



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:	S. 0675	Signed by Governor on May 18, 2021
Author:	Kimbrell	
Subject:	State Aviation Fund	
Requestor:	Senate	
RFA Analyst(s):	Miller	
Impact Date:	July 7, 2021	

Fiscal Impact Summary

This bill will result in a shift of revenue of at least \$1,250,000 from the General Fund to the State Aviation Fund in FY 2021-22. Additionally, if the aircraft property tax revenue exceeds \$5,000,000, this bill will result in 50 percent of the revenue above \$5,000,00 shifting from the General Fund to the State Aviation Fund. In FY 2022-23 and thereafter, all funds will be credited to the State Aviation Fund. Therefore, this bill will result in an increase of at least \$2,500,000 to the State Aviation Fund and a total decrease of at least \$2,500,000 from the General Fund, beginning in FY 2022-23.

The bill may also affect local revenue. The bill requires that the State Aviation Fund be used, in part, to fund obtaining or developing local airport facilities. The amount for each county may vary as the distribution of funds is not specified in the bill.

Explanation of Fiscal Impact

Signed by Governor on May 18, 2021

State Expenditure

N/A

State Revenue

This bill requires any property tax revenue collected for aircraft, pursuant to §12-37-2410 et seq., above \$1,250,000 to be directed to the State Aviation Fund in FY 2021-22. Additionally, all aircraft property tax revenue will be directed to the State Aviation Fund, beginning in FY 2022-23. This revenue will be used, in part, to aid counties within the State that do not have an airport facility. Further, this bill eliminates the requirement that the proceeds collected pursuant to §12-37-2410 et seq. be paid into the General Fund.

Currently, the first \$2,500,000 of the aircraft property tax revenue is placed into the General Fund. Any additional revenue up to \$5,000,000 is placed in the State Aviation Fund, and any revenue above \$5,000,000 is split 50 percent to the General Fund and 50 percent to the State Aviation Fund.

The following table displays the distribution of the aircraft property tax revenue for the last three years.

Aircraft Property Tax Revenue			
	FY 2018-19	FY 19-20	FY 2020-21
General Fund	\$2,500,000	\$2,500,000	\$2,621,301
State Aviation Fund	\$2,317,213	\$2,211,732	\$2,621,323
Total	\$4,817,213	\$4,711,732	\$5,242,664

The current forecast estimates that the General Fund will receive \$2,500,000 from the aircraft property tax in both FY 2021-22 and FY 2022-23.

This bill will result in a shift of revenue of at least \$1,250,000 from the General Fund to the State Aviation Fund in FY 2021-22. Additionally, if the aircraft property tax revenue exceeds \$5,000,000, this bill will result in 50 percent of the revenue above \$5,000,00 shifting from the General Fund to the State Aviation Fund. In FY 2022-23 and thereafter, all funds will be credited to the State Aviation Fund. Therefore, this bill will result in an increase of at least \$2,500,000 to the State Aviation Fund and a total decrease of at least \$2,500,000 from the General Fund, beginning in FY 2022-23.

Local Expenditure

N/A

Local Revenue

The revenue shifted to the State Aviation Fund will be used, in part, to assist in obtaining or developing local airport facilities, as required by this bill. Currently, according to the State Aviation website, all counties have at least one airport facility. However, some of these facilities are private and/or not for public use. The amount for each county may vary as the distribution of funds is not specified in the bill.



Frank A. Rainwater, Executive Director