South Carolina Office of Research and Statistics  
Statement of Estimated Local Revenue Impact

Date: March 1, 2011
Bill Number: H.B. 3063
Authors: Merrill
Committee Requesting Impact: House Ways and Means

Bill Summary
A bill to amend the Code of Laws of South Carolina, 1976, by adding Section 12-43-219 so as to provide that if the boundaries of a municipality extend into more than one county and those counties implement countywide appraisal and equalization programs on different schedules, then the governing body of the municipality shall set an equivalent millage to be used thereafter to compute municipal ad valorem property taxes, to provide for the manner in which the equivalent millage shall be determined, and to provide that the above provisions are retroactive to the 2009 property tax year.

REVENUE IMPACT
This bill is not expected to impact State revenues. This bill is not expected to negatively impact local revenues.

Explanation
Under current law, when a county implements a reassessment and equalization program all the properties in the county are reassessed up to the 15% cap. This bill would require a municipality that is in more than one county to calculate an equivalent millage to be used when the different counties that the municipality is located in do not implement reassessment in the same year. This codifies and standardizes what is already common practice across most of the State. The purpose of this equivalent millage would be to equalize the tax burdens within the municipality. We have identified 19 municipalities that are in more than one county. Since the purpose of this bill is to equalize the tax burden in municipalities that cross county lines and do not implement reassessment programs in the same year, municipalities are expected to set an equivalent millage that maintains their revenue stream. Therefore, this bill is not expected to negatively impact local revenues.

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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 or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

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