



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. 0102	Introduced on January 14, 2025
Subject:	Operating Millage Rates	
Requestor:	Senate Finance	
RFA Analyst(s):	Miller	
Impact Date:	March 13, 2025	

Fiscal Impact Summary

This bill allows a municipality without an operating millage on January 1, 2025, or a municipality that incorporates after January 1, 2025, to impose an operating millage sufficient to generate one-third of the municipality's general fund expenses in the previous fiscal year. For municipalities that previously imposed an operating millage that was repealed, they may reimpose a millage based on the previous millage increased for any allowable amount under the millage rate increase limitations.

This bill may increase the state reimbursement for certain property tax exemptions, such as the homestead exemption. Any increase in reimbursements would decrease General Fund revenue from individual and corporate income tax available for appropriation to fund the increase in the reimbursement from the Trust Fund for Tax Relief. The amount of the change will depend on how many municipalities implement a millage and the increase in total property tax reimbursements for exemptions.

The increase in municipal property tax revenue will depend upon how many municipalities implement a millage. Additionally, Revenue and Fiscal Affairs (RFA) contacted the Municipal Association of South Carolina (MASC) to determine the number of municipalities that currently do not have an operating millage. According to MASC, 59 municipalities do not have an operating millage, and of these, 15 have expressed an interest in the opportunity to implement a millage.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

N/A

State Revenue

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how many municipalities implement a millage and the increase in total property tax reimbursements for exemptions.

Local Expenditure

N/A

Local Revenue

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The increase in municipal property tax revenue will depend upon how many municipalities implement a millage. Additionally, RFA contacted MASC to determine the number of municipalities that currently do not have an operating millage. According to MASC, 59 municipalities do not have an operating millage, and of these, 15 have expressed an interest have the opportunity to implement a millage. The following table displays the municipalities that do not currently have an operating millage, and which have expressed an interest in having the option to implement a millage according to MASC.

Municipalities without an Operating Millage

Municipality	Expressed Interest
Arcadia Lakes	x
Bethune	x
Blythewood	x
Burnettown	
Central Pacolet	
Cottageville	
Coward	
Cross Hill	
Due West	x
Edgefield	x
Elgin	x
Elko	
Furman	
Gaston	
Govan	
Heath Springs	
Hilda	x
Hollywood	x
Irmo	x
James Island	x
Jenkinsville	
Kiawah Island	x
Kline	
Lockhart	
Lodge	
Lowndesville	
Lowrys	
Luray	
McConnells	
Meggett	

Municipality	Expressed Interest
Mount Croghan	
Parksville	
Pawleys Island	x
Paxville	
Peak	
Pelzer	x
Pine Ridge	
Plum Branch	
Quinby	
Ravenel	
Reevesville	
Richburg	
Rockville	
Ruby	
Scotia	
Scranton	
Seabrook Island	x
Silverstreet	
Smoaks	
Smyrna	
South Congaree	x
Starr	
Stuckey	
Sycamore	
Ulmer	
Ward	
Waterloo	
Williams	
Windsor	

Source: MASC

Frank A. Rainwater, Executive Director