



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

EDWARD B. GRIMBALL, Chairman
HOWELL CLYBORNE, JR.
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FRANK A. RAINWATER
Executive Director

MEMORANDUM

To: County Auditors
School Superintendents
Municipal Officials

From: Frank A. Rainwater, Executive Director

Date: March 13, 2017

Subject: **UPDATE** Millage Rate Increase Limitation for FY 2017-18 – Inflation Component

This memo is to provide an update regarding the millage rate increase limitations for local jurisdictions for FY 2017-18. In our memo dated February 13, 2017, we provided the millage rate increase limitation inflation component of 1.28% based upon the seasonally adjusted Consumer Price Index. We have recalculated the component based upon the unadjusted Consumer Price Index as used in previous years to be 1.26%. The full millage rate limits will be provided later as the population data become available.

The millage rate increase limitation as defined in SC Code of Law § 6-1-320 is the increase in the Consumer Price Index for preceding calendar year plus the percentage increase for the previous year in the population of the entity as determined by the Revenue and Fiscal Affairs Office. The Consumer Price Index increased 1.26% from calendar year 2015 to calendar year 2016. This is the figure we will use for the calculation of the millage increase limits. Each political entity's limit will be based upon 1.26% plus any increase in population as applicable.

The millage rate increase limitations for counties and school districts will be published following the release of the 2016 county population estimates by the US Census Bureau. The millage rate increase limitations for municipalities will be published following the release of the 2016 population estimates for incorporated places. For your information, we have included the current release schedule as published by the US Census Bureau below.

Census Bureau Population Release Dates (as of March 13, 2017):

Counties: March 23, 2017

Incorporated Places: May 14, 2017

We hope that this information will be helpful to local governments in planning for their budgets. If we may be of additional assistance, please feel free to contact Mary Katherine Gable at marykatherine.gable@rfa.sc.gov or (803) 734-3322.