

STATE OF SOUTH CAROLINA

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COUNTY OF YORK

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ORDINANCE 07-29

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TOWN OF CLOVER

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AN ORDINANCE TO PROVIDE FOR A PROPERTY TAX EXEMPTION ON NEW MANUFACTURING AND ON ALL ADDITIONS TO MANUFACTURING ESTABLISHMENTS PROVIDED CERTAIN CRITERIA ARE MET.

WHEREAS, Article X of the South Carolina Constitution provides that municipal governing bodies may by ordinance exempt from ad valorem taxation for not more than five years all new manufacturing establishments located within the Town limits and on all additions to the existing manufacturing establishments, including additional machinery and equipment, provided the additions cost fifty thousand dollars (\$50,000) or more; and

WHEREAS, the Town of Clover finds that in order to promote the Town to manufacturing establishments that are looking to relocate and/or expand and to support existing manufacturing establishments in their efforts to improve their facilities, it is necessary to offer incentives that will help attract and retain such establishments.

BE IT ORDAINED in Council duly assembled this 13th day of August, 2007, that the Code of Ordinances of the Town of Clover is hereby amended so as to create Article 5, Finance, Division 3, Economic Development, Section 2-300, Exemption of certain manufacturing establishments from ad valorem taxation, as follows:

Sec. 2-300. Exemption of certain manufacturing establishments from ad valorem taxation.

(a) There shall be exempt from ad valorem taxation, within the Town of Clover, all new manufacturing establishments located wholly within the corporate limits of the Town of Clover, for five (5) years from the time of establishment and all additions to the existing manufacturing establishments, located wholly within the town, for (5) years from the time each such addition is made, if the costs of such addition is fifty thousand dollars (\$50,000) or more, provided, however, that the exemption shall first apply to qualified properties upon which a tax would ordinarily be paid beginning January 1, 2008. Such additions shall include additional machinery and equipment installed in the plant.

(b) No new manufacturing establishment shall be entitled to the exemption unless construction of the new manufacturing establishment is commenced after the date of this section [*date of adoption*].

(c) No additions to existing manufacturing establishments shall be entitled to the exemption unless construction of the new addition is commenced after the date of this section.

(d) No exemption for additional machinery and equipment shall be granted unless the manufacturing establishment contracts to acquire the machinery and/or equipment after the date of this section.

(e) Exemptions granted pursuant to this section shall not result in any refund of taxes.

(f) Any manufacturing establishment seeking to obtain the exemption from ad valorem taxes levied by the Town of Clover shall comply with all requirements of state law to obtain exemption of local property taxes on manufacturing property allowed under Section 12-37-220(A)(7) of the South Carolina Code of Laws, 1976, as amended.

Except with respect to the question of whether or not the property was constructed or acquired after the effective date of this section, the determination by the South Carolina Department of Revenue that such new manufacturing establishment, or additions to existing manufacturing establishments, is qualified to be exempt, shall be deemed to be conclusive of the exemption from real and personal ad valorem taxes granted under the provisions of this section. The Town Clerk shall determine whether or not the property was acquired and/or whether construction of the property was commenced after the effective date of this section. The taxpayer shall have the burden of proving that the property was acquired or its construction was commenced after the date of this section.

(g) Except with respect to the question of whether or not the property was constructed or acquired after the effective date of this section, the Town Clerk shall use annually information provided by the South Carolina Department of Revenue in determining whether or not a manufacturer is entitled to the exemption. No exemption shall be allowed that would not have been allowed by Section 12-37-220(A)(7) of the South Carolina Code of Laws, 1976, as amended.

(h) The tax exempt status shall be revoked if it is determined that the property does not qualify annually under the provisions of the Constitution, the general laws of this state, and this section.

(i) If it is found, within three (3) years from the date that taxes would have been due on property that has been granted an exemption, that the exemption was improperly granted, the Town Clerk, upon receiving notice thereof, shall enter, on the duplicate, the taxes that would have been due for any years that the property escaped taxation, with a ten (10) percent penalty added thereto.

(j) The annexation of existing manufacturing establishments into the Town of Clover shall not result in the creation of a new manufacturing establishment which would be entitled to an exemption under this section.

Effective Date. This ordinance is effective immediately upon its adoption; provided, however, that the exemption shall first apply to qualified properties upon which a tax would ordinarily be paid beginning January 1, 2008.

Severability. If any part of this Ordinance is held to be invalid or unconstitutional, it shall be construed to have been the legislative intent to pass said Ordinance without such invalid or unconstitutional provision, and the remainder of said Ordinance shall be deemed to be valid as if such portion had not been included. If said Ordinance, or any provisions thereof, is held to be inapplicable to any person, group of persons, property, kind of property, circumstances or set of circumstances, such holding shall not affect the applicability thereof to any persons, property or circumstances.

AND IT IS SO ORDAINED.

Donnie Burns
Mayor

Council:

Mrs. Spurrer

Grand M. Boyd

Duce Henderson

Clay Tarney

[Signature]

[Signature]

(Town Seal)

Attest:

Alli Browne
Town Clerk Administrator (in Town Clerk's absence)

First Reading: 7-9-07

Second Reading: 8-13-07