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COMMITTEE REPORT

March 31, 2022

**H. 3669**

Introduced by Reps. Hart, Gilliard and Weeks

S. Printed 3/31/22--H.

Read the first time January 14, 2021.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (H. 3669) to amend Section 12‑37‑610, Code of Laws of South Carolina, 1976, relating to persons liable for taxes and assessments on real property, so as to, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

G. MURRELL SMITH, JR. for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Local Revenue**

This bill allows a veteran of the Armed Forces of the United States, who is permanently and totally disabled as a result of a service-connected disability, to immediately claim a property tax exemption for his owner-occupied property. The veteran must file with the Department of Revenue (DOR) certifying the disability to receive this exemption.

Currently, veteran of the Armed Forces of the United States, who is permanently and totally disabled as a result of a service-connected disability, may claim a property tax exemption of his owner-occupied property. But the exemption does not take effect until the year following the approval from DOR. This bill would allow veteran to receive the exemption one year earlier. According to DOR, 3,185 disabled veterans qualified for this exemption in TY 2020. This represents less than 1 percent of the total owner-occupied properties statewide. This bill will result in a minimal impact to local property tax revenue as there are a limited number of properties that would receive the exemption one year earlier. Additionally, RFA anticipates that local governing entities will adjust millage rates, within the millage rate limitations, to offset any loss of property tax revenue due to this bill. Therefore, this bill will result in a minimal local property tax revenue loss.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 12‑37‑610, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO PERSONS LIABLE FOR TAXES AND ASSESSMENTS ON REAL PROPERTY, SO AS TO PROVIDE THAT CERTAIN DISABLED VETERANS OF THE ARMED FORCES OF THE UNITED STATES ARE EXEMPT FROM PROPERTY TAXES IN THE YEAR IN WHICH THE DISABILITY OCCURS.

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

SECTION 1. Section 12‑37‑610 of the 1976 Code is amended to read:

“Section 12‑37‑610. (A) Each person is liable to pay taxes and assessments on the real property that, as of December thirty‑first of the year preceding the tax year, he owns in fee, for life, or as trustee, as recorded in the public records for deeds of the county in which the property is located, or on the real property that, as of December thirty‑first of the year preceding the tax year, he has care of as guardian, executor, or committee or may have the care of as guardian, executor, trustee, or committee.

(B) Notwithstanding any other provision of law, 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 a certificate signed by the county service officer certifying this disability, and who otherwise meets the requirements of Section 12‑37‑220(B)(1) may immediately claim the exemption for the entire year in which the disability occurs.”

SECTION 2. This act takes effect upon approval by the Governor and applies to property tax years beginning after 2020 and any open period less than three years.

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