**South Carolina General Assembly**

121st Session, 2015-2016

**A269, R239, S1122**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Rankin, Cleary and Hembree

Document Path: l:\council\bills\bbm\9447dg16.docx

Companion/Similar bill(s): 5011

Introduced in the Senate on February 25, 2016

Introduced in the House on April 28, 2016

Last Amended on June 1, 2016

Passed by the General Assembly on June 2, 2016

Governor's Action: June 6, 2016, Signed

Summary: Local option tourism fee

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/25/2016 Senate Introduced and read first time ([Senate Journal‑page 5](file:///h:\SJ%20Archive\2016\02-25-16.docx))

2/25/2016 Senate Referred to Committee on **Finance** ([Senate Journal‑page 5](file:///h:\SJ%20Archive\2016\02-25-16.docx))

4/14/2016 Senate Committee report: Favorable **Finance** ([Senate Journal‑page 7](file:///h:\SJ%20Archive\2016\04-14-16.docx))

4/26/2016 Senate Read second time ([Senate Journal‑page 41](file:///h:\SJ%20Archive\2016\04-26-16.docx))

4/26/2016 Senate Roll call Ayes‑42 Nays‑0 ([Senate Journal‑page 41](file:///h:\SJ%20Archive\2016\04-26-16.docx))

4/27/2016 Senate Read third time and sent to House ([Senate Journal‑page 37](file:///h:\SJ%20Archive\2016\04-27-16.docx))

4/28/2016 House Introduced and read first time ([House Journal‑page 13](file:///h:\HJ%20Archive\2016\04-28-16.docx))

4/28/2016 House Referred to Committee on **Ways and Means** ([House Journal‑page 13](file:///h:\HJ%20Archive\2016\04-28-16.docx))

5/19/2016 House Committee report: Favorable with amendment **Ways and Means** ([House Journal‑page 104](file:///h:\HJ%20Archive\2016\05-19-16.docx))

5/25/2016 House Debate adjourned until Tues., 5‑31‑16 ([House Journal‑page 26](file:///h:\HJ%20Archive\2016\05-25-16.docx))

5/31/2016 House Debate adjourned until Wed., 6‑1‑16 ([House Journal‑page 10](file:///h:\HJ%20Archive\2016\05-31-16.docx))

6/1/2016 House Recommitted to Committee on **Ways and Means** ([House Journal‑page 6](file:///h:\HJ%20Archive\2016\06-01-16.docx))

6/1/2016 House Reconsidered ([House Journal‑page 59](file:///h:\HJ%20Archive\2016\06-01-16.docx))

6/1/2016 House Amended ([House Journal‑page 59](file:///h:\HJ%20Archive\2016\06-01-16.docx))

6/1/2016 House Read second time ([House Journal‑page 59](file:///h:\HJ%20Archive\2016\06-01-16.docx))

6/1/2016 House Roll call Yeas‑101 Nays‑0 ([House Journal‑page 62](file:///h:\HJ%20Archive\2016\06-01-16.docx))

6/2/2016 House Read third time and returned to Senate with amendments ([House Journal‑page 3](file:///h:\HJ%20Archive\2016\06-02-16.docx))

6/2/2016 Senate Concurred in House amendment and enrolled ([Senate Journal‑page 22](file:///h:\SJ%20Archive\2016\06-02-16.docx))

6/2/2016 Senate Roll call Ayes‑42 Nays‑0 ([Senate Journal‑page 22](file:///h:\SJ%20Archive\2016\06-02-16.docx))

6/2/2016 Ratified R 239

6/6/2016 Signed By Governor

6/16/2016 Effective date 06/06/16

6/17/2016 Act No. 269

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=1122&session=121&summary=B) at the website

**VERSIONS OF THIS BILL**

[2/25/2016](file:///p:\pprever\2015-16\1122_20160225.docx)

[4/14/2016](file:///p:\pprever\2015-16\1122_20160414.docx)

[5/19/2016](file:///p:\pprever\2015-16\1122_20160519.docx)

[6/1/2016](file:///p:\pprever\2015-16\1122_20160601.docx)

(A269, R239, S1122)

**AN ACT TO AMEND SECTION 12-28-110, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS PERTAINING TO MOTOR FUELS, SO AS TO AMEND CERTAIN DEFINITIONS; TO AMEND SECTION 12‑37‑2820, RELATING TO THE ASSESSMENT OF MOTOR VEHICLES, SO AS TO CLARIFY A DEFINITION AS IT RELATES TO MOTOR VEHICLES FUELED BY ALTERNATIVE FUEL; AND BY ADDING SECTION 12‑6‑3695 SO AS TO ALLOW AN INCOME TAX CREDIT TO A TAXPAYER WHO PURCHASES OR CONSTRUCTS AND INSTALLS AND PLACES IN SERVICE IN THIS STATE ELIGIBLE PROPERTY THAT IS USED FOR DISTRIBUTION, DISPENSING, OR STORING ALTERNATIVE FUEL AT A NEW OR EXISTING FUEL DISTRIBUTION OR DISPENSING FACILITY, AND TO SPECIFY THE AMOUNT OF THE CREDIT AND THE REQUIREMENTS OF THE CREDIT.**

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

**Definitions**

SECTION 1. A. Section 12‑28‑110(1) of the 1976 Code is amended to read:

“(1) ‘Alternative fuel’ means a liquefied petroleum gas, liquefied natural gas, compressed natural gas product, or a combination of liquefied petroleum gas and a compressed natural gas product used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. It includes all forms of fuel commonly or commercially known or sold as butane, propane, liquefied natural gas, or compressed natural gas.”

B. Section 12‑28‑110(39) of the 1976 Code is amended to read:

“(39) ‘Motor fuel’ means gasoline, diesel fuel, substitute fuel, renewable fuel, alternative fuel, and blended fuel.”

C. Section 12‑28‑110(55) of the 1976 Code is amended to read:

“(55) ‘Motor fuel subject to the user fee’ means gasoline, diesel fuel, kerosene, blended fuel, substitute fuel, alternative fuel and blends of them and any other substance blended with them.”

**Definition**

SECTION 2. A. Section 12‑37‑2820(B) of the 1976 Code is amended to read:

“(B) ‘Gross capitalized cost’, as used in this section, means the original cost upon acquisition for income tax purposes, not to include taxes, interest, or cab customizing. However, for a motor vehicle which is fueled wholly or partially by alternative fuel as defined in Section 12‑28‑110(1), and that was acquired after 2015 but before 2026, the gross capitalized cost is reduced by the differential costs of a comparable diesel or gasoline powered vehicle, not to exceed thirty percent of the total acquisition cost of the motor vehicle. This reduction shall apply for the first ten property tax years for which tax is due following the acquisition of the vehicle.”

B. This SECTION first applies to property tax years beginning after 2015.

**Income tax credit for alternative fuel property**

SECTION 3. A. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑3695. (A)(1) A taxpayer who purchases or constructs, installs, and places in service in this State eligible property that is used for distribution, dispensing, or storing alternative fuel specified in this subsection, at a new or existing fuel distribution or dispensing facility, is allowed an income tax credit equal to twenty‑five percent of the cost to the taxpayer of purchasing, constructing, and installing the eligible property.

(2) The entire credit may not be taken in the taxable year in which the property is placed in service, but must be taken in three equal annual installments beginning with the taxable year in which the property is placed in service. If, in one of the years in which the installment of a credit accrues, property directly and exclusively used for distributing, dispensing, or storing alternative fuel is disposed of or taken out of service and is not replaced, the credit expires and the taxpayer may not claim any remaining installment of the credit.

(3) The unused portion of an unexpired credit may be carried forward for not more than ten succeeding taxable years.

(4) The taxpayer may transfer any applicable credit associated with this section. To the extent that the taxpayer transfers the credit, the taxpayer must notify the department of the transfer in the manner the department prescribes. Notwithstanding subsection (D), as used in this item, the term ‘taxpayer’ only applies to the State or any agency or instrumentality, authority, or political subdivision, including municipalities.

(5) A taxpayer who claims any other credit allowed pursuant to this article with respect to the costs of constructing and installing a facility may not take the credit allowed in this section with respect to the same costs.

(B) The Department of Revenue may require documentation that it considers necessary to administer the credit.

(C) To claim the credits allowed in this section, the taxpayer must place the property or facility in service before January 1, 2026.

(D) For purposes of this section:

(1) ‘Eligible property’ includes pumps, compressors, storage tanks, and related equipment that is directly and exclusively used for distribution, dispensing, or storing alternative fuel. The equipment used to store, distribute, or dispense alternative fuel must be labeled for this purpose and clearly identified as associated with alternative fuel.

(2) ‘Alternative fuel’ means compressed natural gas, liquefied natural gas, or liquefied petroleum gas, dispensed for use in motor vehicles and compressed natural gas, liquefied natural gas, or liquefied petroleum gas, dispensed by a distributor or facility.

(3) ‘Taxpayer’ means any sole proprietor, partnership, corporation of any classification, limited liability company, or association taxable as a business entity. Also, the word ‘taxpayer’ includes the State or any agency or instrumentality, authority, or political subdivision, including municipalities.”

B. This SECTION first applies to tax years beginning after 2015.

**Time effective**

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

Ratified the 2nd day of June, 2016.

Approved the 6th day of June, 2016.

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