

From:

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Date: 8/11/2015 11:01:06 AM

Subject:

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The proposed new GASB rule deals with state and local government accounting disclosures and is not an issue and as we understand it, at the state level, the rule would affect disclosures prepared by the Comptroller General's Office. Accordingly, the CG's Office is the state entity with responsibility for compliance with the new rule, which is expected to require disclosure of certain tax abatement information beginning in Fiscal Year 2016-17.

The Department of Commerce has no reason to believe at this point that the GASB rule would significantly affect business development in South Carolina. Taxpayer specific disclosures, if any, would be subject to and limited by state taxpayer confidentiality provisions.

While the Department of Commerce does not oversee property tax breaks, fee-in-lieu payments are already subject to public disclosure. Based on our preliminary understanding of the new GASB rule, from an economic development perspective, we do not anticipate a negative impact on recruitment or use of such incentives.