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COMMITTEE REPORT

February 14, 2018

**S. 889**

Introduced by Senator Campbell

S. Printed 2/14/18--S.

Read the first time January 11, 2018.

**THE COMMITTEE ON FINANCE**

To whom was referred a Bill (S. 889) to amend Section 4-10-330(a)(1) of the 1976 Code, relating to the contents of ballot questions under the Capital Project Sales Tax Act, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking SECTION 1 and inserting:

/ SECTION 1. Section 4-10-330(A)(1)(d) of the 1976 Code is amended to read:

“(d) water, sewer, or water and sewer public works projects, as well infrastructure, as defined in Section 11-41-30(3)(a) and (b), for economic development projects;” /

Renumber sections to conform.

Amend title to conform.

HUGH K. LEATHERMAN, SR. for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Introduced on January 11, 2018**

**Local Revenue**

This bill will allow a county to include economic development projects, including, but not limited to, infrastructure, land purchases, and site development as one of the purposes for which the proceeds of a local option capital project sales tax may be used. This bill will not change the one percent tax rate allowed in Section 4-10-310. Therefore, there is no revenue impact on county sales tax collections. However, there may be a reallocation of the revenue from the local tax among competing projects.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 4-10-330(A)(1) OF THE 1976 CODE, RELATING TO THE CONTENTS OF BALLOT QUESTIONS UNDER THE CAPITAL PROJECT SALES TAX ACT, TO PROVIDE THAT AN ORDINANCE MUST SPECIFY WHETHER THE PURPOSE OF THE TAX PROCEEDS WOULD INCLUDE ECONOMIC DEVELOPMENT PROJECTS, INCLUDING, BUT NOT LIMITED TO, INFRASTRUCTURE, LAND PURCHASES, AND SITE DEVELOPMENT PROJECTS, AND TO MAKE TECHNICAL CHANGES.

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

SECTION 1. Section 4-10-330(A)(1) of the 1976 Code is amended to read:

“Section 4-10-330. (A) The sales and use tax authorized by this article is imposed by an enacting ordinance of the county governing body containing the ballot question formulated by the commission pursuant to Section 4‑10‑320(C), subject to referendum approval in the county. The ordinance must specify:

(1) the purpose for which the proceeds of the tax are to be used, which may include projects located within or without, or both within and without, the boundaries of the local governmental entities, including the county, municipalities, and special purpose districts located in the county area, and may include the following types of projects:

(a) highways, roads, streets, bridges, and public parking garages and related facilities;

(b) courthouses, administration buildings, civic centers, hospitals, emergency medical facilities, police stations, fire stations, jails, correctional facilities, detention facilities, libraries, coliseums, educational facilities under the direction of an area commission for technical education, or any combination of these projects;

(c) cultural, recreational, or historic facilities, or any combination of these facilities;

(d) water, sewer, or water and sewer projects;

(e) flood control projects and storm water management facilities;

(f) beach access and beach renourishment;

(g) dredging, dewatering, and constructing spoil sites, disposing of spoil materials, and other matters directly related to the act of dredging;

(h) economic development projects, including, but not limited to, infrastructure, land purchases, and site development;

~~(h)~~(i) jointly operated projects of the county, a municipality, special purpose district, and school district, or any combination of those entities, for the projects delineated in subitems (a) through ~~(g)~~(h) of this item;

~~(i)~~(j) any combination of the projects described in subitems (a) through ~~(h)~~(i) of this item;”

SECTION 2. This act takes effect upon approval by the Governor.

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