**South Carolina General Assembly**

125th Session, 2023-2024

**H. 5114**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Herbkersman and Sandifer

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Introduced in the House on February 15, 2024

Currently residing in the House Committee on **Labor, Commerce and Industry**

Summary: Business license tax

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 2/15/2024 House Introduced and read first time (House Journal‑page 15)

 2/15/2024 House Referred to Committee on **Labor, Commerce and Industry** (House Journal‑page 15)

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=5114&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[02/15/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/5114_20240215.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 6-1-420, RELATING TO ASSISTANCE IN COLLECTION OF BUSINESS LICENSE TAX DUE, SO AS TO PROHIBIT THE THIRD PARTY FROM CONTACTING THE BUSINESS OR ANOTHER ENTITY THAT THE BUSINESS CONTRACTS WITH WHEN THE BUSINESS NOTIFIES THE TAXING JURISDICTION.

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

SECTION 1. Section 6-1-420(A) of the S.C. Code is amended to read:

 Section 6-1-420. (A) Notwithstanding Section 5-7-300, a taxing jurisdiction may contract by ordinance with an individual, firm, or organization to assist the taxing jurisdiction in collecting property or business license taxes. A private third-party entity is prohibited from assessing business license taxes or requiring a business entity to remit confidential business license tax data to that private third party on behalf of a taxing jurisdiction. This section may not prohibit a taxing jurisdiction from contracting with a third-party entity in assisting in the collection of business license taxes. For the purposes of this section, assisting in the collection of business license taxes is limited to a contractual agreement with a taxing jurisdiction for a third party to identify, through publicly available records, businesses that are operating within the contracting taxing jurisdiction without a business license, to provide that identification to a taxing jurisdiction, to communicate with those businesses identified to determine whether any business license taxes are due and owing, and to assist those businesses that owe a business license tax with paying the relevant taxing jurisdiction. The third party may also assist the contracting taxing jurisdiction with providing, by United States official mail or electronic mail, the taxing jurisdiction’s business license form, along with a self-addressed envelope containing the taxing jurisdiction address, to identified businesses on behalf of the taxing jurisdiction. If a business requests in writing to the taxing jurisdiction that the third party cease communication with the business, then the third party is strictly prohibited from any further contact with the business or another entity that the business contracts with. A third party assisting in the collection of business license taxes as defined in this section is prohibited from retaining personal or proprietary information from the identified business.

SECTION 2. This act takes effect upon approval by the Governor.

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