
State of South Carolina
Department of Revenue
301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

SC REVENUE INFORMATIONAL BULLETIN #00-21

SUBJECT: Legislative Changes Update

DATE: December 19, 2000

AUTHORITY: S. C. Code Ann. Section 12-4-320 (2000)
S.C. Code Ann. Section 1-23-10(4) (Supp. 2000)
SC Revenue Procedure #99-4

SCOPE: A Revenue Informational Bulletin is a written statement issued to the public by the Department to announce general information useful in complying with the laws administered by the Department. **A Revenue Informational Bulletin has no precedential value, and is not binding on the public or the Department.**

South Carolina Revenue Informational Bulletin #00-15 was issued on September 19, 2000, and briefly summarized most of the significant changes in laws administered by the Department that were enacted by the General Assembly during the last legislative session. This informational bulletin indicated that three bills, House Bill 3358, House Bill 3393, and House Bill 3649, had not been signed or vetoed by the Governor. The Governor has now signed each of these bills.

Attached is a brief summary of House Bill 3358, House Bill 3393, and House Bill 3649 by tax type. A complete copy of the legislation discussed in this informational bulletin can be obtained from the South Carolina Legislative Council's website at www.lpittr.state.sc.us/

INCOME TAX

House Bill 3358, Sections 5. and 6. (Act No. 404)

Nonprofit Corporations Providing Water and Sewage Services

Code Section 12-6-550(4), exempting from income tax certain nonprofit corporations that provide water and sewage disposal services, has been amended to correct a cross reference. Chapter 35 of Title 33 has been repealed and replaced with Chapter 36 of Title 33. Chapter 36 addresses the formation, operation, and dissolution of nonprofit corporations financed in whole or in part by certain federal loans and loans made under the State Revolving Fund for Water or Sewer.

Effective Date: October 3, 2000

PROPERTY TAX

House Bill 3358, Sections 5. and 6. (Act No. 404)

Nonprofit Corporations Providing Water and Sewage Services

Code Section 12-37-220(B)(4), exempting property of certain nonprofit corporations that provide water and sewage disposal services from ad valorem property taxes, has been amended to correct a cross reference. Chapter 35 of Title 33 has been repealed and replaced with Chapter 36 of Title 33. Chapter 36 addresses the formation, operation, and dissolution of nonprofit corporations financed in whole or in part by certain federal loans and loans made under the State Revolving Fund for Water or Sewer.

Effective Date: October 3, 2000

House Bill 3393, (Act No. 403)

Transfer of Title to Watercraft

Code Section 50-23-295 has been added to provide that a certificate of title to watercraft or an outboard motor may not be transferred if the Department of Public Safety has notice that the taxes have not been paid on the property by the current owner within the past three years. The bill of sale or title to watercraft or an outboard motor requires certification that the property taxes have been paid by the current owner as of the date of sale. If the transfer of title is denied by the Department of Public Safety, the owner may present a tax receipt as proof of payment. At least annually, the county treasurer or other appropriate public official will transfer a list of delinquent taxes due on watercraft and outboard motors to the Department of Public Safety.

Effective Date: October 3, 2000

SALES TAX

House Bill 3358, Sections 5. and 6. (Act No. 404)

Nonprofit Corporations Providing Water and Sewage Services

Code Section 12-36-2120(12), providing a sales tax exemption for the sale of water by certain nonprofit corporations that provide water and sewage disposal services, has been amended to correct a cross reference. Chapter 35 of Title 33 has been repealed and replaced with Chapter 36 of Title 33. Chapter 36 addresses the formation, operation, and dissolution of nonprofit corporations financed in whole or in part by certain federal loans and loans made under the State Revolving Fund for Water or Sewer.

Effective Date: October 3, 2000

Food Sales - Reduction in Sales Tax Rate

Provided the funds are authorized for the applicable fiscal year, this provision allows a reduction in the sales tax rate imposed pursuant to Chapter 36 of Title 12 on the gross proceeds of sales, or the sale price of food items eligible for purchase with United States Department of Agriculture food coupons. The reduction in sales tax rate is as follows:

DATE OF SALE	SALES TAX RATE
January 1, 2001 through December 31, 2001	4%
January 1, 2002 through December 31, 2002	3%
January 1, 2003 through December 31, 2003	2%
January 1, 2004 through December 31, 2004	1%
January 1, 2005 and thereafter	0%

For more information, see SC Revenue Advisory Bulletin #00-8 and SC Revenue Advisory Bulletin #00-9.

Effective Date: November 21, 2000