

South Carolina Board of Economic Advisors

Statement of Estimated Revenue Impact

Date: January 19, 2011

Bill Number: SB 255 revised

Author: Cleary

Committee Requesting Impact: Senate Judiciary

Bill Summary

A bill to amend Title 33, Code of Laws of South Carolina, 1976, by adding Chapter 57, to authorize qualified religious, charitable, educational, and other eleemosynary organizations to operate and conduct raffles and casino night charity games through registration with the South Carolina Secretary of State, to provide standards for these events; to require proceeds to be used for religious, charitable, educational, or other eleemosynary purposes; and to provide penalties for violations.

REVENUE IMPACT ^{1/}

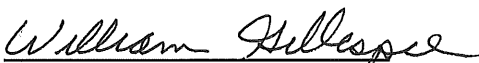
This bill is expected to raise funds allocated to the Secretary of State by \$400,000 in FY2012-13. This bill is not expected have an impact on state General Fund revenue in FY2012-13. Because of the requirement of a Constitutional Amendment, this bill will have no impact on state or local revenue in FY2011-12.

Explanation

The provisions of this bill become effective thirty days after ratification of a Constitutional Amendment in the General Election in November of 2012. This bill would add Chapter 57 to Title 33 to require qualified tax-exempt charitable organizations to submit a \$50 annual registration fee to the Secretary of State for the purpose of conducting up to four raffles or two casino night games per year.

Based on a percentage of charitable organizations currently registered to solicit funds, filing exempt and those not registered with the Secretary of State's Office, the Secretary of State's Office has informed us they estimate that 8,000 charitable organizations will register for the purpose of conducting raffles and casino night charity games. We expect the annual \$50 registration fee would generate \$400,000 in earmarked funds to be retained by the Secretary of State in FY2012-13.

This bill also provides for certain civil and criminal penalties ranging from \$10 per day and/or \$500 per violation as well as applicable criminal fines. No revenue from these sources is expected in FY2012-13 because reporting of charitable games to the Secretary of State's Office is required to be submitted annually. Because of the requirement of a Constitutional Amendment, this bill will have no impact on state or local revenue in FY2011-12.



William C. Gillespie, PH.D.
Chief Economist

Analyst: Glenn

^{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.