

Bond Case Briefs

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TAX - SOUTH CAROLINA

Thompson v. Killian

Supreme Court of South Carolina - November 5, 2025 - S.E.2d - 2025 WL 3085990

Residents filed suit, individually and as a class, against county administrator, county treasurer, county council, county, city, city council, and city manager, seeking declaratory and monetary relief for city's and county's imposition of road maintenance fees.

The Court of Common Pleas granted defendants' motion to dismiss for lack of subject matter jurisdiction and for failure to state a claim, and subsequently granted in part and denied in part county defendants' motion to alter or amend the dismissal order. Residents appealed, and subsequently requested certification of appeal to the Supreme Court, which was granted.

The Supreme Court held that:

- County's and city's road maintenance fees did not fall within Revenue Procedures Act's (RPA) definition of "taxes;"
- RPA's class-action prohibition bars class actions against political subdivisions only in disputes concerning value-based property taxes;
- Treasurer was not subject to suit under statutory provision imposing liability on public officers for improperly-charged fees;
- Quasi-contract equitable claims do not fall under South Carolina Tort Claims Act's (SCTCA) exception to sovereign immunity for contract-based claims; and
- Stipulated dismissal of residents' state due-process challenge to fees was law of the case.

County and city road maintenance fees did not fall within Revenue Procedures Act's (RPA) definition of "taxes," and thus RPA did not deprive trial court of subject matter jurisdiction over residents' individual and putative class action seeking to challenge county's and city's impositions of such fees, even though residents challenged fees as unlawful taxes; fees were not established under "Taxation" statutory title, but rather under statutory titles that allowed local governments, i.e. counties and cities, to impose and collect service or user fees, and General Assembly had not granted Department of Revenue authority to collect road maintenance fees.