

1974 S.C. Op. Atty. Gen. 255 (S.C.A.G.), 1974 S.C. Op. Atty. Gen. No. 3845, 1974 WL 21348

Office of the Attorney General

State of South Carolina

Opinion No. 3845

August 26, 1974

**\*1 Interest paid on obligations of the Charleston County Airport District are exempt from State income taxation. (Section 65-253(4)).**

Attorney at Law  
Charleston, S. C.

Your letter of August 20, 1974 to Mr. McLeod has been handed this writer for attention and reply. You request an opinion of this office of whether interest paid on obligations of the Charleston County Airport District are subject to income taxation by the State of South Carolina.

Section 2 of Act 1235, Acts of 1970, constitutes the geographical area of Charleston County as an Airport District and a political subdivision of this State. The section further provides that the functions of the District shall be public and governmental and the inhabitants of the District are constituted a body politic and corporate. By the express language of the Act, the District is a political subdivision of the State that falls specifically within the language of Section 65-253(4). This section provides as follows:

'The words 'gross income' do not include the following items, which shall be exempt from taxation under this chapter:

(4) Interest upon obligations of the United States or its possessions or of this State or any political subdivision thereof.'

The interest would therefore be specifically excluded and exempted from South Carolina income taxation.

Mr. Carroll H. Brooks, Director of the Income Tax Division of the South Carolina Tax Commission, is being furnished a copy of your letter and of this opinion for further review and comment if desired

Joe R. Allen, Jr.  
Assistant Attorney General

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