

Policy DC Taxing and Borrowing

Issued 04/21

Annual Tax Levy

Each school district's taxing authority is established by state law. Each year the board will make a request to Richland County Council for the amount of local funds in addition to other funds accruing to the school district for the purpose of operation of schools. The council must establish the level of local funding and authorize the county auditor to levy upon all taxable property in the school district which will produce local funds. The school district will determine the level of funding for the debt service requirement.

Borrowing

By law, the board is permitted 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. Annually, the board will access cash needs for interfund borrowing if necessary.

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 5/23/00; Reviewed 9/8/15; Revised 04/27/21

Legal references:

S. C. Constitution:

[Article X](#), Section 15(6) - Provides for maximum debt limit of eight percent.

[Article X](#), Section 15(7) - Provides for borrowing in anticipation of collection of ad valorem taxes.

S. C. Code, 1976, as amended:

[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.

[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](#).

[Section 59-13-70](#) - Superintendent will keep record of school district bonds.