$125	1	Norfolk Southern	\$125
McColl	2,070	\$50	2	Pee Dee River Railroad; CSX	\$100

Municipality	2020 Population	Max Rate Per Operator	Number of Operators	Operators	Current Potential Collections*
Woodruff	4,212	\$100	1	CSX	\$100
Williamston	4,043	\$100	1	Greenville and Western Rail	\$100
Manning	3,878	\$100	1	CSX	\$100
Ridgeland	3,758	\$100	1	CSX	\$100
Honea Path	3,686	\$100	1	Pickens Railroad	\$100
Pendleton	3,489	\$75	1	Norfolk Southern	\$75
Liberty	3,366	\$75	1	Norfolk Southern	\$75
Kingstree	3,244	\$75	1	CSX	\$75
Winnsboro	3,215	\$75	1	Norfolk Southern	\$75
Denmark	3,186	\$75	1	CSX	\$75
Burnettown	3,105	\$75	1	Norfolk Southern	\$75
Bishopville	3,024	\$75	1	SC Central Railroad	\$75
Inman	2,990	\$75	1	Norfolk Southern	\$75
Allendale	2,694	\$75	1	CSX	\$75
Hampton	2,694	\$75	1	CSX	\$75
Andrews	2,575	\$75	1	CSX	\$75
Ravenel	2,542	\$75	1	CSX	\$75
Prosperity	1,178	\$25	2	CSX, Norfolk Southern	\$50
Landrum	2,481	\$50	1	Norfolk Southern	\$50
Loris	2,449	\$50	1	RJ Corman Railroad	\$50
South Congaree	2,377	\$50	1	Norfolk Southern	\$50
Westminster	2,353	\$50	1	Norfolk Southern	\$50
Pacolet	2,274	\$50	1	Norfolk Southern	\$50
McCormick	2,232	\$50	1	CSX	\$50
Cowpens	2,023	\$50	1	Norfolk Southern	\$50
Johnston	1,997	\$50	1	Norfolk Southern	\$50
Blacksburg	1,889	\$50	1	Norfolk Southern	\$50
St. George	1,843	\$50	1	Norfolk Southern	\$50
St. Matthews	1,841	\$50	1	Norfolk Southern	\$50
Estill	1,821	\$50	1	CSX	\$50
Chapin	1,809	\$50	1	CSX	\$50
Calhoun Falls	1,727	\$50	1	CSX	\$50
Kershaw	1,693	\$50	1	Lancaster & Chester	\$50
Ridgeville	1,672	\$50	1	Norfolk Southern	\$50
Varnville	1,669	\$50	1	CSX	\$50

Municipality	2020 Population	Max Rate Per Operator	Number of Operators	Operators	Current Potential Collections*
Elgin	1,634	\$50	1	CSX	\$50
Gaston	1,608	\$50	1	CSX	\$50
St. Stephen	1,571	\$50	1	CSX	\$50
Fairfax	1,505	\$50	1	CSX	\$50
Carlisle	321	\$15	2	CSX, Norfolk Southern	\$30
Whitmire	1,390	\$25	1	CSX	\$25
Johnsonville	1,378	\$25	1	CSX	\$25
Pelzer	1,344	\$25	1	CSX	\$25
Holly Hill	1,298	\$25	1	CSX	\$25
Latta	1,296	\$25	1	CSX	\$25
Lincolnton	1,147	\$25	1	Norfolk Southern	\$25
Yemassee	1,080	\$25	1	CSX	\$25
Branchville	998	\$25	1	Norfolk Southern	\$25
Fort Lawn	962	\$25	1	Lancaster & Chester	\$25
Jonesville	852	\$25	1	Norfolk Southern	\$25
Van Wyck	848	\$25	1	CSX	\$25
Chesnee	829	\$25	1	CSX	\$25
Santee	797	\$25	1	CSX	\$25
Gray Court	763	\$25	1	Carolina Piedmont	\$25
McBee	758	\$25	1	CSX	\$25
Coward	748	\$20	1	CSX	\$20
Heath Springs	742	\$20	1	Lancaster & Chester	\$20
Norris	741	\$20	1	Norfolk Southern	\$20
Swansea	722	\$20	1	CSX	\$20
North	696	\$20	1	CSX	\$20
Campobello	675	\$20	1	Norfolk Southern	\$20
Harleyville	666	\$20	1	CSX	\$20
Scranton	648	\$20	1	CSX	\$20
Eastover	614	\$20	1	CSX	\$20
Clio	608	\$20	1	CSX	\$20
Ridge Spring	579	\$20	1	Norfolk Southern	\$20
Gilbert	571	\$20	1	Norfolk Southern	\$20
Elloree	570	\$20	1	CSX	\$20
Hemingway	504	\$20	1	CSX	\$20
Pinewood	503	\$20	1	CSX	\$20
Lane	472	\$15	1	CSX	\$15
Bonneau	431	\$15	1	CSX	\$15

Municipality	2020 Population	Max Rate Per Operator	Number of Operators	Operators	Current Potential Collections*
Brunson	431	\$15	1	CSX	\$15
Summit	423	\$15	1	Norfolk Southern	\$15
Cross Hill	404	\$15	1	CSX	\$15
Greeleyville	384	\$15	1	CSX	\$15
West Union	374	\$15	1	Norfolk Southern	\$15
Neeses	320	\$15	1	CSX	\$15
Bethune	315	\$15	1	CSX	\$15
Norway	289	\$15	1	CSX	\$15
Richburg	280	\$15	1	Lancaster & Chester	\$15
Patrick	266	\$15	1	CSX	\$15
Ridgeway	266	\$15	1	Norfolk Southern	\$15
Gifford	257	\$15	1	CSX	\$15
Rowesville	253	\$15	1	Norfolk Southern	\$15
Little Mountain	249	\$10	1	CSX	\$10
Eutawville	235	\$10	1	CSX	\$10
Nichols	234	\$10	1	RJ Corman Railroad	\$10
Olar	215	\$10	1	CSX	\$10
Monetta	205	\$10	1	Norfolk Southern	\$10
Reevesville	201	\$10	1	Norfolk Southern	\$10
Trenton	200	\$10	1	Norfolk Southern	\$10
Woodford	161	\$10	1	CSX	\$10
Waterloo	149	\$10	1	CSX	\$10
Sellers	147	\$10	1	CSX	\$10
Sycamore	147	\$10	1	CSX	\$10
Cordova	136	\$10	1	CSX	\$10
Livingston	132	\$10	1	CSX	\$10
Vance	128	\$10	1	CSX	\$10
Parksville	120	\$10	1	CSX	\$10
Ward	119	\$10	1	Norfolk Southern	\$10
Luray	98	\$10	1	CSX	\$10
Troy	83	\$10	1	CSX	\$10
Tatum	76	\$10	1	Pee Dee River Railroad	\$10
Plum Branch	72	\$10	1	CSX	\$10
Jamestown	68	\$10	1	CSX	\$10
Ulmer	65	\$10	1	CSX	\$10
Govan	56	\$10	1	CSX	\$10

Municipality	2020 Population	Max Rate Per Operator	Number of Operators	Operators	Current Potential Collections*
Cope	37	\$10	1	CSX	\$10
Total					\$55,680

Source: Municipal Association of South Carolina

** The figures assume a maximum of \$2,000 per operator per municipality. Amounts reflect potential maximum under current statute. Municipalities may not be charging this amount.*

Frank A. Rainwater, Executive Director