

1983 S.C. Op. Atty. Gen. 14 (S.C.A.G.), 1983 S.C. Op. Atty. Gen. No. 83-3, 1983 WL 142674

Office of the Attorney General

State of South Carolina

Opinion No. 83-3

January 27, 1983

*1 Honorable Harry A. Chapman, Jr.
Senator
Greenville and Laurens Counties
Gressette Senate Office Building
Post Office Box 142
Columbia, South Carolina 29202

Dear Senator Chapman:

Thank you for your letter today requesting my opinion as to whether the Greenville County School District can borrow funds now by pledging anticipated tax collections in the next fiscal year. The purpose of the borrowing would be to pay school expenses for the current fiscal year.

Article X § 15(7) of the Constitution of South Carolina, 1895, as amended, states that general obligation debt of school districts may be incurred 'in anticipation of the collection of ad valorem taxes (tax anticipation notes).' Previous opinions of this office have interpreted language in similar constitutional and statutory provisions to limit tax anticipation borrowing to pledges of revenue to be paid during the same fiscal year. 1979 OPS.ATTY.GEN. No. 79-116, and July 20, 1977, by Karen LeCraft Handerson, former Deputy Attorney General. Thus, Article X § 15 would operate to prevent the school district's borrowing now in anticipation of next year's taxes. No statute, including [§ 59-69-270, CODE OF LAWS OF SOUTH CAROLINA, 1976](#), can widen this constitutional restriction. In addition, § 21-2835, CODE OF LAWS OF SOUTH CAROLINA, 1962, which has similar language to [§ 59-69-270](#), expressly restricts borrowing by the Greenville County School District to taxes to be collected in the same year.

My opinion is that the Greenville County School District cannot undertake the proposed borrowing. If we may be of further assistance, please let us know.

With best regards, I am
Sincerely yours,

T. Travis Medlock
Attorney General

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