

1977 S.C. Op. Atty. Gen. 241 (S.C.A.G.), 1977 S.C. Op. Atty. Gen. No. 77-313, 1977 WL 24652

Office of the Attorney General

State of South Carolina

Opinion No. 77-313

October 5, 1977

*1 The value of motor vehicles that are exempt from property taxation is not a part of the assessed value of taxable property of a county for bond debt limitation purposes.

TO: Mr. Russell B. Shetterly
Executive Director
South Carolina Association of Counties

QUESTION

Should the General Assembly authorize the collection of a license fee or tax by the Department of Transportation for distribution to the counties in lieu of the county ad valorem property tax on motor vehicles; will the value of the motor vehicles continue as a part of the 'assessed value of all taxable property' of the county?

CONSTITUTIONAL PROVISION INVOLVED

Article X of the Constitution as amended.

DISCUSSION

It should be noted that the motor vehicles are now subject to taxation and for the same to be excluded therefrom an exemption pursuant to Section (3) of the Article must be enacted. The section provides:

'In addition to the exemptions listed in this section, the General Assembly may provide for exemptions from property tax, by general laws applicable uniformly to property throughout the State and in all political subdivisions, but only with the approval of two-thirds of the members of each House.'

Under such analogy the language of Section 14(7)(a) precludes the inclusion within the taxable property of the county. The specific language authorizes bonded indebtedness.

'(a) For any of its corporate purposes in an amount not exceeding eight percent of the assessed value of all taxable property of such political subdivision.' (Emphasis added)

The term 'taxable property' has been defined to mean all property not exempt from taxation. [State v. City Council of Charleston](#), 4 Strob. 217. See also Words & Phrases, Vol. 41, [Taxable Property](#).

The decision rendered in the case of [Powell v. Chapman](#), 260 S. C. 516, 197 S. E. 2d 287, is distinguishable from the contemplated Act. There the payment was determined in like manner as the tax and was equal to the amount of the ad valorem tax. The payment was thus held to be a 'tax equivalent.' The tax equivalent was based upon the property's assessed value and the assessed value was held to be a part of the taxable property of the county.

Here, as understood, there is no tax equivalent, there being an exemption and an increase in the cost of the license tags.

CONCLUSION

The value of motor vehicles that are exempt from property taxation is not a part of the assessed value of taxable property of a county for bond debt limitation purposes.

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