

South Carolina Board of Economic Advisors

Statement of Estimated State Revenue Impact (Section 2-7-71)

Date: April 25, 2007

Bill Number: H.B. 3812

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Committee Requesting Impact: House Ways and Means

Bill Summary

A bill to amend Section [6-1-320](#), as amended, Code of Laws of South Carolina, 1976, relating to the limit on property tax millage increases, so as to provide for a millage rate limitation to purchase residential development rights in undeveloped property near military installations to prevent additional residential development near those military installations.

REVENUE IMPACT ^{1/}

This bill is not expected to impact State revenues. Local revenues could be increased by a two-thirds vote to purchase residential development rights allowed by this bill.

Explanation

Under current law the millage rate limitation imposed by this Section may be suspended and the millage rate may be increased upon a two-thirds vote of the membership of the local governing body for certain purposes. This bill adds another purpose for which the millage rate limitation may be suspended. Specifically, this bill would allow the millage rate to be suspended for the purchase by the local governing body of residential development rights in undeveloped real property near military installations which property has been identified as suitable for residential development but which residential development would constitute undesirable residential encroachment upon the installation as determined by the local governing body. A two-thirds vote of the membership of the local governing body would still be required to exceed the millage limitation. This bill adds another purpose for which the millage rate limitation may be suspended and is not expected to impact State revenues. Local revenues could be increased by a two-thirds vote to purchase residential development rights allowed by this bill.

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

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