

South Carolina Office of Research and Statistics

Statement of Estimated Local Revenue Impact

Date: April 15, 2010

Bill Number: H.B. 4430 as amended April 14 by Ways and Means

Authors: Merrill, Lowe, Bingham, Hutto, Limehouse, Crawford, Harrell, Harrison and G.M. Smith

Committee Requesting Impact: House Ways and Means

Bill Summary

A bill to amend the Code of Laws of South Carolina, 1976, by adding Section [12-43-218](#) so as to provide that if a municipality consists of real property located in two or more counties and one of those counties but not all undergoes and implements a countywide reassessment and equalization program in a particular year, the governing body of the municipality shall set an equivalent millage to be used to compute municipal ad valorem property taxes.

REVENUE IMPACT ^{1/}

This bill is not expected to impact State revenues. This bill is not expected to negatively impact local revenues.

Explanation

Under current law, when a county implements a reassessment and equalization program all the properties in the county are reassessed up to the 15% cap. This bill would require a municipality that is in more than one county to calculate an equivalent millage to be used when the different counties that the municipality is located in do not implement reassessment in the same year. This codifies and standardizes what is already common practice across most of the State. The purpose of this equivalent millage would be to equalize the tax burdens within the municipality. We have identified 19 municipalities that are in more than one county. Since the purpose of this bill is to equalize the tax burden in municipalities that cross county lines and do not implement reassessment programs in the same year, municipalities are expected to set an equivalent millage that maintains their revenue stream. Therefore, this bill is not expected to negatively impact local revenues.

/s/ WILLIAM C. GILLESPIE, Ph.D.

William C. Gillespie, Ph.D.
Chief Economist

Analyst: Gibson

^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, 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.