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Indicates New Matter

COMMITTEE REPORT

February 11, 2016

**H. 4577**

Introduced by Reps. White, Bales, Merrill, D.C. Moss, G.R. Smith and Cobb‑Hunter

S. Printed 2/11/16--H.

Read the first time January 12, 2016.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (H. 4577) 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, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

W. BRIAN WHITE for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**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 Reve**n**ue**

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.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**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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