

South Carolina Office of Research and Statistics

Statement of Estimated Local Revenue Impact

Date: April 20, 2009

Bill Number: H.B. 3748

Authors: Duncan, Clemmons and Chalk

Committee Requesting Impact: House Ways and Means

Bill Summary

A bill to amend the Code of Laws of South Carolina, 1976, by adding Section [59-20-24](#) so as to provide that the value of owner occupied property must be included in the calculation of the index of taxpaying ability until a permanent change in the method of its calculation is enacted; and to create the Index of Taxpaying Ability Study Committee, to provide for its membership and its purpose, and to require the committee to report its findings to the General Assembly by January 10, 2010, upon which date the committee shall dissolve.

REVENUE IMPACT ^{1/}

This bill is not expected to impact State revenues. Local revenues to school districts will not change in total but will be redistributed amongst the school districts. The attached table details the changes that are projected to occur by school district using Tax Year 2007 numbers.

Explanation

Under current law the value of owner occupied residential property is included in the calculation of the index of taxpaying ability. However, since all owner-occupied homes are exempt from property taxes for school operating purposes as a result of Act 388 of 2006, the Department of Revenue is planning on no longer including the value of owner occupied homes in the calculation of the index of taxpaying ability. This change will have no effect on the total amount of money that goes to school districts. It will change the amounts individual school districts receive. The attached table shows the amount of money each school district is projected to receive if owner occupied homes are included in the index and the amount of money each school district is projected to receive if owner occupied homes are not included in the index using Tax Year 2007 numbers.

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Chief Economist

Analyst: Gibson

^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

Index Year 2009 Tax Year 2007	Owner - Occupied Adjusted Assessed	Total Adjusted Assessed	Index Under Current Law	Total Adjusted Assessed without Owner - Occupied	Index without Owner - Occupied	Difference in Current Law and without Owner - Occupied	Projected Difference in Money Allocation Under EFA
Abbeville 60	22,999,642	65,121,717	0.00275	42,122,075	0.00259	0.00016	97,300
Aiken 1	190,110,523	529,626,989	0.02237	339,516,466	0.02088	0.00149	905,528
Allendale 1	4,470,793	23,517,264	0.00099	19,046,471	0.00117	-0.00018	-108,114
Anderson 1	76,006,217	181,231,247	0.00765	105,225,030	0.00647	0.00118	718,991
Anderson 2	24,172,375	61,924,288	0.00262	37,751,913	0.00232	0.00029	178,510
Anderson 3	13,346,300	44,044,045	0.00186	30,697,745	0.00189	-0.00003	-16,712
Anderson 4	37,996,523	118,321,666	0.00500	80,325,143	0.00494	0.00006	35,134
Anderson 5	113,434,228	318,580,705	0.01345	205,146,477	0.01261	0.00084	510,294
Bamberg 1	6,158,787	18,435,280	0.00078	12,276,493	0.00075	0.00002	14,390
Bamberg 2	3,558,701	13,055,798	0.00055	9,497,097	0.00058	-0.00003	-19,801
Barnwell 19	3,464,316	10,788,305	0.00046	7,323,989	0.00045	0.00001	3,199
Barnwell 29	4,792,662	15,758,163	0.00067	10,965,501	0.00067	-0.00001	-5,322
Barnwell 45	10,282,373	32,408,217	0.00137	22,125,844	0.00136	0.00001	4,960
Beaufort 1	670,173,550	2,308,221,174	0.09748	1,638,047,624	0.10072	-0.00324	-1,969,072
Berkeley 1	256,371,602	770,552,348	0.03254	514,180,746	0.03162	0.00093	562,179
Calhoun 1	15,654,090	83,723,774	0.00354	68,069,684	0.00419	-0.00065	-394,696
Charleston 1	1,134,275,746	3,567,007,950	0.15064	2,432,732,204	0.14958	0.00106	641,031
Cherokee 1	47,509,817	177,039,437	0.00748	129,529,620	0.00796	-0.00049	-296,413
Chester 1	30,325,041	114,134,165	0.00482	83,809,124	0.00515	-0.00033	-202,436
Chesterfield 1	31,344,095	115,942,586	0.00490	84,598,491	0.00520	-0.00031	-185,526
Clarendon 1	11,818,470	41,203,978	0.00174	29,385,508	0.00181	-0.00007	-40,558
Clarendon 2	20,821,691	60,705,685	0.00256	39,883,994	0.00245	0.00011	67,606
Clarendon 3	4,079,530	10,199,023	0.00043	6,119,493	0.00038	0.00005	33,073
Colleton 1	49,026,393	232,097,249	0.00980	183,070,856	0.01126	-0.00145	-883,850
Darlington 1	62,613,449	230,705,828	0.00974	168,092,379	0.01034	-0.00059	-360,048
Dillon 1	3,216,925	9,196,154	0.00039	5,979,229	0.00037	0.00002	12,584
Dillon 2	11,616,382	47,977,523	0.00203	36,361,141	0.00224	-0.00021	-127,346

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Dillon 3	4,982,451	17,579,349	0.00074	12,596,898	0.00077	-0.00003	-19,538
Dorchester 2	198,418,360	466,157,753	0.01969	267,739,393	0.01646	0.00322	1,958,341
Dorchester 4	18,249,425	63,885,809	0.00270	45,636,384	0.00281	-0.00011	-65,679
Edgefield 1	29,494,294	77,524,368	0.00327	48,030,074	0.00295	0.00032	194,807
Fairfield 1	26,088,913	131,524,863	0.00555	105,435,950	0.00648	-0.00093	-564,113
Florence 1	125,060,146	399,056,931	0.01685	273,996,785	0.01685	0.00001	3,123
Florence 2	4,689,559	14,673,558	0.00062	9,983,999	0.00061	0.00001	3,515
Florence 3	13,900,529	53,994,267	0.00228	40,093,738	0.00247	-0.00019	-112,411
Florence 50	4,672,277	23,484,256	0.00099	18,811,979	0.00116	-0.00016	-100,201
Florence 5	4,222,711	16,197,269	0.00068	11,974,558	0.00074	-0.00005	-31,748
Georgetown 1	179,976,984	688,942,755	0.02910	508,965,771	0.03130	-0.00220	-1,336,730
Greenville 9	706,946,395	1,956,647,269	0.08263	1,249,700,874	0.07684	0.00579	3,517,363
Greenwood 50	59,911,449	200,568,909	0.00847	140,657,460	0.00865	-0.00018	-108,425
Greenwood 51	5,000,747	14,994,249	0.00063	9,993,502	0.00061	0.00002	11,387
Greenwood 52	5,143,147	59,182,984	0.00250	54,039,837	0.00332	-0.00082	-500,230
Hampton 1	9,495,470	32,981,430	0.00139	23,485,960	0.00144	-0.00005	-31,140
Hampton 2	3,507,725	14,118,051	0.00060	10,610,326	0.00065	-0.00006	-34,132
Horry 1	531,095,918	2,624,040,667	0.11082	2,092,944,749	0.12869	-0.01787	-10,858,684
Jasper 1	26,928,669	126,964,870	0.00536	100,036,201	0.00615	-0.00079	-479,401
Kershaw 1	87,273,223	220,451,396	0.00931	133,178,173	0.00819	0.00112	681,041
Lancaster 1	96,953,927	264,024,233	0.01115	167,070,306	0.01027	0.00088	532,919
Laurens 55	28,886,801	92,831,973	0.00392	63,945,172	0.00393	-0.00001	-6,959
Laurens 56	13,504,847	47,739,748	0.00202	34,234,901	0.00211	-0.00009	-54,023
Lee 1	11,723,310	37,113,746	0.00157	25,390,436	0.00156	0.00001	3,737
Lexington 1	190,002,414	454,874,855	0.01921	264,872,441	0.01629	0.00292	1,775,967
Lexington 2	69,668,315	251,333,961	0.01061	181,665,646	0.01117	-0.00056	-337,840
Lexington 3	16,616,973	48,602,183	0.00205	31,985,210	0.00197	0.00009	52,136

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Tax Year 2007	Adjusted Assessed	Assessed	Under Current Law	without Owner - Occupied	Owner - Occupied	Owner - Occupied	EFA
Lexington 4	11,371,314	33,752,861	0.00143	22,381,547	0.00138	0.00005	29,905
Lexington 5	219,565,839	465,677,640	0.01967	246,111,801	0.01513	0.00453	2,753,890
McCormick 1	15,462,376	46,497,441	0.00196	31,035,065	0.00191	0.00006	33,630
Marion 1	13,430,341	40,573,411	0.00171	27,143,070	0.00167	0.00004	27,028
Marion 2	10,347,685	27,336,473	0.00115	16,988,788	0.00104	0.00011	66,730
Marion 7	4,159,816	12,005,030	0.00051	7,845,214	0.00048	0.00002	14,945
Marlboro 1	15,668,771	69,148,536	0.00292	53,479,765	0.00329	-0.00037	-223,641
Newberry 6	49,942,631	145,528,347	0.00615	95,585,716	0.00588	0.00027	163,089
Oconee 1	142,912,823	513,070,038	0.02167	370,157,215	0.02276	-0.00109	-663,784
Orangeburg 3	21,158,120	75,651,733	0.00319	54,493,613	0.00335	-0.00016	-94,671
Orangeburg 4	15,312,912	68,415,785	0.00289	53,102,873	0.00327	-0.00038	-228,362
Orangeburg 5	47,443,821	179,345,488	0.00757	131,901,667	0.00811	-0.00054	-325,855
Pickens 1	150,567,658	431,495,049	0.01822	280,927,391	0.01727	0.00095	576,446
Richland 1	260,234,111	864,646,911	0.03652	604,412,800	0.03716	-0.00065	-394,295
Richland 2	224,486,620	507,425,713	0.02143	282,939,093	0.01740	0.00403	2,449,314
Saluda 1	15,268,548	44,686,712	0.00189	29,418,164	0.00181	0.00008	47,573
Spartanburg 1	47,013,574	95,516,574	0.00403	48,503,000	0.00298	0.00105	638,735
Spartanburg 2	75,427,534	165,792,764	0.00700	90,365,230	0.00556	0.00145	877,980
Spartanburg 3	16,961,809	67,257,824	0.00284	50,296,015	0.00309	-0.00025	-153,223
Spartanburg 4	19,272,088	49,043,717	0.00207	29,771,629	0.00183	0.00024	146,149
Spartanburg 5	56,414,295	214,600,077	0.00906	158,185,782	0.00973	-0.00066	-403,198
Spartanburg 6	79,781,600	259,970,385	0.01098	180,188,785	0.01108	-0.00010	-61,105
Spartanburg 7	64,765,840	214,511,598	0.00906	149,745,758	0.00921	-0.00015	-90,203
Sumter 2	43,532,681	147,949,761	0.00625	104,417,080	0.00642	-0.00017	-104,671
Sumter 17	56,174,300	154,954,249	0.00654	98,779,949	0.00607	0.00047	285,597
Union 1	21,529,077	67,697,938	0.00286	46,168,861	0.00284	0.00002	12,232
Williamsburg 1	17,677,173	89,862,817	0.00380	72,185,644	0.00444	-0.00064	-390,943

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York 1	35,570,962	91,838,309	0.00388	56,267,347	0.00346	0.00042	254,343
York 2	70,098,381	274,097,732	0.01158	203,999,351	0.01254	-0.00097	-588,074
York 3	151,895,898	411,449,929	0.01738	259,554,031	0.01596	0.00142	860,555
York 4	110,279,157	248,188,245	0.01048	137,909,088	0.00848	0.00200	1,215,918
TOTAL	7,415,782,957	23,679,001,349	1.00000	16,263,218,392	1.00000	0.00000	0

** Model uses the 2009 Index of Taxpaying Ability which uses Tax Year 2007 Values. Also uses a Base Student Cost of \$2,342 from the House Budget and the FY 2009 45 Day WPU Count.