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## **REPORT OF THE PROPERTY TAX SUBCOMMITTEE**

(G.R. Smith, Clyburn, Merrill, Bales & Clemmons - Staff Contact: Kenzie Riddle)

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### **HOUSE BILL 4577**

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H. 4577 -- Rep. White: A BILL TO AMEND SECTION 12-37-2460, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CREDITING OF AIRCRAFT PROPERTY TAXES, SO AS TO CREDIT THE PROCEEDS OF THE TAX TO THE STATE AVIATION FUND; AND TO AMEND SECTION 55-5-280, AS AMENDED, RELATING TO THE STATE AVIATION FUND, SO AS TO MAKE A CONFORMING CHANGE.

***Summary of Bill:***

This bill would allow the proceeds of the aircraft property taxes to go to the State Aviation Fund.

***Estimated Revenue Impact:***

This bill would reduce General Fund aircraft tax revenue by \$4,859,000 and increase revenue to the State Aviation Fund by \$4,859,000 in FY 2016-17.

***Subcommittee Recommendation:***

Favorable

***Full Committee Recommendation:***

Pending



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 4577  
**Author:** White  
**Subject:** State Aviation Fund  
**Requestor:** House Ways and Means  
**RFA Analyst(s):** Jolliff  
**Impact Date:** February 3, 2016

**Estimate of Fiscal Impact**

	FY 2016-17	FY 2017-18
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	(\$4,859,000)	\$0
Other and Federal	\$4,859,000	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill would reduce General Fund aircraft tax revenue by \$4,859,000 and increase revenue to the State Aviation Fund by \$4,859,000 in FY 2016-17.

**Explanation of Fiscal Impact**

**State Expenditure**

N/A

**State Revenue**

This bill would credit all funds collected from the statewide property tax on aircraft to the State Aviation Fund beginning in FY 2016-17. Currently, the first five million dollars collected is credited to the General Fund, the next five million dollars is credited to the State Aviation Fund, and funds in excess of ten million dollars are distributed equally to the General Fund and the State Aviation Fund. The estimated total aircraft tax revenue for FY 2016-17 is \$4,859,000. This bill would reduce General Fund aircraft tax revenue by \$4,859,000 and increase revenue to the State Aviation Fund by \$4,859,000 in FY 2016-17.

**Local Expenditure**

N/A

**Local Revenue**

N/A

Frank A. Rainwater, Executive Director

**South Carolina General Assembly**  
121st Session, 2015-2016

**H. 4577**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. White, Bales, Merrill, D.C. Moss and G.R. Smith

Document Path: I:\council\bill\bh\26391dg16.docx

Introduced in the House on January 12, 2016

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

Summary: State Aviation Fund

**HISTORY OF LEGISLATIVE ACTIONS**

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
12/10/2015	House	Prefiled
12/10/2015	House	Referred to Committee on <b>Ways and Means</b>
1/12/2016	House	Introduced and read first time ( <a href="#">House Journal-page 110</a> )
1/12/2016	House	Referred to Committee on <b>Ways and Means</b> ( <a href="#">House Journal-page 110</a> )
1/13/2016	House	Member(s) request name added as sponsor: D.C.Moss, G.R.Smith

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**VERSIONS OF THIS BILL**

12/10/2015

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**A BILL**

TO AMEND SECTION 12-37-2460, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CREDITING OF AIRCRAFT PROPERTY TAXES, SO AS TO CREDIT THE PROCEEDS OF THE TAX TO THE STATE AVIATION FUND; AND TO AMEND SECTION 55-5-280, AS AMENDED, RELATING TO THE STATE AVIATION FUND, SO AS TO MAKE A CONFORMING CHANGE.

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

SECTION 1. Section 12-37-2460 of the 1976 Code is amended to read:

“Section 12-37-2460. The proceeds collected under this article shall be paid into the ~~general fund of the State~~ Aviation Fund.”

SECTION 2. Section 55-5-280(B) of the 1976 Code, as last amended by Act 270 of 2012, is further amended to read:

~~“(B) In any fiscal year in which the tax levied by the State pursuant to Section 12-37-2410, et seq., exceeds five million dollars, the revenues in excess of five million dollars must be directed to the State Aviation Fund; however, any revenue in excess of ten million dollars must be credited in equal amounts to the general fund and the State Aviation Fund Reserved.”~~

SECTION 3. This act takes effect upon approval by the Governor and first applies to Fiscal Year 2016-2017.

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