

1980 WL 120783 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

July 23, 1980

*1 Frank Harrison, Esquire
McCormick County Attorney
Post Office Box 56
McCormick, South Carolina 29835

Dear Mr. Harrison:

In response to your request for an opinion from this Office as to whether or not the McCormick County Council is authorized to issue tax anticipation notes without issuing general obligation bonds as security therefor, my opinion is that it is so authorized.

Pursuant to [Article X, Section 14\(8\) of the South Carolina Constitution](#) and [Section 11-27-40\(5\), CODE OF LAWS OF SOUTH CAROLINA](#), 1976, as amended, expressly authorize political subdivisions to issue tax anticipation notes which:

. . . shall be secured by a pledge of [ad valorem] taxes or license fees and a pledge of the full faith, credit and taxing power of the political subdivision. [S.C. CONST. art. X, § 14\(8\)](#).

Bond anticipation notes do require the eventual issuance of general obligation bonds as security therefor but they are completely different and separate from tax anticipation notes. See, [S.C. CONST. art. X, § 14\(9\)](#); [§ 11-27-40\(6\), CODE OF LAWS OF SOUTH CAROLINA](#), 1976, as amended.

With kind regards,

Karen LeCraft Henderson
Senior Assistant Attorney General

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