**South Carolina General Assembly**

124th Session, 2021-2022

**S. 726**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Hutto

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Introduced in the Senate on April 6, 2021

Currently residing in the Senate Committee on **Finance**

Summary: Agricultural processor exemption

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

4/6/2021 Senate Introduced and read first time ([Senate Journal‑page 66](file:///h:\sj\20210406.docx))

4/6/2021 Senate Referred to Committee on **Finance**

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=726&session=124&summary=B) at the website

**VERSIONS OF THIS BILL**

[4/6/2021](file:///p:\pprever\2021-22\726_20210406.docx)

**A** **BILL**

TO AMEND SECTION 12‑36‑2120, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EXEMPTIONS FROM THE STATE SALES TAX, SO AS TO INCLUDE AN AGRIBUSINESS PROCESSOR AS A MANUFACTURING FACILITY FOR PURPOSES OF THE EXEMPTION ON CONSTRUCTION MATERIALS.

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

SECTION 1. Section 12‑36‑2120(67) of the 1976 Code is amended to read:

“(67) effective July 1, 2011, construction materials used in the construction of a new or expanded single manufacturing or distribution facility, or one that serves both purposes, with a capital investment of at least one hundred million dollars in real and personal property at a single site in the State over an eighteen‑month period, or effective November 1, 2009, construction materials used in the construction of a new or expanded single manufacturing facility where:

(i) the taxpayer invests at least seven hundred fifty million dollars in real or personal property or both comprising or located at the facility over a seven‑year period; and

(ii) the taxpayer creates at least three thousand eight hundred full‑time new jobs at the facility during that seven‑year period.

To qualify for this exemption, the taxpayer shall notify the department before the first month it uses the exemption and shall make the required investment over the applicable time period beginning on the date provided by the taxpayer to the department in its notices. The taxpayer shall notify the department in writing that it has met the investment requirement or, after the expiration of the applicable time period, that it has not met the investment requirement. The department may assess any tax due on construction materials purchased tax free pursuant to this subitem but due the State as a result of the taxpayer’s failure to meet the investment requirement. The running of the periods of limitations for assessment of taxes provided in Section 12‑54‑85 is suspended for the time period beginning with notice to the department before the taxpayer uses the exemption and ending with notice to the department that the taxpayer either has met or has not met the investment requirement.

As used in this subitem, ‘taxpayer’ includes a person who bears a relationship to the taxpayer as described in Section 267(b) of the Internal Revenue Code.

For purposes of this item, an agribusiness processor including, but not limited to, poultry processing, is deemed to be a manufacturing facility;”

SECTION 2. This act takes effect July 1, 2021.

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