

## Session 116 - (2005-2006)

**H 3714 General Bill, By Toole, Bingham, Huggins, Haley, E.H. Pitts, Clark, Frye, McLeod, Ballentine, Ott, Loftis, Bailey, Duncan, Harrison, Ceips, Merrill, M.A. Pitts, J.R. Smith, Tripp, Hagood, Bowers, Funderburk and Chellis**  
***Similar (S 0484, S 0485, H 3693)***

**Summary:** School Equity and Real Property Tax Relief Act

A BILL TO ENACT THE SCHOOL EQUITY AND REAL PROPERTY TAX RELIEF ACT BY AMENDING THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 11 TO CHAPTER 36, TITLE 12, SO AS TO IMPOSE AN ADDITIONAL STATE SALES, USE, AND CASUAL EXCISE TAX EQUAL TO TWO PERCENT ON AMOUNTS SUBJECT TO SALES, USE, AND CASUAL EXCISE TAX; BY AMENDING SECTION 11-11-150, AS AMENDED, RELATING TO THE TRUST FUND FOR TAX RELIEF, SO AS TO PROVIDE THAT REVENUES FROM THE TRUST FUND REIMBURSING SCHOOL DISTRICTS FOR THE RESIDENTIAL PROPERTY TAX EXEMPTION TO A SCHOOL DISTRICT MUST BE PAID MONTHLY IN AN AMOUNT THAT IS THE DISTRICT'S PROPORTIONATE SHARE OF THE REIMBURSEMENT BASED ON THE DISTRICT'S WEIGHTED PUPIL UNITS AS A PERCENTAGE OF STATEWIDE WEIGHTED PUPIL UNITS; BY ADDING SECTION 11-11-155 SO AS TO CREATE THE SCHOOL MILLAGE TAX EXEMPTION TRUST FUND (THE SCHOOL TRUST FUND) AND REQUIRE REVENUES OF THE ADDITIONAL SALES AND USE TAX TO BE CREDITED TO THIS FUND; BY ADDING SECTION 12-37-253 SO AS TO PROVIDE FOR A PROPERTY TAX EXEMPTION FOR ALL REAL PROPERTY FROM SCHOOL OPERATING MILLAGE NOT OTHERWISE EXEMPT, PROVIDE THE METHOD OF DETERMINING AND PHASING IN THE EXEMPTION, AND TO PROVIDE REIMBURSEMENTS TO SCHOOL DISTRICTS FOR THIS NEW EXEMPTION WITH A PAYMENT BASED ON WEIGHTED PUPIL UNITS; BY ADDING SECTION 12-37-253, SO AS TO EXEMPT FROM PROPERTY TAX AN AMOUNT OF THE FAIR MARKET OF REAL PROPERTY SUFFICIENT TO ELIMINATE INCREASES IN VALUE OF SUCH PROPERTY ATTRIBUTABLE TO COUNTYWIDE ASSESSMENT AND EQUALIZATION PLANS AND PROVIDE EXCEPTIONS; BY ADDING SECTION 59-20-42 SO AS TO PROVIDE THAT BEGINNING WITH FISCAL YEAR 2005-2006 EDUCATION FINANCE ACT APPROPRIATIONS MUST BE DISTRIBUTED TO A SCHOOL DISTRICT IN AN AMOUNT THAT IS THE DISTRICT'S PROPORTIONATE SHARE OF SUCH FUNDS BASED ON THE DISTRICT'S WEIGHTED PUPIL UNITS AS A PERCENTAGE OF STATEWIDE WEIGHTED PUPIL UNITS AS DETERMINED ANNUALLY PURSUANT TO THE EDUCATION FINANCE ACT; TO PROVIDE THAT FOR A PERIOD OF THREE YEARS BEGINNING JULY 1, 2005, AND ENDING JUNE 30, 2008, A LOCAL GOVERNING BODY UNDER PROVISIONS OF LAW AUTHORIZING THE ASSESSMENT OF TAXES AND FEES UNDER SPECIFIED CONDITIONS MAY INCREASE THE MILLAGE RATE IMPOSED FOR GENERAL OPERATING PURPOSES ABOVE THE RATE IMPOSED FOR SUCH PURPOSES FOR THE PRECEDING TAX YEAR ONLY BY A TWO-THIRDS VOTE OF THE MEMBERSHIP OF THE GOVERNING BODY, PRESENT OR NOT, RATHER THAN BY A POSITIVE MAJORITY VOTE; BY REPEALING ARTICLE 3, CHAPTER 10 OF TITLE 4, RELATING TO THE CAPITAL PROJECT SALES TAX ACT, AND CHAPTER 37 OF TITLE 4 RELATING TO OPTIONAL METHODS FOR FINANCING TRANSPORTATION FACILITIES INCLUDING LEVY OF ADDITIONAL SALES TAXES, AND TO PROVIDE THAT SALES TAXES FOR PROJECTS PREVIOUSLY AUTHORIZED UNDER THESE PROVISIONS SHALL CONTINUE UNTIL THEIR SCHEDULED TERMINATION DATE; TO REQUIRE A REFERENDUM IN COUNTIES IN WHICH THE LOCAL OPTION SALES TAX IS CURRENTLY IMPOSED FOR THE PURPOSE OF DETERMINING WHETHER TO RESCIND THE TAX AND BY PROVIDING THAT THIS ACT TAKES EFFECT JULY 1, 2005, AND APPLIES FOR PROPERTY TAX YEARS BEGINNING AFTER 2004.

<b>03/08/05</b>	<b>House</b>	<b>Introduced and read first time HJ-3</b>
<b>03/08/05</b>	<b>House</b>	<b>Referred to Committee on Ways and Means HJ-5</b>
<b>03/15/05</b>	<b>House</b>	<b>Member(s) request name added as sponsor: Hagood</b>
<b>04/07/05</b>	<b>House</b>	<b>Member(s) request name added as sponsor: Bowers</b>
<b>04/27/05</b>	<b>House</b>	<b>Member(s) request name added as sponsor: Funderburk</b>
<b>05/03/05</b>	<b>House</b>	<b>Member(s) request name added as sponsor: Chellis</b>