

Statement of Estimated State Revenue Impact

Date: May 29, 2013, as revised

Bill Number: S.B. 699

Author: Verdin **Committee Requesting Impact:** Senate Agriculture & Natural Resources

Bill Summary

A bill to amend the Code of Laws of South Carolina, 1976, by adding Section 46-25-815 so as to impose an inspection fee of one dollar a ton on the distribution or sale of commercial fertilizer in this State, to provide that this fee must be reported, paid, and enforced in the same manner that the existing fifty cents a ton inspection tax on the sale of commercial fertilizer is reported, paid, and enforced, to provide that the revenues of this inspection fee must be retained and expended by the Division of Regulatory and Public Service Programs of Clemson University (Clemson PSA) for the support of the division's programs, and to provide that unexpended fee revenues at the end of a fiscal year carry forward to the succeeding fiscal year and must be used for the same purposes.

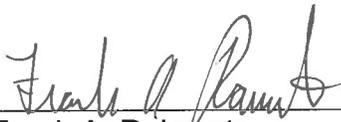
REVENUE IMPACT ^{1/}

This bill is not expected to impact earmarked funds of Clemson University Public Service Activities (CU-PSA) programs in FY 2013-14. It also would have no impact on state General Fund revenue.

Explanation

This bill would put into permanent law a \$1 a ton levy that is in addition to the \$.50 a ton inspection fee, or tonnage tax, assessed on the distribution or sale of commercial fertilizer in this State under Section 46-25-810. The total tax rate of \$1.50 per ton provided under new Section 46-25-815, however, is equal to the current \$1.50 rate per ton set in temporary law pursuant to Part 1B Proviso 35.7 in the State Budget for FY 2012-13. All proceeds of the additional \$1 per ton assessment, whether authorized under temporary or permanent provisions, are allocated for use by the Division of Regulatory and Public Service Programs within Clemson University Public Service Activities (CU-PSA).

As this bill would codify provisions currently in effect under temporary law, it would have no net impact on the level or allocation of revenue collections from a comparable \$1.50 per ton inspection fee to be levied on commercial fertilizer sold or distributed in this State in FY 2013-14. Since proceeds of this tonnage tax do not go to the state's General Fund, the bill would not impact General Fund revenue.



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^{1/} This statement meets revenue impact requirements of Section 2-7-71 for a state impact by BEA, Section 2-7-76 for a local impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by Office of Economic Research (OER).