

TAXING AND BORROWING

Code **DC** Issued **8/04**

Purpose: To establish the basic structure for the board's authority to tax and borrow funds for the maintenance and operation of the school district.

Annual tax levy

Each school district's taxing authority is established by state law. In Dillon County, that authority is vested in the county legislative delegation within statutory limitations.

Borrowing

The board is permitted, by law, to borrow money in anticipation of collection of taxes. The purpose of such borrowing is to secure funds for district operations. The board must approve the issuance of tax anticipation notes.

Sale of bonds

In order to obtain funds for capital improvements, the board may, from time to time, issue bonds. The limit of district bonded indebtedness is subject to the provisions of Article X of the South Carolina Constitution.

In order for the district to sell bonds in excess of the limitation, the community must vote for a referendum allowing such sale.

Adopted 8/13/91; Revised 8/10/04

Legal references:

A. S. C. Constitution:

1. Article X, Section 15(6) - Provides for maximum debt limit of eight percent.
2. Article X, Section 15(7) - Provides for borrowing in anticipation of collection of ad valorem taxes.

B. S. C. Code, 1976, as amended:

1. Sections 11-27-10 through 11-27-100 - Effect of Article X of S.C. Constitution (see above) on statutes prior to its ratification. See especially Section 11-27-50 regarding the effect of Article X on school district bonds.
2. Sections 59-71-10 through 59-71-190 - (The School Bond Act) - Statutes regulating the issuance of general obligation bonds by school districts. In effect prior to the ratification of Article X of S. C. Constitution.
3. Section 59-13-70 - Superintendent will keep record of school district bonds.

C. Acts and Joint Resolutions:

1. 1976 Act 816, Section 11, p. 2380 - County auditor empowered to raise or lower levies provided such change in levy is approved in writing by the county council..