Statement of Estimated Local Revenue Impact

Date: March 7, 2013
Bill Number: S. 292
Author: Peeler
Committee Requesting Impact: Senate Finance Committee

Bill Summary
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 exempt one private passenger motor vehicle owned or leased by an individual who is blind or who has a severe visual disability if the vehicle is used to transport that owner or lessee and to conform to current usage in describing the vehicle eligible for the exemption.

REVENUE IMPACT 1/
This bill is not expected to impact State revenues. Local property tax revenue is expected to be reduced by approximately $4,451,000 in FY 2013-14.

Explanation
This bill would allow a property tax exemption for one private passenger motor vehicle owned or leased by an individual who is blind or has a severe visual disability if the vehicle is used to transport the owner/lessee. Currently, one vehicle owned by the legal guardian of a minor who is blind is already exempt from property taxes. This bill would, therefore, mainly impact vehicles owned by anyone blind aged 18 or over. The SC Commission for the Blind estimates that 1% of SC residents, or 46,792 people, would qualify as blind or severely visually disabled as outlined in the bill. Based upon demographic data from the Census Bureau and accounting for individuals in institutions or already exempt under another section, we estimate that approximately 34,719 blind or severely visually disabled individuals would newly qualify for this exemption. Of these people expected to qualify, we anticipate that 93% will have a vehicle registered in their name based upon Census data for the percentage of SC households with at least one vehicle available. Therefore, exempting one vehicle from property taxes owned or leased by 32,289 of the individuals expected to qualify would reduce local property tax revenue by approximately $4,451,000 in FY 2013-14. This estimate is less than one percent of the total projected property that revenue for vehicles.

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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 or Section 5-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.