

## Session 114 - (2001-2002)

### **S\*0852 (Rat #0445, Act #0334 of 2002) General Bill, By Leatherman, Martin and Giese**

**Summary:** Fee In Lieu of Tax Simplification Act, changes to

A BILL TO AMEND SECTION 12-44-30, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS FOR PURPOSES OF THE FEE IN LIEU OF TAX SIMPLIFICATION ACT, SO AS TO INCREASE THE EXTENSION ALLOWED IN THE INVESTMENT PERIOD FROM TWO TO FIVE YEARS; TO AMEND SECTION 12-44-90, RELATING TO THE FILING REQUIREMENTS UNDER THE FEE IN LIEU OF TAX SIMPLIFICATION ACT, SO AS TO ALLOW THE DEPARTMENT OF REVENUE TO GRANT A MAXIMUM SIXTY-DAY EXTENSION FOR FILING RETURNS AND TO PROVIDE THE REQUIREMENTS TO OBTAIN THE EXTENSION; TO AMEND SECTION 4-29-67, AS AMENDED, RELATING TO A FEE IN LIEU OF TAXES, SO AS TO REQUIRE ADDITIONAL INFORMATION IN AGREEMENTS IMPLEMENTING THE FEE ARRANGEMENT AND PROVIDE FOR THE DUTIES OF THE AUDITOR WITH RESPECT TO THESE FEES; BY ADDING SECTIONS 4-12-45 AND 12-44-55 SO AS TO REQUIRE ADDITIONAL INFORMATION IN AGREEMENTS IMPLEMENTING FEE IN LIEU OF PROPERTY TAX PROVISIONS AND PROVIDE FOR THE DUTIES OF THE AUDITOR WITH RESPECT TO THESE FEES; TO AMEND TITLE 12, RELATING TO TAXATION, BY ADDING CHAPTER 35 ENACTING "THE SIMPLIFIED SALES AND USE TAX ADMINISTRATION ACT" PROVIDING FOR METHODS OF IMPROVING THE ADMINISTRATION OF SALES AND USE TAXES; TO AMEND SECTIONS 4-12-30 AND 4-29-67, BOTH AS AMENDED, RELATING TO FEES IN LIEU OF TAXES, SO AS TO ALLOW ADDITIONAL EXTENSIONS FOR THE COMPLETION OF PROJECTS AND EXTENSIONS FOR FILING REQUIRED RETURNS; TO AMEND SECTION 12-10-80, AS AMENDED, RELATING TO JOB DEVELOPMENT FEES AND CREDITS, SO AS TO PROVIDE ADDITIONAL QUALIFIED EXPENDITURES AGAINST WHICH TO CLAIM THE CREDIT; BY ADDING SECTION 12-10-105 SO AS TO PROVIDE AN ADDITIONAL FEE FOR CERTAIN BUSINESSES CLAIMING THE JOB DEVELOPMENT CREDIT; TO AMEND SECTION 12-37-220, AS AMENDED, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO PROVIDE AN EXEMPTION FOR PROPERTY OF NONPROFIT HOUSING CORPORATIONS OR THEIR INSTRUMENTALITIES AND PROVIDE THE QUALIFICATIONS FOR THIS EXEMPTION; TO AMEND SECTION 12-6-3910, RELATING TO ESTIMATED TAX PAYMENTS, SO AS TO CHANGE THE FIRST QUARTER DUE DATE FOR CALENDAR YEAR CORPORATIONS AND PROVIDE FOR THE INCLUSION OF LICENSE FEES IN THE ESTIMATED TAX PAYMENTS; TO AMEND SECTION 12-6-4980, RELATING TO EXTENSIONS OF TIME FOR FILING TAX RETURNS SO AS TO REMOVE THE REQUIREMENT THAT A CORPORATE TAXPAYER SEPARATELY APPLIES TO THE DEPARTMENT OF REVENUE FOR AN EXTENSION OF TIME TO FILE A STATE RETURN EVEN THOUGH IT IS NOT REQUIRED TO MAKE A TAX PAYMENT AT THE TIME OF THE EXTENSION AND HAS BEEN GRANTED AN EXTENSION OF TIME TO FILE A FEDERAL RETURN; TO AMEND SECTION 12-20-20, RELATING TO CORPORATE EXTENSIONS OF TIME TO FILE ANNUAL REPORTS, SO AS TO MAKE A TECHNICAL CORRECTION; TO AMEND SECTION 12-54-55, RELATING TO INTEREST ON UNDERPAYMENT OF DECLARATION OF ESTIMATED TAX, SO AS TO DELETE DUPLICATIVE PROVISIONS; TO AMEND SECTION 59-20-20, AS AMENDED, RELATING TO DEFINITIONS FOR PURPOSES OF THE EDUCATION FINANCE ACT, SO AS TO REVISE THE DATE THE DEPARTMENT OF REVENUE FURNISHES THE PRELIMINARY INDEX OF TAXPAYING ABILITY; TO AMEND SECTION 12-56-20, AS AMENDED, RELATING TO DEFINITIONS FOR PURPOSES OF THE SET-OFF DEBT COLLECTION ACT, SO AS TO EXTEND THE DEFINITIONS OF "CLAIMANT AGENCY" TO OTHER STATES AND POLITICAL SUBDIVISIONS OF THOSE STATES AND TO THE UNITED STATES; TO AMEND SECTIONS 12-36-910 AND 12-36-1310, BOTH AS AMENDED, RELATING TO THE SPECIAL IMPOSITION OF THE SALES ON LAUNDRY SERVICES, COMMUNICATIONS SERVICES, ELECTRICITY, AND MANUFACTURER-CONSUMED GOODS AND IMPOSITION OF THE USE TAX, SO AS TO CLARIFY THE IMPOSITION OF THE TAX ON PREPAID WIRELESS CALLING ARRANGEMENTS AND TO REVISE THE DATE FOR SOURCING MOBILE TELECOMMUNICATIONS SERVICES UNDER THE MOBILE TELECOMMUNICATIONS SOURCING ACT; TO AMEND SECTION 12-54-195, RELATING TO THE REMITTANCE BY A RESPONSIBLE PERSON OF A TAX COLLECTED FOR THE DEPARTMENT, SO AS TO PROVIDE FOR A PENALTY AND INTEREST ASSESSMENT AGAINST A RESPONSIBLE PERSON WHO FAILS TO REMIT A LOCAL OR STATE SALES OR USE TAX TO THE DEPARTMENT; TO AMEND SECTION 12-6-1130, RELATING TO MODIFICATION OF FEDERAL DEDUCTIONS FOR PURPOSES OF THE SOUTH CAROLINA INCOME TAX, SO AS TO CORRECT A REFERENCE; TO AMEND SECTION 12-43-220, AS AMENDED, RELATING TO THE CLASSIFICATION OF PROPERTY AND ASSESSMENT RATIOS FOR PURPOSES OF THE PROPERTY TAX, SO AS TO REVISE THE OATH REQUIRED TO CLAIM THE FOUR PERCENT ASSESSMENT RATIO FOR OWNER-OCCUPIED RESIDENTIAL PROPERTY; TO AMEND SECTION 12-21-3920, RELATING TO DEFINITIONS FOR BINGO, SO AS TO REVISE THE DEFINITIONS FOR "PROMOTER" AND "SESSION"; TO AMEND SECTION 12-21-3950, RELATING TO THE BINGO PROMOTER'S LICENSE, SO AS TO INCREASE FROM THIRTY TO FORTY-FIVE DAYS THE DEPARTMENT OF REVENUE HAS TO APPROVE OR REJECT AN

APPLICATION FOR A PROMOTER'S LICENSE; TO AMEND SECTION 12-21-3990, RELATING TO THE MANNER OF PLAYING BINGO, SO AS TO PROHIBIT PAYING LESS THAN FACE VALUE FOR CARDS AND REQUIRE SPECIFIC ANNOUNCEMENT OF PRIZES; TO AMEND SECTION 12-21-4000, RELATING TO BINGO PROCEDURES, SO AS TO ALLOW THE LIMIT ON BINGO GROSS PROCEEDS TO BE A QUARTERLY AVERAGE AND CLARIFY WHAT CONSTITUTES A SEPARATE OFFENSE FOR UNPAID TAXES, AND ALLOW PROMOTIONS OF SPECIAL EVENTS DURING A SESSION NOT INCLUDED IN TOTAL PAYOUTS AND PROVIDE THE RESTRICTIONS ON THESE PROMOTIONS; TO AMEND SECTION 12-21-4020, RELATING TO THE VARIOUS CLASSES OF THE BINGO LICENSE, SO AS TO INCREASE FROM THREE TO FIVE GAMES A WEEK THE GAMES THAT MAY BE CONDUCTED BY A CLASS B LICENSEE; TO AMEND SECTIONS 12-21-4080 AND 12-21-4090, RELATING TO THE DISTRIBUTION OF BINGO PROCEEDS AND BINGO BANK ACCOUNTS, SO AS TO PROVIDE FOR SESSION DEPOSITS AND TO ALLOW THE DEPOSIT OF LOAN PROCEEDS TO COVER A DEFICIT; TO AMEND SECTION 12-21-4120, RELATING TO THE RIGHT TO A CONFERENCE FOLLOWING A VIOLATION, SO AS TO AUTHORIZE ADVISING RULINGS ON ACTS CONSTITUTING VIOLATIONS AND STAY ENFORCEMENT PENDING THE RULING; TO AMEND SECTION 12-21-4210, RELATING TO THE SALE OR TRANSFER OF BINGO CARDS, SO AS TO ALLOW THE RETURN OF PAPERS FOR CREDIT AGAINST AN OUTSTANDING VOUCHER; TO AMEND SECTION 12-21-4270, RELATING TO THE APPLICATION TO OBTAIN BINGO CARDS, SO AS TO AUTHORIZE PAYMENT BY CHECK AND CASH AND PROVIDE THAT FOLLOWING A RETURNED CHECK, THE ORGANIZATION OR PROMOTER MUST MAKE PAYMENT USING CERTIFIED FUNDS; BY ADDING SECTIONS 12-21-4005 AND 12-21-4300 SO AS TO PROVIDE THAT THE OPERATION OF BINGO EXCLUDES MACHINES AND LOTTERY GAMES AND TO PROVIDE FOR SEVERABILITY; BY ADDING SECTION 12-2-90 SO AS TO PROVIDE FOR THE COLLECTION AND ENFORCEMENT OF THE FEE IN LIEU OF TAX; TO AMEND TITLE 2, RELATING TO THE GENERAL ASSEMBLY, BY ADDING CHAPTER 41 ESTABLISHING THE JOINT COMMITTEE ON TAXATION AND PROVIDING FOR ITS MEMBERSHIP AND DUTIES; TO AMEND SECTION 59-2-70, RELATING TO INVESTMENT AND OTHER PROCEDURES UNDER THE SOUTH CAROLINA COLLEGE INVESTMENT PROGRAM (SCCIP) WHICH ESTABLISHES A QUALIFIED PLAN FOR QUALIFIED HIGHER EDUCATION EXPENSES, SO AS TO PROVIDE THAT BENEFICIARIES MAY BE CHANGED IN ANY ACCOUNT BY AN ACCOUNT OWNER AS DESIRED TO THE EXTENT NOT PROHIBITED BY FEDERAL LAW; TO AMEND SECTION 59-2-80, RELATING TO CONTRIBUTIONS TO AND EARNINGS AND WITHDRAWALS FROM INVESTMENT ACCOUNTS UNDER THE PROGRAM, SO AS TO FURTHER PROVIDE FOR THE DEDUCTIBILITY OF CONTRIBUTIONS UNDER THE PROGRAM, AND TO PROVIDE THAT WITHDRAWALS OF THE PRINCIPAL AMOUNT OF CONTRIBUTIONS THAT ARE NOT QUALIFIED WITHDRAWALS MUST BE RECAPTURED INTO SOUTH CAROLINA INCOME SUBJECT TO TAX IN SPECIFIED CIRCUMSTANCES; BY ADDING SECTION 59-2-85 SO AS TO PERMIT STATE EMPLOYEES TO CONTRIBUTE TO THE PROGRAM THROUGH PAYROLL DEDUCTIONS, AND PERMIT THE STATE TREASURER TO ESTABLISH METHODS FOR EMPLOYEES OF PRIVATE ENTITIES TO CONTRIBUTE TO THE PROGRAM THROUGH PAYROLL DEDUCTIONS; TO AMEND SECTION 12-6-1140, RELATING TO DEDUCTIONS FROM SOUTH CAROLINA INDIVIDUAL TAXABLE INCOME, SO AS TO FURTHER PROVIDE FOR THE DEDUCTIBILITY OF CONTRIBUTIONS TO THE SOUTH CAROLINA COLLEGE INVESTMENT PROGRAM (SCCIP) AND THE SOUTH CAROLINA TUITION PREPAYMENT PROGRAM (SCTPP); TO AMEND SECTION 12-10-80, AS AMENDED, RELATING TO THE JOB DEVELOPMENT CREDIT, SO AS TO PROVIDE FOR THE CREDIT TO BE CLAIMED AGAINST RELOCATION EXPENSES ASSOCIATED WITH A NEW NATIONAL HEADQUARTERS; TO AMEND SECTION 9-9-60, AS AMENDED, RELATING TO LEGISLATIVE RETIREMENT, SO AS TO ALLOW A MEMBER OF THE GENERAL ASSEMBLY WHO HAS ATTAINED THE AGE OF 70 OR WHO HAS THIRTY YEARS OF SERVICE TO RECEIVE A RETIREMENT BENEFIT WHILE CONTINUING TO SERVE IN THE GENERAL ASSEMBLY; TO AMEND SECTIONS 4-10-330, AS AMENDED, 4-10-340, AND 4-10-360, AS AMENDED, RELATING TO THE BALLOT QUESTION AND REVENUE USES, TAX IMPOSITION AND TERMINATION, AND REVENUE DISTRIBUTION UNDER THE CAPITAL PROJECTS SALES TAX ACT, SO AS TO SPECIFICALLY AUTHORIZE THE TAX REVENUE TO BE USED TO PAY DEBT SERVICE ON BONDS ISSUED TO FUND THE APPROVED PROJECTS, TO PROVIDE THAT THE DEPARTMENT OF REVENUE SHALL COLLECT THE TAX THROUGH THE QUARTER IN WHICH THE COUNTY CERTIFIES THAT NO BONDS REMAIN OUTSTANDING, TO PROVIDE THAT THE REFERENDUM QUESTION APPROVING A PROJECT MAY BE REVISED TO INCLUDE THE PRINCIPAL AMOUNT OF THE BONDS TO BE ISSUED FOR THE PROJECT WITH THE SOURCE TO PAY THE BONDS IF THE SALES TAX REVENUE IS INSUFFICIENT, TO PROVIDE THAT A QUESTION SO REVISED CONSTITUTES AN AUTHORIZATION TO ISSUE THE BONDS, TO PROVIDE ADDITIONAL REPORTING REQUIREMENTS ON THE USES OF QUARTERLY DISTRIBUTIONS OF THESE TAX REVENUES, AND TO PROVIDE FOR THE USE OF THESE REVENUES FOR THE REPAYMENT OF BONDS WHEN THE REQUIRED REFERENDUM AND REFERENDUM APPROVAL OCCURRED BEFORE THE EFFECTIVE DATE OF THIS ACT, AND TO PROVIDE FOR AN UNINTERRUPTED IMPOSITION

OF THE TAX.-amended title

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| 01/09/02 | Senate | Introduced and read first time SJ-5   |
| 01/09/02 | Senate | Referred to Committee on Finance SJ-5   |
| 02/12/02 | Senate | Committee report: Favorable Finance SJ-13   |
| 02/13/02 | Senate | Amended SJ-17   |
| 02/13/02 | Senate | Read second time SJ-17  |
| 02/13/02 | Senate | Ordered to third reading with notice of amendments SJ-17  |
| 02/14/02 | Senate | Read third time and sent to House SJ-15   |
| 02/19/02 | House  | Introduced and read first time HJ-10  |
| 02/19/02 | House  | Referred to Committee on Ways and Means HJ-10   |
| 05/02/02 | House  | Committee report: Favorable with amendment Ways and Means HJ-4  |
| 05/07/02 | House  | Amended HJ-15   |
| 05/07/02 | House  | Read second time HJ-38  |
| 05/08/02 | House  | Read third time and returned to Senate with amendments HJ-16  |
| 05/16/02 | Senate | House amendment amended SJ-2  |
| 05/16/02 | Senate | Returned to House with amendments SJ-2  |
| 05/23/02 | House  | Debate adjourned until Tuesday, May 28, 2002 HJ-35  |
| 05/28/02 | House  | Debate adjourned until Wednesday, May 29, 2002 HJ-126   |
| 05/29/02 | House  | Non-concurrence in Senate amendment HJ-104  |
| 05/29/02 | Senate | Senate insists upon amendment and conference committee appointed Sens. Leatherman, Moore, Hayes SJ-20 |
| 05/29/02 | House  | Conference committee appointed Reps. Harrell, Cooper and JR Smith HJ-240                              |
| 06/06/02 | House  | Free conference powers granted HJ-55  |
| 06/06/02 | House  | Free conference committee appointed Reps. Harrell, Cooper and JR Smith HJ-56                          |
| 06/06/02 | House  | Free conference report received and adopted HJ-56   |
| 06/06/02 | Senate | Free conference powers granted  |
| 06/06/02 | Senate | Free conference committee appointed Sens. Leatherman, Moore, Hayes                                    |
| 06/06/02 | Senate | Free conference report received and adopted   |
| 06/06/02 | House  | Ordered enrolled for ratification HJ-209  |
| 06/06/02 |        | Ratified R 445  |
| 06/24/02 |        | Signed By Governor  |
| 07/16/02 |        | Effective date 06/24/02, except where otherwise provided  |
| 07/16/02 |        | Copies available  |
| 07/25/02 |        | Act No. 334   |