

# RICHLAND COUNTY COUNCIL

SOUTH CAROLINA

## RICHLAND COUNTY COUNCIL SPECIAL CALLED MEETING

May 24, 2016  
5:45 p.m.  
Council Chambers

1. **Call to Order**
2. **Approval of Resolution Requesting SCAC Participation in SCDOR Legal Action [PAGES 2-4]**
3. **Adjournment**



### Council Members

Torrey Rush, Chair  
District Seven

Greg Pearce, Vice Chair  
District Six

Joyce Dickerson  
District Two

Julie-Ann Dixon  
District Nine

Norman Jackson  
District Eleven

Damon Jeter  
District Three

Paul Livingston  
District Four

Bill Malinowski  
District One

Jim Manning  
District Eight

Seth Rose  
District Five

Vacant  
District Ten

May 23, 2016

Michael B. Cone, Executive Director  
South Carolina Association of Counties  
P.O. Box 8207  
Columbia, SC 29202-8207

Re: *Richland County, South Carolina v. South Carolina Department of Revenue,  
and Richard Reames, III, in his official capacity as its Director*  
(2016-CP-40-3102)

Dear Mr. Cone,

Please allow this letter to serve as Richland County's request for assistance and support in the above captioned case. As you are probably aware, Richland County (the "County") passed a Transportation Penny Sales Tax ("Penny Tax") pursuant to a successful referendum on November 6, 2012 and in compliance with S.C. Code Ann. §§ 4-37-10 *et seq.* In April of 2015, the South Carolina Department of Revenue ("SCDOR") initiated an audit of Richland County's Penny Tax expenditures. Subsequent to the audit, the SCDOR attempted to unlawfully direct the use of the Penny Tax funds in opposition to the referendum, which was lawfully voted on by the citizens of the County, and without any statutory authority. After the County refused to comply with the SCDOR's inappropriate demands, the SCDOR advised the County that it would withhold further disbursements of the Penny Tax funds to the County. In response, Richland County filed the above captioned lawsuit in the Court of Common Pleas, Fifth Judicial Circuit.

Attached you will find a Resolution from Richland County Council respectfully requesting assistance in the form of amicus briefs and any other assistance the SCAC deems appropriate. The resolution of this matter will have a direct effect on all 46 counties as they attempt to use lawful statutory authority to tax in order to provide for infrastructure and capital projects for the citizens of their respective counties. The County filed its complaint on May 20, 2016, for Declaratory Judgment, Writ of Mandamus, and Injunctive Relief and has requested a hearing in the upcoming weeks.

Thank you for your consideration of this matter. Please do not hesitate to contact me with any questions or concerns.

With kind regards,

RICHLAND COUNTY ATTORNEY'S OFFICE

By: \_\_\_\_\_  
Larry C. Smith  
Richland County Attorney

LCS:eam  
Enclosure

Cc: Tony McDonald, County Administrator  
Robert Croom, SCAC Deputy General Counsel

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

A RESOLUTION OF THE  
RICHLAND COUNTY COUNCIL

**A RESOLUTION REQUESTING THE ASSISTANCE OF THE SOUTH CAROLINA ASSOCIATION OF COUNTIES IN THE CASE OF RICHLAND COUNTY V. SCDOR, AND RICHARD REAMES, III, IN HIS OFFICIAL CAPACITY AS ITS DIRECTOR (2016-CP-40-3102)**

**WHEREAS**, the SCDOR has attempted to unlawfully direct the use of the Richland County Transportation Penny Sales Tax funds, in opposition to the referendum, which was lawfully voted on by the citizens of the County, and without any statutory authority; and

**WHEREAS**, Richland County has declared that the SCDOR does not have the statutory authority to direct the County's use of funds lawfully collected and expended pursuant to S.C. Code Ann. §§ 4-37-10 *et seq.*, "Optional Methods of Financing Transportation Facilities"; and

**WHEREAS**, the SCDOR advised the County that it would withhold further disbursements of the Penny Tax funds to the County; and

**WHEREAS**, Richland County filed the above action against SCDOR and its Director asking the Court for a Declaratory Judgment, a Writ of Mandamus, and Injunctive Relief; and

**WHEREAS**, Richland County believes that this issue has statewide impact affecting those counties which have already passed similar statutory taxes (Transportation and Capital Improvement) and those which chose to do so in the future; and

**WHEREAS**, Richland County Council believes that this matter should be approved by the South Carolina Association of Counties to receive support from the Association in the form of amicus briefs and other legal aid in an effort to inform the court of the statewide impacts from the outcome of this case;

**NOW, THEREFORE, BE IT RESOLVED** that the Richland County Council does hereby respectfully request the South Carolina Association of Counties support and aid Richland County in its action against the South Carolina Department of Revenue by submitting amicus briefs and other legal aid as determined necessary or beneficial by the Association.

**ADOPTED THIS** the \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Torrey Rush, Chair  
Richland County Council

Attest: \_\_\_\_\_  
Michelle Onley  
Assistant Clerk of Council