SOUTH CAROLINA IS A SINKHOLE STATE

The State Owes $27.7 billion

The State Owns $12.2 billion

THE STATE'S BILLS EXCEED ITS ASSETS

The state of South Carolina is sinking in debt. The State's $15.4 billion shortfall represents compensation and other costs that have been pushed into the future.

Each Taxpayer's Share of This Financial Burden is $11,700

South Carolina statutes require the legislature to pass a balanced budget. One of the reasons South Carolina is in this precarious financial position is state officials use antiquated budgeting and accounting rules to report South Carolina's financial condition. Since employee retirement benefits are not immediately payable in cash, the related compensation costs have been ignored when calculating balanced budgets.

RETIREMENT LIABILITIES ARE MASSIVELY UNDERSTATED

Reported Retirement Liabilities $14,974,000
Actual Retirement Liabilities $18,480,102,000

Truth in Accounting's detailed analysis discovered a total of $18.5 billion of retirement benefits have been promised but not funded. Because of the confusing way the State does its accounting, only $15.0 million of these liabilities are reported on South Carolina's balance sheet.

Truthy in Accounting is committed to educating and empowering citizens with understandable, reliable and transparent government financial information.

 얘기 We call on governments to truthfully balance their budgets by including all real and certain expenses when incurred not when paid.

 얘기 To be knowledgeable participants in their State government and its budget process, citizens need to be provided with truthful and transparent financial information.

Number of taxpayers is based on the number of South Carolina federal tax filers with a tax liability.

Data is derived from the state of South Carolina's June 30, 2013 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

© 2014 Truth in Accounting

www.truthinaccounting.org
www.statedatalab.org
The state of South Carolina has $47.2 billion in assets, but most of these assets are not available to pay State bills.

The $26.8 billion of capital assets, such as roads, buildings, and land should not be sold to pay bills. The use of $8.2 billion of the assets is restricted by law or contract.

That leaves $12.2 billion of State's assets available to pay $27.7 billion of bills as they come due.

The $15.4 billion shortfall represents compensation and other costs incurred in prior years that should have been paid in those prior years. Instead these costs have been shifted to future taxpayers.

Today Each Taxpayer Owes $11,700

Number of taxpayers is based on the number of South Carolina federal tax filers with a tax liability.

Data is derived from the state of South Carolina's June 30, 2013 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.