~~Indicates Matter Stricken~~

Indicates New Matter

CONFERENCE COMMITTEE REPORT ADOPTED -- NOT PRINTED

June 15, 2022

**S. 233**

Introduced by Senator Turner

S. Printed 5/11/22--S.

Read the first time March 8, 2022.

**A** **BILL**

TO AMEND SECTION 12‑37‑220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO PROVIDE THAT A QUALIFIED SURVIVING SPOUSE MAY QUALIFY FOR AN EXEMPTION IF THE QUALIFIED SURVIVING SPOUSE OWNS THE HOUSE, AND TO PROVIDE THAT CERTAIN HEIRS PROPERTY QUALIFIES FOR THE EXEMPTION IF CERTAIN OTHER REQUIREMENTS ARE MET; TO AMEND SECTION 6‑1‑300, RELATING TO DEFINITIONS PERTAINING TO THE AUTHORITY OF LOCAL GOVERNMENTS TO ASSESS TAXES AND FEES, SO AS TO PROVIDE THAT A SERVICE OR USER FEE MUST BE USED TO THE NONEXCLUSIVE BENEFIT OF THE PAYERS; TO AMEND SECTION 6‑1‑330, RELATING TO A SERVICE OR USER FEE, SO AS TO PROVIDE THAT A PROVISION APPLIES TO AN ENTIRE ARTICLE, TO REQUIRE MILLAGE IMPOSED TO REPLACE A CERTAIN ROAD MAINTENANCE FEE MUST BE REPEALED BEFORE REIMPOSING A ROAD MAINTENANCE FEE, AND TO PROVIDE A REPORTING REQUIREMENT AND A LIABILITY PROVISION; TO AMEND SECTION 12‑39‑250, RELATING TO ADJUSTMENTS IN VALUATION AND ASSESSMENT FOR PURPOSES OF AD VALOREM TAXATION, SO AS TO REQUIRE AN ADJUSTMENT FOR DAMAGES CAUSED BY FLOODING OR A HURRICANE; AND TO AMEND SECTION 12‑37‑220, AS AMENDED, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO EXEMPT CERTAIN FARM BUILDINGS AND AGRICULTURAL STRUCTURES.

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

SECTION 1. Section 12‑37‑220(B)(1) of the 1976 Code is amended to read:

“(1)(a) the house owned by an eligible owner in fee or jointly with a spouse;

(b) the house owned by a qualified surviving spouse ~~acquired from the deceased spouse~~ and a house subsequently acquired by an eligible surviving spouse. The qualified surviving spouse shall inform the Department of Revenue of the address of a subsequent house;

(c) when a trustee holds legal title to a dwelling for a beneficiary and the beneficiary is a person who qualifies otherwise for the exemptions provided in subitems (a) and (b) and the beneficiary uses the dwelling as the beneficiary’s domicile, the dwelling is exempt from property taxation in the same amount and manner as dwellings are exempt pursuant to subitems (a) and (b);

(d) The Department of Revenue may require documentation it determines necessary to determine eligibility for the exemption allowed by this item.

(e) A person who owns an interest in a house and meets all other requirements of this item and is otherwise an eligible owner but for the ownership requirement is deemed to be an eligible owner and is eligible for the exemption allowed by this item so long as the county assessor certifies to the Department of Revenue that the house is located on heirs’ property and the person is the owner‑occupied resident of the house. A person eligible pursuant to this subitem must not claim the special assessment rate allowed pursuant to Section 12‑43‑220(c) on any other property. For purposes of this item, heirs’ property has the same meaning as provided in Section 15‑61‑320.

(f) As used in this item:

(i) ‘eligible owner’ means:

(A) a veteran of the armed forces of the United States who is permanently and totally disabled as a result of a service‑connected disability and who files with the Department of Revenue a certificate signed by the county service officer certifying this disability;

(B) a former law enforcement officer as further defined in Section 23‑23‑10, who is permanently and totally disabled as a result of a law enforcement service‑connected disability;

(C) a former firefighter, including a volunteer firefighter as further defined in Chapter 80, Title 40, who is permanently and totally disabled as a result of a firefighting service‑connected disability;

(ii) ‘permanently and totally disabled’ means the inability to perform substantial gainful employment by reason of a medically determinable impairment, either physical or mental, that has lasted or is expected to last for a continuous period of twelve months or more or result in death;

(iii) ‘qualified surviving spouse’ means the surviving spouse of an individual described in subsubitem (i) while remaining unmarried, who resides in the house, and who owns the house in fee or for life. Qualified surviving spouse also means the surviving spouse of a member of the armed forces of the United States who was killed in action, or the surviving spouse of a law enforcement officer or firefighter who died in the line of duty as a law enforcement officer or firefighter, as these terms are further defined in Section 23‑23‑10 and Chapter 80, Title 40, ~~who at the time of death owned the house in fee or jointly with the now surviving spouse,~~ if the surviving spouse remains unmarried, resides in the house, and has acquired ownership of the house in fee or for life;

(iv) ‘house’ means a dwelling and the lot on which it is situated classified in the hands of the current owner for property tax purposes pursuant to Section 12‑43‑220(c). However, for an eligible owner that qualifies pursuant to item (1)(e), ‘house’ means a dwelling that is eligible to be classified in the hands of the current owner for property tax purposes pursuant to Section 12‑43‑220(c) except for the ownership requirement.”

SECTION 2. A. Section 6‑1‑300(6) of the 1976 Code is amended to read:

“(6) ‘Service or user fee’ means a charge required to be paid in return for a particular government service or program ~~made available to the payer that benefits the payer in some manner different from the members of the general public not paying the fee~~. ‘Service or user fee’ also includes ‘uniform service charges’. The revenue generated from the fee must:

(a) be used to the benefit of the payers, even if the general public also benefits;

(b) only be used for the specific improvement contemplated;

(c) not exceed the cost of the improvement; and

(d) be uniformly imposed on all payers.”

B. Section 6‑1‑330(A) of the 1976 Code is amended to read:

“(A) A local governing body, by ordinance approved by a positive majority, is authorized to charge and collect a service or user fee. A local governing body must provide public notice of any new service or user fee being considered and the governing body is required to hold a public hearing on any proposed new service or user fee prior to final adoption of any new service or user fee. Public comment must be received by the governing body prior to the final reading of the ordinance to adopt a new service or user fee. A fee adopted or imposed by a local governing body prior to December 31, 1996, remains in force and effect until repealed by the enacting local governing body, notwithstanding the provisions of this ~~section~~ article.”

C. Section 6‑1‑330 of the 1976 Code is amended by adding appropriately lettered subsections to read:

“( ) A local governing body that repealed a road maintenance fee after June 30, 2021, and subsequently approved a millage increase for road maintenance, must repeal the millage imposed to replace the previous road maintenance fee before reimposing the road maintenance fee.

( ) A local governing body that imposes a user or service fee pursuant to Section 6‑1‑300(6) must publish the amount of dollars annually collected on each fee on the county’s website.”

D. Notwithstanding Section 8‑21‑30, et seq., no public officer shall be personally liable for any amount charged pursuant to SECTION 2.A.

E. This SECTION takes effect upon approval by the Governor and applies retroactively to any service or fee imposed after December 31, 1996.

SECTION 3. A. Section 12‑39‑250(B) of the 1976 Code is amended to read:

“(B) Notwithstanding any other provision of law, the county tax assessor or the County Board of Assessment Appeals, upon application of the taxpayer, must order the County Auditor to make appropriate adjustments in the valuation and assessment of any real property and improvements which have sustained damage as a result of fire, flooding, hurricane, or wind event provided, that the application for correction of the assessment is made prior to payment of the tax.”

B. Section 12‑37‑220(B)(14) of the 1976 Code is amended to read:

“(14) all farm buildings and agricultural structures owned by a producer in this State used to house livestock, poultry, crops, farm equipment, or farm supplies and all farm machinery and equipment including self‑propelled farm machinery and equipment except for motor vehicles licensed for use on the highways. For the purpose of this section ‘self‑propelled farm machinery and equipment’ means farm machinery or equipment which contains within itself the means for its own locomotion. For purposes of this item, farm equipment includes greenhouses;”

C. This SECTION takes effect upon approval by the Governor and applies to property tax years beginning after 2021.

SECTION 4. This act takes effect upon approval by the Governor.

/s/Sen. Daniel B. Verdin III /s/Rep. Heather Ammons Crawford

/s/Sen. Tom Davis /s/Rep. Lee Hewitt

/s/Sen. Kent M. Williams /s/Rep. J. David Weeks

On Part of the Senate. On Part of the House.

‑‑‑‑XX‑‑‑‑