

South Carolina Office of Research and Statistics

Statement of Estimated Local Revenue Impact

Date: March 15, 2011
Bill Number: S.B. 389
Authors: Cromer and Rose
Committee Requesting Impact: Senate Finance

Bill Summary

A bill to amend Section 12-37-250, as amended, Code of Laws of South Carolina, 1976, relating to the homestead tax exemption, so as to provide that when a person who is entitled to the exemption requires daily medical attention, and it is necessary for the person to reside elsewhere, the person must be granted the homestead tax exemption; and to amend Section 12-43-220, as amended, relating to assessment ratios, so as to provide that when a person who is entitled to the special four percent assessment ratio requires daily medical attention, and it is necessary for the person to reside elsewhere, the person must be granted the special assessment ratio.

REVENUE IMPACT^{1/}

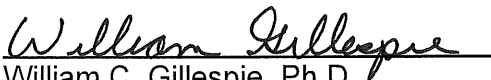
A sampling of county assessors indicated this is already the general practice across the State and therefore is not expected to impact local revenues.

Explanation

Section 1 of this bill adds language to the Homestead exemption for taxpayers sixty-five and over or those totally and permanently disabled or legally blind. Specifically this bill adds language to state a person must be granted this exemption as long as they would otherwise qualify for the exemption if they reside elsewhere in order to receive required daily medical attention.

Section 2 of this bill adds language to the legal residence four percent assessment ratio section in code Section 12-43-220. Specifically this bill adds language to state a person must be granted the special four percent assessment ratio as long as they would otherwise qualify for the special assessment rate if they reside and are domiciled elsewhere in order to receive required daily medical attention.

Responses from various assessors across the State indicated this is the general policy now. Counties grant the homestead exemption and legal residence assessment as long as the property remains vacant waiting for the person to return to their home. Since this is already the general practice across the State, this bill is not expected to impact local revenues.


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Chief Economist

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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.