

COUNTY OF RICHLAND
OFFICE OF COUNTY TREASURER



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2 July 2004

TO: The State Newspaper Editorial Board
Attn: Warren Bolton

From: David A. Adams

Re: Editorial Letter on Vehicle Tax Collections

A story ran in The State on Sunday (6/27) that mischaracterized automobile tax collections in Richland County. The story stated that \$6.8 million in revenue was lost in the twelve months prior to my term as County Treasurer. The information distributed in the story left a false impression of tax collections both past and present.

Richland County has not lost vehicle tax revenue - that was clearly a misleading statement in the story. Richland County cannot lose revenue that is not legally collectible.

Each year an average of 31,700 automobile tax bills must be purged from the tax rolls because the vehicles have been sold, taken off the road, or moved from the county. Those vehicles show on our tax rolls until they are purged (annually) even though the taxpayer is no longer liable to pay those taxes. The State article used a revenue figure which did not account for the millions of dollars in taxes that are no longer legally collectible by Richland County.

More than 256,600 vehicle tax bills are sent out by Richland County each year. After invalid vehicle bills are purged, an average of 3,900 (1.5%) collectible bills remain unpaid each year. Those automobiles cannot be registered without a valid tag and a valid tag cannot be obtained without paying all taxes due. Those legally collectible vehicle taxes are my focus.

But even those numbers do not tell the whole story. Annually an average of 49,900 vehicles are newly added to the county's tax rolls. These usually include newly purchased automobiles and vehicles that have previously been registered in other counties or states. Vehicle tax revenue that is no longer valid is replaced with these newly taxed automobiles. It has traditionally been an ebb and flow that balances out over a budget year.

We work extremely hard to enforce tax collections because it is unfair for those of us who pay our taxes to pick up the tab for those who try to skirt the system. I have implemented numerous changes in procedures and internal controls that have increased the enforcement of automobile tax collections. The changes we have made strictly follow what the law allows us to do to collect taxes. Because of our new tougher collection standards, in the last six months the Richland County Treasurer's Office has collected over 1,100 payments totaling \$240,000 in old tax bills (from January 1994- January 2003) - that is 33.3% higher than during the same period last year.

The State newspaper article implies that we should pursue citizens that no longer legally owe taxes to Richland County. I believe that taxpayers are harassed enough already. I will constantly search for ways to refine and improve our collection process, but I refuse to reach beyond the law to burden our citizens further.

The Treasurer's Office's collections have met the projected revenue for vehicle taxes. Richland County has not lost money as claimed in The State's recent article.