

SC Demographics and Economics - Changing Dynamics



SC House of Representatives Economic Development and Utility Modernization Ad Hoc Committee

March 6, 2025

Frank A. Rainwater, Executive Director
South Carolina Revenue and Fiscal Affairs Office
1000 Assembly Street
Rembert Dennis Building, Suite 402
Columbia, SC 29201
(803) 734-2265
www.rfa.sc.gov

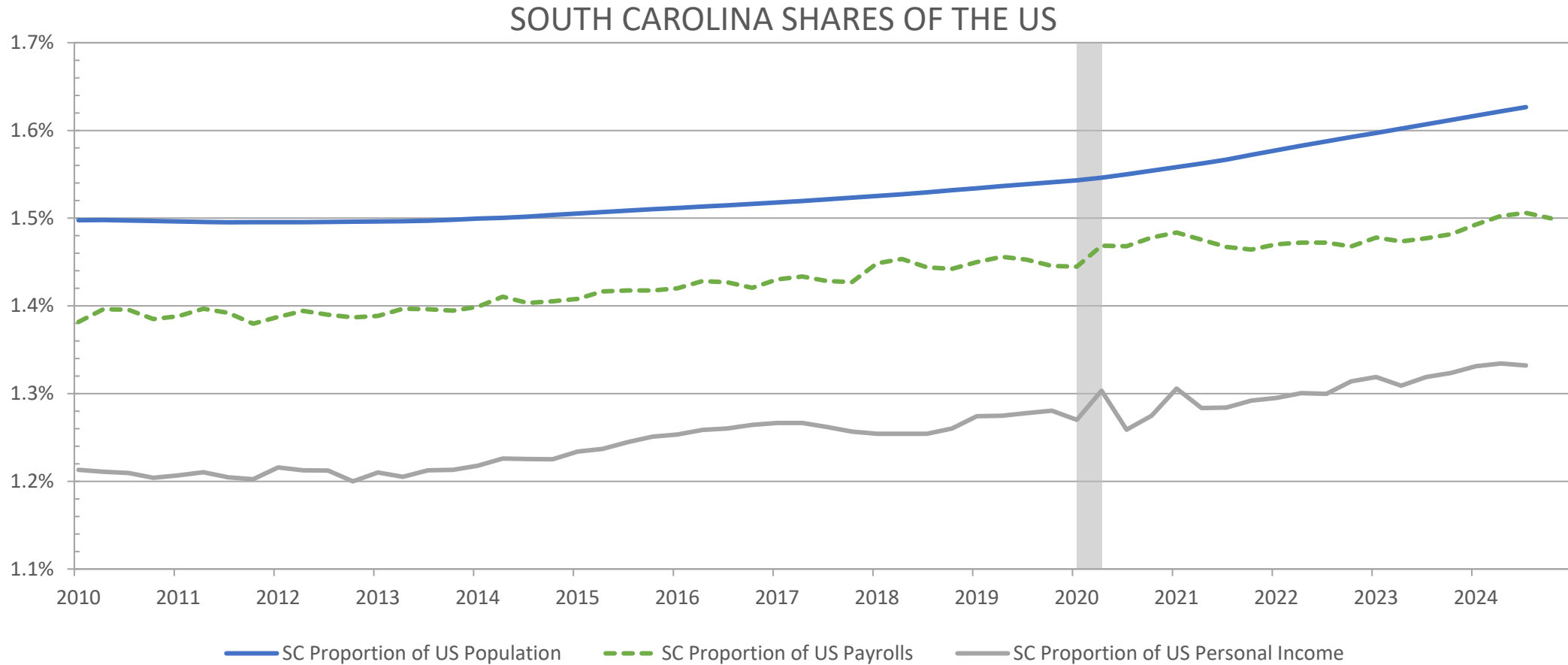


Key Points

- SC's demographics and economics are changing – the next decades will not look like the past
- SC is currently one of the fastest growing states
- However, this level of growth is not consistent throughout the state; there is a wide disparity among counties
- Another impact of the changing dynamics is that finding workers will be more challenging
- This challenge will likely be amplified in some counties
- Growth affects the state and local economic base differently

South Carolina Compared to the US

SC's shares of the total US population, employment, and personal income continue to increase



Source: U.S. Department of Commerce, Bureau of Economic Analysis; 344- RFA/kav/2/6/2025

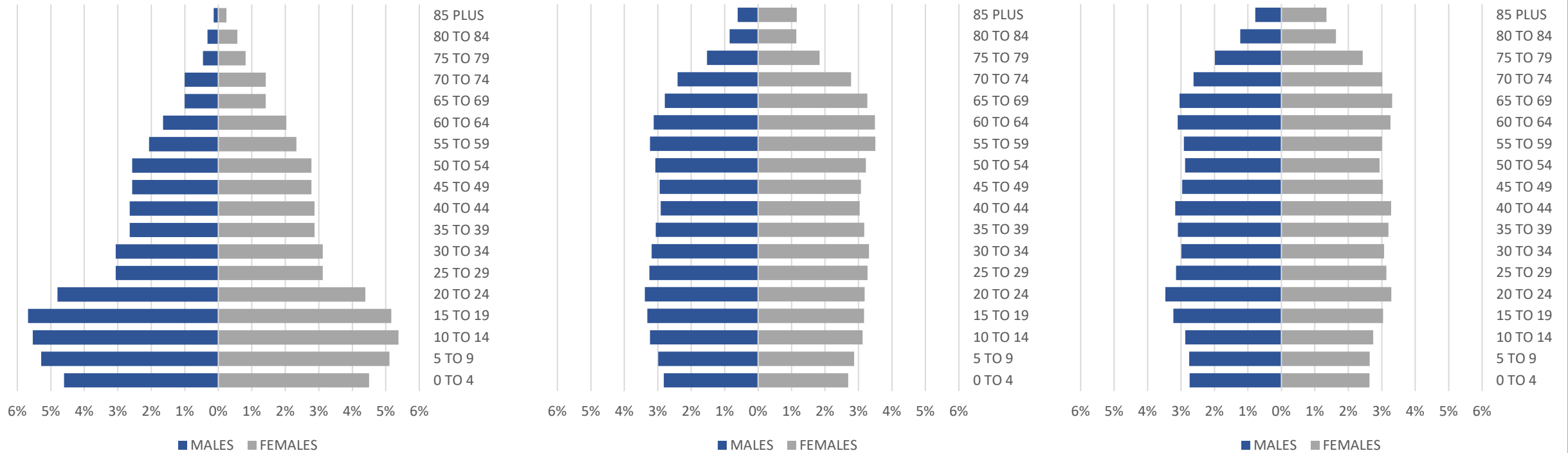
SC Population Pyramids - 1970, 2020, and 2030

Aging baby-boomers and retiree migration will continue to push more of the population into the older age brackets

1970 POPULATION PYRAMID

2020 POPULATION PYRAMID

2030 POPULATION PYRAMID



Source: U.S. Census Bureau population estimates; S.C. Revenue and Fiscal Affairs population projections - RFA/356/lpw/12/17/2024

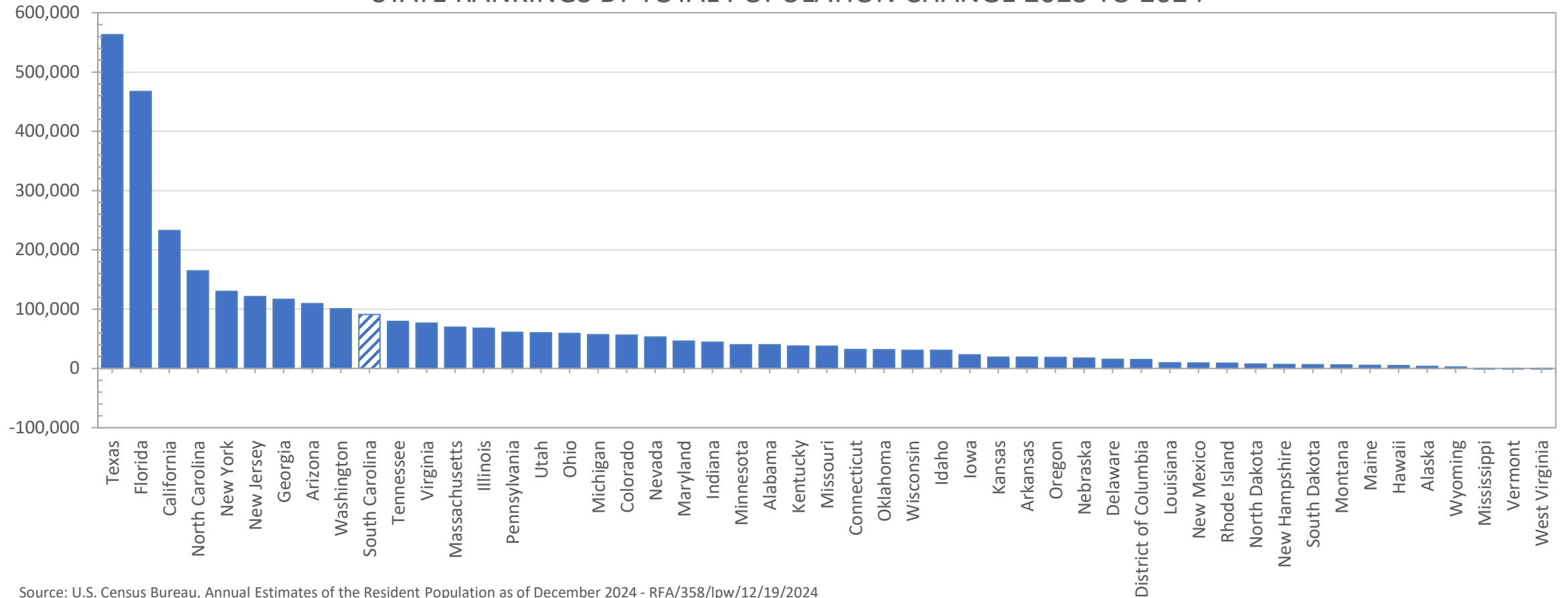
Demographics



South Carolina had the 10th Largest Population Increase in the US

Population increased by 91,001 (1.7%) from 2023 to 2024

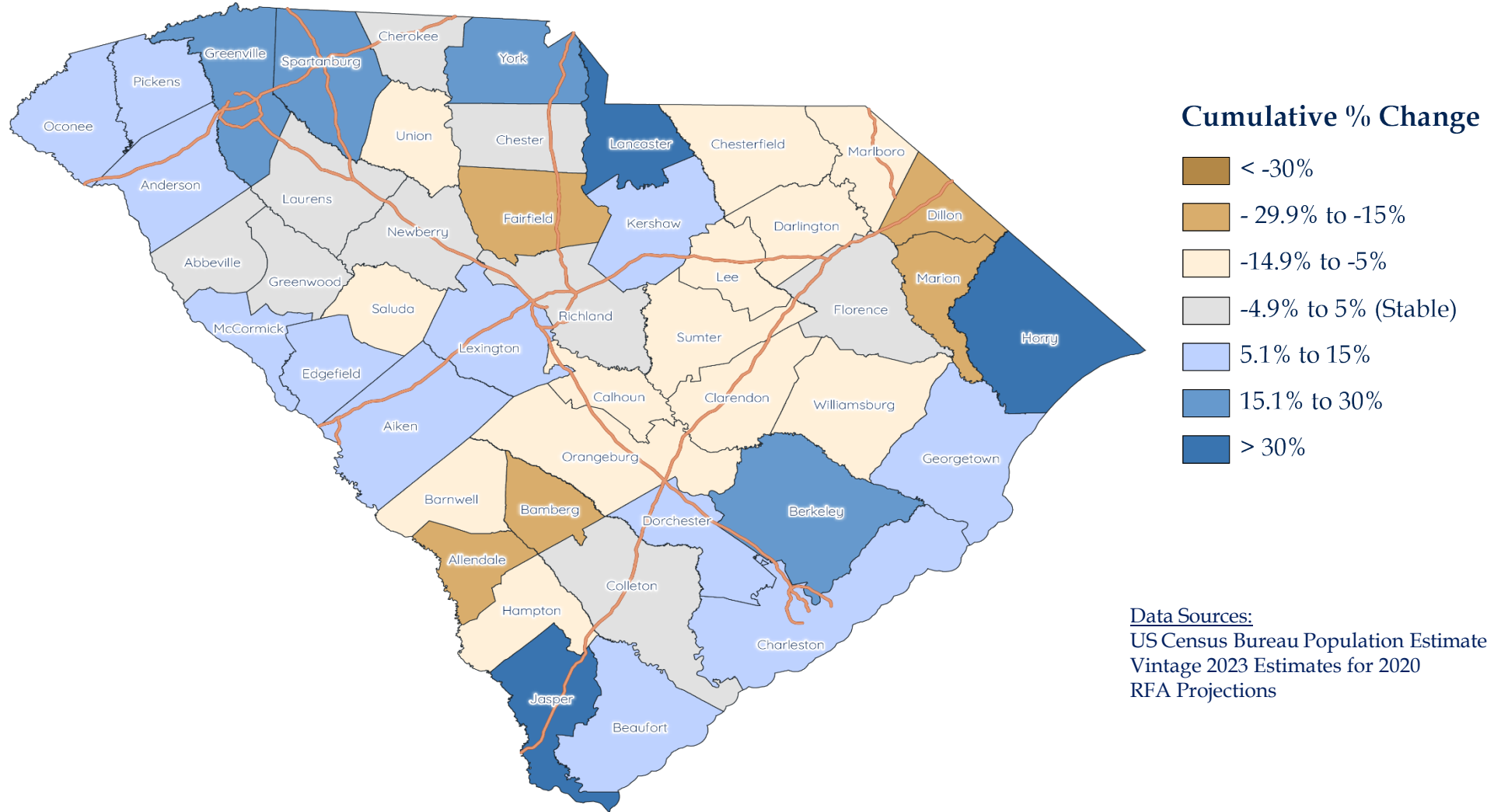
STATE RANKINGS BY TOTAL POPULATION CHANGE 2023 TO 2024



Source: U.S. Census Bureau, Annual Estimates of the Resident Population as of December 2024 - RFA/358/lpw/12/19/2024

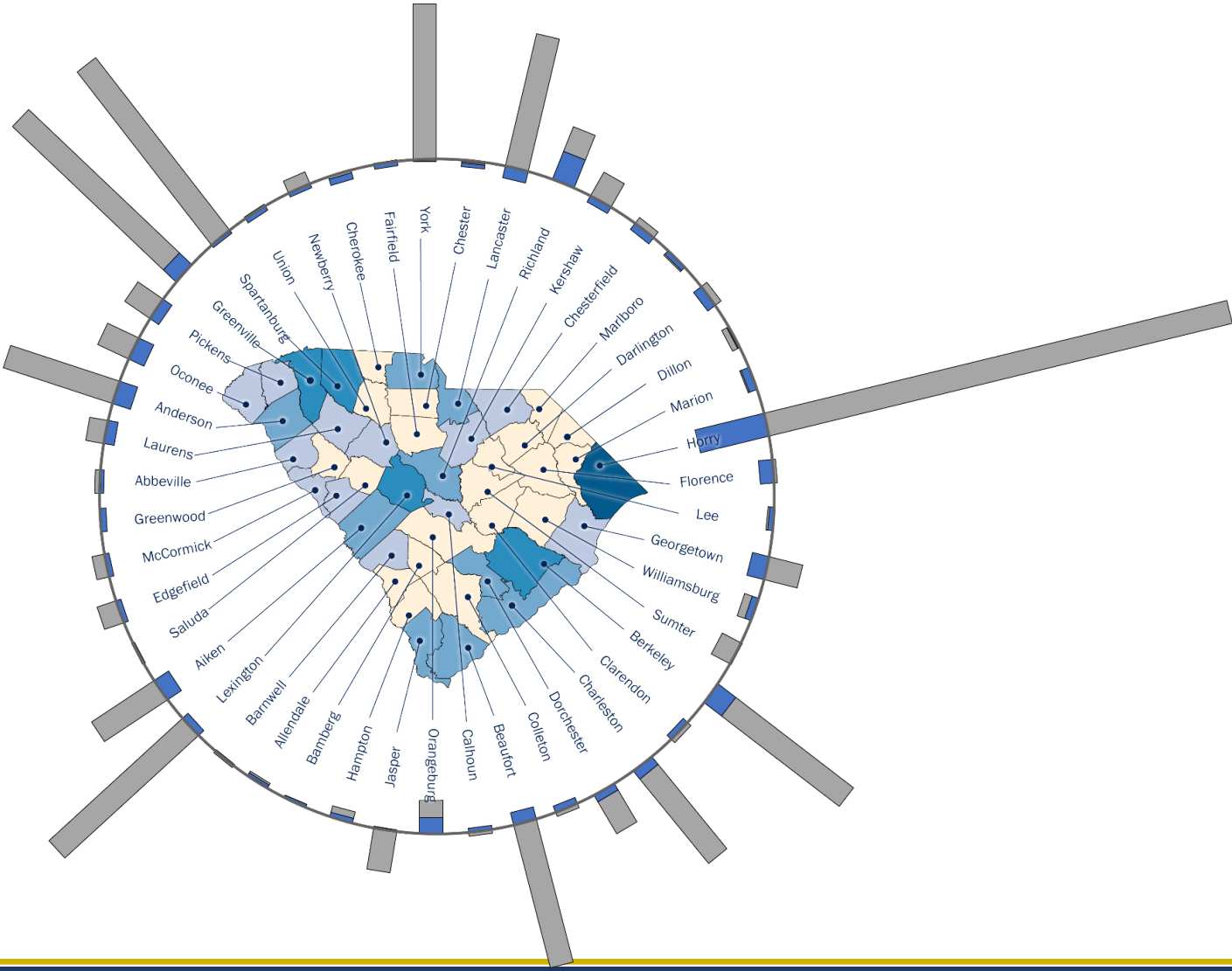
South Carolina's Projected Population Change, 2020 - 2030

Wide range of experiences among the counties is expected

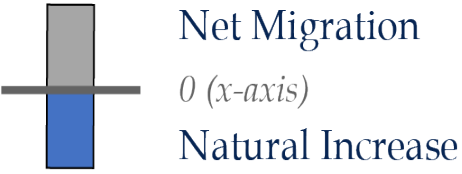


Components of Population Change by County 2020-2021

Migration has had a bigger impact than natural increase



Ring Key



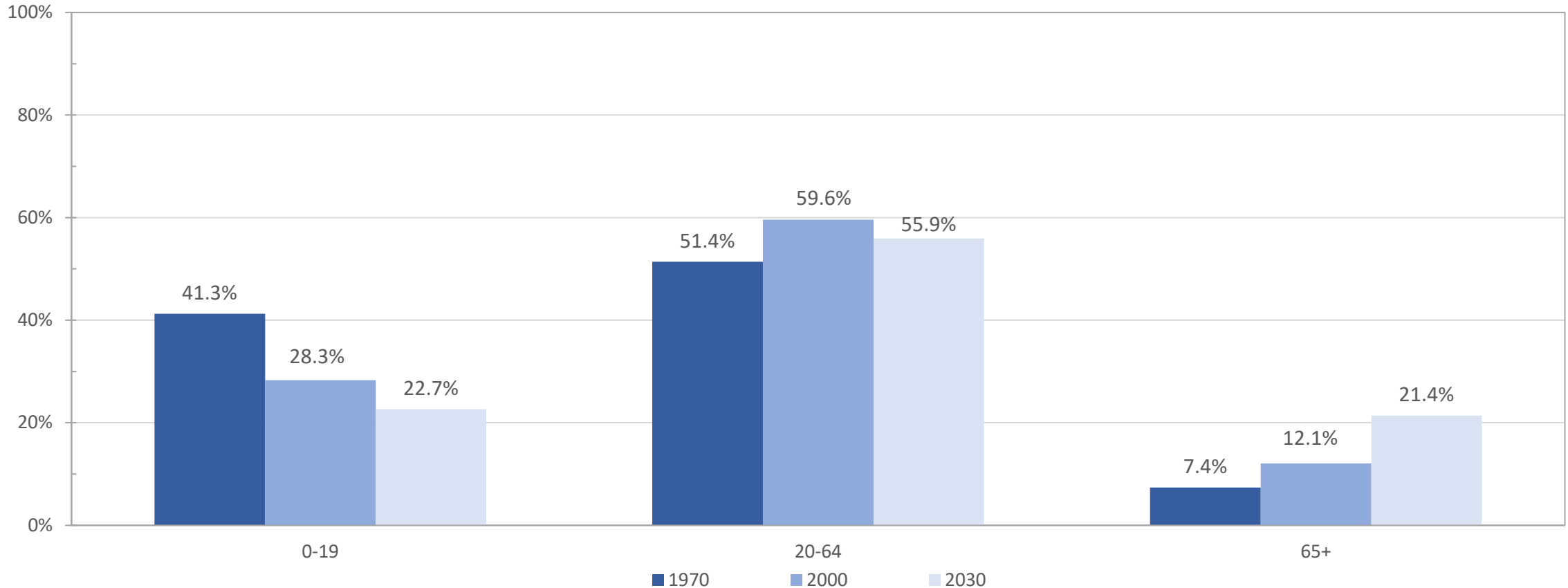
Note: Net Migration and Natural Increase values can be negative and positive.

Data Sources:
 US Census Bureau Population Estimates Program:
 Vintage 2021 Postcensal Estimates.
 File Name: Annual and Cumulative Estimates of
 the Components of Resident Population Change
 for Counties in the United States: April 1, 2020, to
 July 1, 2021 (CO-EST2021-COMP)

SC Population by Age Group – Actuals and Projections

By 2030 there will be almost as many people 65 and over as people under 20; the percentage of people of workforce age is projected to decrease from its 2000 high

SOUTH CAROLINA POPULATION BY AGE GROUP



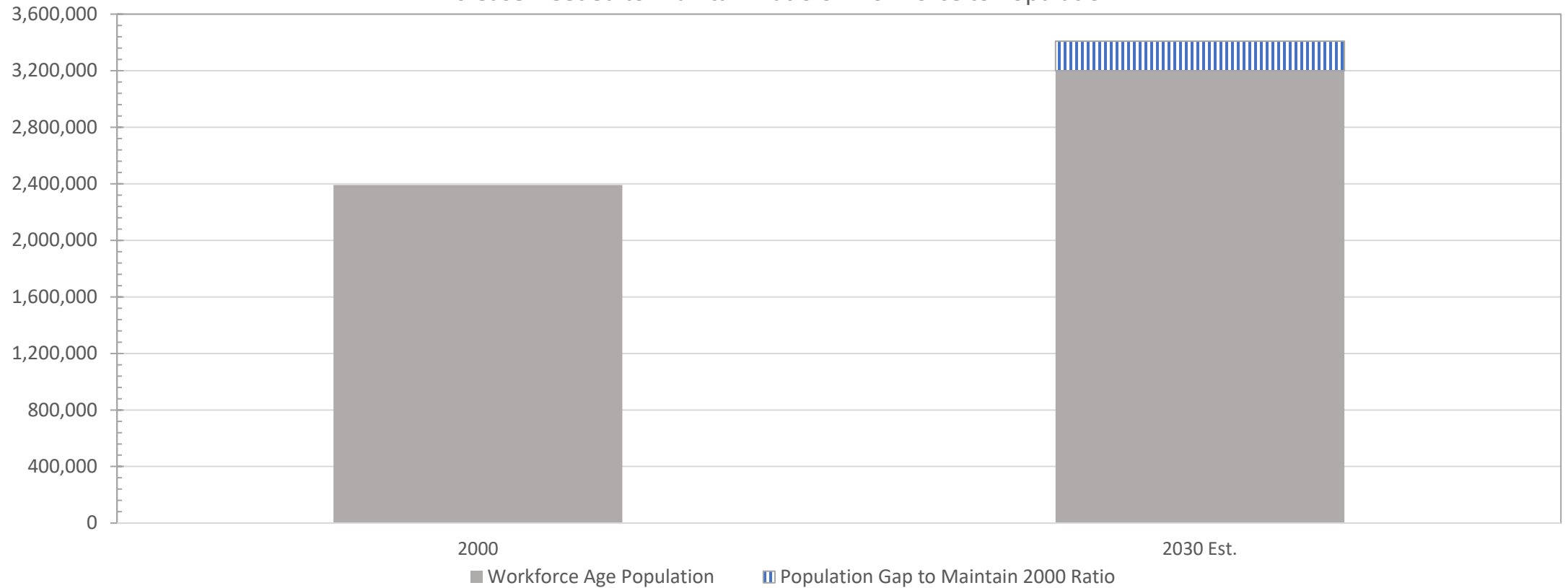
Source: U.S. Census Bureau population estimates; S.C. Revenue and Fiscal Affairs population projections - RFA/356/lpw/12/17/2024

Projected Impact of Aging Population

The declining percentage of workforce age population means there will be a relatively smaller pool, 208,000 people or 6%, to support the total population than in 2000

WORKFORCE AGE POPULATION COMPARISON, 2000 & 2030

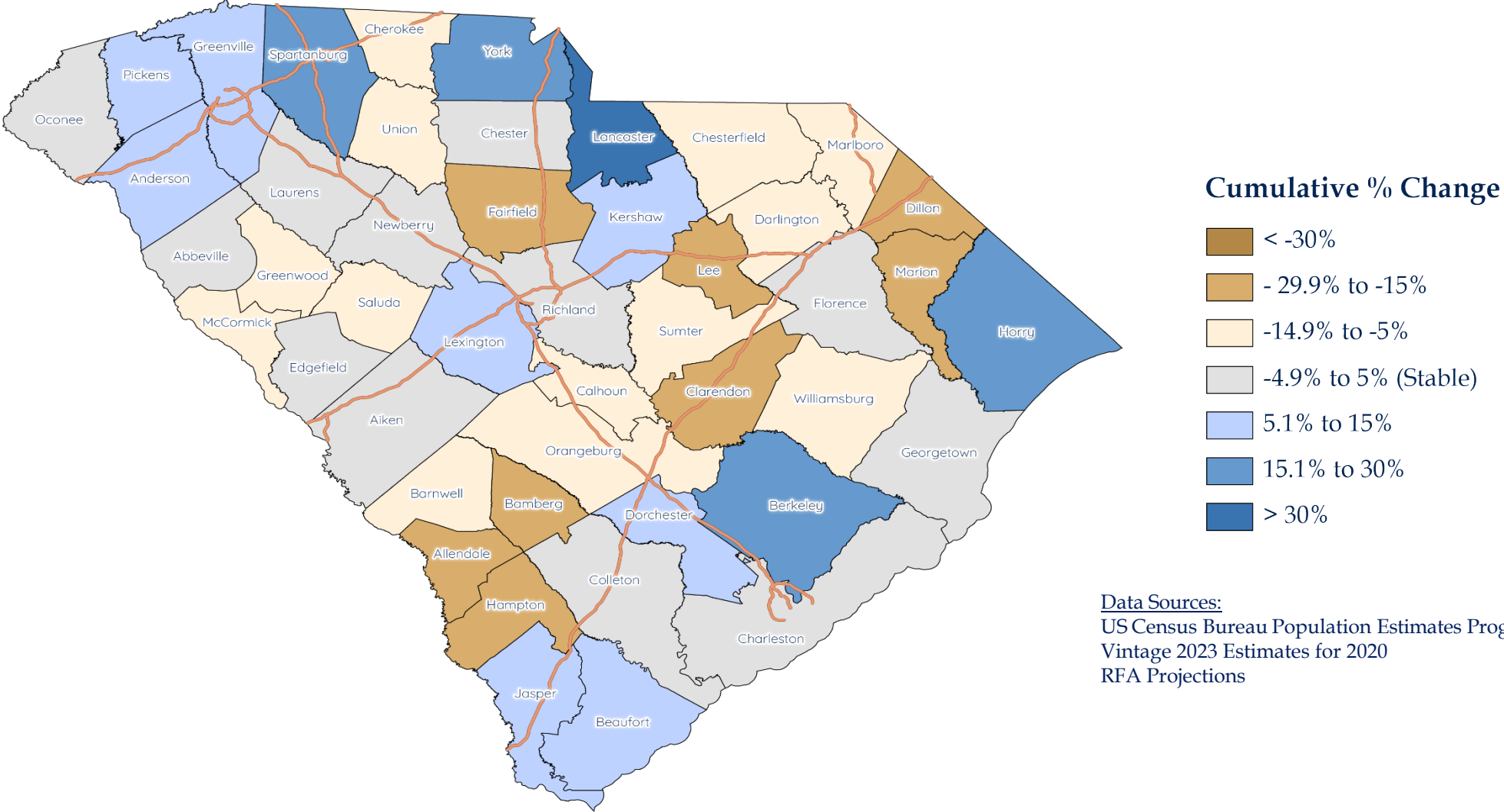
Increase Needed to Maintain Ratio of Workforce to Population



Source: Census Bureau Population Estimates, Vintage 2023 Estimates for 2020; SC Revenue and Fiscal Affairs projections, 364-RFA/lhj/2/25/2025

SC Project Workforce Age (18 - 64) Population, 2020 - 2030

Again, wide range of experiences is expected among the counties

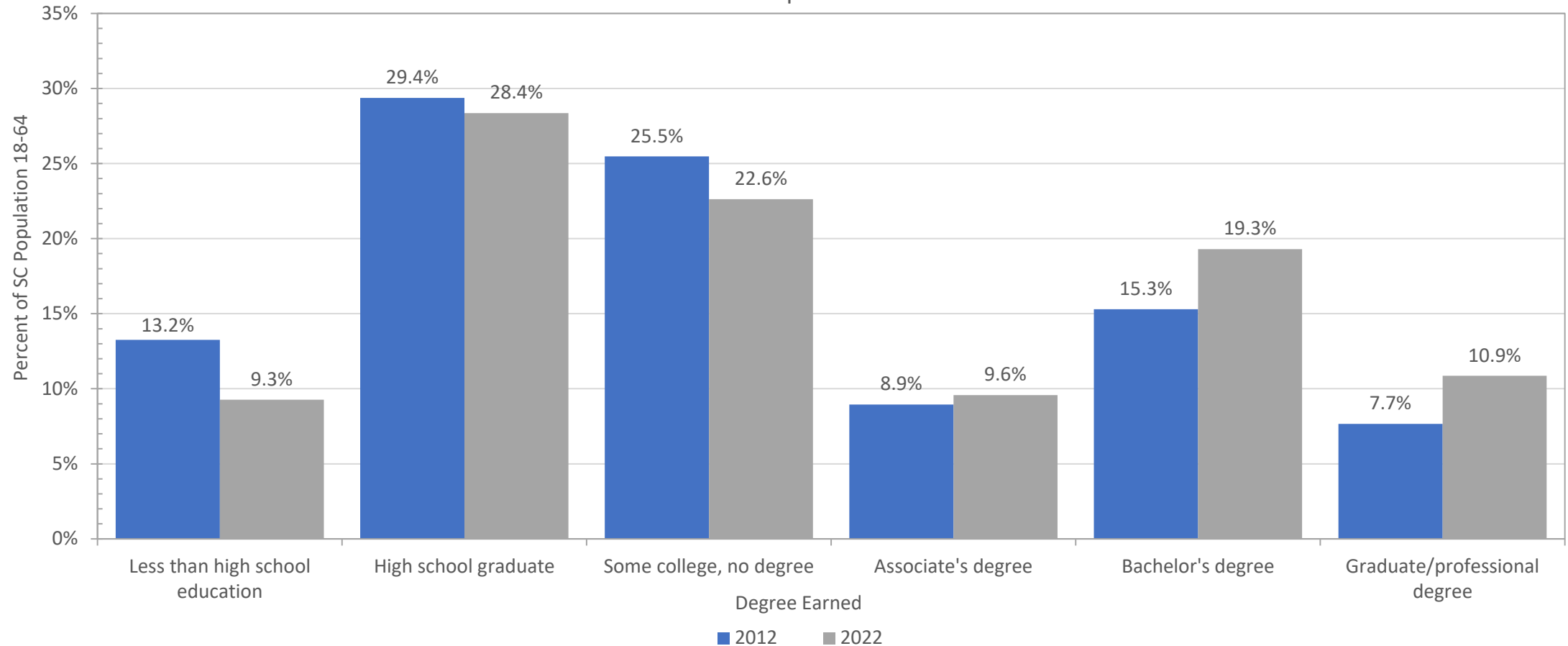


Data Sources:
US Census Bureau Population Estimates Program
Vintage 2023 Estimates for 2020
RFA Projections

Highest Educational Attainment for SC Population Ages 18 to 64

Educational attainment has improved since 2012

SC HIGHEST EDUCATIONAL ATTAINMENT LEVEL, AGES 18 – 64
2012 Compared to 2022



Source: U.S. Census Bureau, 2012 American Community Survey One-Year Estimates, 2022 American Community Survey One-Year Estimates

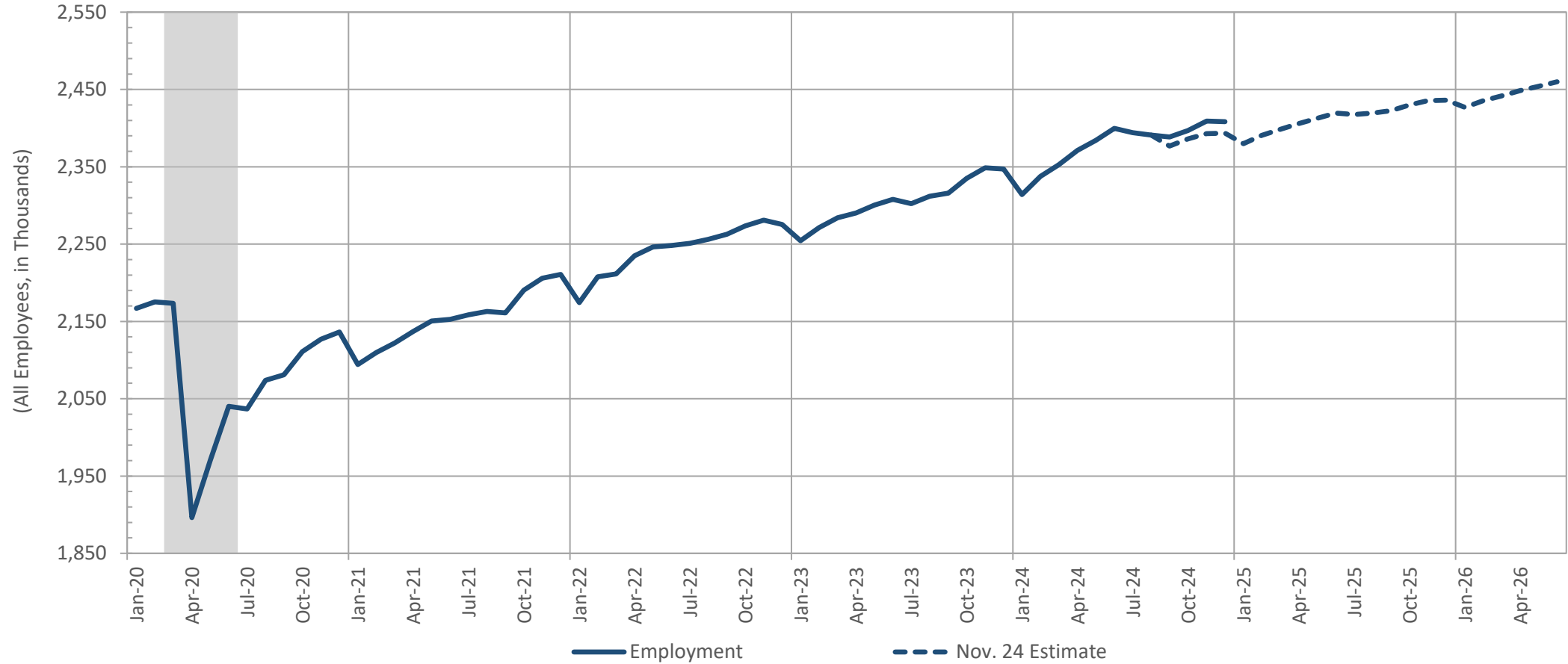
Employment



Total Employment

Nonfarm employment recovered quickly after pandemic; current growth exceeds forecast

TOTAL NONFARM EMPLOYMENT IN SOUTH CAROLINA



Source: U.S. Department of Labor, Bureau of Labor Statistics 60-RFA/kav/2/6/2025

Unemployed Persons per Job Opening

Both SC and the US are experiencing more job openings than unemployed people

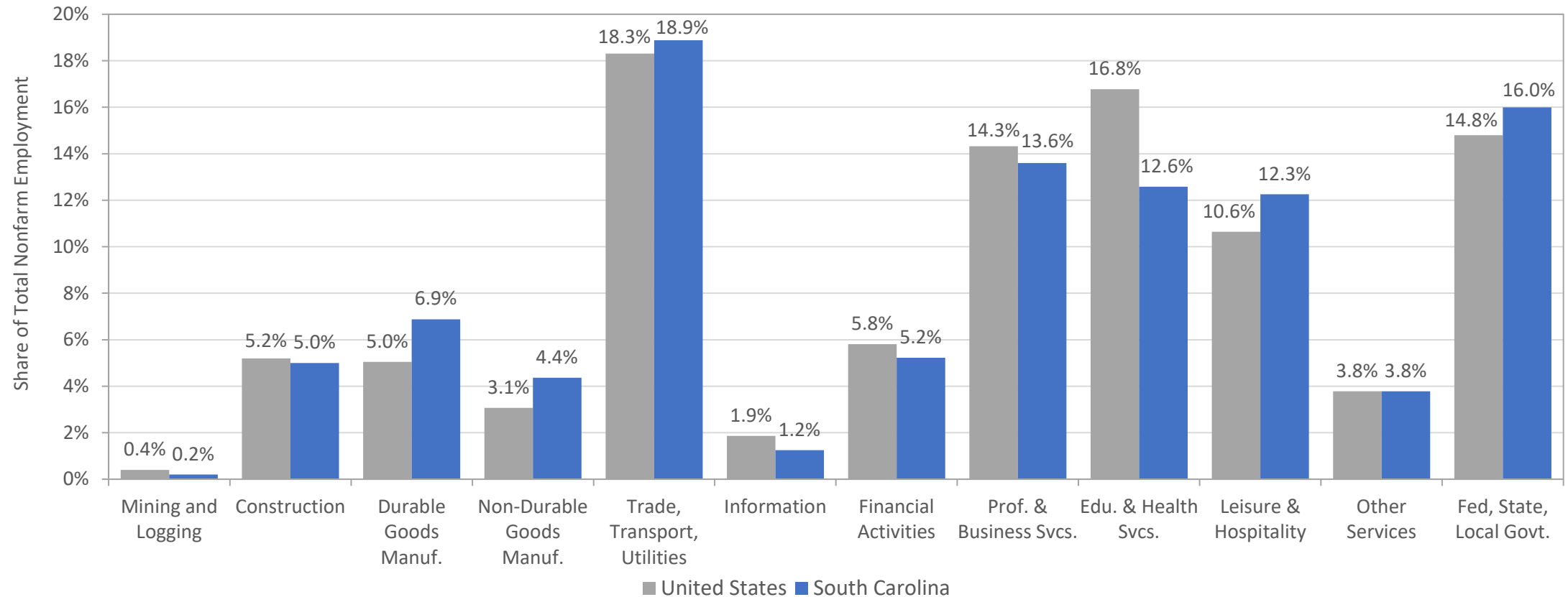


Source: U.S. Bureau of Labor Statistics, CPS and JOLTS; seasonally adjusted 259A2 - RFA/kv/2/14/2025

SC Employment by Sector Compared to US

South Carolina has a larger proportion of employment in manufacturing and leisure & hospitality and a lower percentage in health services

EMPLOYMENT BY SECTOR – 2024 AVERAGE

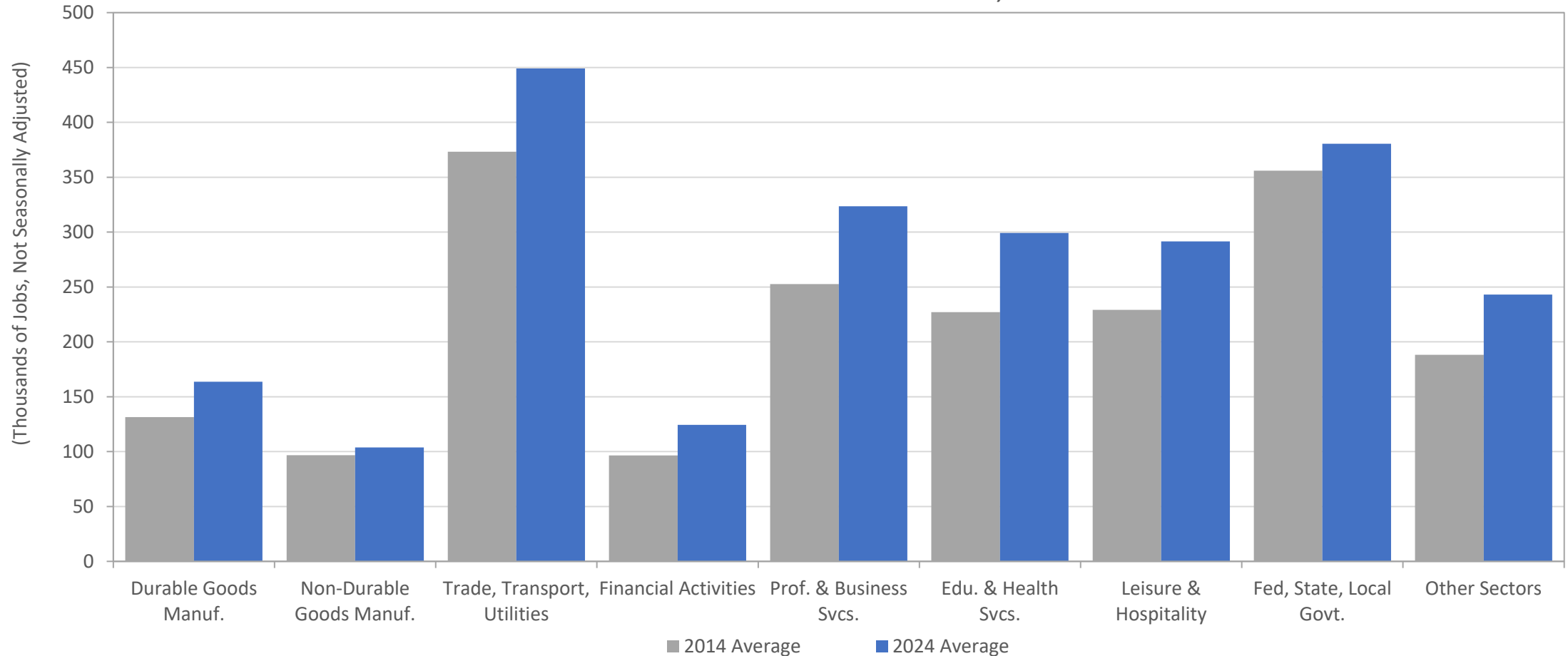


Source: U.S. Department of Labor, Bureau of Labor Statistics; 325/RFA/kv/2/7/2025

SC Employment Growth over the Past 10 Years

Many sectors have seen employment growth of 20 percent or more

SOUTH CAROLINA EMPLOYMENT BY SECTOR, 2014 & 2024

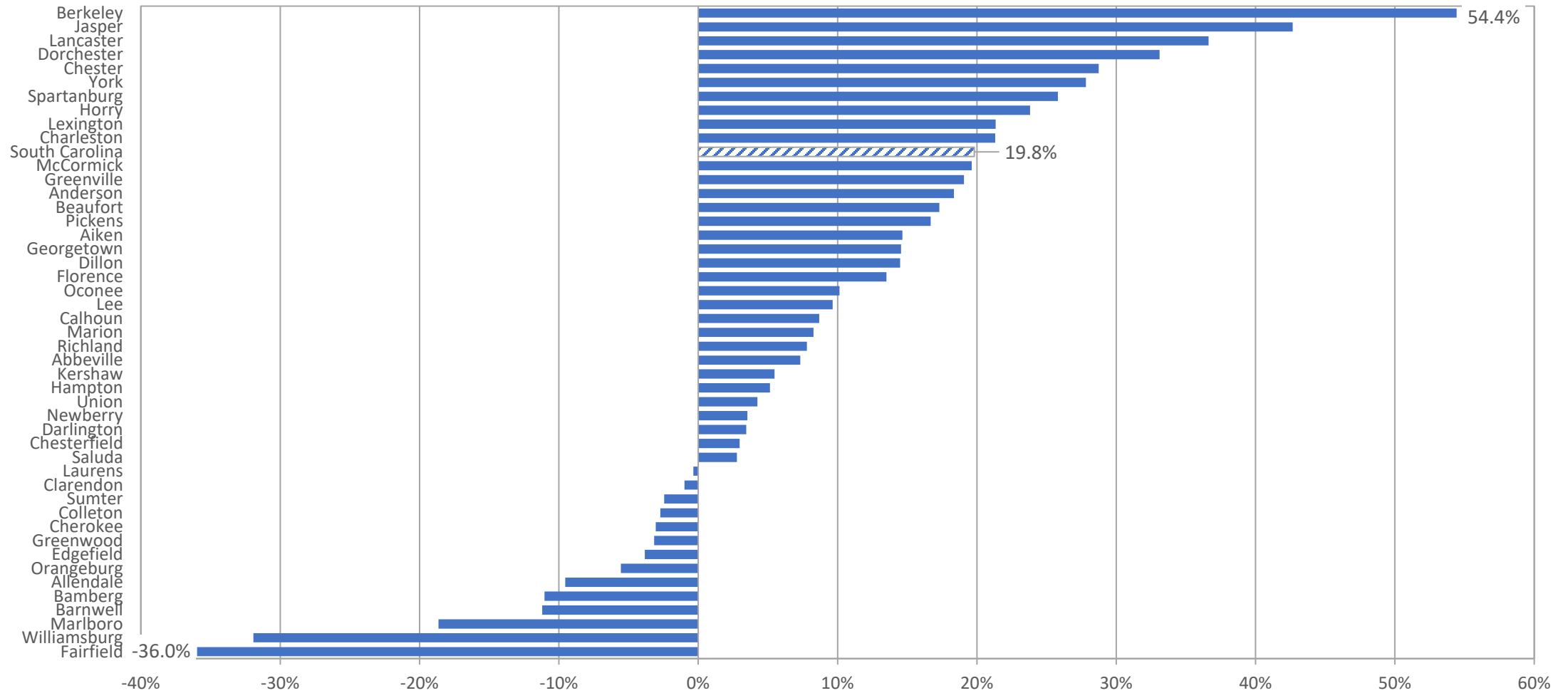


Source: Bureau of Labor Statistics, U.S. Department of Labor 325-RFA/kav/2/6/2025

Employment Growth by County over the Past 10 Years

Geographic dispersion of job growth varies significantly

TOTAL EMPLOYMENT GROWTH BY COUNTY, 2014 TO 2024



Source: Bureau of Labor Statistics, U.S. Department of Labor; 2014 Annual Average to First Half of 2024 362-RFA/kav/2/6/2025

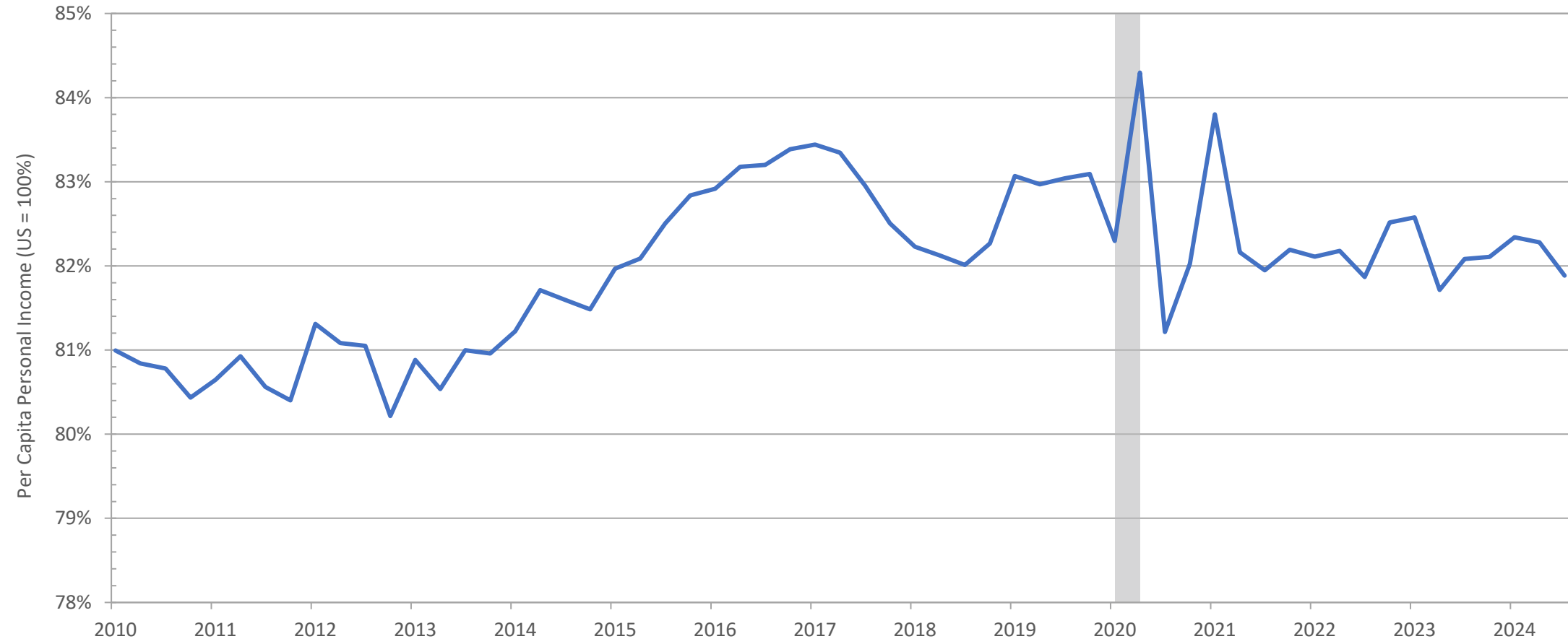
Personal Income Statistics



South Carolina Per Capita Personal Income

Despite faster growth, SC per capita income hovers around 82% of US average;
Not necessarily bad given cost-of-living differences

SOUTH CAROLINA PER CAPITA PERSONAL INCOME COMPARED TO US

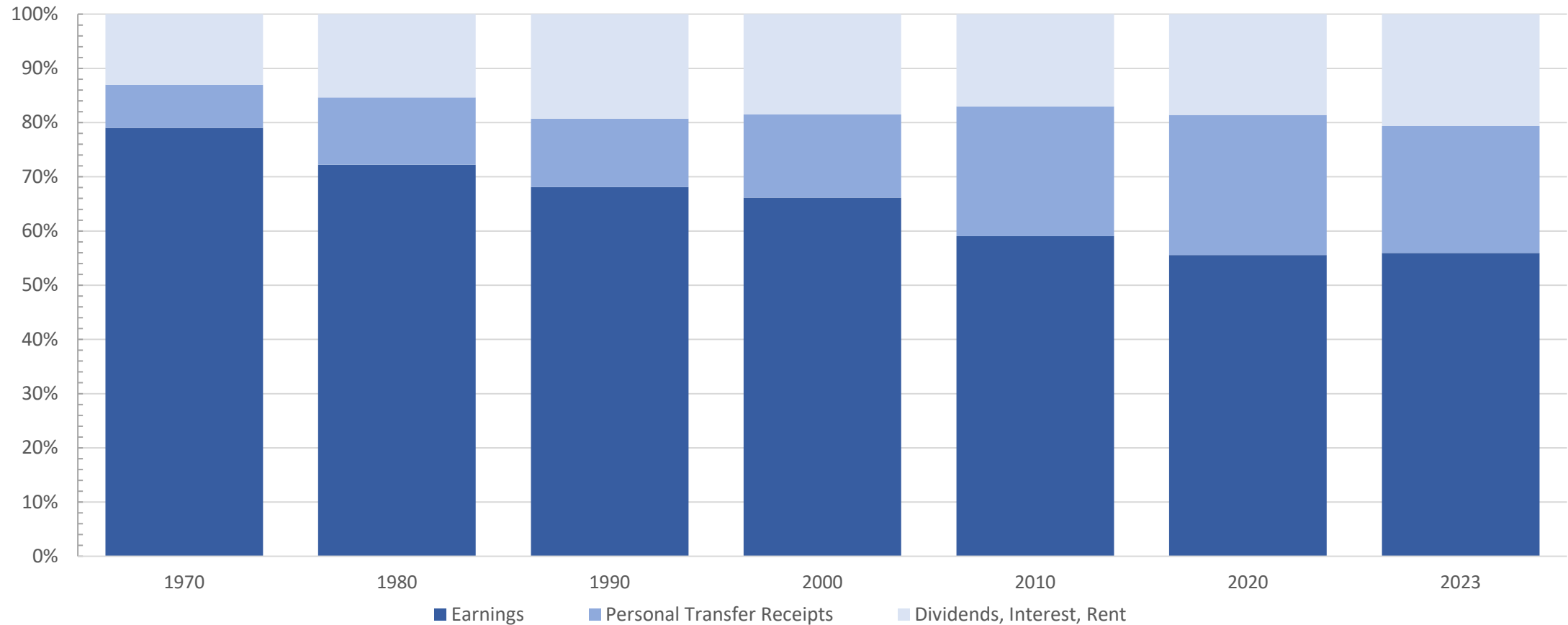


Source: U.S. Department of Commerce, Bureau of Economic Analysis; 344- RFA/kav/2/6/2025

South Carolina Personal Income Growth

The proportion of income from earnings (wages, salaries, proprietor's income) has fallen since 1970; aging population increases transfer payments

SHARES OF SOUTH CAROLINA PERSONAL INCOME

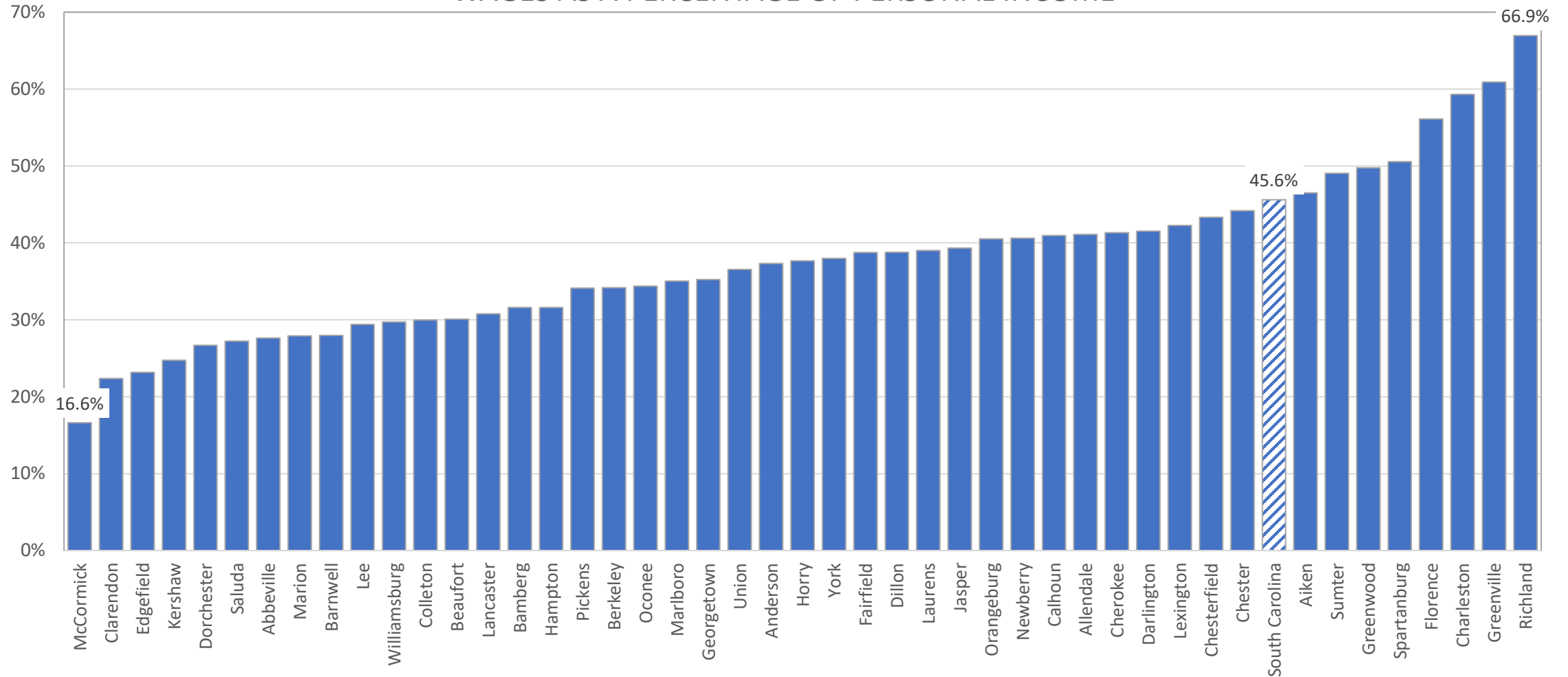


Source: U.S. Bureau of Economic Analysis, Personal Income by Major Component -361 RFA/ kv/1/14/2024

Wages Account for 45.6% of SC Personal Income

Wide range of experience by county

WAGES AS A PERCENTAGE OF PERSONAL INCOME

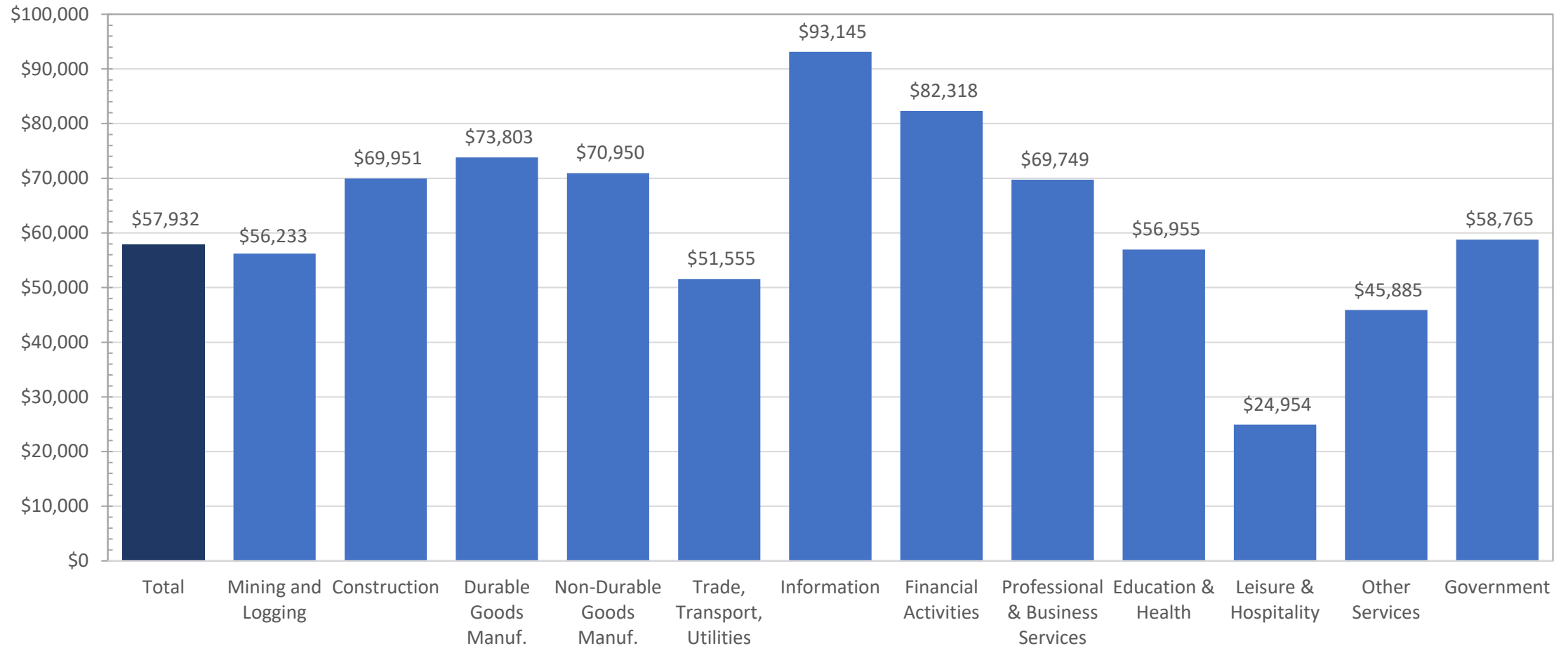


Source: U.S. Bureau of Economic Analysis, Personal Income; Bureau of Labor Statistics, U.S. Department of Labor

Wages by Industry in South Carolina

Annual pay averaged \$57,932 in 2023 but varied widely by industry

SOUTH CAROLINA ANNUAL PAY BY INDUSTRY, 2023



Source: U.S. Department of Labor, Bureau of Labor Statistics; 325/RFA/kv/2/20/2025

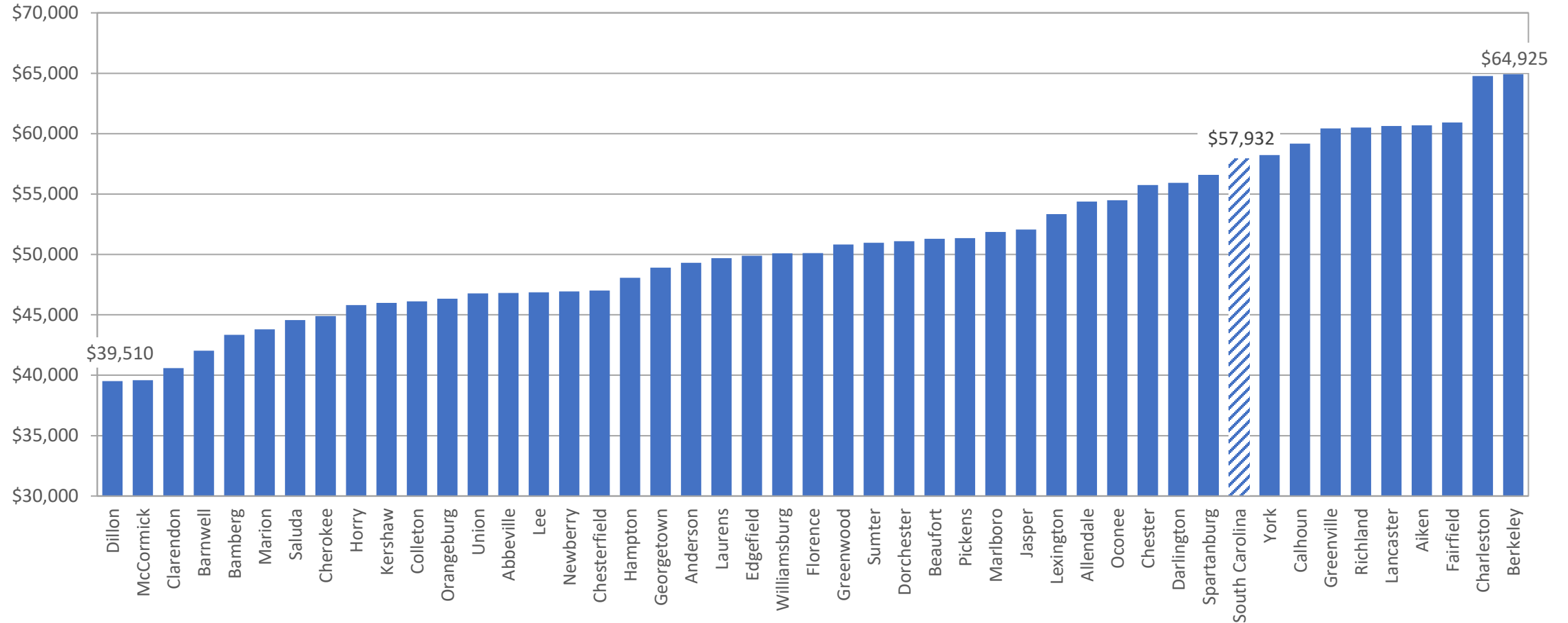
*Government Annual Pay is estimated based on shares of federal, state, and local employ



Average Annual Wage by County

The 2023 annual average wage per job in South Carolina was \$57,932, but average annual wages were much lower in some parts of the state

AVERAGE ANNUAL WAGES, 2023



Source: Bureau of Labor Statistics, U.S. Department of Labor 363-RFA/kv/2/21/2025

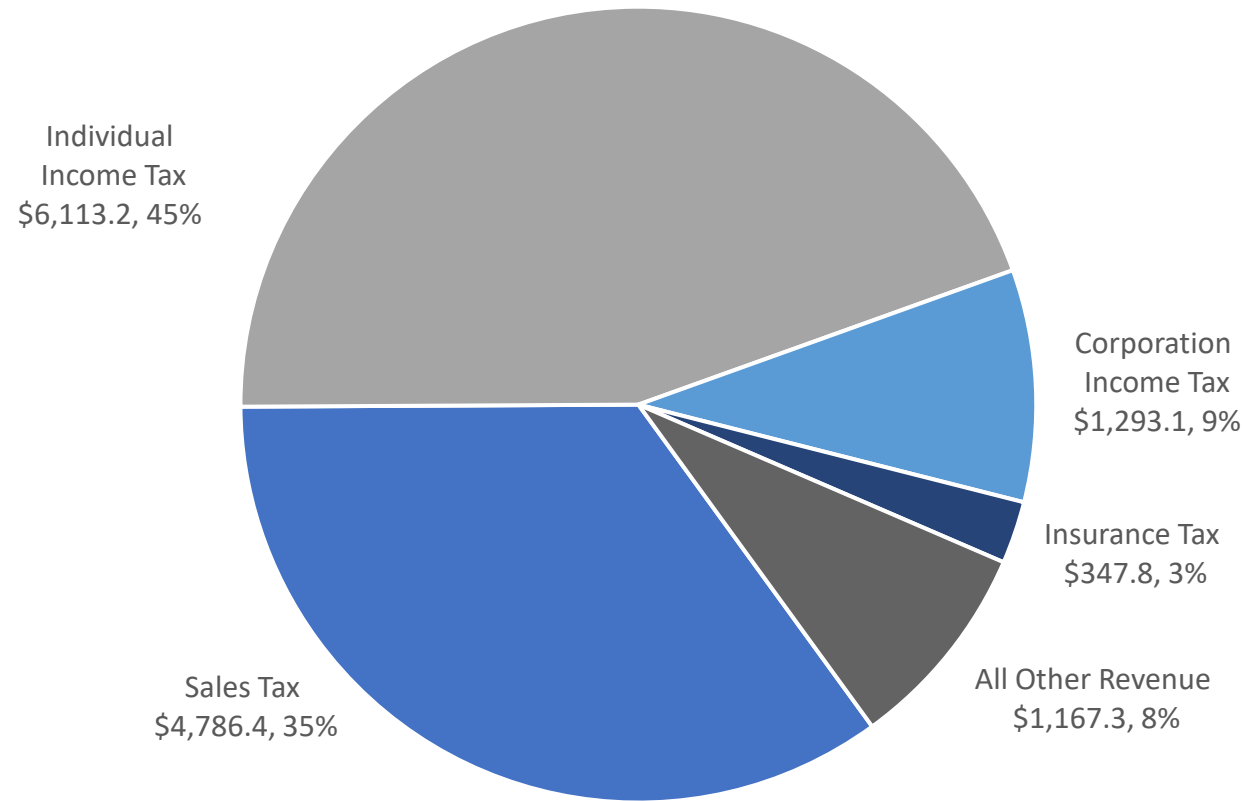
State and Local Tax Base



SC General Fund Revenue by Category

89% of General Fund revenue is tied to personal income (sales and income taxes)

FY 2023-24 GENERAL FUND REVENUE
Percentage Distribution By Revenue Type (\$ Millions)

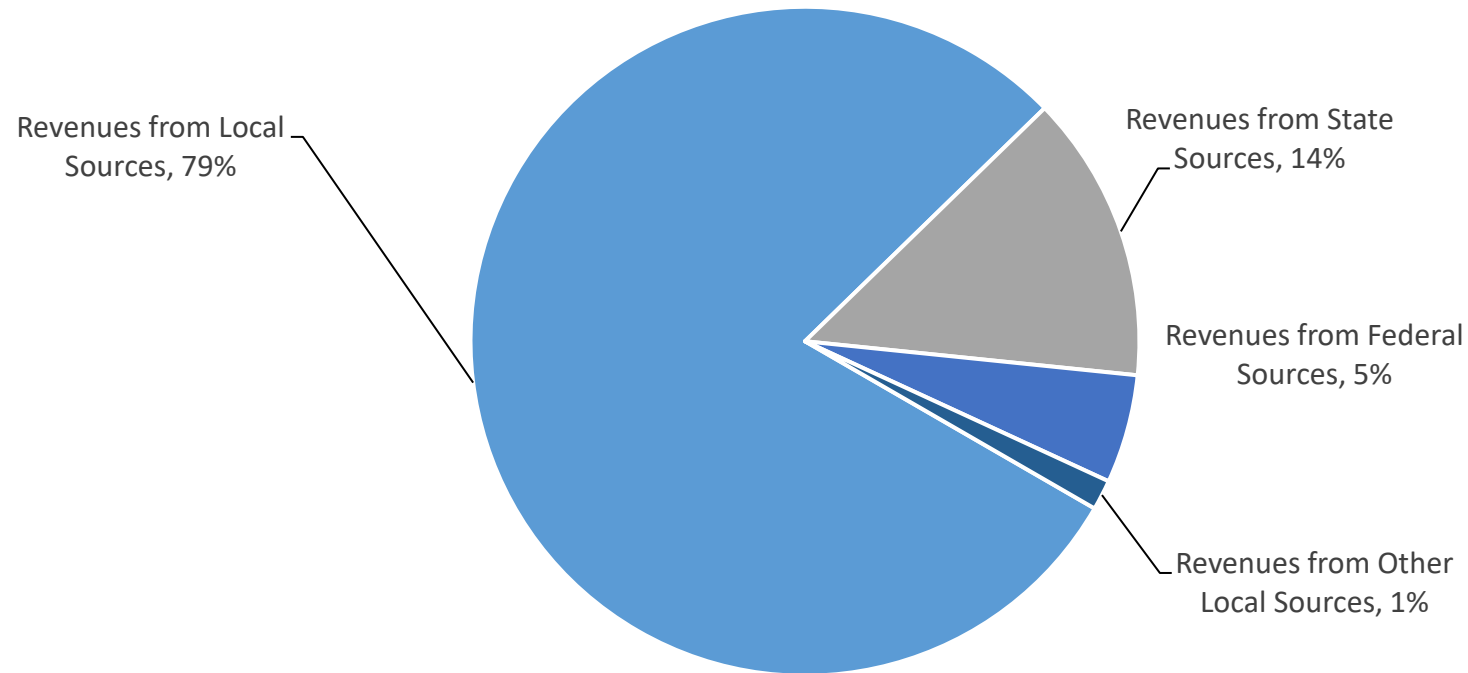


Source: S.C. Revenue and Fiscal Affairs 30 - kav/11/14/2024

Local Government Revenue by Source

Local government is mostly supported by local tax revenue

SOURCES OF LOCAL GOVERNMENT REVENUE
FY 2022-23

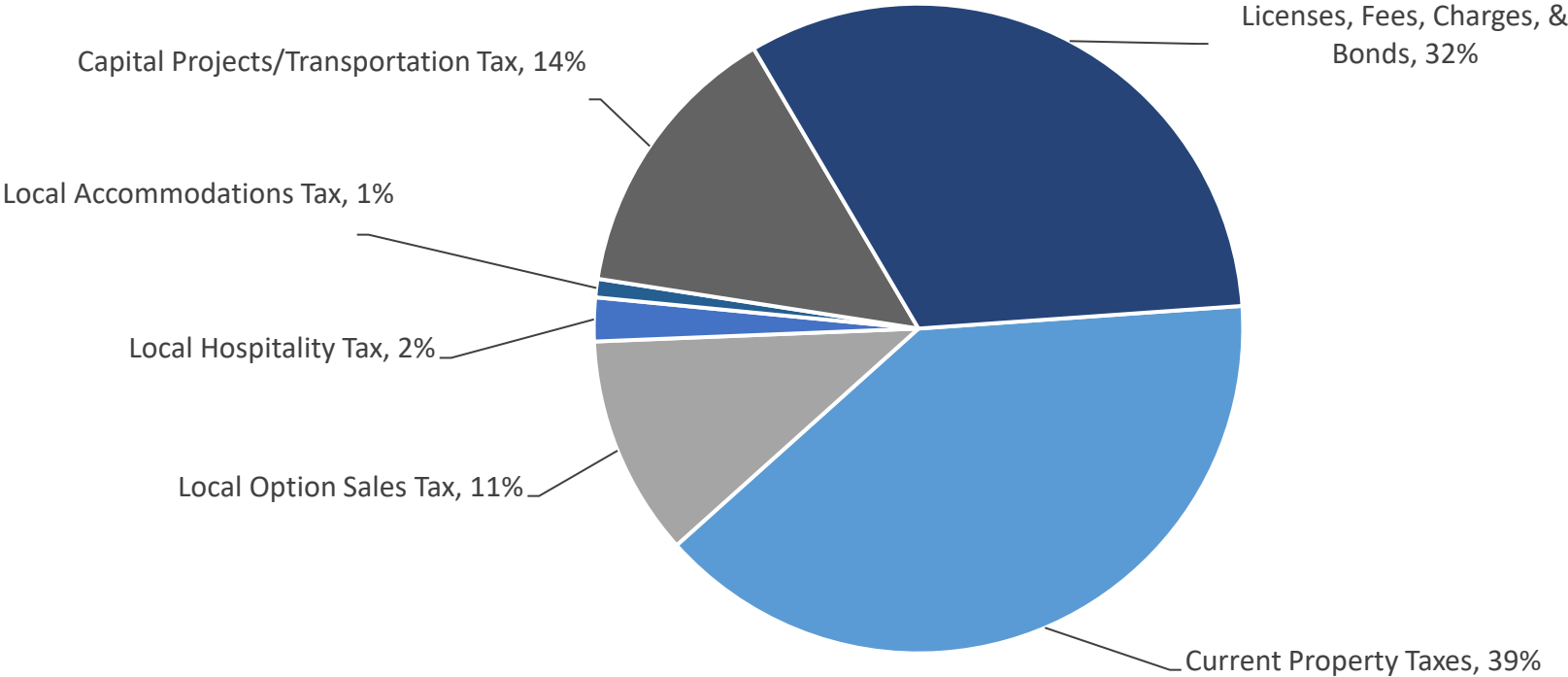


Source: Revenue and Fiscal Affairs, 2023 Local Government Finance Report- RFA/mkm/1/14/2025

Local Government Revenue from Local Sources

Statewide, 39% of local revenue is from property tax, 29% from local sales taxes, and 32% license and other fees

LOCAL GOVERNMENT REVENUE FROM LOCAL SOURCES BY TYPE
FY 2022-23

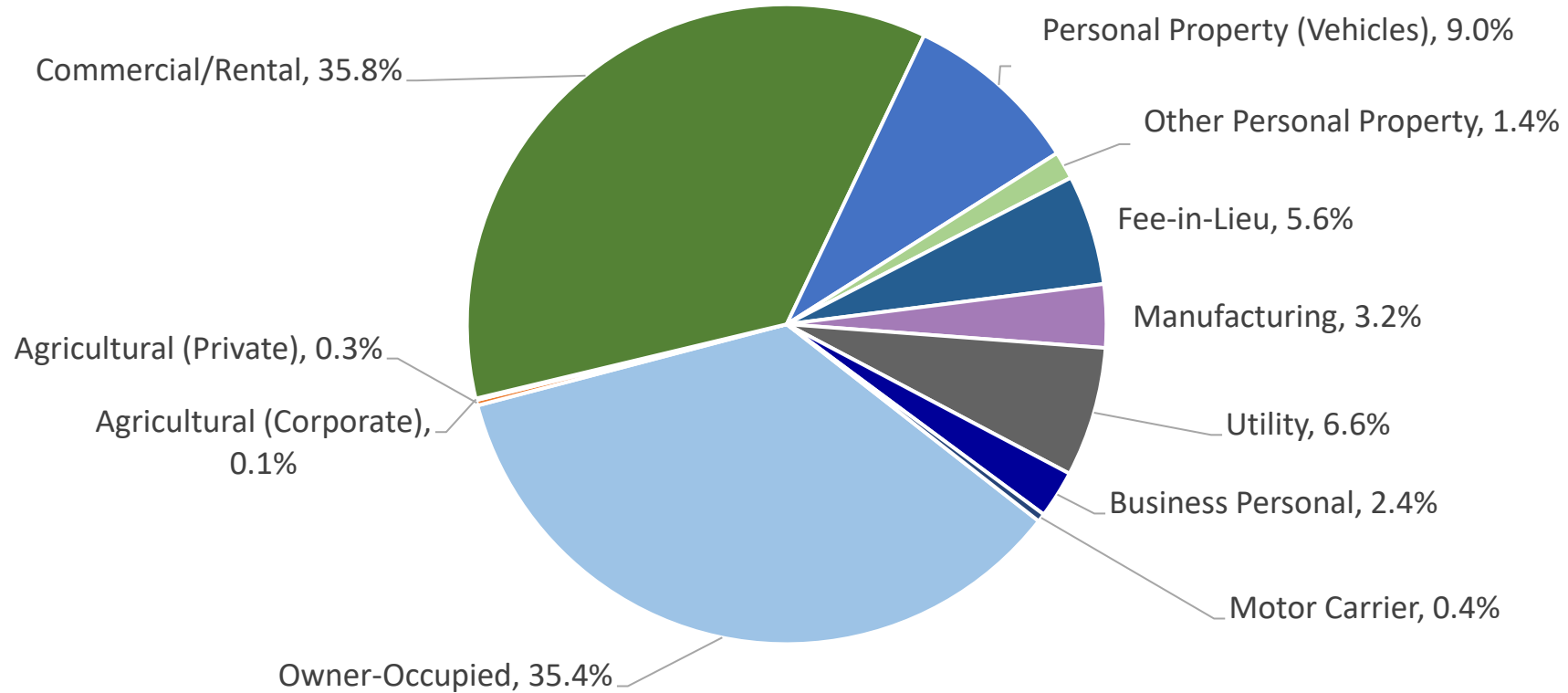


Source: Revenue and Fiscal Affairs, 2023 Local Government Finance Report- RFA/mkm/1/14/2025

County Property Tax Base by Classification

Commercial and owner-occupied real property are the two largest categories

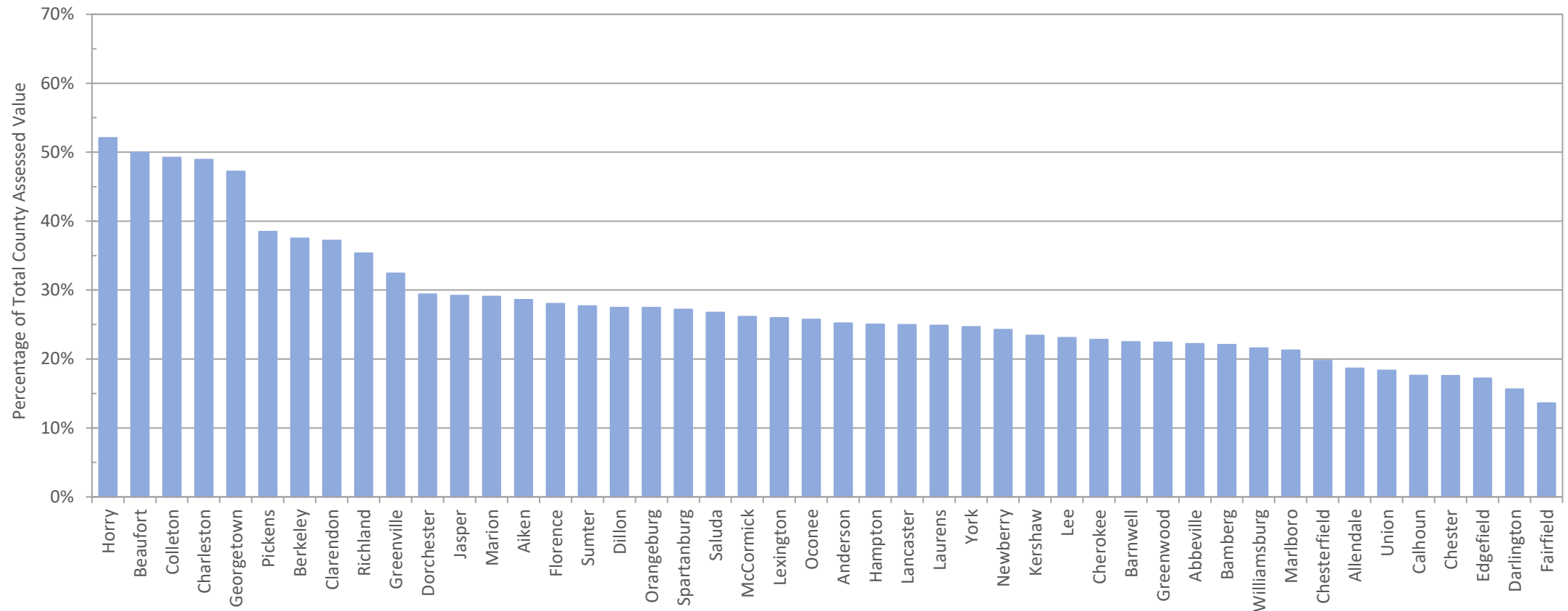
PERCENTAGE OF TOTAL PROPERTY VALUE
by Class of Property - Tax Year 2022



Commercial Property Values

Commercial real property is the largest component of the tax base statewide at 35.8% of total property value, but percentage varies by county

COMMERCIAL & RENTAL PROPERTY VALUE
as a Percentage of Total County Assessed Value - Tax Year 2022

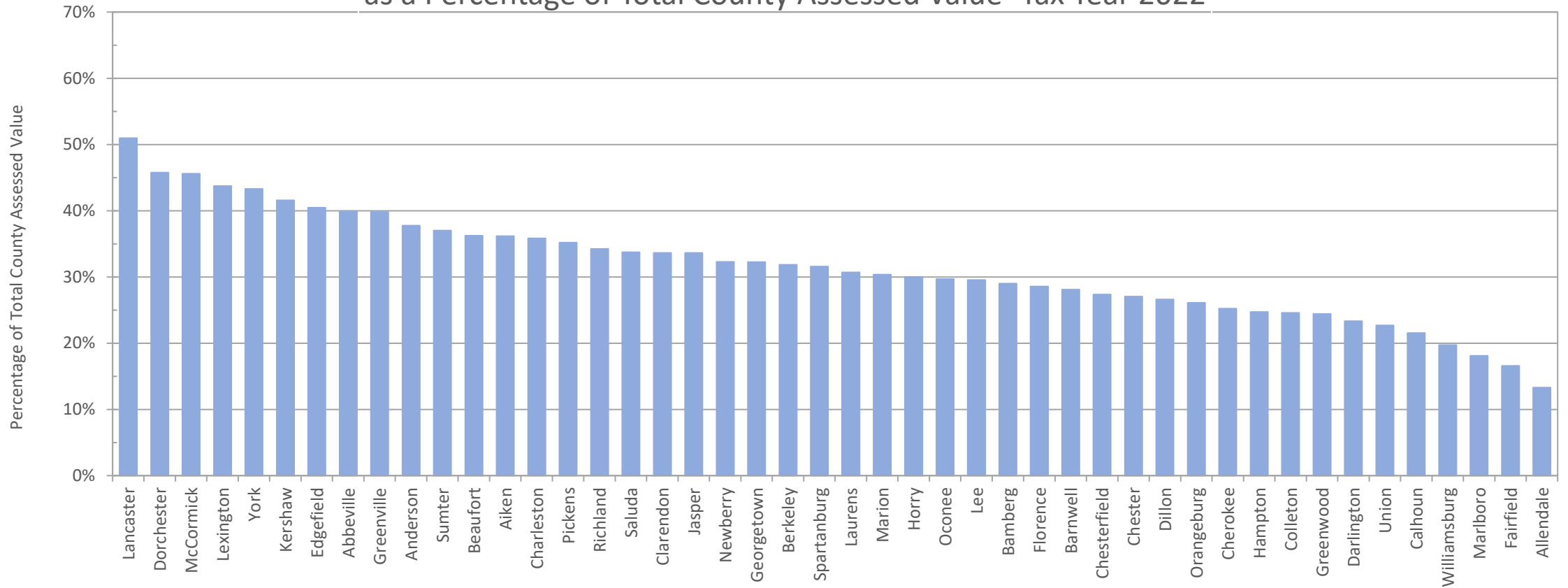


Data Source: Department of Revenue Index of Taxpaying Ability 2023 MKM-02/05/2024

Owner-occupied Property Values

Residential property is the second largest category at 35.4% of total value, but again, there is a wide range by county

OWNER-OCCUPIED PROPERTY VALUE
as a Percentage of Total County Assessed Value -Tax Year 2022

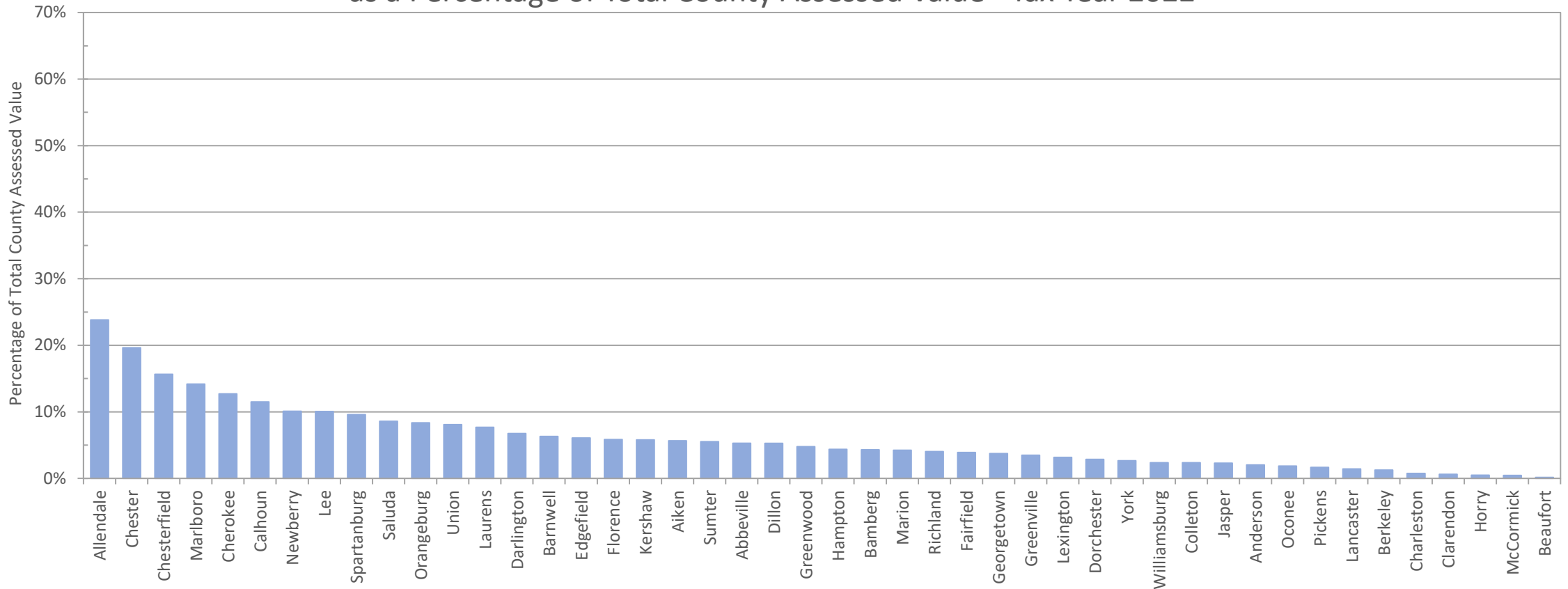


Data Source: Department of Revenue Index of Taxpaying Ability 2024 MKM-02/05/2024

Manufacturing Property Values

Statewide manufacturing property is 3.2% of total property value; wide range again seen in counties

MANUFACTURING PROPERTY VALUE
as a Percentage of Total County Assessed Value - Tax Year 2022



Data Source: Department of Revenue Index of Taxpaying Ability 2024 MKM-02/05/2024

Questions / Comments

Thank You!

For Additional Information - www.rfa.sc.gov

