

Seneca weighs tax hike

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SENECA — Seneca City Council is weighing whether or not it should take advantage of room in the state-mandated millage cap and raise property taxes.

Talk of a possible tax increase arose from a discussion this week about the need for additional police presence at the Norton-Thompson Park bus stop.

City officials have long endured complaints from residents and business owners in the downtown area of public drunkenness, solicitation and other minor criminal activity around the bus stop. Police Chief John Covington told council members that the only thing he could think of to suppress such activity would be to hire an additional officer whose exclusive coverage area would be downtown. Those comments prompted a broader discussion of city property taxes.

Covington said he applied for grants that would temporarily fund another officer, but to no avail. The costs associated with another officer are estimated at \$50,000.

Those comments prompted City Administrator Greg Dietterick to point out that the state of South Carolina would allow the city to raise property taxes by roughly 5 percent if it chooses.

In 2008, the state's General Assembly passed a law imposing a cap on how much any governing body can increase millage in one year. The cap is predicated on the consumer price index from the preceding calendar year and population growth.

Dietterick reminded council that the room to up the millage is only good for that year, and that should the index-based cap go down the next year, the opportunity to generate additional revenue would be lost.

Likewise, since there are no guarantees that any subsequent year will allow for a millage increase, the city's ability to tax in the future is predicated on what its rate was in the previous year. In other words, the ability to tax more improves the more the city taxes in preceding years.

"If you don't do it, then you lose it," Mayor Dan Alexander said Thursday. "It's something council was made aware of and we'll see what they do."

Currently, Seneca's 52.3 mills generate approximately \$1.4 million in revenue. Alexander said it's something council will have to consider as it moves forward in the budgeting process.

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TAX: 'I like to keep taxes low,' mayor said

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The second and last reading of the proposed budget is set for next council meeting.

"I like to keep taxes low and not have any more increases than we have to have," Alexander said. "On the other side, I know if they want to fund this police position, that's really the only pos-

sibility we have. It's the best way to go."

Alexander acknowledged it would be tough to move forward with a tax hike.

"I think it's something we have to look at. I'd lean toward not doing it, but if that's our only option, we have to look at it," the mayor said.

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