

REPORT OF THE PROPERTY TAX SUBCOMMITTEE

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

SENATE BILL 460

S. 460 -- Senator Campsen: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12-43-370 SO AS TO PROVIDE THAT A COUNTY IN THIS STATE MAY ALLOW A TAXPAYER THE OPTION TO RECEIVE CERTAIN PROPERTY TAX BILLS AND RECEIPTS IN ELECTRONIC FORM, TO REQUIRE A PARTICIPATING COUNTY TO MAINTAIN PROOF THAT AN EMAIL WAS SENT TO A TAX PAYER, AND TO REQUIRE A PARTICIPATING COUNTY TO CREATE AN APPLICATION PROCESS AND TO PUBLISH THE APPLICATION PROCESS.

Summary of Bill:

The bill allows a taxpayer to elect to receive certain property tax bills and receipts in electronic form. Any participating county will need to create and publish an application process on their website.

Introduced: 01/10/2014

Received by Ways and Means: 01/10/2014

Estimated Fiscal Impact:

The responding county governments indicate this bill would require additional expenditures, but could not place a dollar amount on the amount of expenses to be incurred. Additionally, the provisions of this bill apply only to the counties wishing to provide certain electronic tax bills and receipts to taxpayers. Therefore, the Office of Revenue and Fiscal Affairs could not provide an estimate of the expenditure impact on county governments.

Subcommittee Recommendation:

Favorable with amendment

Full Committee Recommendation:

Pending

Other Notes/Comments:

Amendment would allow for agricultural real property that is being assessed is transferred to another person, and the new owner says the use of the property will not change, then the property must continue to be assessed as agricultural property. The amendment also allows the Department of Revenue to file and index tax liens to the public over the Internet or through other means the department considers appropriate.

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

ALLEN/PAIR
MAY 11, 2016

CLERK OF THE HOUSE

PROPERTY TAX SUBCOMMITTEE PROPOSES THE FOLLOWING
AMENDMENT No. TO S. 460
(COUNCIL\DKA\460C004.DKA.SA16):

REFERENCE IS TO PRINTER'S DATE 3/24/15--S.

**AMEND THE BILL, AS AND IF AMENDED, BY ADDING
APPROPRIATELY NUMBERED SECTIONS TO
READ:**

**/ SECTION _ . A. SECTION 12-54-122(G) OF
THE 1976 CODE IS AMENDED BY ADDING AN
APPROPRIATELY NUMBERED ITEM AT THE END TO
READ:**

**“() INSTEAD OF THE FILING OF THE TAX LIEN
NOTICE PURSUANT TO ITEM (1), THE DEPARTMENT**

MAY IMPLEMENT A SYSTEM OF FILING AND INDEXING LIENS WHICH MUST BE ACCESSIBLE TO THE PUBLIC OVER THE INTERNET OR THROUGH OTHER MEANS AS THE DEPARTMENT CONSIDERS APPROPRIATE. THE LIENS FILED PURSUANT TO THIS ITEM ARE EFFECTIVE STATEWIDE FROM THE DATE AND TIME THEY ARE RECORDED AND ENCUMBER ALL THE TAXPAYER'S PROPERTY AND RIGHTS TO PROPERTY AS PROVIDED IN SECTION 12-54-120, REGARDLESS OF THE PROPERTY'S LOCATION. LIENS FILED UNDER ITEM (1) CONTINUE TO BE EFFECTIVE FROM THE DATE AND TIME THEY WERE RECORDED. NOTHING IN THIS ITEM MAY BE CONSTRUED SO AS TO EXTEND THE EFFECTIVENESS OF THE LIEN BEYOND TEN YEARS FROM THE DATE OF FILING, AS PROVIDED IN SECTION 12-54-120."

B. THIS SECTION TAKES EFFECT JULY 1, 2016. /

SECTION __. A. ARTICLE 3, CHAPTER 43, TITLE 12 OF THE 1976 CODE IS AMENDED BY ADDING:

“SECTION 12-43-235. (A)

NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF AGRICULTURAL REAL PROPERTY BEING ASSESSED PURSUANT TO SECTION 12-43-220(D), IS TRANSFERRED TO ANOTHER PERSON, AND THE NEW OWNER CERTIFIES THAT THE USE OF THE PROPERTY WILL NOT CHANGE, THEN THE CERTIFICATION IS CONSIDERED TO BE AN APPLICATION FOR THE ASSESSMENT PURSUANT TO SECTION 12-43-220(D), AND THE PROPERTY MUST CONTINUE TO BE ASSESSED PURSUANT TO SECTION 12-43-220(D), UNLESS THE PROPERTY DOES NOT OTHERWISE QUALIFY.

(B) THE ASSESSOR OF EACH COUNTY SHALL DEVELOP A FORM BY WHICH A PERSON MAY MAKE A CERTIFICATION PURSUANT TO SUBSECTION (A).

(C)(1) IF AGRICULTURAL REAL PROPERTY IS SOLD OR IS CONVEYED IN A MANNER IN WHICH AN ATTORNEY IS REQUIRED BY LAW TO CLOSE THE TRANSACTION, THE CLOSING ATTORNEY MUST PROVIDE THE NEW OWNER WITH THE

CERTIFICATION FORM DEVELOPED PURSUANT TO SUBSECTION (B), AND THE NEW OWNER MUST SIGN AN ACKNOWLEDGEMENT DECLARING RECEIPT OF THE CERTIFICATION FORM.

(2) IF AGRICULTURAL REAL PROPERTY IS TRANSFERRED BY A DEED OF DISTRIBUTION OR THROUGH ANY OTHER METHOD OF PROBATE, BEFORE CLOSING THE ESTATE, THE PROBATE COURT MUST PROVIDE THE NEW OWNER WITH THE CERTIFICATION FORM DEVELOPED PURSUANT TO SUBSECTION (B), AND THE NEW OWNER MUST SIGN AN ACKNOWLEDGEMENT DECLARING RECEIPT OF THE CERTIFICATION FORM.

(D) IF THE ASSESSOR DOES NOT RECEIVE A SIGNED CERTIFICATION FORM FROM THE NEW OWNER WITHIN SIXTY DAYS OF THE TRANSFER, THE ASSESSOR MUST NOTIFY THE NEW OWNER OF THE IMPENDING CHANGE IN ASSESSMENT RATIO UNLESS THE NEW OWNER MAKES THE CERTIFICATION PURSUANT TO SUBSECTION (A), OR OTHERWISE APPLIES TO BE ASSESSED

PURSUANT TO SECTION 12-43-220(D). THIS NOTIFICATION MUST INCLUDE THE CERTIFICATION FORM AND INFORMATION REGARDING THE MANNER IN WHICH A PERSON MAY APPLY TO BE ASSESSED PURSUANT TO SECTION 12-43-220(D). IF THE ASSESSOR DOES NOT RECEIVE A RESPONSE FROM THE NEW OWNER WITHIN THIRTY DAYS OF INITIALLY NOTIFYING THE NEW OWNER, THE ASSESSOR MUST NOTIFY THE NEW OWNER AGAIN IN THE SAME MANNER.”

B. THIS SECTION TAKES EFFECT UPON APPROVAL BY THE GOVERNOR AND APPLIES TO PROPERTY TAX YEARS BEGINNING AFTER 2015. /

**RENUMBER SECTIONS TO CONFORM.
AMEND TITLE TO CONFORM.**



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
(803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number: S. 0460 As amended by Senate Finance on March 10, 2015
Author: Campsen
Requestor: Senate Finance
Date: March 12, 2015
Subject: Tax bills
RFA Analyst(s): Wren

Estimate of Fiscal Impact

	FY 2015-16	FY 2016-17
State Expenditure		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
Local Expenditure	Insufficient data	N/A
Local Revenue	N/A	N/A

Fiscal Impact Summary

The responding county governments indicate this bill would require additional expenditures, but could not place a dollar amount on the amount of expenses to be incurred. Additionally, the provisions of this bill apply only to the counties wishing to provide certain electronic tax bills and receipts to taxpayers. Therefore, our office cannot provide an estimate of the expenditure impact on county governments.

Explanation of Fiscal Impact

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

Explanation of Amendment (March 10, 2015) – By the Finance Property Taxation Subcommittee

This amendment would strike Section 12-43-370(B) and insert changes which provide that the provisions of this Section are only for the counties wishing to provide certain electronic tax bills and receipts to taxpayers.

The Revenue and Fiscal Affairs Office contacted all forty-six county governments regarding the expenditure impact of this bill and received responses from eight counties.

Charleston County. Charleston County reports this bill would likely require additional staffing.

Cherokee County. Cherokee County reports this bill could likely save on printing and postage costs, but would require the expenditure of additional funds for software and administration.

Clarendon County. Clarendon County reports this bill would require the expenditure of additional funds on software and labor.

Florence County. Florence County reports this bill would save on postage.

Greenwood County. Greenwood County indicates this bill would potentially require the expenditure of additional funds for administration.

Saluda County. Saluda County reports this bill would require the expenditure of additional funds on software and possibly additionally employees.

Williamsburg County. Williamsburg County reports this bill would require the expenditure of additional funds on software and labor.

York County. York County reports this bill would require the expenditure of additional funds on software and internal overhead.

Seven of the eight responding county governments indicate this bill would require additional expenditures, but could not place a dollar amount on the amount of expenses to be incurred. Additionally, the provisions of this bill apply only to the counties wishing to provide certain electronic tax bills and receipts to taxpayers. Therefore, our office cannot provide an estimate of the expenditure impact on county governments.

Explanation of Update (March 10, 2015)

The Revenue and Fiscal Affairs Office received additional responses from county governments regarding the expenditure impact of this bill. Additional responses were received from Charleston, Cherokee and Clarendon Counties.

Charleston County. Charleston County reports this bill would likely require additional staffing.

Cherokee County. Cherokee County reports this bill could likely save on printing and postage costs, but would require the expenditure of additional funds for software and administration.

Clarendon County. Clarendon County reports this bill would require the expenditure of additional funds on software and labor.

Florence County. Florence County reports this bill would save on postage.

Greenwood County. Greenwood County indicates this bill would potentially require the expenditure of additional funds for administration.

Saluda County. Saluda County reports this bill would require the expenditure of additional funds on software and possibly additionally employees.

Williamsburg County. Williamsburg County reports this bill would require the expenditure of additional funds on software and labor.

York County. York County reports this bill would require the expenditure of additional funds on software and internal overhead.

Seven of the eight responding county governments indicate this bill would require additional expenditures, but could not place a dollar amount on the amount of expenses to be incurred. Therefore, our office cannot provide an estimate of the expenditure impact on county governments.

Explanation of Bill filed February 17, 2015

This bill adds Section 12-43-370, which allows a taxpayer the option to receive certain property tax bills and receipts in electronic form. Each county may determine to which classes of property this provision applies. Also, participating counties must create an application process to allow taxpayers to submit email addresses and must publish the application process on the county's website.

The Revenue and Fiscal Affairs Office contacted all forty-six county governments regarding the expenditure impact of this bill and received responses from five counties.

Florence County. Florence County reports this bill would save on postage.

Greenwood County. Greenwood County indicates this bill would potentially require the expenditure of additional funds for administration.

Saluda County. Saluda County reports this bill would require the expenditure of additional funds on software and possibly additionally employees.

Williamsburg County. Williamsburg County reports this bill would require the expenditure of additional funds on software and labor.

York County. York County reports this bill would require the expenditure of additional funds on software and internal overhead.

Four of the five responding county governments indicate this bill would require additional expenditures, but could not place a dollar amount on the amount of expenses to be incurred. Therefore, our office cannot provide an estimate of the expenditure impact on county governments.

Local Revenue

N/A


Frank A. Rainwater, Executive Director

South Carolina General Assembly
121st Session, 2015-2016

S. 460

STATUS INFORMATION

General Bill

Sponsors: Senator Campsen

Document Path: I:\council\bill\dka\3066sa15.docx

Introduced in the Senate on February 17, 2015

Introduced in the House on April 14, 2015

Last Amended on March 24, 2015

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

Summary: Tax bills

HISTORY OF LEGISLATIVE ACTIONS

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
2/17/2015	Senate	Introduced and read first time (Senate Journal-page 7)
2/17/2015	Senate	Referred to Committee on Finance (Senate Journal-page 7)
3/18/2015	Senate	Committee report: Favorable with amendment Finance (Senate Journal-page 12)
3/24/2015	Senate	Committee Amendment Adopted (Senate Journal-page 18)
3/24/2015	Senate	Read second time (Senate Journal-page 18)
3/24/2015	Senate	Roll call Ayes-39 Nays-0 (Senate Journal-page 18)
3/26/2015	Senate	Read third time and sent to House (Senate Journal-page 24)
4/14/2015	House	Introduced and read first time (House Journal-page 33)
4/14/2015	House	Referred to Committee on Ways and Means (House Journal-page 33)

View the latest [legislative information](#) at the website

VERSIONS OF THIS BILL

[2/17/2015](#)

[3/18/2015](#)

[3/24/2015](#)

1 COMMITTEE AMENDMENT ADOPTED
2 March 24, 2015

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S. 460

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Introduced by Senator Campsen

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8 S. Printed 3/24/15--S.

9 Read the first time February 17, 2015.

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[460-1]

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A BILL

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TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA,
1976, BY ADDING SECTION 12-43-370 SO AS TO PROVIDE
THAT A COUNTY IN THIS STATE MAY ALLOW A
TAXPAYER THE OPTION TO RECEIVE CERTAIN
PROPERTY TAX BILLS AND RECEIPTS IN ELECTRONIC
FORM, TO REQUIRE A PARTICIPATING COUNTY TO
MAINTAIN PROOF THAT AN EMAIL WAS SENT TO A TAX
PAYER, AND TO REQUIRE A PARTICIPATING COUNTY TO
CREATE AN APPLICATION PROCESS AND TO PUBLISH
THE APPLICATION PROCESS.

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Amend Title To Conform

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

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SECTION 1. Article 3, Chapter 43, Title 12 of the 1976 Code is
amended by adding:

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“Section 12-43-370. (A) A county may allow a taxpayer to
elect to receive his property tax bill and receipt in electronic form,
and if the taxpayer makes the election, the county shall email the
property tax bill and receipt each year unless the taxpayer elects to
no longer obtain his bill and receipt electronically. The date the
property tax bill or receipt is sent electronically is considered the
date the bill or receipt is mailed. Each county may determine to
which classes of property this section applies. The county shall
maintain a record of the taxpayer’s election to participate and retain
the date of the electronic transmission of the property tax bill or
receipt as proof they were sent. This section does not apply to
delinquent notices.

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(B) Each county electing to utilize the provisions of this section
shall create an application process to allow a taxpayer to submit his

1 email address to the county. A county electing to utilize the
2 provisions of this section shall advertise the application process for
3 two weeks in a newspaper printed and circulated in the county and
4 may publish the application process on the county's website or on
5 the property tax bill.

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

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