

1976 S.C. Op. Atty. Gen. 212 (S.C.A.G.), 1976 S.C. Op. Atty. Gen. No. 4374, 1976 WL 22993

Office of the Attorney General

State of South Carolina

Opinion No. 4374

June 18, 1976

*1 Ms. Julia E. Brunson
Town Clerk and Treasurer
Town of Summerton
P. O. Box 161
Summerton, South Carolina 29148

Dear Ms. Brunson:

You have requested an opinion from this Office as to whether or not the expenditure involved in changing the Summerton Code of Ordinances to comply with Act No. 283 of 1975, the 'home rule' legislation, is a capital expenditure such that revenue sharing funds may be used to defray the cost thereof. In my opinion, it is.

Act No. 283 of 1975 was recently amended by the addition of Section 47–58 thereto, which provides in part:
[e]ach municipal council shall provide by ordinance for the codification and indexing of all ordinances, either typewritten or printed, and the maintenance of ordinances in a current form reflecting all amendments and repeals. . . .

A capital expenditure has been defined as 'a cost made with the expectation of existence for an indefinite period' [[E. W. Edwards & Son v. Clarke](#), 29 F.Supp. 671 (D.C.N.Y., 1939)] and an 'expenditure in the nature of an investment for the future' [[Marion Union Junior College Dist. v. Gwinn](#), 288 P. 799 (___)]. In my opinion, the codification of the

Summerton Code of Ordinances, whether typewritten or printed, involves an expenditure made with the expectation of use for an indefinite period and is, therefore, a capital expenditure. See also, [Transamerica Corp. v. U. S.](#), 254 F.Supp. 504 (D.C. Cal., 1966) ('[i]t is well settled that expenditures for corporate organization or reorganization are capital expenses for the reason that by such expenditure the corporation changes its corporate structure and thereby acquires an intangible asset for the benefit of its future operations').

With kind regards,

Karen LeCraft Henderson
Assistant Attorney General

1976 S.C. Op. Atty. Gen. 212 (S.C.A.G.), 1976 S.C. Op. Atty. Gen. No. 4374, 1976 WL 22993