



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. 0755 Introduced on April 27, 2023
Author: Young
Subject: Property Transfer Upon Death
Requestor: Senate Judiciary
RFA Analyst(s): Griffith
Impact Date: February 6, 2024

Fiscal Impact Summary

This bill allows the owner of a vehicle, mobile home, watercraft, outboard motor, or any similar personal property for which legal titles are issued and administered by the Department of Motor Vehicles (DMV) or the Department of Natural Resources (DNR) to establish a Transfer on Death (TOD) designation upon any such title or registration. The bill also establishes a fee of \$15 and \$10 for the establishment, modification, or revocation of a TOD designation for personal property titled by DMV and DNR, respectively.

There is no expenditure impact to DMV or Judicial as the requirements of the bill can be managed with existing staff and appropriations.

The expenditure and revenue impact on DNR is pending, contingent upon a response from the agency.

The bill may increase General Fund revenue, Other Funds revenue of the Department of Transportation (DOT), and Other Funds revenue of the Department of Public Safety (DPS). However, the amounts of the increase are undetermined as the number of modifications and revocations of a TOD designation that will be made is unknown.

The potential impact of this bill on local expenditures and property taxes is pending, contingent upon responses from county governments.

Explanation of Fiscal Impact

Introduced on April 27, 2023

State Expenditure

This bill allows the owner of a vehicle, mobile home, watercraft, outboard motor, or any similar personal property for which legal titles are issued and administered by DMV or DNR to establish a TOD designation upon any such title or registration.

Department of Motor Vehicles. DMV does not anticipate an expenditure impact as all required changes can be managed with existing staff.

Department of Natural Resources. The expenditure impact on DNR is pending, contingent upon a response from the agency.

Judicial. Judicial reports that implementation of the bill may result in an increase in probate court caseloads, which can be managed using existing staff and appropriations. Therefore, the bill will result in no expenditure impact for Judicial.

State Revenue

The bill establishes a fee of \$10 for the establishment, modification, or revocation of a TOD designation for personal property titled by DNR. The revenue impact on DNR is pending, contingent upon a response from the department.

Additionally, the bill establishes a fee of \$15 for the establishment, modification, or revocation of a TOD designation for personal property titled or registered by DMV. The department indicates that if the TOD designation is established during the titling of a vehicle, DMV will not charge an additional \$15 on top of the \$15 fee for the issuance of the title. However, if the TOD designation is modified or revoked separate from titling the vehicle, the \$15 fee will be collected.

Revenue collected from fees pursuant to Section 56-19-420 are distributed as follows:

- \$5 of each fee must be placed in the State Highway Fund (Other Funds of DOT),
- \$5 of each fee must be placed in an earmarked account by the Comptroller General and distributed as discussed below, and
- the remaining \$5 is remitted to the General Fund.

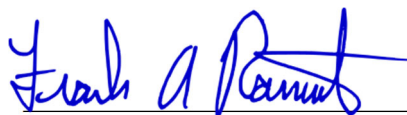
The first \$1,000,000 of the portion of the fee placed in an earmarked account is credited to the General Fund to offset a portion of state individual income tax revenue not collected pursuant to the subsistence allowance allowed pursuant to Section 12-6-1140(6). The remainder of the earmarked account is allocated to DPS and used to support highway patrol programs.

Because the number of modifications and revocations of a TOD designation that will be made is unknown, the total increase in revenue to the General Fund, Other Funds of DOT, and Other Funds of DPS is undetermined.

Local Expenditure and Local Revenue

This bill allows the owner of a vehicle, mobile home, watercraft, outboard motor, or any similar personal property for which legal titles are issued and administered by DMV or DNR to establish a TOD designation upon any such title or registration.

The potential impact of this bill on local expenditures and property taxes is pending, contingent upon responses from county governments.



Frank A. Rainwater, Executive Director