**South Carolina General Assembly**

123rd Session, 2019-2020

**H. 3412**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. G.R. Smith

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Introduced in the House on January 8, 2019

Currently residing in the House Committee on **Ways and Means**

Summary: Sales and Use Tax Collection Protection Act

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/18/2018 House Prefiled

12/18/2018 House Referred to Committee on **Ways and Means**

1/8/2019 House Introduced and read first time ([House Journal‑page 230](file:///h:\hj\20190108.docx))

1/8/2019 House Referred to Committee on **Ways and Means** ([House Journal‑page 230](file:///h:\hj\20190108.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=3412&session=123&summary=B) at the website

**VERSIONS OF THIS BILL**

[12/18/2018](file:///p:\pprever\2019-20\3412_20181218.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT THE “SALES AND USE TAX COLLECTION PROTECTION ACT” BY ADDING SECTION 12‑36‑2697 SO AS TO PROVIDE THAT THE CIRCUIT COURTS OF THIS STATE HAVE JURISDICTION OVER CERTAIN CIVIL ACTIONS WHEREBY ANOTHER STATE ASSERTS THAT A SOUTH CAROLINA BUSINESS MUST COLLECT AND REMIT SALES AND USE TAXES TO THAT STATE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. This act may be cited as the ‘Sales and Use Tax Collection Protection Act’.

SECTION 2. Article 25, Chapter 36, Title 12 of the 1976 Code is amended by adding:

“Section 12‑36‑2697. (A) The circuit courts of this State shall have original jurisdiction over civil actions seeking declaratory judgment where:

(1) the party seeking declaratory relief is a business that:

(a) is organized under the laws of this State or a sole proprietorship owned by a South Carolina domiciliary; or

(b) has qualified to do business in this State; and

(2) the responding party is a governmental official of another state, or political subdivision of another state, who asserts that the business in question is obliged to collect sales or use taxes for such state or political subdivision based upon conduct of the business that occurs wholly or partially within this State.

(B) Any business meeting the requirements and facing the circumstances set forth in subsection (A) is entitled to declaratory relief on the issue of whether the requirement of another state, or political subdivision of another state, that the business collect and remit sales or use taxes to that state, or political subdivision, in the factual circumstances of the business’ operations giving rise to the demand, constitutes an undue burden on interstate commerce within the meaning of Article I, Section 8, Clause 3 of the United States Constitution.”

SECTION 3. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 4. This act takes effect upon approval by the Governor.

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