

Statement of Estimated Local Revenue Impact

Date: January 22, 2014

Bill Number: S. 911

Authors: Peeler

Committee Requesting Impact: Senate Finance Committee

Bill Summary

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY REPEALING SECTION 4-10-470 RELATING TO THE EDUCATION CAPITAL IMPROVEMENTS SALES AND USE TAX, SO AS TO DELETE THE REQUIREMENT THAT A COUNTY MUST COLLECT AT LEAST SEVEN MILLION DOLLARS IN A YEAR IN STATE ACCOMMODATIONS TAXES BEFORE IMPOSING THE TAX.

REVENUE IMPACT ^{1/}

This bill would affect the eligibility requirements concerning the Education Capital Improvements Sales and Use Tax. Removing section 4-10-470 would allow the remaining 44 of the 46 counties in the state to impose this tax.

Explanation

Pursuant to section 4-10-470 of the Code of Laws of South Carolina, in order to impose the Education Capital Improvements Sales and Use Tax, a county is required to have collected at least \$7 million in state accommodations taxes in a full fiscal year. Currently, Charleston and Horry County are the only eligible counties; both counties impose the Education Capital Improvements Sales and Use Tax. Removing this section would make all remaining counties eligible to impose this tax.



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^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact of Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.