

Title: **Income tax burden is among nation's lowest**
 Author: BY CASSIE COPE ccope@thestate.com
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SOUTH CAROLINA

Income tax burden is among nation's lowest

■ Because of high standard deductions and exemptions, taxpayers here pay an effective rate of 2.99 percent, legislators are told as they consider lowering the top rate of 7 percent.

BY CASSIE COPE
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South Carolina had the 10th lowest effective income tax rate of the 41 states with an income tax in 2012, state legislators reviewing the state's tax code were told Tuesday.

South Carolina's high standard deductions and exemptions allow taxpayers to shield a higher portion of their income from state income taxes, reducing their effective tax rate compared with most other states, said Gordon Shuford, an economic researcher for the state.

South Carolina's effective tax rate is 2.99 percent, based on 2012 figures, the most recent studied. That effective rate is far lower than the state's 7 percent top income tax rate.

In 2015, Republican Gov. Nikki Haley, called for a 2 percentage point cut to that rate, saying the 7 percent tax bracket hurt efforts to recruit businesses to the state.

State Rep. Bill Taylor,

R-Aiken, said Tuesday the perception that South Carolina has high income taxes hurts when marketing the state to outsiders.

The perception is S.C. residents are taxed at the 7 percent rate, when reality is – after deductions and exemptions – the effective rate is 2.99 percent. But that lower rate is not taken into account, legislators said.

Speaker Pro Tempore Tommy Pope, R-York, agreed, saying when people search for places to live or do business and compare South Carolina's income tax with other states, the 7 percent rate appears high. However, the state's effective tax rate is significantly lower than surrounding states, Pope said.

Still, Pope suggested lowering the top rate to help with the perception issue.

In their presentation to legislators, state budget staffers also noted South

Carolina is a comparatively poor state. In 2012, 81.5 percent of S.C. taxpayers reported federal adjusted income of less than \$50,000.

Legislators also reviewed the state's 6 percent sales tax rate. Local governments can tack on additional sales taxes for special purposes, including building projects or tourism-related activities.

However, the state misses out on about \$3 billion a year in revenues because some goods and services are exempt from the sales tax.

In 2012-13, the largest sales tax exemption – \$722 million – was on motor fuel, which has its own excise tax. The second largest exemption – \$449 million – was on sales of prescription medicines. The third was groceries – \$435 million.

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Title: **Need a late-night ride home from Old Town? Hail a bike**
 Author: BY LUCAS HIGH lhig@islandpacket.com
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BLUFFTON

Need a late-night ride home from Old Town? Hail a bike

BY LUCAS HIGH

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Late-night revelers in Bluffton's Old Town have a new way to get home — pedicabs.

Bluffton Town Council voted unanimously Tuesday to change town regulations to allow bike taxis to operate until 2 a.m. Thursday, Friday and Saturday nights.

The move came just weeks after a new company — the first of its kind in Bluffton — began operating in town.

Bluffton Bike Taxi owner Trey Snow celebrated the council's decision, saying it will be a major boon for his fledgling company.

Under previous town rules, Snow's drivers — who first hit

the street in Old Town earlier this month — had to stop taking fares at 10 p.m.

The new regulations will “really be a nice change for Bluffton Bike Taxi,” he said.

When Snow recently went to the town in search of a business license for the new company, town staffers “recognized (there were) some shortcomings to our code,” deputy town manager Scott Marshall said Tuesday.

After studying how pedicabs are regulated in nearby cities such as Charleston and Savannah, the new rules were drafted, he said.

Marshall said for now there will two locations along Old

Town's busy Calhoun Street thoroughfare where the taxis can gather and pick up riders.

SEE PEDICABS, 7A



Bluffton Bike Taxi owner Trey Snow talks about the changes. islandpacket.com

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(THE PEDICABS) ARE THE TALK OF THE TOWN.

Bluffton Mayor Lisa Sulka

PEDICABS

FROM PAGE 1A

While there still may be a few kinks in the pedicab regulations to be worked out, town leaders expressed excitement about the new way to get around the historic district.

IN OTHER ACTION

The council voted unan-

imously to request that Beaufort County Council consider an ordinance allowing golf carts to operate at night provided they have proper lighting.

S.C. Gov. Nikki Haley recently signed a bill allowing properly equipped golf carts to be driven

after dark, but Beaufort County leaders must ap-

prove the concept before Bluffton cart drivers can hit the streets after dark.

Port Royal is considering a similar request, and the County Council is expected to begin considering the issue next month, Marshall said.

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SC tax burden among lowest

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Title: **Haley calls on MUSC board to pay for expensive meals, hotels**
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Haley calls on MUSC board to pay for expensive meals, hotels

Associated Press

Gov. Nikki Haley wants members of the board of the Medical University of South Carolina to reimburse the school for expensive meals and hotel stays during their board meetings.

Haley spokeswoman Chaney Adams told The Post and Courier of Charleston the governor has already asked her appointee to the schools governing board, Dr. Harold Jablon, to repay more than \$20,000 he was reimbursed for the meals, wine and luxury hotel rooms.

"We asked Dr. Jablon to repay the Medical University of South Carolina, which he has agreed to do, and his colleagues should do the same," Adams said.

The Post and Courier reported the MUSC board spent about \$560,000 since 2011, largely on hotel rooms and food, at their six meetings per year in Charleston.

Dr. Donald Johnson, chairman of the MUSC trustees, has ordered a review of the board's spending.

"I have called for the immediate review of the board spending policies in order to define and align

with best practices as we move forward," Johnson said in a letter to the newspaper.

According to Johnson, the review will include two board members, university finance, compliance and legal officers as well as two external members.

Last week, the state inspector general told The Post and Courier he had begun investigating the MUSC Board of Trustees' spending habits at the request of the State Commission on Higher Education, which oversees the state's public colleges and universities.