



State Of South Carolina Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

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,

A handwritten signature in cursive script that reads "Nikki R. Haley".

Nikki R. Haley

cc: Members of the Lexington Delegation