

South Carolina Board of Economic Advisors

Statement of Estimated State Revenue Impact

Date: January 28, 2010 (corrected)

Bill Number: S.B. 1057

Authors: Alexander

Committee Requesting Impact: Senate Finance Committee

Bill Summary

To amend Section 12-6-3622 of the 1976 code, relating to tax credits for a fire sprinkler system, to create a study committee to develop and expand the tax credit program; to amend Section 6-9-60, relating to the adoption of certain building codes, to provide that a local government may not adopt by reference a building code for residences; and to repeal Section 6-9-135

REVENUE IMPACT ^{1/}

This bill will have no impact on state or local revenues in FY2010-11.

Explanation

This bill amends Section 12-6-3622 by establishing a study committee to review expanding participation in the fire sprinkler system tax credit program by all local taxing entities and offering a tax credit for the installation of interconnected hard-wired smoke alarms to homeowners of residences built before the year 2000. Currently, Section 12-6-3622 allows an income tax credit and a real property tax credit equal to twenty-five percent of the installation expenses of fire sprinkler systems in commercial and residential structures when such installations are not required by law, regulation, or code. Local taxing entities must consent to the real property tax credit. This bill also amends Section 6-9-60 stating that local governments may not adopt by reference nationally recognized building codes for the construction of new one-family and two-family residential homes. In addition, this bill repeals Section 6-9-135 that allows coastal counties and municipalities to adopt by reference certain provisions of the 2006 International Residential Code relating to flood damage. Because this bill establishes a committee and does not amend any revenue provisions, there is no impact on state or local revenues in FY2010-11.

/s/ William C. Gillespie

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^{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.