



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: H. 3847 Introduced on January 30, 2025
Subject: Co-owned Home
Requestor: House Ways and Means
RFA Analyst(s): Miller
Impact Date: April 22, 2025

Fiscal Impact Summary

This bill specifies that any regulation regarding the use, disposition, sale, or any imposition of any prohibition, restriction, fee imposition, or taxation of a co-owned home must be done by the General Assembly. This bill supersedes and preempts any ordinance enacted by a municipality, or the enforcement of any ordinance by any municipality, that purports to regulate the use, disposition, sale, or any imposition of any prohibition, restriction, fee imposition, or taxation of co-owned homes.

Revenue and Fiscal Affairs (RFA) contacted the Municipal Association of South Carolina (MASC) on behalf of municipalities to determine the local fiscal impact of this bill. MASC anticipates this bill may result in a significant reduction in local revenue. Co-owned home as defined in this bill would include a wide range of properties, including spouses holding property jointly, family co-owning inherited or gifted property, and other joint ownership arrangements. This bill would result in a significant portion of residential property that will no longer be regulated at the municipal level and may result in a potentially significant decrease in local fees and taxes.

Explanation of Fiscal Impact

Introduced on January 30, 2025

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

This bill specifies that any regulation regarding the use, disposition, sale, or any imposition of any prohibition, restriction, fee imposition, or taxation of a co-owned home must be done by the General Assembly. Co-owned home is defined as a residential dwelling located in a municipality that is jointly owned, in any manner or form, by any combination of individuals or entities for

the purpose of the owners' use and enjoyment. This bill supersedes and preempts any ordinance enacted by a municipality, or the enforcement of any ordinance by any municipality, that purports to regulate the use, disposition, sale, or any imposition of any prohibition, restriction, fee imposition, or taxation of co-owned homes. Nothing in this section limits the authority of a county to regulate a co-owned home.

RFA contacted MASC on behalf of municipalities to determine the local revenue impact of this bill. MASC anticipates this bill may have a significant impact on local revenue. Co-owned home as defined in this bill would include a wide range of properties, including spouses holding property jointly, family co-owning inherited or gifted property, and other joint ownership arrangements. For information, approximately 59 percent of households in South Carolina are married couples.¹ Therefore, we anticipate approximately 59 percent of owner-occupied property is held jointly by spouses, and thereby, at least 59 percent of owner-occupied property in a municipality will be considered co-owned homes. This bill would result in a significant portion of residential property that will no longer be regulated at the municipal level and may result in a potentially significant decrease in local fees and taxes.

¹ ASC 2023 1-year, retrieved April 21, 2025, <https://censusreporter.org/profiles/04000US45-south-carolina/>



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