

Option to Renew* the Penny Sales Tax

*First approved by Horry County voters in 2008.



Information on the 1% sales tax to fund capital improvements/facilities for education.



ABOUT THE PENNY SALES TAX

On November 8, 2022, voters in Horry County will decide by referendum how to fund the future building needs and capital improvements of public schools and the county's two schools of higher education. The current 1% Education Capital Improvement Sales and Use Tax (approved in 2008) sunsets in March 2024, and the reauthorization of the 1% sales tax will impose the sales tax for an additional 15 years. The 1% sales tax provides a revenue stream to help pay for growth, and it allows for more collaboration for educational programs among Horry County Schools, Coastal Carolina University, and Horry-Georgetown Technical College.

In 2008, the 1% sales tax passage reduced the millage levied on behalf of Horry County Schools for debt service from 28 mills to 10 mills. While the value of a mill changes annually, the reduction by 18 mills is currently equivalent to about \$48.6 million. If approved, the 1% sales tax allows debt service millage to remain as it is today at 10 mills.



FOR MORE INFORMATION ON THE PENNY SALES TAX:

Please visit horrycountyschools.net/penny for more information on the 1% Education Capital Improvement Sales and Use Tax.

Visit horrycountyschools.net/pennyvoteinfo to review the Nov. 8, 2022 Ballot Referendum Question.



OUR GROWING EDUCATIONAL COMMUNITY

- Horry County Schools is one of the fastest growing among the state's 85 school districts and is the third largest school district in the state, with a record level of student enrollment at over 46,000 students.
- Coastal Carolina University is one of the fastest growing four-year institutions in South Carolina, accounting for a 44 percent enrollment growth when compared to other comprehensive institutions who experienced growth from 2011-2021.
- Horry-Georgetown Technical College is the fastest growing of all public two-year colleges in the state, hitting an all-time enrollment record for the 2022-2023 school year with over 8,250 students.



FREQUENTLY ASKED QUESTIONS

How did Horry County Schools fund capital projects before the imposition of the current 1% sales tax which was originally approved by the voters in 2008?

- South Carolina's Constitution authorizes school districts to issue bonds to fund capital projects [construction of new schools and improvements to existing schools] but limits those bonds to 8% of the total assessed property values within the school district. The debt service on these bonds is paid from property taxes. In 2008, Horry County Schools' debt service millage was 28 mills. Today it is 10 mills.

How would the renewal of the 1% sales tax work?

- If approved by voters, the current amount of the sales tax will not change.

How much money would the 1% sales tax generate?

- Based on historical collections, the penny sales tax is expected to generate more than \$1.9 billion dollars (\$1,938,448,129) over a 15-year period. This number assumes a four percent annual increase in sales tax collections. Horry County Schools will receive 80 percent, or \$1,550,758,503. Coastal Carolina University will receive 13.3 percent while Horry-Georgetown Technical College will receive 6.7 percent of the total.

How long would the renewal of the 1% sales tax last?

- If approved by voters, the 1% sales tax would be effective for 15 years (until 2039) to cover the school district's identified capital needs. Those needs include additions & renovations on existing facilities, construction of new facilities, land acquisition, technology, safety & security, and telecommunications.



HCS - 80%
CCU - 13.3%
HGTC - 6.7%

Is the 1% sales tax different from property taxes?

- Yes. Property taxes are assessed based on the value of the property you own, while sales taxes are generated from the purchase of goods and certain services. The renewal of the 1% sales tax will allow non-property owners, as well as those traveling to the County who shop or make purchases, to help share the burden of funding local school projects and construction costs.



A YES VOTE

- Continues the revenue source for debt service.
- Allows the school district to keep the current debt service millage on all property, including houses, businesses, vehicles, land, and personal property.
- Generates over \$1.9 billion for school facilities and capital improvement needs for Horry County Schools and the county's two post-secondary schools.
- Broadens the tax base by allowing everyone, including non-residents, to help pay for school facilities.



A NO VOTE

- Returns the millage for debt service on taxes for houses, businesses, vehicles, land, and personal property. At this time, the school district cannot predict what the increase in debt service millage will be, but without access to the 1% sales tax revenues, the school district will need to fund capital projects using general obligation bonds, which will require an increase in the millage levied for debt service. [Coastal Carolina University and Horry-Georgetown Technical College do not levy taxes for debt service].
- Continues funding current and future school buildings and capital improvements for the school district by property taxes.

HCS INSPIRING
Horry County Schools POSSIBILITIES

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