AMENDED

April 6, 2022

**H. 3120**

Introduced by Reps. Hyde, V.S. Moss, Cobb‑Hunter, Long, Cogswell, W. Cox, Gagnon, T. Moore, W. Newton, Finlay, Huggins, Ballentine, Caskey, Wooten, Crawford, Henderson‑Myers, Erickson, Bradley, Herbkersman, J.E. Johnson, Carter, S. Williams and Rivers

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Read the first time January 12, 2021.

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑6‑3810 SO AS TO PROVIDE FOR AN INCOME TAX CREDIT TO A PROPERTY OWNER WHO ENCUMBERS HIS PROPERTY WITH A PERPETUAL RECREATIONAL TRAIL EASEMENT.

Amend Title To Conform

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

SECTION 1. Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑3810. (A) A taxpayer who encumbers his property with a perpetual recreational trail easement and right of way is allowed a one-time income tax credit equal to ten cents for each square foot of the property that is encumbered by the recreational trail easement.

(B) The easement and right of way must be held by a municipality or county within the State or by a Land Trust Alliance accredited land trust and must be recorded with the appropriate Register of Deeds. The easement must include an agreement with the municipality, county, or land trust to grant access to the general public and address improvements to the trail, which could include pavement or soft-surface trails and maintenance.

(C) To qualify for this tax credit, the trail must provide a connection between a trail within a municipality’s or county’s regional trail system plan in this State and a local or regional attraction or point of interest. User groups may include equestrians, pedestrians, bicyclists, and other non-motorized users. Local or regional points of interest include other trails, parks, waterways, or other recreational and open space attractions, retail centers, arts and cultural facilities, transportation facilities, residential concentrations, or similar destinations.

(D) If the credit exceeds the taxpayer’s tax liability for the taxable year, the excess amount may be carried forward for credit against income taxes in the next five succeeding taxable years.

(E) To receive the credit the taxpayer shall claim the credit on his income tax or withholding return in a manner prescribed by the department. The department may require any information that it determines is necessary for the calculation of the credit provided by this section.

(F) The maximum amount of tax credits allowed to all qualifying taxpayers pursuant to this section may not exceed one million dollars for each calendar year.”

SECTION 2. This act takes effect upon approval by the Governor and applies to income tax years beginning after 2020. This act is repealed on January 1, 2026, and is no longer effective for any income tax year after 2025.

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