



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

WWW.RFA.SC.GOV • (803)734-3793

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. 4701 Introduced on January 13, 2026
Subject: Truck Weight
Requestor: House Ways and Means
RFA Analyst(s): Griffith and Miller
Impact Date: March 10, 2026

Fiscal Impact Summary

This bill increases the gross weight limit for the classification of a private passenger motor vehicle from 11,000 pounds to 15,000 pounds, except for a motorcycle, motorcycle three-wheel vehicle, or moped. Additionally, the bill increases the maximum gross weight limit for pickup trucks to be considered a private passenger motor vehicle from 11,000 pounds to 15,000 pounds for purposes of determining the appropriate assessment ratio for property tax, which would lower the applicable assessment ratio from 10.5 percent to 6 percent assessment ratio for vehicles between 11,001 and 15,000 pounds. This bill takes effect upon approval of the Governor and applies to property tax years beginning after 2025.

The Department of Motor Vehicles (DMV) reports that the bill will have no expenditure impact on the agency because the changes can be managed with existing staff and resources.

The bill will have no expenditure impact on the Department of Public Safety (DPS) because the duties required in the bill will be managed within the course of normal agency business.

The fiscal impact of the bill on the Department of Revenue (DOR) is pending, contingent upon a response from the agency.

Revenue from registration fees for vehicles with a gross vehicle weight of 11,001 to 15,000 pounds are currently remitted in full to the South Carolina Transportation Infrastructure Bank (SCTIB). Due to the changes in the bill to the increase in the gross weight limit for the classification of private passenger vehicles, the fees for these vehicles will be decreased, and part of the lower fees will be credited to DMV and the Department of Transportation (DOT) instead of the SCTIB. Therefore, this bill will increase Other Funds revenue of DMV and Other Funds revenue of DOT by \$7,300 and \$59,000, respectively, beginning in FY 2026-27.

Correspondingly, revenue of the SCTIB will decrease by approximately \$291,000 beginning in FY 2026-27. These estimates are based on current motor vehicle registrations. For additional information regarding the fee changes by weight, please see the State Revenue Section.

Please note, SCTIB has advised us that all truck registration fees and motor vehicle registration fees provided to the SCTIB are pledged to the repayment of debt service of outstanding revenue bonds. That pledge is legally binding on the SCTIB and the state. Any disruption in the flow of pledged revenues could: put the SCTIB at risk of not being able to meet the mandatory coverage

requirements in the Master Revenue Bond Resolution; require an Electronic Municipal Market Access public disclosure for all SCTIB bondholders; and prompt rating agency reviews. These results could impact the credit rating of the SCTIB and increase its interest costs on future bond issues and refundings.

This bill may decrease Other Funds revenue of DPS due to the increase in the gross weight limit for a vehicle, which will lower the number of vehicles that may be in violation of a weight load law. However, the potential decrease in revenue is undetermined because the number of vehicles that will now be exempt from the weight load limits and the number of violations they may have incurred without the change is unknown.

The Revenue and Fiscal Affairs Office (RFA) contacted all forty-six counties and the Municipal Association of South Carolina (MASC) regarding the potential fiscal impact of the bill. Horry County anticipates an undetermined increase in expenditures. Similarly, MASC anticipates that municipalities may incur increased expenses with limited ability to offset the revenue loss from property taxes through millage adjustments. Additionally, RFA anticipates this bill may result in a non-recurring local expense to refund property taxes that were paid for trucks in tax year 2026 at the higher assessment ratio prior to the enactment of the bill.

This bill changes the applicable assessment ratio for pickup trucks with a gross weight between 11,001 and 15,000 pounds from 10.5 percent to 6 percent due to the change in the classification of these vehicles. Based on estimated average truck life spans and values for these trucks, we estimate this bill will lower the average property tax by approximately \$570 per vehicle and will reduce local property tax revenue statewide by approximately \$4,204,000 beginning in tax year 2026. To the extent possible, we expect that local governments will increase millage rates to offset the reduction within the millage rate increase limitations.

Explanation of Fiscal Impact

Introduced on January 13, 2026

State Expenditure

This bill increases the gross weight limit for the classification of a private passenger motor vehicle from 11,000 pounds to 15,000 pounds, except for a motorcycle, motorcycle three-wheel vehicle, or moped.

The bill also increases the gross weight of trucks and trailers, barges, or vessels subject to inspections and citations of weight violations at permanent or portable weight stations from 11,000 pounds to 15,000 pounds. DOR may assign qualified persons who are not state police officers to supervise or operate these weight stations.

Department of Motor Vehicles. DMV anticipates that the new requirements in the bill can be managed with existing staff and resources. Therefore, the bill will have no expenditure impact on DMV.

Department of Public Safety. This bill will have no expenditure impact on DPS because the duties required in the bill will be managed within the course of normal agency business.

Department of Revenue. The fiscal impact of the bill on DOR is pending, contingent upon a response from the agency.

State Revenue

This bill increases the gross weight limit for the classification of a private passenger motor vehicle from 11,000 pounds to 15,000 pounds, except for a motorcycle, motorcycle three-wheel vehicle, or moped. The following table shows the number of private passenger motor vehicles currently registered and the current and proposed biennial registration fees by gross vehicle weight class.

Motor Vehicle Registrations with Current and Proposed Fees

Gross Vehicle Weight Class	Number of Vehicles Currently Registered	Current Biennial Registration Fee	Proposed Biennial Registration Fee
11,001 - 12,000 pounds	2,536	\$120	\$36 to \$40
12,001 - 13,000 pounds	988	\$130	\$36 to \$40
13,001 - 14,000 pounds	1,601	\$140	\$36 to \$40
14,001 - 15,000 pounds	2,251	\$150	\$36 to \$40

Source: Department of Motor Vehicles

Private passenger motor vehicles are registered biennially, and the registration fees for those under 11,000 pounds vary from \$36 to \$40, depending on the registrant's age and whether the registrant is handicapped. Pursuant to §56-3-620, \$16 of each biennial registration fee is currently credited to the Infrastructure Maintenance Trust Fund, which is Other Funds of DOT. Pursuant to §56-3-1230, \$2 of each biennial fee is currently credited to the Plate Replacement Fund, which is Other Funds of DMV. The remainder of each registration fee is placed into the state highway account of the SCTIB pursuant to §56-3-910.

Revenue from registration fees for vehicles with a gross vehicle weight of 11,001 to 15,000 pounds are currently remitted in full to the SCTIB. This bill decreases revenue from these vehicles and shifts revenue from the SCTIB to Other Funds of DOT and DMV due to the change in classification of these vehicles. In total, DMV anticipates an increase of approximately \$59,000 to Other Funds revenue of DOT and an increase of approximately \$7,300 to Other Funds revenue of DMV beginning in FY 2026-27. Additionally, RFA estimates that revenue to the SCTIB will decrease by approximately \$291,000 beginning in FY 2026-27. The exact amount will vary, depending on the age and handicap status of registrants. Further, these amounts are based on the number of current registrations, which fluctuates.

Please note, SCTIB has advised us that all truck registration fees and motor vehicle registration fees provided to the SCTIB are pledged to the repayment of debt service of outstanding revenue

bonds. That pledge is legally binding on the SCTIB and the state. Any disruption in the flow of pledged revenues could: put the SCTIB at risk of not being able to meet the mandatory coverage requirements in the Master Revenue Bond Resolution; require an Electronic Municipal Market Access public disclosure for all SCTIB bondholders; and prompt rating agency reviews. These results could impact the credit rating of the SCTIB and increase its interest costs on future bond issues and refundings.

The bill increases the gross weight of trucks and trailers, barges, or vessels subject to inspections and citations of weight violations at permanent or portable weight stations. The increase in gross weight may decrease the number of vehicles subject to citations. However, the number of vehicles that will be exempt from the weight load laws and the number of violations they would have incurred is unknown. Therefore, the potential decrease in Other Funds revenue of DPS is undetermined.

Local Expenditure

RFA anticipates this bill may result in a non-recurring local expense to refund property taxes paid for trucks in tax year 2026 prior to the enactment of the bill that will now be subject to a lower assessment ratio. Additionally, we contacted all forty-six counties and MASC regarding the potential fiscal impact of the bill. Horry County anticipates an undetermined increase in expenditures. Similarly, MASC anticipates that municipalities may incur increased expenses with limited ability to offset the revenue loss from property taxes through millage adjustments.

Local Revenue

This bill increases the maximum gross weight limit for pickup trucks to be considered a private passenger motor vehicle from 11,000 pounds to 15,000 pounds for purposes of determining the assessment ratio for property tax. Due to the change in classification, this bill changes the applicable assessment ratio for pickup trucks with a gross weight between 11,000 and 15,000 pounds from 10.5 percent to 6 percent.

According to DMV, 7,376 registered trucks weigh between 11,001 and 15,000 pounds. According to the article *How Long do Trucks Last*, the average life span of these trucks can range from 11 to 15 years.¹ To determine the average value of these trucks, we used the Kelly blue book value of a variety of 2020 trucks that weigh between 11,001 and 15,000 pounds, as 6 years is approximately half of the average life span of these trucks.² Based on these assumptions, we estimate the average value of a truck being reclassified by this bill is \$34,850. After applying the estimated statewide millage rate for tax year 2026 of 363.42, the estimated property tax revenue reduction per truck is \$570. Multiplying this amount by the 7,376 trucks totals a statewide local property tax revenue reduction of \$4,204,000 beginning in tax year 2026. This change represents approximately 0.03 percent of the 2026 projected statewide property tax revenue. To note, for tax year 2026, counties may need to refund some property taxes paid for

¹How Long Do Trucks Last? [Average Lifespan + Tips], November 20, 2022 <https://clasauto.com/average-lifespan-of-a-truck/>

²Kelly Blue Book Values, retrieved March 9, 2026, <https://www.kbb.com/ford/f450-super-duty-crew-cab/2020/>; <https://www.kbb.com/gmc/sierra-3500-hd-crew-cab/2020/>; <https://www.kbb.com/chevrolet/silverado-3500-hd-crew-cab/2020/>; <https://www.kbb.com/ford/f350-super-duty-crew-cab/2020/>;

trucks that have already paid property taxes but will be subject to a lower property tax after the passage of this bill. To the extent possible, we expect that local governments will increase millage rates to offset the reduction within the millage rate increase limitations.



Frank A. Rainwater, Executive Director