April 29, 2026

SOUTH CAROLINA ASSOCIATION OF COUNTIES

Low-income housing tax exemption reporting requirements

Contact House members and ask them to advance S. 125, an SCAC policy position.

Background: There is currently nothing in statute that requires property owners receiving a low-income housing property tax exemption to report that they continue to meet the qualifications in the years following the initial exemption.

This creates a loophole where some property owners may not continue to qualify for the exemption but could still be receiving it.

S. 125 limits the property tax exemption for certain property of a nonprofit housing corporation to only the percentage of property equal to the corporation's ownership interest in the property, if that interest is at least 50%. It also requires the nonprofit housing corporation to apply to the Department of Revenue (DOR) for the initial exemption, to certify their ownership percentage, and to provide a rent roll or other suitable documentation proving compliance with the requirements of Revenue Procedure 96-32. Finally, the bill requires annual recertification in subsequent years and notification by DOR to the chief administrative officer of any county with jurisdiction over the property.

There are only eight days left in the regular legislative session, and SCAC staff has heard there will be an attempt to push this bill across the finish line in the coming days.

Contact your House members and ask that they support this effort to advance S. 125 so it is passed this year.
