April 12, 2011

The Honorable McLain R. “Mac” Toole
323D Blatt Building
Columbia, South Carolina 29201

Dear Representative Toole:

I am writing to let you know that, today, I signed into law H.3806, R-31, a joint resolution which you and members of the Lexington County delegation sponsored to provide a property tax credit to refund overpayments of owner-occupied residential property taxes in Lexington County.

In signing this bill I want to make clear that while H.3806 affects only Lexington County, I do not believe it violates the Home Rule provision of the South Carolina Constitution – Article VIII, Section 7 – because the bill deals with a very specific, unique problem that current general law does not address. Therefore, I believe the bill to be constitutional.

As you know, H.3806 is the sole remedy for refunding overpayments of property taxes as a result of the South Carolina Supreme Court’s 2009 decision in Berkeley County School District et al. v. South Carolina Department of Revenue which held that construction lease-purchase obligations must be exempted from millage imposed on property owners. This decision requires Lexington County to provide a tax credit to taxpayers, and because there is no effective means under current state law to provide the credit, enactment of H.3806 is necessary.

For the reasons stated above, I have signed H.3806, R-31 into law today.

Sincerely,

Nikki R. Haley

cc: Members of the Lexington Delegation