

## Safety Maintenance Account through month of June 2019

	Fiscal Year 2018-19		Fiscal Year 2017-18	All Activity Since Act 40 Inception (1)
	Month of June	Fiscal Year Year to Date	Total for Fiscal Year	
<b>Beginning balance</b> .....	\$ 6,351,240	\$ 16,507,090	\$ —	\$ —
<b>Receipts</b>				
Out of state registrations.....	3,388,097	20,072,347	16,456,211	36,528,558
Investment earnings on Safety				
Maintenance Account balances.....	44,791	453,292	50,879	504,171
IMTF transfer to cover shortfall (2).....	—	12,751,399	—	12,751,399
<b>Total Receipts</b> .....	<b>3,432,888</b>	<b>33,277,038</b>	<b>16,507,090</b>	<b>49,784,128</b>
<b>Disbursements</b>				
Transfer to Department of Revenue to fund estimated Preventative Maintenance Tax Credits (3).....	—	(40,000,000)	—	(40,000,000)
<b>Ending balance</b> .....	<b>\$ 9,784,128</b>	<b>\$ 9,784,128</b>	<b>\$ 16,507,090</b>	<b>\$ 9,784,128</b>

(1) Act 40 — the South Carolina Infrastructure and Economic Development Reform Act — became effective July 1, 2017. Act 40 established the Safety Maintenance Account and provided that registration fees deposited into the Safety Maintenance Account, which are derived from vehicles originally registered in another state and then subsequently registered in South Carolina, can be used only to fund state individual income tax credits for preventative maintenance costs incurred on private passenger vehicles.

(2) For FY2018-19, available funds in the Safety Maintenance Account were not sufficient to fund an anticipated \$40 million of Preventative Maintenance Tax Credits (*individual income tax credit starting with 2018 tax year*) that were estimated by the S.C. Revenue and Fiscal Affairs Office. As a result, in January 2019, \$12,751,399 was transferred from the Infrastructure Maintenance Trust Fund (IMTF) to the Safety Maintenance Account to cover the anticipated shortfall as directed by Proviso 84.15 of the FY2018-19 General Appropriations Act.

(3) \$40 million was transferred to the Department of Revenue in FY2018-19 to fund anticipated Preventative Maintenance Tax Credits as estimated by the S.C. Revenue and Fiscal Affairs Office. From that amount, credits totalling \$1.6 million have been refunded to taxpayers through April 30, 2019. We will provide updated totals as information becomes available.