A BILL

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY REPEALING CHAPTER 37 OF TITLE 12 RELATING TO THE ASSESSMENT OF PROPERTY TAXES, INCLUDING TAXES ON VEHICLES; AND TO PROVIDE FOR THE PHASE-OUT OF EXISTING PROPERTY TAX OBLIGATIONS AND ADMINISTRATIVE PROCESSES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 37 of Title 12 of the S.C. Code is repealed effective January 1, 2027.

SECTION 2. Notwithstanding the repeal in SECTION 1:

(A) All property tax liabilities, including those on vehicles, accrued before the effective date of this act remain due and payable under the provisions of Chapter 37 of Title 12 as they existed prior to repeal.

(B) The South Carolina Department of Revenue, county assessors, and other relevant authorities shall continue to administer, collect, and enforce any outstanding property tax obligations, refunds, audits, or appeals arising from taxable periods ending before the effective date of this act.

(C) Any rules, regulations, forms, or procedures adopted under Chapter 37 of Title 12 remain in effect solely for the purposes outlined in subsections (A) and (B) until all such matters are resolved.

(D) For the purposes of providing a transition period for the phase-out of property taxes, taxpayers may elect to opt into an immediate exemption from property taxes beginning in tax year 2026 by filing a form with the South Carolina Department of Revenue. For those who do not opt in, property taxes shall continue at full rates until the repeal date.

(E) Taxpayers who opt into the immediate exemption shall receive a one-time rebate equivalent to fifty percent of their property tax liability from tax year 2025, payable over three years, to facilitate transition. The Department of Revenue shall establish procedures for processing opt-ins and rebates.

SECTION 3. This act takes effect January 1, 2026.