**South Carolina General Assembly**

121st Session, 2015-2016

**S. 626**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Gregory, Hayes and Reese

Document Path: l:\council\bills\dka\3078sa15.docx

Introduced in the Senate on March 26, 2015

Introduced in the House on March 3, 2016

Last Amended on June 2, 2016

Currently residing in the House

Summary: Property tax exemption

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

3/26/2015 Senate Introduced and read first time ([Senate Journal‑page 11](file:///h:\SJ%20Archive\2015\03-26-15.docx))

3/26/2015 Senate Referred to Committee on **Finance** ([Senate Journal‑page 11](file:///h:\SJ%20Archive\2015\03-26-15.docx))

2/17/2016 Senate Committee report: Favorable with amendment **Finance** ([Senate Journal‑page 8](file:///h:\SJ%20Archive\2016\02-17-16.docx))

3/1/2016 Senate Committee Amendment Amended and Adopted ([Senate Journal‑page 7](file:///h:\SJ%20Archive\2016\03-01-16.docx))

3/1/2016 Senate Read second time ([Senate Journal‑page 7](file:///h:\SJ%20Archive\2016\03-01-16.docx))

3/1/2016 Senate Roll call Ayes‑32 Nays‑0 ([Senate Journal‑page 7](file:///h:\SJ%20Archive\2016\03-01-16.docx))

3/2/2016 Senate Read third time and sent to House ([Senate Journal‑page 10](file:///h:\SJ%20Archive\2016\03-02-16.docx))

3/3/2016 House Introduced and read first time ([House Journal‑page 12](file:///h:\HJ%20Archive\2016\03-03-16.docx))

3/3/2016 House Referred to Committee on **Judiciary** ([House Journal‑page 12](file:///h:\HJ%20Archive\2016\03-03-16.docx))

5/3/2016 House Recalled from Committee on **Judiciary** ([House Journal‑page 22](file:///h:\HJ%20Archive\2016\05-03-16.docx))

5/3/2016 House Recommitted to Committee on **Ways and Means** ([House Journal‑page 22](file:///h:\HJ%20Archive\2016\05-03-16.docx))

5/19/2016 House Committee report: Favorable with amendment **Ways and Means** ([House Journal‑page 107](file:///h:\HJ%20Archive\2016\05-19-16.docx))

5/20/2016 Scrivener's error corrected

5/26/2016 House Debate adjourned until Tues., 5‑31‑16 ([House Journal‑page 76](file:///h:\HJ%20Archive\2016\05-26-16.docx))

5/31/2016 House Requests for debate‑Rep(s). Bedinfield, Forrester, Atwater, Hiott, Hixon, Sandifer, Rhyal, Hardee, Hill, Merrill, Rivers, Johnson, Yow, Taylor, ([House Journal‑page 11](file:///h:\HJ%20Archive\2016\05-31-16.docx))

5/31/2016 House Amended ([House Journal‑page 50](file:///h:\HJ%20Archive\2016\05-31-16.docx))

5/31/2016 House Read second time ([House Journal‑page 50](file:///h:\HJ%20Archive\2016\05-31-16.docx))

5/31/2016 House Roll call Yeas‑54 Nays‑36 ([House Journal‑page 50](file:///h:\HJ%20Archive\2016\05-31-16.docx))

6/1/2016 Scrivener's error corrected

6/1/2016 House Read third time and returned to Senate with amendments ([House Journal‑page 99](file:///h:\HJ%20Archive\2016\06-01-16.docx))

6/2/2016 Senate House amendment amended ([Senate Journal‑page 90](file:///h:\SJ%20Archive\2016\06-02-16.docx))

6/2/2016 Senate Returned to House with amendments ([Senate Journal‑page 90](file:///h:\SJ%20Archive\2016\06-02-16.docx))

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**VERSIONS OF THIS BILL**

[3/26/2015](file:///p:\pprever\2015-16\626_20150326.docx)

[2/17/2016](file:///p:\pprever\2015-16\626_20160217.docx)

[3/1/2016](file:///p:\pprever\2015-16\626_20160301.docx)

[5/19/2016](file:///p:\pprever\2015-16\626_20160519.docx)

[5/20/2016](file:///p:\pprever\2015-16\626_20160520.docx)

[5/31/2016](file:///p:\pprever\2015-16\626_20160531.docx)

[6/1/2016](file:///p:\pprever\2015-16\626_20160601.docx)

[6/2/2016](file:///p:\pprever\2015-16\626_20160602.docx)

~~Indicates Matter Stricken~~

Indicates New Matter

HOUSE AMENDMENTS AMENDED

June 2, 2016

**S. 626**

Introduced by Senators Gregory, Hayes and Reese

S. Printed 6/2/16--S.

Read the first time March 3, 2016.

**A** **BILL**

TO AMEND SECTION 12‑37‑220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO EXEMPT EIGHTY PERCENT OF THE FAIR MARKET VALUE OF A RENEWABLE ENERGY RESOURCE FOR A PERIOD OF TEN YEARS PROVIDED THE PROPERTY IS OPERATIONAL BY DECEMBER 31, 2020, AND TO EXEMPT A DISTRIBUTED RENEWABLE ENERGY GENERATION PROPERTY FOR RESIDENTIAL USE.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 12‑37‑220(B) of the 1976 Code, as last amended by Act 259 of 2014, is further amended by adding items at the end to read:

“(52) eighty percent of the fair market value of a renewable energy generation property required to be returned, pursuant to Section 12‑37‑970, or to be appraised and assessed pursuant to Section 12‑4‑540. For purposes of this item, ‘renewable energy generation property’ means property that generates electric power by the use of a renewable energy resource manufactured in the United States, and as defined in Section 58‑40‑10(F). This exemption only applies for the ten consecutive property tax years after the facility becomes operational, provided, however, that the property became operational after property tax year 2012 and before property tax year 2021. For property that became operational in property tax year 2013 or 2014, this exemption applies for ten consecutive property tax years beginning in property tax year 2016 so long as the property was not subject to a fee-in-lieu agreement as of December 31, 2014, pursuant to Chapter 44 of the title, or Chapter 12 or 29 of Title 4. For property that became operational in property tax year 2015, if the property was subject to a fee-in-lieu agreement as of December 31, 2015, pursuant to Chapter 44 of the title, or Chapter 12 or 29 of Title 4, then the property is eligible for the exemption so long as the taxpayer notifies the other parties to the agreement of such election no later than thirty days after the effective date of this item, and, upon the expiration of the exemption, at the taxpayer’s discretion, the provisions of the applicable pre‑existing agreement may apply. This exemption applies only if the property does not meet the exemption of distributed renewable energy generation property for residential use provided by item (53). A taxpayer claiming an exemption allowed by this item also may not claim the exemption, pursuant to Section 12‑37‑220(A)(7);

(53) distributed renewable energy generation property for residential use. For purposes of this item, ‘distributed renewable energy generation property’ means property that generates electric power by the use of a renewable energy resource, as defined in Section 58‑40‑10(F), that has a nameplate capacity of no greater than twenty kilowatts.”

SECTION 2. A. Section 12‑6‑3770(A) of the 1976 Code, as added by Act 134 of 2016, is amended to read:

“(A) A taxpayer who constructs, purchases, or leases solar energy property located on the Environmental Protection Agency’s National Priority List, National Priority List Equivalent Sites, or on a list of related removal actions, as certified by the Department of Health and Environmental Control, or on property owned by the Pinewood Site Custodial Trust located in the State of South Carolina, and places it in service in this State during the taxable year, is allowed an income tax credit equal to twenty‑five percent of the cost, including the cost of installation of the property. The credit is earned in the year in which the solar energy property is placed in service, but must be taken in five equal annual installments, beginning in the year in which the solar energy property is placed in service. Unused credit may be carried forward for five taxable years from the year in which the credit was able to be taken. A lessor shall give a taxpayer who leases solar energy property from him a statement that describes the solar energy property and states the cost of the property upon request. A credit is not allowed pursuant to this section to the extent the cost of the solar energy property is provided by public funds. For purposes of this section, ‘public funds’ does not include federal grants or tax credits.”

B. This SECTION takes effect in income tax years beginning after 2015, and shall apply and terminate in the same manner as provided in Section 1.B. of Act 134 of 2016.

SECTION 3. Except where provided otherwise, this act takes effect upon approval by the Governor.

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