

ORDINANCE NO.: 2012-097

Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina,
Chapter 20, Special Fees and Taxes to add Article V, Municipal Ad Valorem Tax Exemptions

WHEREAS, Article X, Section 3(g) of the South Carolina Constitution authorizes municipalities to provide by ordinance for exemptions of up to five years from municipal *ad valorem* taxation for certain qualifying properties, including manufacturing facilities, corporate headquarters, corporate office facilities, distribution facilities, and research and development projects; and

WHEREAS, the City Council, as the governing body of the City of Columbia (the "City"), has determined that the inducement and location of these types of businesses would promote the economic development of the City and enhance the well-being of its citizens; and

WHEREAS, the City Council has recognized that the property tax burden imposed on these types of businesses has been a deterrent to attracting investment in the City; and

WHEREAS, the City Council has determined that it would be in the best interests of the City to adopt the exemptions described above on the terms and conditions set forth herein.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council this 18th day of December, 2012, that the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 20, Special Fees and Taxes, is amended to add Article V, Municipal Ad Valorem Tax Exemptions, to read as follows:

Sec. 20-151. Tax exemption for new manufacturing establishments and additions to manufacturing establishments.

(a) *Eligibility.* All new manufacturing establishments located in the City, and all additions to any existing manufacturing establishments, including additional machinery and equipment, located in the City, satisfying the requirements of Article X, Section 3(g) of the South Carolina Constitution and Section 12-37-220(A)(7) of the Code of Laws of South Carolina, 1976, as amended, as in effect for the applicable year, shall be exempt from municipal *ad valorem* taxes for five years.

(b) *Administrative Compliance.* The owner of any manufacturing establishment seeking to obtain exemption from such *ad valorem* taxes shall comply with all requirements of state law and the South Carolina Department of Revenue for the exemption to apply. The determination of the South Carolina Department of Revenue that such new manufacturing establishment, or new additions including machinery and equipment, is qualified for the manufacturing exemption under Article X, Section 3(g) of the South Carolina Constitution and Section 12-37-220(A)(7) of the Code of Laws of South Carolina, 1976, as amended, shall constitute a determination that such establishment is exempt from municipal *ad valorem* taxes under the provisions of this section.

Sec. 20-152. Tax exemption for new corporate headquarters, corporate office facilities and distribution facilities and additions to such facilities.

(a) *Eligibility.* All new corporate headquarters, corporate office facilities, distribution facilities, and additions to existing corporate headquarters, corporate office facilities, or distribution facilities located in the City and satisfying the requirements of Section 12-37-220(B)(32) of the Code of Laws of South Carolina, 1976, as amended, as in effect for the applicable year, shall be exempt from municipal *ad valorem* taxes for a period of five years from the time of establishment, construction, or being placed in service.

(b) *Administrative Compliance.* The owner of any property seeking to obtain exemption from such *ad valorem* taxes shall comply with all requirements of state law and the South Carolina Department of Revenue for the

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exemption to apply. The determination of the South Carolina Department of Revenue that such new corporate headquarters, corporate office facilities, distribution facilities, and additions to existing corporate headquarters, corporate office facilities, or distribution facilities qualify for the exemption set forth in Section 12-37-220(B)(32) of the Code of Laws of South Carolina, 1976, as amended, shall constitute a determination that such establishment is exempt from municipal *ad valorem* taxes under the provisions of this section.

Sec. 20-153. Tax exemption for new facilities for research and development activities and additions to such facilities.

(a) *Eligibility.* All facilities of new enterprises engaged in research and development activities located in the City and all additions to such facilities satisfying the requirements of Section 12-37-220(B)(34) of the Code of Laws of South Carolina, 1976, as amended, as in effect for the applicable year, shall be exempt from municipal *ad valorem* taxes for a period of five years from the time of establishment, construction, or being placed in service.

(b) *Administrative Compliance.* The owner of any property seeking to obtain exemption from such *ad valorem* taxes shall comply with all requirements of state law and the South Carolina Department of Revenue for the exemption to apply. The determination of the South Carolina Department of Revenue that such new enterprises engaged in research and development and additions to such facilities qualify for the exemption set forth in Section 12-37-220(B)(34) of the Code of Laws of South Carolina, 1976, as amended, shall constitute a determination that such establishment is exempt from municipal *ad valorem* taxes under the provisions of this section.

Sec. 20-154 – 20-200. Reserved.

Requested by:

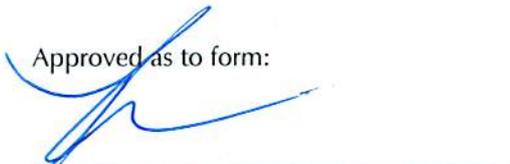
Economic Development Director


MAYOR

Approved by:


City Manager

Approved as to form:


City Attorney

ATTEST:


City Clerk

Introduced: 12/4/2012

Final Reading: 12/18/2012