

## Session 115 - (2003-2004)

**H 4991 General Bill, By Harrell, Jennings, Altman, Battle, Bingham, Chellis, Clark, Cotty, Dantzler, Davenport, Hinson, Leach, Mack, McGee, Merrill, Pinson, E.H. Pitts, M.A. Pitts, Quinn, Rice, Scarborough, Simrill, J.R. Smith, Snow, Toole, Townsend, Tripp, Trotter and Umphlett**

**Summary:** Property tax relief; sales tax increase, certain tax exemptions eliminated, automobile property tax exemption

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 11 IN CHAPTER 36 OF TITLE 12 SO AS TO IMPOSE AN ADDITIONAL STATE SALES AND USE TAX EQUAL TO ONE PERCENT ON AMOUNTS SUBJECT TO THE FIVE PERCENT STATE SALES AND USE TAX AND TO EXEMPT FROM THIS ADDITIONAL TAX FOOD ITEMS WHICH MAY BE PURCHASED WITH UNITED STATES DEPARTMENT OF AGRICULTURE FOOD COUPONS, ITEMS SUBJECT TO A MAXIMUM SALES, USE, AND CASUAL EXCISE TAX, AND GROSS PROCEEDS SUBJECT TO THE STATE SALES TAX ON ACCOMMODATIONS, TO AMEND SECTION 12-37-220, AS AMENDED, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO PHASE IN AN EXEMPTION FOR MOTOR VEHICLES FROM PROPERTY TAX, TO ADD SECTION 11-11-180 SO AS TO CREDIT THE REVENUE OF THE ADDITIONAL SALES AND USE TAX IMPOSED BY THIS ACT TO A SEPARATE FUND IN THE STATE TREASURY AND DISTRIBUTE THE REVENUE OF THIS FUND TO LOCAL PROPERTY TAXING ENTITIES TO PROVIDE THEM STATE REVENUE IN LIEU OF PROPERTY TAXES NOT COLLECTED BECAUSE OF THE EXEMPTION ALLOWED FOR MOTOR VEHICLES AND TO PROVIDE THE METHOD AND TIMING OF THESE PAYMENTS, TO AMEND SECTIONS 12-36-60, 12-36-90, AS AMENDED, AND 12-36-2120, AS AMENDED, RELATING TO DEFINITIONS AND EXEMPTIONS FOR PURPOSES OF THE SOUTH CAROLINA SALES AND USE TAX ACT, SO AS TO EXTEND THE STATE SALES TAX TO SOUTH CAROLINA EDUCATION LOTTERY TICKETS, TO ADD SECTION 12-36-2140 SO AS TO EXEMPT SOUTH CAROLINA EDUCATION LOTTERY TICKETS FROM LOCAL SALES AND USE TAXES AND TO DELETE VARIOUS OTHER SALES AND USE TAX EXEMPTIONS, TO AMEND SECTION 59-150-350, AS AMENDED, RELATING TO MANAGEMENT OF THE EDUCATION LOTTERY ACCOUNT, SO AS TO PROVIDE THAT AN AMOUNT ALLOWED FOR LOTTERY ADMINISTRATIVE EXPENSES MUST BE CREDITED TO THE MOTOR VEHICLE TAX RELIEF AND PUBLIC EDUCATION FUND ESTABLISHED BY THIS ACT, TO AMEND SECTION 59-150-70, RELATING TO THE REGULATORY AUTHORITY OF THE SOUTH CAROLINA EDUCATION LOTTERY COMMISSION, SO AS TO PROVIDE THAT THE TICKET PRICE MUST BE SET BY THE COMMISSION SO THAT WHEN STATE SALES TAX IS ADDED THE SALES PRICE, INCLUDING TAX, MUST EQUAL ONE DOLLAR, AND TO REPEAL ARTICLE 21, CHAPTER 37 OF TITLE 12, AND ARTICLE 5, CHAPTER 10 OF TITLE 4, ALL RELATING TO, AMONG OTHER THINGS, PROPERTY TAXES AND ALL MADE OBSOLETE BY THE PROVISIONS OF THIS ACT, TO AMEND CHAPTER 20 OF TITLE 59, RELATING TO THE SOUTH CAROLINA EDUCATION FINANCE ACT OF 1977, SO AS TO REDEFINE CERTAIN TERMS AND DELETE THE DEFINED MINIMUM PROGRAM; TO RAISE THE ACADEMIC STANDARDS AND ENSURE THAT STUDENTS CAN ACHIEVE AT HIGH ACADEMIC STANDARDS; TO REDUCE THE CLASSROOM SIZE FROM TWENTY-EIGHT TO TWENTY-ONE PUPILS AND FUND THE CLASSROOM SIZE AT TWENTY-ONE PUPILS; TO PROVIDE THAT TEACHERS MUST BE COMPENSATED FOR FIVE DAYS OF PROFESSIONAL DEVELOPMENT AND IMPLEMENT A 195-DAY CONTRACT YEAR; TO CHANGE THE WEIGHTINGS PER PUPIL AND TO ADD WEIGHTINGS FOR CERTAIN TYPES OF PUPILS INCLUDING GIFTED AND TALENTED, CAREER EXPLORATION, PREVENTION, AND LIMITED ENGLISH PROFICIENCY; TO PROVIDE THAT THE BASE STUDENT COST MUST BE \$5,079, OF WHICH SEVENTY PERCENT IS THE STATE'S SHARE; TO PROVIDE THAT THE STATE SUPERINTENDENT OF EDUCATION AND THE STATE BOARD OF EDUCATION SHALL REVIEW AND RECOMMEND CHANGES TO THEIR REGULATIONS TO THE GENERAL ASSEMBLY; TO REPEAL SECTIONS 59-21-160, RELATING TO STATE APPROPRIATIONS FOR SCHOOL DISTRICT EMPLOYER CONTRIBUTIONS, AND 59-21-1030, RELATING TO THE LEVEL OF FINANCIAL EFFORT PER PUPIL REQUIRED OF EACH SCHOOL DISTRICT; TO PROVIDE THAT THE OFFICE OF STATE BUDGET, IN CONSULTATION WITH CERTAIN AGENCIES, SHALL FORMAT THE DEPARTMENT OF EDUCATION'S BUDGET TO COMPLY WITH THE CHANGES MADE IN THIS ACT TO THE EDUCATION FINANCE ACT.

**03/18/04 House Introduced and read first time HJ-3**

**03/18/04 House Referred to Committee on Ways and Means HJ-6**