



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. 4243	Amended by House Ways and Means on March 31, 2022
Author:	Crawford	
Subject:	Property Valuation Adjustment	
Requestor:	House of Representatives	
RFA Analyst(s):	Boggs	
Impact Date:	April 6, 2022	

Fiscal Impact Summary

This amended bill requires the county assessor or the County Board of Assessment Appeals, upon application of the taxpayer, to order the county auditor to adjust the valuation and assessment of any real property damaged by flooding, a hurricane, or a wind event. This bill takes effect beginning in TY 2022. Currently, this adjusted valuation only occurs when there is fire damage.

The Revenue and Fiscal Affairs Office (RFA) anticipates this amended bill is not anticipated to have an impact on local expenditure as any additional responsibilities can be managed with existing staff and resources.

Additionally, RFA anticipates this amended bill may result in an undetermined local property tax revenue reduction, dependent upon the number and valuation of those properties with flood, hurricane, or wind damage that will be omitted from the tax roll until repairs are complete beginning in TY 2022

Explanation of Fiscal Impact

Amended by House Ways and Means on March 31, 2022

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

This amended bill requires the county assessor or the County Board of Assessment Appeals, upon application of the taxpayer, to order the County Auditor to adjust the valuation and assessment of any real property damaged by flooding, a hurricane, or a wind event. This bill takes effect beginning in TY 2022.

RFA anticipates that any additional responsibilities to locals will be managed with existing staff and resources. Therefore, this bill is anticipated to have no local expenditure impact.

Local Revenue

This amended bill will allow for a flood, hurricane, or wind event damaged home to receive the same treatment for tax assessment purposes as a fire damaged home beginning in TY 2022.

RFA anticipates this amended bill will have more of an impact for those counties along the coast. Therefore, RFA contacted Charleston, Horry, Georgetown, and Beaufort, the four counties most likely to experience flood, hurricane, or wind damage. Georgetown previously responded that, for a home that is flooded or storm damaged, the appraisal for that home is adjusted for the following tax roll if the damage is extensive, and the repairs are not complete prior to December 31st. Homes that have fire damage, however, are omitted from the tax roll in the current year. If the home is repaired, once the work is complete and the county receives a certificate of occupancy, the house is added back to the tax roll in the following year. Based on Georgetown's response, this bill may result in a loss of property tax revenue for flooded, hurricane damaged, or wind damaged properties being removed from the tax roll until renovations are complete, rather than simply lowering the value. However, the number of homes that may flood or suffer from hurricane or wind event damage and how quickly they may be repaired is unknown. Therefore, this bill may result in an undetermined local property tax revenue reduction beginning in TY 2022.

Introduced on April 21, 2021**State Expenditure**

N/A

State Revenue

N/A

Local Expenditure

This bill requires the county assessor or the County Board of Assessment Appeals, upon application of the taxpayer, to order the County Auditor to adjust the valuation and assessment of any real property damaged by flooding or a hurricane. This bill takes effect beginning in TY 2021. Revenue and Fiscal Affairs (RFA) anticipates that any additional responsibilities to locals will be managed with existing staff and resources. Therefore, this bill is anticipated to have no local expenditure impact.

Local Revenue

This bill requires the county assessor or the County Board of Assessment Appeals, upon application of the taxpayer, to order the County Auditor to adjust the valuation and assessment of any real property damaged by flooding or a hurricane. Currently, this adjusted valuation only occurs when there is fire damage. This bill will allow for a flood or hurricane damaged home to receive the same treatment for tax assessment purposes as a fire damaged home. This bill takes effect beginning in TY 2021.

RFA anticipates this bill will have more of an impact for those counties along the coast. Therefore, RFA contacted Charleston, Horry, Georgetown, and Beaufort, the four counties most likely to experience flood and hurricane damage. Georgetown responded that, currently, for a home that is flooded or storm damaged, the appraisal for that home is adjusted for the following tax roll if the damage is extensive, and the repairs are not complete prior to December 31st. Homes that have fire damage, however, are omitted from the tax roll in the current year. If the home is repaired, once the work is complete and the county receives a certificate of occupancy, the house is added back to the tax roll in the following year. Based on Georgetown's response, this bill will result in a loss of property tax revenue for flooded or hurricane damaged properties being removed from the tax roll until renovations are complete, rather than simply lowering the value. However, the number of homes that may flood or be subject to hurricane damage and how quickly they may be repaired is unknown. Therefore, this bill will result in an undetermined local property tax revenue reduction beginning in TY 2021.



Frank A. Rainwater, Executive Director