



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0227
 Author: Campbell
 Requestor: Senate Finance
 Date: February 12, 2015
 Subject: Remission of redevelopment fees
 RFA Analyst(s): Shuford

Estimate of Fiscal Impact

	FY 2015-16	FY 2016-17	FY 2017-18
State Expenditure			
General Fund	\$0	\$0	\$0
Other and Federal	\$0	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00	0.00
State Revenue			
General Fund	\$0	(\$5,910,000)	(\$11,820,000)
Other and Federal	N/A	N/A	N/A
Local Expenditure	N/A	N/A	N/A
Local Revenue	N/A	N/A	N/A

Fiscal Impact Summary

This bill would have no expenditure impact on the General Fund, Federal Funds, or Other Fund.

This bill would decrease General Fund individual income tax withholding revenue by \$5,910,000 in FY 2016-17 and an additional \$5,910,000 in FY 2017-18 for a total revenue decrease of \$11,820,000.

Explanation of Fiscal Impact

State Expenditure

The Department of Revenue indicates that this bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

State Revenue

This bill would amend Section 12-10-88(C) to extend until January 1, 2037 the allocation of individual income tax withholdings equal to five percent of all wages paid to employees by a federal employer at a closed or realigned military installation to a redevelopment authority. This section, as last amended by Act 290 of 2010, would end these redevelopment authority allocations on January 1, 2017.

In FY 2013-14, allocations to the redevelopment authorities located at the Charleston Naval Complex, the Savannah River Site, and the Myrtle Beach Air Force Base totaled \$9,786,553. Specifically, the Charleston Naval Complex received \$7,265,019, the Savannah River Site

received \$1,968,344, and the Myrtle Beach Air Force Base received \$553,190. Since the redevelopment authority allocations would end January 1, 2017 under current statute, the extension to 2037 would reduce General Fund individual income tax withholding revenue by one-half of an estimated \$11,820,000 in FY 2016-17, or \$5,910,000, and an additional \$5,910,000 in FY 2017-18 for a total revenue decrease of \$11,820,000.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director