



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: H. 3669 Introduced on January 14, 2021
Author: Hart
Subject: Property Tax
Requestor: House Ways and Means
RFA Analyst(s): Miller
Impact Date: April 30, 2021

Fiscal Impact Summary

This bill will result in a minimal property tax revenue loss, as less than 1 percent of owner-occupied properties would receive a property tax exemption one year earlier than what is currently allowed beginning in TY 2021. Additionally, RFA anticipates that local governing entities will adjust millage rates, within the millage rate limitations, to offset any loss of property tax revenue due to this bill.

Explanation of Fiscal Impact

Introduced on January 14, 2021

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

This bill allows a veteran of the Armed Forces of the United States, who is permanently and totally disabled as a result of a service-connected disability, to immediately claim a property tax exemption for his owner-occupied property. The veteran must file with the Department of Revenue (DOR) certifying the disability to receive this exemption.

Currently, veteran of the Armed Forces of the United States, who is permanently and totally disabled as a result of a service-connected disability, may claim a property tax exemption of his owner-occupied property. But the exemption does not take effect until the year following the approval from DOR. This bill would allow veteran to receive the exemption one year earlier. According to DOR, 3,185 disabled veterans qualified for this exemption in TY 2020. This represents less than 1 percent of the total owner-occupied properties statewide. This bill will result in a minimal impact to local property tax revenue as there are a limited number of properties that would receive the exemption one year earlier. Additionally, RFA anticipates that

local governing entities will adjust millage rates, within the millage rate limitations, to offset any loss of property tax revenue due to this bill. Therefore, this bill will result in a minimal local property tax revenue loss.



Frank A. Rainwater, Executive Director