



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0244
Author: Gregory
Requestor: Senate Finance
Date: February 9, 2015
Subject: Local Option Motor Fuel User Fee Act
RFA Analyst(s): Dunbar and Shealy

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	\$0	N/A
Other and Federal	\$0	N/A
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
Local Expenditure	N/A	N/A
Local Revenue	\$134,685,087	N/A

Fiscal Impact Summary

The Department of Revenue states that there will be no expenditure impact on the General Fund, Federal Funds, or Other Funds from creating the "Local Option Motor Fuel User Fee Act." Local revenue is expected to increase by \$134,685,087 from this bill in FY 2017-18 statewide if adopted pursuant to positive referenda in November, 2016.

Explanation of Fiscal Impact

State Expenditure

This bill would create the "Local Option Motor Fuel User Fee Act" to provide that a county may impose by ordinance, approved by referendum, a user fee of not more than five cents a gallon on retail sales of motor fuel for the sole purpose of road improvement projects and road maintenance within the county. It also provides the process by which the user fee may be imposed and provides the manner in which the Department of Revenue shall collect and distribute the user fee. The Department of Revenue states there would be a minimal impact on the sales tax systems already in place. There would be a need to change forms and instructions, but the costs can be absorbed by the agency within the 1% of the revenues the Department of Revenue can retain for administering the user fee.

State Revenue

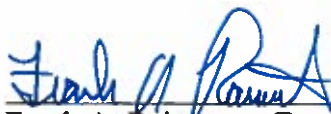
N/A

Local Expenditure

N/A

Local Revenue

This bill would add Sections 6-14-10 through 6-14-70, so that a county may impose a user fee of not more than 5 cents per gallon on retail sales of motor fuel. The revenue of this fee would be used for the sole purpose of road improvement projects and road maintenance within the county. The ordinance must specify the specific road improvement projects for which the proceeds of the user fee are to be used, the maximum time for which the fee may be imposed, and the time when the referendum will be held. Since data is not collected on gallons of diesel purchased at the local level, we cannot provide an estimate for the local revenue increase from diesel gallon sales. Any local option diesel fuel sales would be in addition to our estimate and would be allocated by the data The Department of Revenue would collect at the retail sales level. If all counties in the State imposed this local option motor fuel user fee at \$0.05, local revenue from the sale of gasoline gallons would increase by \$134,685,087 in FY 2017-18. Attached is a table reporting the estimated additional local revenue per county.



Frank A. Rainwater, Executive Director

ESTIMATED MOTOR FUEL USER FEE REVENUE BY COUNTY

	Allocation	Gasoline Gallons in FY 2017-18	Annual Estimated Additional Revenue From a \$0.05 Increase
ABBEVILLE	0.295%	7,955,089	\$397,754
AIKEN	3.747%	100,928,741	\$5,046,437
ALLENDALE	0.150%	4,036,993	\$201,850
ANDERSON	4.440%	119,589,359	\$5,979,468
BAMBERG	0.193%	5,198,719	\$259,936
BARNWELL	0.340%	9,161,808	\$458,090
BEAUFORT	3.172%	85,439,268	\$4,271,963
BERKELEY	2.456%	66,158,330	\$3,307,916
CALHOUN	0.328%	8,825,782	\$441,289
CHARLESTON	7.416%	199,770,745	\$9,988,537
CHEROKEE	1.960%	52,788,618	\$2,639,431
CHESTER	0.539%	14,517,451	\$725,873
CHESTERFIELD	1.079%	29,065,493	\$1,453,275
CLARENDON	0.733%	19,748,145	\$987,407
COLLETON	1.300%	35,021,604	\$1,751,080
DARLINGTON	1.517%	40,851,725	\$2,042,586
DILLON	1.224%	32,964,413	\$1,648,221
DORCHESTER	2.430%	65,458,812	\$3,272,941
EDGEFIELD	0.389%	10,476,640	\$523,832
FAIRFIELD	0.473%	12,736,548	\$636,827
FLORENCE	2.838%	76,458,210	\$3,822,910
GEORGETOWN	1.374%	37,004,041	\$1,850,202
GREENVILLE	8.884%	239,307,103	\$11,965,355
GREENWOOD	1.276%	34,362,730	\$1,718,136
HAMPTON	0.385%	10,363,227	\$518,161
HORRY	6.861%	184,825,894	\$9,241,295
JASPER	1.150%	30,972,964	\$1,548,648
KERSHAW	1.356%	36,520,223	\$1,826,011
LANCASTER	1.833%	49,378,252	\$2,468,913
LAURENS	1.000%	26,931,288	\$1,346,564
LEE	0.281%	7,573,034	\$378,652
LEXINGTON	6.858%	184,727,147	\$9,236,357
MARION	0.548%	14,768,515	\$738,426
MARLBORO	0.530%	14,266,031	\$713,302
MCCORMICK	0.079%	2,132,940	\$106,647
NEWBERRY	0.961%	25,898,383	\$1,294,919
OCONEE	1.376%	37,068,764	\$1,853,438
ORANGEBURG	2.505%	67,483,710	\$3,374,186
PICKENS	1.855%	49,968,730	\$2,498,436
RICHLAND	5.722%	154,142,290	\$7,707,114
SALUDA	0.278%	7,486,670	\$374,333
SPARTANBURG	7.046%	189,785,857	\$9,489,293
SUMTER	2.280%	61,405,707	\$3,070,285
UNION	0.377%	10,154,524	\$507,726
WILLIAMSBURG	0.439%	11,835,509	\$591,775
YORK	7.729%	208,185,704	\$10,409,285
Total:	100%	2,693,701,731	\$134,685,087