**A** **BILL**

TO ENACT THE “SOUTH CAROLINA ECONOMIC DEVELOPMENT AND EDUCATION INVESTMENT ACT OF 2012”.

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

SECTION 1. This act shall be known and may be cited as the “South Carolina Economic Development and Education Investment Act of 2012”.

SECTION 2. A. The Education Finance Act as contained in Chapter 20, Title 59 of the 1976 Code is amended in this section in order to consolidate sources of funding, including funding derived from the Education Improvement Act, Homestead Exemption Fund, and the South Carolina Public Education Program Fund, and to distribute funding based on weighted pupil units to reflect current student needs.

B. Chapter 20, Title 59 of the 1976 Code is amended to read:

“CHAPTER 20

Education Finance Act”

SECTION 3. A. The South Carolina Public Education Program and the South Carolina Public Education Program Fund are established as provided in this section to include the educational programs and services the State requires a local school district to provide in order that students receive quality instruction necessary to meet or exceed grade‑specific performance standards in the core academic areas of mathematics, English/language arts, social studies, history, government, economics, and geography, and science for kindergarten through twelfth grade while recognizing the importance of foreign languages, visual and performing arts, health, physical education, and career and occupational education in the overall academic, social, and physical development of students and achieve at the academic performance levels required by the state constitution and state law, including the Education Accountability Act pursuant to Chapter 18, Title 59.

B. Title 59 of the 1976 Code is amended by adding:

“CHAPTER 22

South Carolina Public Education Program and Fund”

SECTION 4. Chapter 37, Title 12 of the 1976 Code is amended by adding:

“Article 27

State Uniform Millage for Schools

Section 12‑37‑4000. (A) There is imposed an annual, permanent, and uniform statewide ad valorem tax on all taxable property, all revenues from which are appropriated to the South Carolina Public Education Program Fund. The tax imposed in this article may be cited as the ‘State Uniform Millage’ (SUM).

(B) The millage rate of the tax is one hundred mills as follows:”

SECTION 5. A. In order to make the imposition of ad valorem property taxes for school operating purposes and for other purposes more equitable and uniform on all classes of property, the General Assembly has determined to enact the provisions of this section.

B. Section 12‑37‑220(B) of the 1976 Code, as last amended by Act 279 of 2010, is further amended by adding a new item at the end to read:

“( ) Forty‑two and seventy‑five one hundredths percent of the property tax value, as defined pursuant to Section 12‑37‑3135(A)(5) of manufacturing property assessed for property tax purposes pursuant to Section 12‑43‑220(a)(1).”

C. Notwithstanding the exemption amount allowed pursuant to the unnumbered item added pursuant to subsection B. of this section, the percentage exemption amount is phased as follows:

D. Section 12‑37‑220(B) of the 1976 Code, as last amended by Act 279 of 2010, is further amended by adding a new item at the end to read:

“( ) Forty‑two and seventy‑five one hundredths percent of the property tax value of business personal property required to be reported and returned annually to the Department of Revenue or county auditors assessed for property tax purposes pursuant to Section 12‑43‑220(f).”

E. Notwithstanding the exemption amount allowed pursuant to the unnumbered item added pursuant to subsection D. of this section, the percentage exemption amount is phased in as follows:

SECTION 6. In order to implement the provisions of this act and conform other provisions of law to the provisions and requirements of this act, the following provisions in Title 12 and Title 59 of the 1976 Code, relating respectively to taxation and education, and in other titles of the 1976 Code are amended to read as follows:

SECTION 7. This act takes effect upon approval by the Governor.

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