
State of South Carolina
Department of Revenue
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Website Address: <http://www.sctax.org>

SC INFORMATION LETTER #04-2

SUBJECT: Consumer Price Index for Millage Calculation
(Property Tax)

DATE: January 16, 2004

SUPERSEDES: All previous documents and oral directives that conflict with this
bulletin

REFERENCE: S. C. Code Ann. Section 6-1-320(A)(2002 Supp.)

AUTHORITY: S. C. Code Ann. Section 12-4-320 (2000)
S. C. Code Ann. Section 1-23-10(4) (2002 Supp.)
SC Revenue Procedure #99-4

SCOPE: An Information Letter 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. **An Information Letter has no
precedential value, and is not binding on the public or the Department.**

Section 6-1-320(A) of the South Carolina Code of Laws (“Code”) reads as follows:

Notwithstanding Section 12-37-251(E), a local governing body may increase the millage rate imposed for general operating purposes above the rate imposed for such purposes for the preceding tax year only to the extent of the increase in the consumer price index for the preceding calendar year. However, in the year in which a reassessment program is implemented, the rollback millage, as calculated pursuant to Section 12-37-251(E), must be used in lieu of the previous year’s millage rate.

For purposes of the above section, the Department of Revenue uses the average increase in the Consumer Price Index for All Urban Consumers (CPI-U) which is published by the U.S. Department of Labor’s Bureau of Statistics. The average increase in the CPI-U for calendar year 2003 was **2.3%**. Accordingly, in determining the millage rate in 2004 to be imposed for general operating purposes, the millage rate may be increased by **2.3%** over the millage rate determined for this purpose in 2003.