**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑36‑2125 SO AS TO PROVIDE THAT THE SALES TAX EXEMPTION ON CERTAIN ITEMS NO LONGER APPLIES, AND TO CREDIT THE REVENUE ATTRIBUTABLE TO THE SALES TAX ON PREVIOUSLY EXEMPT ITEMS EQUALLY TO THE SOUTH CAROLINA PUBLIC EDUCATION PROGRAM FUND AND THE STATE HIGHWAY FUND.

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

SECTION 1. Article 21, Chapter 35, Title 12 of the 1976 Code is amended by adding:

“Section 12‑36‑2125. (A) Except as provided pursuant to subsection (B) of this section, and notwithstanding the provisions of Section 12‑36‑2120 and 12‑36‑2130 and any other provision of law allowing an exemption from the sales or use taxes imposed by the State pursuant to this chapter, the exemptions from state‑imposed sales and use tax allowed in such sections do not apply after July 1, 2016.

(B) The provisions of subsection (A) of this section do not apply to sales and use tax exemptions allowed pursuant to Section 12‑36‑2120(1), (2), (3), (9)(e) and (f), (10), (19), (22), (25), (29), (30), (33), (34), (36), (39), (41), (42), (44), (46), (47), (48), (57), (60), (61), (62), (63), (64), (65)(b), (67), and (74).

(C) The provisions of subsection (A) of this section do not apply with respect to sales and use taxes administered by the South Carolina Department of Revenue but which are imposed by or on behalf of a political subdivision of this State, including a school district.

(D) Notwithstanding any other provision of law providing for the crediting and use of state‑imposed sales and use tax revenues, fifty percent of such revenues attributable to the provisions of subsection (A) of this section must be credited the South Carolina Public Education Program Fund established in Section 59‑20‑35, and fifty percent must be credited to the State Highway Fund.”

SECTION 2. This act takes effect July 1, 2016.

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