Business Tax Guide

South Carolina Department of Revenue
Nikki R. Haley, Governor
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Visit Our Web Site – www.sctax.org
South Carolina Business One Stop – www.scbos.sc.gov

2014 Edition

South Carolina Department of Revenue
Taxpayer Service Centers

Charleston Service Center:

Physical Address
2 South Park Circle
Suite 100
Charleston, SC 29407
Phone: (843) 852-3600
Fax: (843) 556-1780

Mailing Address
2 South Park Circle
Suite 100
Charleston, SC 29407-4636

Columbia Main Office:

Physical Address
300A Outlet Pointe Boulevard
Columbia, SC 29210
Phone: (803) 898-5000
Fax: (803) 896-1129

Mailing Address
P.O. Box 125
Columbia, SC 29214

Florence Service Center:

Physical Address
1452 West Evans Street
Florence, SC 29501
Phone: (843) 661-4850
Fax: (843) 662-4876

Mailing Address
P.O. Box 5418
Florence, SC 29502-5418

Greenville Service Center:

Physical Address
545 North Pleasantburg Drive
Suite 300
Greenville, SC 29607
Phone: (864) 241-1200
Fax: (864) 232-5008

Mailing Address
545 North Pleasantburg Drive
Suite 300
Greenville, SC 29607-2183

Myrtle Beach Service Center:

Physical Address
1330 Howard Parkway
Myrtle Beach, SC 29577
Phone: (843) 839-2960
Fax: (843) 839-2964

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P.O. Box 30427
Myrtle Beach, SC 29588-0008

Rock Hill Service Center:

Physical Address
454 South Anderson Road
Business and Technology Center
Suite 202
Rock Hill, SC 29730
Phone: (803) 324-7641
Fax: (803) 324-8289

Mailing Address
P.O. Box 12099
Rock Hill, SC 29731-2099

About This Book

This publication is written in general terms for widest possible use. It is intended as a guide only, and the application of its contents to a specific situation will depend on the circumstances involved.

This publication may not be relied upon as a substitute for obtaining professional advice and researching original sources of authority. Nothing in this publication supersedes, alters or otherwise changes provisions of the South Carolina Code, regulations or department advisory opinions.

The South Carolina Department of Revenue would appreciate your comments or notifications of any errors. Such remarks should be sent to: Sara Unrue, Taxpayer Education Coordinator, SC Department of Revenue, PO Box 125, Columbia SC 29214 or via e-mail at TaxpayerEd@sctax.org.

Table of Contents

Taxpayers' Bill of Rights **4**

Checklist for New Businesses in SC **5**

Forms **7**

Tax Workshops **7**

Forms of Business Organization **8**

Recordkeeping **9**

South Carolina Business One Stop (SCBOS) **13**

Electronic Services **17**

Sales & Use Tax **21**

- Local Sales & Use Tax 24
- Exemptions & Exclusions 28

Withholding **38**

Property Tax **48**

Alcoholic Beverages **55**

Corporate Income Tax **59**

- Tax Credits 60

Limited Liability Companies & Partnerships **67**

Miscellaneous Taxes & Fees **71**

- Admissions Tax 71
- Bingo Tax 73
- Deed Recording Fee 74
- Tobacco Products 75
- Electric Power Tax 76
- Estate Tax 76
- Forest Renewal Tax 76
- Low-level Radioactive Waste Tax 77
- Solid Waste Excise Tax 77
- Highway Use Tax 77
- Motor Fuel User Fee 78
- Dry Cleaning Facility Registration Fees and Surcharges 80

Individual Income Tax **81**

Government Assistance **86**

Small Business Development Centers **93**

DOR Phone Directory **97**

South Carolina
Department of Revenue
Post Office Box 125 • 300A Outlet Pointe Boulevard • Columbia SC 29210

Congratulations on opening your business! Businesses, both large and small, are vital to South Carolina's long-range economic stability. We believe that by helping businesses succeed, we ultimately aid in the state's prosperity.

If you've registered online at www.scbos.sc.gov, or completed the Business Tax Application form SCDOR-111, you've taken the first step to receiving your new license or registration either online, in person, or through the mail.

If you personally received your license from one of our Taxpayer Service Centers, you've already made contact with a great resource – our staff of professionals. If you have questions or concerns please feel free to contact any of our Taxpayer Service Centers or visit our website at **www.sctax.org.**

The Department has six Taxpayer Service Centers across the state. See the inside front cover of this publication for the addresses, telephone and fax numbers for each location. We also have staff available at satellite locations at scheduled times—see *page 100* for those locations and times.

If you registered online at South Carolina Business One Stop (SCBOS) or by mail, this business tax guide is intended to give you as much information as you need. However, please feel free to call any of our Taxpayer Service Centers or our main office in Columbia, should you have additional questions or concerns.

The following are some of the ways you can help us serve you better:

- **File and pay online. Filing online is easy and can be done anywhere! Payments can be made by MasterCard®, Visa, or with Electronic Funds Withdrawal (EFW). There are no processing fees for making your payment online.** You may also review your payment history online when you use this method.

- **Use appropriate forms.** New businesses will receive filing information within a few weeks. If needed, please download forms from our website www.sctax.org . *Note: Sales & Withholding accounts will not receive a packet of preprinted paper forms. See page 7 for more information on forms.*

- **Be sure to use your correct South Carolina License and Federal ID numbers.** Write them here so you'll have these very important numbers written down in more than one place.

_____	_____
My South Carolina Retail License #	**My Federal ID #**
_____	_____
My South Carolina Business/Corporate Tax #	**Other #**
_____	
My South Carolina Withholding #	

- **File your returns even if you have no income to report or owe no tax**. Failure to do so may result in an estimated assessment of your tax liability as well as penalties and interest. Businesses that have zero sales or zero withholding can file zero returns online or by Business Tax TeleFile.

- **Make sure you've signed all forms and attached your checks**. Completely and carefully check that you've signed where necessary before mailing your forms.

Taxpayers' Bill of Rights

The Taxpayers' Bill of Rights gives you certain rights when dealing with the South Carolina Department of Revenue.

1. You have the right to apply for assistance from the Taxpayer Rights' Advocate within the Department of Revenue. The advocate or his designee is responsible for facilitating resolution of taxpayer complaints and problems.

2. You have the right to request and receive forms, instructions and other written materials in plain, easy-to-understand language.

3. You have the right to prompt, courteous service from us in all your dealings with the Department of Revenue.

4. You have the right to request and receive written information guides, which explain in simple and nontechnical language, appeal procedures and your remedies as a taxpayer.

5. You have the right to receive notices which contain descriptions of the basis for and identification of amounts of any tax, interest and penalties due.

Under the provisions of Section 12-4-340 of the 1976 code of laws, any outstanding liabilities due and owing to South Carolina Department of Revenue for more than 6 months may be assigned to a private collection agency for collecting actions.

For additional information about the Taxpayers' Bill of Rights contact the Taxpayer Rights Advocate at the South Carolina Department of Revenue (803) 898-5444 or by mail at Taxpayer Rights Advocate, Department of Revenue, PO Box 125, Columbia SC 29214 or e-mail through our website **www.sctax.org.**

Checklist for New Businesses in South Carolina

For additional assistance, a complete listing of contact information and telephone numbers is located in the Government Assistance Section of this guide *(p. 86)*.

❒ **Will you sell or lease any goods or provide any services?**

- You may need a retail license (you may obtain this online at www.scbos.sc.gov).
- You should collect and report the sales tax on any sales you make.
- Most services are not subject to sales tax – check to see if this applies to your specific situation.

❒ **Will you have any employees?**

- Register as a withholding agent with the Department of Revenue online through www.scbos.sc.gov and the Internal Revenue Service to withhold income taxes from your employees' wages.
- You should register to pay unemployment contributions with the Department of Employment and Workforce. This registration can also be done online through www.scbos.sc.gov.
- You may need to register with the Workers Compensation Commission. There may be other state, federal and local government agencies where you may need to register. Visit www.wcc.sc.gov for more information or to register.

❒ **Will you purchase any items for your business?**

- If the items are to be used in your business and you did not pay sales tax at the time of purchase, you should pay use tax.
- If you resell items with a markup, sales and use tax is due, even if you paid tax when you bought it.

❒ **Does your business own equipment, furniture or fixtures?**

- File a business personal property return (PT-100) each year. "Personal property" is a technical term for items other than real estate and inventory.

❒ **Will you be selling beer, wine or liquor?**

- You must obtain an alcoholic beverage license. (If you are a wholesaler of alcoholic beverages, tobacco, gasoline or soft drinks, special tax rules may apply to you.)

❒ **Does your business provide overnight accommodations?**

- Register to collect and remit the accommodations tax on all your room rentals, vacation cottages or home rentals.

❒ **Is your business a place of amusement?**

- Apply for an admissions tax license.

❒ **Will you own and operate coin devices, operated game machines or table games including "juke boxes," pool tables or foosball tables?**
- Register games and owner with the South Carolina Department of Revenue.

❒ **Do you sell tires, batteries, oil or appliances?**
- Register to collect the solid waste excise tax on your sales.

❒ **Will your business incorporate?**
- Register with the Secretary of State.
- Register with the South Carolina Department of Revenue.

❒ **Will you purchase a business from a previous owner?**
- Check with the South Carolina Department of Revenue to confirm that the former business has paid all its taxes. This is called a Certificate of Compliance.

We want your business to succeed!

Your new business is more likely to succeed if you avoid the following pitfalls. Some of the reasons new businesses fail are:

1. Failure to pay taxes in a timely manner
2. Filing $0 Business Personal Property return when the business has depreciable assets reflected on the income return
3. Failure to file and pay Business Personal Property return
4. Failure to pay sales tax on marked-up items
5. Failure to pay use tax on items used in the business
6. Failure to advise Department of Revenue of address change
7. Failure to file $0 returns to the Department of Revenue. Returns are required regardless of activity.

Here are some things you need to do to help make that happen:

❖ **Read this guide thoroughly – it contains very important information.**

❖ Get assistance whenever you need it! See the list of contact information in the Government Assistance section of this guide.

A Word about Forms

For a list of the electronic filing options, see pages 17-20 of this manual.

You may obtain ***state*** forms using one of four methods:

1. **Online**: Visit the South Carolina Department of Revenue website at www.sctax.org. Go to Quick Links, click Forms and Instructions. Download and print the form you need.

2. **Email:** Send the request to Forms@sctax.org. Please include the following information
    - Name and mailing address where you like the form(s) to be sent
    - Form ID number and title of form

3. **Telephone:** You may also order forms by calling the SC Department of Revenue at (803) 898-5320 or (800) 768-3676 and leaving a voice message containing the following information:
    - Name and mailing address where you would like the form(s) to be sent
    - Form ID number and title of form

4. **In Person**: Visit any of the six taxpayer service centers around the state

For copies of ***federal*** forms you may also use one of three methods:

1. Visit the Internal Revenue Service website at **www.irs.gov**
2. Using the IRS publication number, you may call (800) 829-3676
3. Visit the Internal Revenue Service office nearest you *(see pg. 91)*

For copies of other SC state forms, visit the South Carolina Business One Stop at www.scbos.sc.gov. Once on the SCBOS website, scroll your mouse over the blue tab titled SCBOS Library.

Tax Workshops & Webinars

The Office of Taxpayer Education at the Department of Revenue offers a variety of tax and business-related seminars, workshops and webinars (workshop on the internet) on a wide range of topics throughout the year. Businesses and associations can also request a speaker for your company or association meeting by filling out the Speaker Request Form on our website.

For additional details on all of our classes, visit http://www.sctax.org/Tax+Workshops/default.htm.

Forms of Business Organization

There are many types of business entities including sole proprietorship, partnership, corporation, and limited liability company (LLC).

- **Sole Proprietorship**

  A sole proprietorship is a business that is owned by an individual who is solely responsible for all aspects of the business. The owner is personally responsible for all debts of the business, even in excess of the amount invested in the business.

- **Partnership**

  A partnership is a legal entity that is jointly owned by two or more entities. As in the sole proprietorship, the owners are personally responsible for all debts of the business, even those in excess of the amount invested in the business.

- **Corporation**

  A corporation is a business that is formed and authorized by law to act as a single taxpayer, although constituted by one or more persons, and is legally endowed with rights and responsibilities. It is advisable to consult a lawyer when organizing a corporation to assure full compliance with state and federal laws.

- **Limited Liability Company (LLC)**

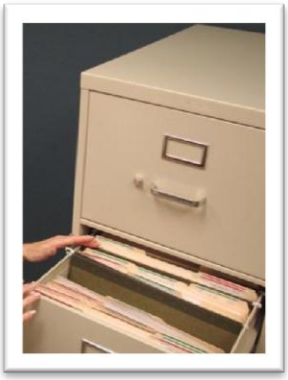
  A limited liability company is an unincorporated business association that provides its owners (members) limited liability and flexible management and financial alternatives. An LLC provides the limited personal liability of corporations. An LLC can elect to be taxed as a corporation. A multiple member LLC not taxed as a corporation is taxed as a partnership.

  Note on Single Member LLCs

  A single member LLC that does not elect to be taxed as a corporation for federal income tax purposes is said to be “disregarded” for state tax purposes, in the sense that it is not considered to be an entity separate from its owner. The revenue, expenses, income, assets, liabilities and equity of the disregarded entity will flow up to the owner from the LLC as if it were a division of the owner. Therefore, a single member who is a corporation reports income from the single member LLC as income from one of its divisions. For an individual member income from a single member LLC is most likely Schedule C income.

Recordkeeping

The best time to set up a recordkeeping system for a business is before you start the business. Experience clearly indicates that the use of an adequate recordkeeping system increases the chances of business survival.



The key to successful recordkeeping is a commitment to a system that is:

- Simple to use
- Accurate
- Consistent
- Reliable
- Easy to understand
- Designed to provide information on a timely basis

However, no matter how simple and easy the system is, it will not happen by magic.

You must make it work. Practice the following rules and recordkeeping will be less of a chore:

- Keep all records in one place
- Develop a regular schedule for recording information

Every business should have up-to-date records that provide the following:

- Complete and accurate tax information
- An accurate record of the financial performance of the business
- A basis for sound planning for the future
- A basis for discussion with partners, potential lenders and others

Recordkeeping Tips

Keep the following tips in mind as you develop your recordkeeping system:

- Get a receipt for everything, even paper and pencils.
- **No receipt means NO deduction**.
- Post all expenses regularly to avoid end-of-the-month and end-of-the-year pile up.
- Simplify recordkeeping by maintaining accurate, yet uncomplicated books.
- Give a sales slip to each customer. This serves as their receipt and your record.
- Use petty cash with care. Write a voucher each time money is used. Careless use of petty cash can take a large bite out of your profits.
- Be sure to have a business checking account. Pay all bills and deposit business receipts into the account. You can even pay yourself out of this account. Keep all records for six years for tax purposes.
- **NEVER CONSIDER TAX MONIES AS YOUR BUSINESS OPERATING CASH.**

What Records to Keep

- **Income**

  The money you receive from sales or services is income. Your records can help identify the source of income. Receipts can be identified using sales slips, cash register receipts and invoices. It is helpful to categorize income as you receive it and to keep separate records of all sales tax collected.

- **Expenses**

  All funds paid out should be recorded. Each expenditure should be identified according to its use and whether it is a capital or non-capital expenditure.

- **Account receivable**

  You should keep a record of money owed to you and the reason. Most new businesses cannot afford to offer extensive credit. A system should also be developed to collect money owed to the business and to keep track of the age of the receivables.

- **Accounts payable**

  A record of goods or services received on account or credit is called an accounts payable. You must pay for these goods and services. Consider them a cost of business.

- **Inventory**

  Develop a system to record inventory. You will need to record the value of your beginning and ending inventory each year for tax purposes.

- **Depreciation of equipment and fixed assets**

  Many businesses need equipment, fixtures and facilities in order to function. The use of these items results in certain loss of value and at some future date these items will need to be replaced. This is a cost of business operations and must be a part of a complete recordkeeping system.

- **Insurance records**

  Most businesses need liability and property loss insurance. You will need to keep a record of each policy, dates effective and annual premiums.

- **Payroll records**

  If you have employees, recordkeeping is more involved. It is necessary to keep records of payroll payments including the rate of pay, federal and state withholding tax, unemployment tax, workers compensation, pension plans, etc.

Establishing Good Business Practices & Procedures

The suggestions listed here can help a new business owner simplify the recordkeeping process. If these guidelines are used before the transactions begin to occur; confusion, duplication and lost tax benefits can be avoided.

- **Maintain separate business checking accounts, charge accounts and savings accounts.**

  This ensures that transactions are clearly identified as business, and a supporting document is created for each check written or deposit made. A checking account eliminates the need for cash payments which are difficult to track and support without records. A separate checking account is only effective in tracking expenditures if you resist writing checks payable to "Cash" or yourself.

- **Pay all bills by electronic funds transfer (EFT), credit card or check.**

  This is your record of having paid bills and makes it easier to analyze expenditures.

- **Do NOT pay in cash.**

  Create a petty cash fund. For small expenses it is often practical to pay cash, retain the receipt, and reimburse yourself through a petty cash fund. Be sure to document the receipts and reconcile the fund on a regular basis.

- **Develop a filing system.**

  Keep records/supporting items in a tax return until the statute of limitations for that return expires (usually six years). If you depreciate or sell an asset, you should keep records that verify your purchase as long as they are needed to figure the basis of the original or replacement of the property. Keep your old tax returns. They help jog the memory in preparing subsequent years' returns. Start with something simple and modify or expand as needed.

- **Prepare income deposit and disbursement procedures**.

  Sketch out the steps you follow when receiving cash, recording and depositing money. Don't keep cash or checks lying around which can invite theft or loss. Endorse all checks for deposit only as soon as you receive them. Decide on a routine for receiving bills or outstanding payables, checking the accuracy of the invoice, paying, recording the expenditure and filing the documentation associated with the transaction. Set aside time on a monthly basis to review the accounts, balance the business checkbook and total the income and expenditure accounts.

- **Keep an accurate auto mileage log.**

  Nearly all small business owners are eligible for a vehicle expense deduction.

Record Retention

It may seem premature to worry about record retention during the start-up of a business, but remember that once records are discarded, it is unlikely they can be replaced. Here are a few guidelines to ensure that you keep the appropriate records.

1. Records directly related to the preparation of tax returns should be kept a minimum of three years after the due date of the return. However, it is a better practice to keep such records for six years since the statute of limitations allows six years for audit under special circumstances.

2. Keep all tax returns as filed and amended indefinitely. Such returns are often important for carry-overs of tax credits and operating losses.

3. Records that are permanent should be kept in a fireproof file. Examples include cashbooks, fixed asset and depreciation schedules, general ledgers, journals and financial statements.

4. Canceled checks, bank statements, accounts payable and receivable records, inventory schedules, payroll records, sales and invoicing details should be kept for six years.

Postage Rate Information

When mailing forms, be certain that the postage on your envelope is sufficient and your complete return address in the upper left corner. Also, please remember:

- Envelopes with insufficient postage will be returned to you by the post office and will not be considered timely filed if not received by the due date.

- If your envelope contains more than three pages, it may require additional postage; consider taking it to the post office to determine the proper postage.

For Additional Information

- For more information pertaining to taxes, visit the Department of Revenue's website at **www.sctax.org**.

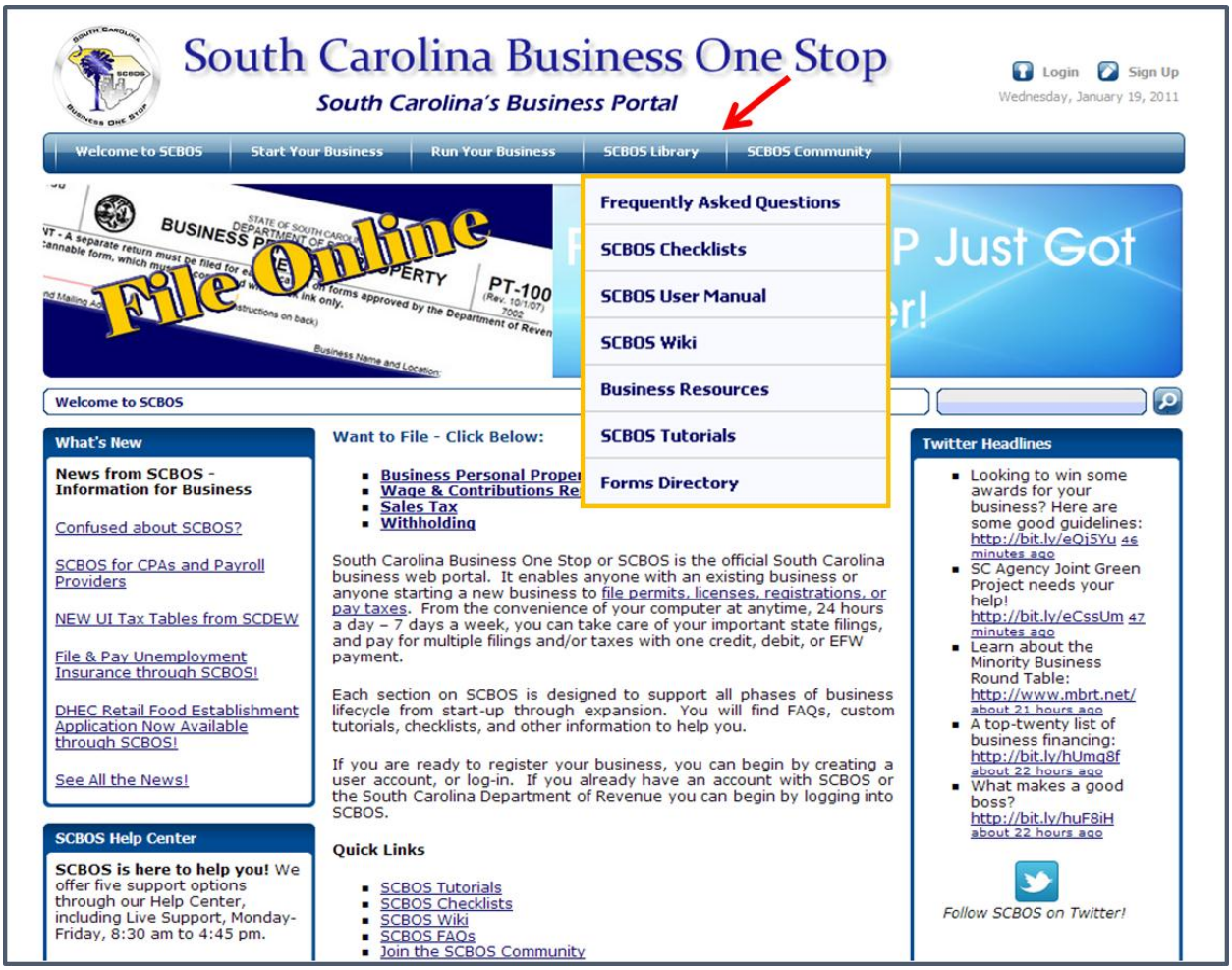
South Carolina Business One Stop

www.scbos.sc.gov

South Carolina Business One Stop

Created by the collaborative effort of multiple state agencies, the South Carolina Business One Stop (SCBOS) enhances the business climate in South Carolina by providing a single web portal through which businesses can electronically meet state requirements for registration, licensing, permitting, and filing reports and returns.

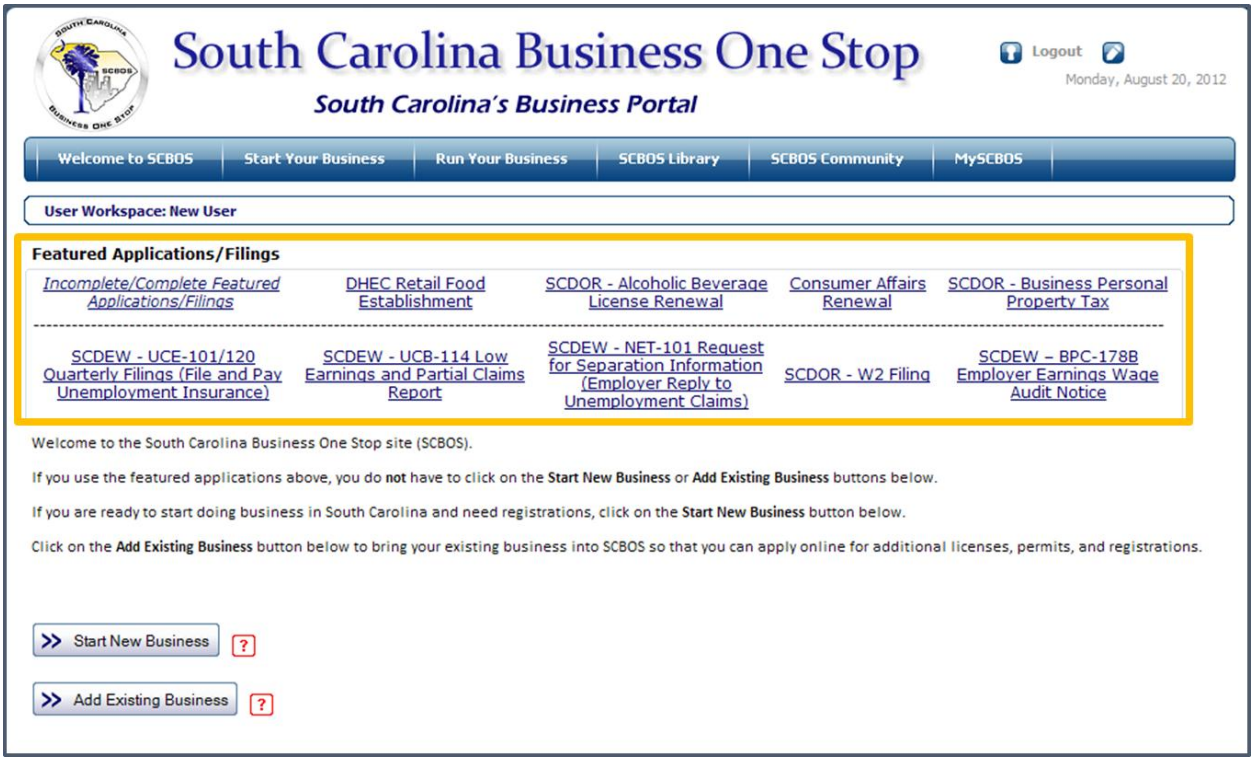
The SCBOS website also provides an avenue for businesses to find information relating to all phases of the business lifecycle, from start-up through expansion. Users will find FAQs, custom tutorials, checklists, event calendar, and much more!



Once ready to get started on SCBOS, you must create a new user account or login to an existing account to access the secure environment. Creating a new user account is a simple, one-time process; simply click the “Sign Up” link located in the top, right-hand side of the homepage. If you are a returning user to SCBOS, select the “Login” link to enter in your username and password on the following screen. Once you log into your account, you have access to all the available filings SCBOS has to offer.

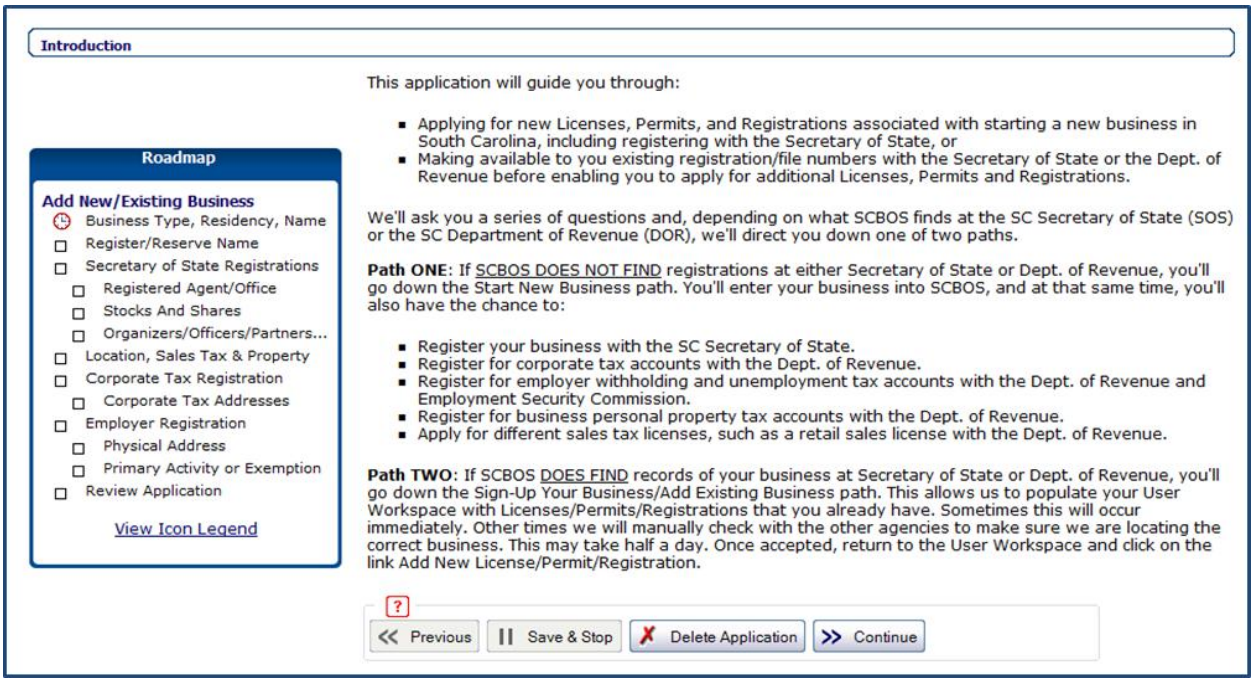
Upon logging into your SCBOS account, you will be automatically directed to the User Workspace Summary page. Users have quick and easy access to several of our partner agencies’ major business filings through the ‘Featured Applications/Filings’ section. Some of the filings included in this section allow business to file their Business Personal Property returns, submit W2s to the Department of Revenue, file and pay unemployment insurance and many more!

The SCBOS Workspace



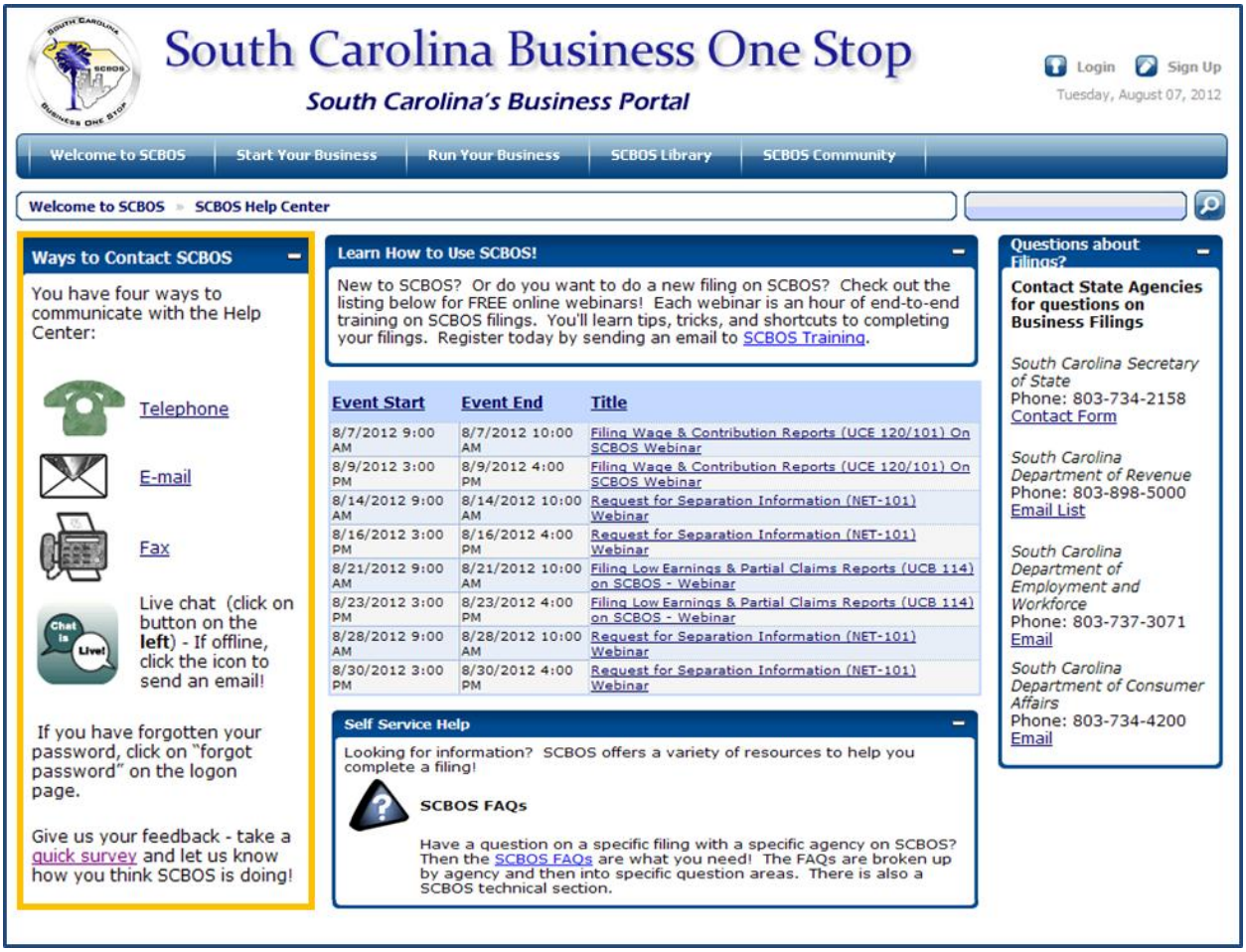
Once a filing or application has been selected by the user, SCBOS will guide you through the various steps using a wizard. Even though most filings can be completed in a single session, the wizard allows you to “Save & Stop” the filing at any time and return to it later. SCBOS also communicates with departments and agencies in real time. This allows the user to pay for any associated fees that are due for their filings with one payment. SCBOS takes care of distributing the funds to the appropriate agency.

SCBOS Workflow Example



Another feature available to users on the SCBOS website is the ‘Run Your Business’ tab. This tab provides a quick and easy way for businesses to access many major business filings including the Dept. of Revenue’s electronic services like ePay and eWithholding.

The SCBOS Help Center is here to help with your questions! We offer four support options through the Help Center, including live support Monday–Friday, 8:30 am to 4:45 pm. You may also visit the SCBOS Help Center page for further support options.



Electronic Services

Business Tax TeleFile

Sales tax filers who have zero gross proceeds of sales, rentals, use tax, and withdrawals for own use for the filing period may use our Business Tax TeleFile for Sales & Use Taxes.

Withholding tax filers who have a zero payment amount due with the return for the filing period may also use the Business Tax TeleFile System for Withholding Taxes.

To start the process, please dial (803) 898-5918 and follow the recorded instructions. First time users are required to register on the system prior to filing their first return. The process for Sales Tax filers takes less than 5 minutes to complete. It takes about 10 minutes to complete the process for Withholding Tax filers.

If assistance is needed with sales tax related questions, you can contact the DOR Sales Tax Help Line at (803) 898-5788. For assistance with Withholding Tax related questions, please contact the DOR Withholding Tax Help Line at (803) 898-5752.

For all TeleFile support issues, you should contact the Business Tax TeleFile Help Line at (803) 896-1715 or contact us by e-mail at telefile@sctax.org.

Electronic Funds Transfer

Taxpayers can use touchtone, voice activated or internet methods for Automated Clearing House (ACH) debit payments through a partnering vendor. ACH Credit payments are also accepted when initiated through the taxpayer's financial institution.

Make the following tax payments through this system:

- Withholding
- Corporate
- Other Miscellaneous Business Taxes

Advantages of participating in the EFT program include:

- Accurate timing of payment from your bank account
- Comprehensive audit trail for both the return and the payment

For information about registering for EFT, please call 1-800-476-0311, or e-mail BusinessEFT@sctax.org.

Electronic Funds Transfer (EFT)/Electronic Data Interchange (EDI)

The Department of Revenue has designed an Electronic Filing Program (EFT/EDI) for the transmission of your payment and filing your tax return information for **sales, use, accommodations and local taxes.** This method requires taxpayers to use an approved, vendor software package. EDI allows keying or importing of tax information. Electronic payments can be made by using the ACH (Automated Clearing House) debit or credit method.

If you are interested in filing and paying one tax through EFT/EDI, you must file and pay all of these taxes through EFT/EDI. *For example, you cannot file and pay sales tax through this program and pay local taxes through a conventional process.*

Be aware that you must file both the return and the payment electronically; you cannot choose to do one part electronically and the other in a conventional method.

Advantages of participating in the EFT/EDI program include:

- Eliminates paperwork, no more paper returns and checks
- Reduces return error potential due to no re-keying; no manual intervention
- Accurate timing of payment from your bank account
- Comprehensive audit trail for both the return and the payment

For information about registering for Sales EFT/EDI, please call 1-800-476-0311, or e-mail BusinessEFT@sctax.org.

Electronic Sales

The South Carolina Department of Revenue Electronic Sales Tax System (eSales) is designed to give taxpayers a *FAST, FREE and SECURE* way to file and pay their sales, use, accommodations and local taxes online.

eSales will allow the filing of the following forms:

- ST-3 - Sales and Use Tax Return
- ST-388 - Sales, Use, and Accommodations Tax Return
- ST-389 – Schedule for Local Taxes
- ST-455 – Maximum Sales Tax Return

The SC Department of Revenue's eSales System will allow you to make payments by EFW (Electronic Funds Withdrawal/Bank Draft) or credit card (MasterCard and VISA).

For more information, go to www.sctax.org and click on Electronic Services. Then, click on the Sales and Use link to see more details about eSales. For technical questions call (803) 896-1715.

Electronic Payment

You may also make Withholding Tax, Corporate Tax Declarations, Corporate Extensions, Individual Income (SC1040V's), Individual Declaration of Estimated Tax, Use Tax, and delinquent payments online by using our ePay system from our website. There is no cost to you and no registration is required. Using the ePay system, payments are submitted by credit card or by electronic funds withdrawal (bank draft).

For more information, go to www.sctax.org and click on Electronic Services. For technical questions call (803) 896-1715.

Electronic Withholding

South Carolina Department of Revenue
eWithholding

As a South Carolina business owner, you can conveniently file your quarterly Withholding Tax return by using the South Carolina Department of Revenue Electronic Withholding System (eWH). eWithholding is designed to give tax filers a FAST, FREE, and SECURE way to file and pay your quarterly withholding return online.

eWithholding will allow the filing of the following forms:

- WH-1605 SC Withholding Quarterly Tax Return
- WH-1606 SC Withholding Fourth Quarter/Annual Reconciliation

The SC Department of Revenue's eWH system will allow you to make payment by EFW (Electronic Funds Withdrawal/Bank Draft) or credit card (MasterCard and VISA).

For more information or for technical questions call (803) 896-1715.

W2 submissions will be safe, easy, and convenient!

An online solution for submitting Forms W2 to the South Carolina Department of Revenue (in partnership with South Carolina Business One Stop (SCBOS)) is operational for tax years 2011 forward. There are a number of advantages to submitting W2's online through SCBOS…

No paper! You mail NOTHING! Employers will have two options for submitting W2s:

1. Employers with a small number of employees can utilize direct entry method.
2. Software packages can produce an output file compatible to be uploaded to SCDOR via the SCBOS application.

For more information on submitting W2s online, just look for the W2 Portal page at www.SCBOS.sc.gov .

Fed/State Corporate EFile

Taxpayers can file both federal and South Carolina returns or just the state return electronically utilizing tax preparation software available from software developers. South Carolina began offering Fed/State filing for Corporate (SC1120/1120S) in September 2007. Corporate returns may be filed for returns being filed for current year plus back two years. For example, in 2014…corporate returns will be filed for tax years 2013, 2012, and 2011. Amended returns are NOT eligible for electronic filing via the Fed/State method.

Individual Income Tax Electronic Filing

South Carolina accepts electronically filed state income tax returns. Non-resident, refund and balance due returns are accepted electronically. Refunds may be deposited directly into your bank account.

Visit the Department of Revenue website at **www.sctax.org** for more information on the programs to file your South Carolina tax returns shown below.

- **SCnetFile for Extensions**
  - File your South Carolina request for extension of time to file (SC4868) through the Department of Revenue's website **(www.sctax.org)**
  - **Zero or balance dues extensions are accepted.**
  - You can pay your balance due by credit card, electronic funds withdrawal or bank draft
  - It's a free service

- **Online Filing**
  - Easy access to tax preparation software
  - Tailored to fit your state and federal tax returns
  - Check the SCDOR website at www.sctax.org to see if you qualify to have your federal and South Carolina returns filed for FREE!

- **Electronic Filing**
  - Taxpayers may electronically file federal and state returns through a tax practitioner.
  - It's fast, safe and easy.

- **SC Fillable Forms**
  - Taxpayers may file their simple South Carolina state return electronically or by paper for FREE.
  - Access the SC Fillable Forms software on the agency's Free File page at www.sctax.org

Sales & Use Tax

The Basics

Sales tax is imposed on the sale of goods and certain services in South Carolina.

Use tax is imposed on goods and certain services purchased out of state and brought into South Carolina or on which no sales tax has been paid.

The statewide sales and use tax rate is 6%. Counties may impose an additional local sales and use tax if voters in that county approve the tax. Generally, all retail sales of tangible personal property are subject to the state's sales or use tax.

Sales Tax

Sales tax is imposed on the gross proceed of the sale. The sales tax also applies to the fair market value of tangible personal property previously purchased by the retailer at wholesale (for resale), but used by the retailer or any other person withdrawing tangible personal property to be used and consumed by them. In addition to applying to items one normally thinks of as tangible personal property - furniture, appliances, clothing, etc. - the sales and use tax also applies to communications like local telephone services, cable television services, satellite programming services, faxing services and paging services, as well as laundry and dry-cleaning services, accommodations and electricity.

An 11% sales tax applies to telephone services to 900 and 976 exchanges. The sales and use taxes imposed extend to gross proceeds accruing or proceeding from the business providing 900/976 telephone service and all revenues derived from this imposed tax must be credited to the general fund of the state.

Use Tax

Anyone who buys tangible personal property from out-of-state and brings it into South Carolina is responsible for paying a use tax at the rate of 6% plus any applicable local taxes on the sales price. However, a taxpayer is allowed a credit for sales or use tax due and paid to another state against the use tax due this state. Generally, think of this being applicable for transactions where delivery of the goods takes place outside of South Carolina but the goods are intended for the use in South Carolina.

If the amount of the sales or use tax paid in the other state is less than the amount of tax due in this state, then the purchaser owes the difference to South Carolina.

Most taxpayers who are liable for the state and local taxes that are administered and collected by the Department must file Form ST-3- State Sales & Use Tax Return and ST-389- Schedule for Local Taxes (if applicable). However, the type of form used depends on the taxpayer's business. The following forms are used depending on the taxpayers business:

	State Form	Local Tax Form
General Form	ST-3	ST-389
Accommodations Tax	ST-388 & ST-3T	ST-389
Aviation Gasoline	ST-403	ST-389
Maximum Tax	ST-455	ST-389
911 User Fee	ST-406	NA

With respect to local sales and use tax that is administered and collected by the Department, retailers who are located in a county that **does not** impose a local sales and use tax and **do not** make deliveries into other counties that do impose a local sales and use tax, do not need to file the ST-389 with the state form.

Accommodations Tax

The rental of transient accommodations is subject to a statewide sales tax rate of 7% (2% accommodations tax imposed in addition to the 5% sales tax) and local taxes, if applicable. Additional guest charges are taxed at a rate of 6% and local taxes (if applicable)—the 2% accommodations tax does not apply to additional guest charges.

If you rent out rooms or spaces at hotels, campgrounds, boarding houses, etc., the tax on accommodations applies. It also applies to rentals of your vacation home or second home.

Rentals of the same room to the same person for 90 continuous days are not subject to the tax. If you rent a room in your place of residence and the house has less than six bedrooms, the accommodations tax would not apply. If you rent transient accommodations for no more than one week each calendar quarter, a retail license is not required, but you still must report and pay the accommodations tax annually. Additional guest charges such as movie rentals, room service, valet services, etc. are subject to the 6% sales tax.

You are required to obtain a retail license and collect and pay the accommodations tax at the same time you file your sales tax return. Accommodations tax is reported on the ST-388 and ST-3T.

For additional information, visit **http://www.scstatehouse.gov/coderegs/statmast.php** and see SC Regulation 117-307.

Casual Excise Tax

South Carolina imposes a casual excise tax at the rate of 5% for the issuance of every title or other proof of ownership for motor vehicles, motorcycles, boats, motors [the tax is 6% for a motor that is purchased alone (not permanently attached to the boat)] and airplanes transferred between individuals. Generally, the maximum casual excise tax is $300 – for additional information; see SC Revenue Ruling #08-8.

The payment of this tax is a prerequisite to the titling, licensing, or registration for the above-mentioned items. Exempt from this tax are transfers between members of one's immediate family.

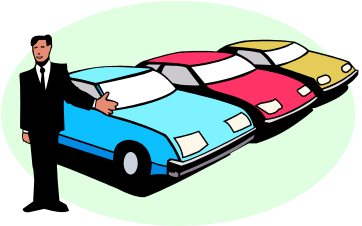
$300 Maximum Tax

A maximum sales tax of $300 is imposed on the sale or lease of motor vehicles, boats, aircraft, motorcycles, trailers or semi-trailers pulled by a truck tractor, horse trailers, recreational vehicles and certain self-propelled light construction equipment.

The $300 maximum tax also applies to the sale of musical instruments and office equipment sold to religious organizations. Purchasers must submit form ST-382 Religious Organization Affidavit for Musical Instruments/Office Equipment, to the seller for items purchased by religious organizations.

Special rules apply to the sale of mobile homes. Consult one of the Department of Revenue's Taxpayer Service Centers for assistance in calculating the sales tax on mobile home sales.

Sales of Motor Vehicles to Nonresidents



Sales of new or used motor vehicles, trailers, semi-trailers and pole trailers to residents of another state are taxed at the rate imposed by the purchaser's state of residence. The tax cannot exceed the $300 maximum tax imposed by South Carolina.

For South Carolina sales tax purposes, sales to nonresidents of new or used motor vehicles, trailers, semi-trailers and pole trailers that are registered and licensed in the purchaser's state of residence, are taxed at the lesser of the:

1. Sales tax which would be imposed on the purchaser's state of residence, or

2. Tax would be imposed under Chapter 36 of the South Carolina Code of Laws.

No sales tax is due in South Carolina; however, a nonresident purchaser cannot receive credit in their resident state for sales tax paid to South Carolina. Form ST-385 Vehicle Affidavit for Nonresident must be completed on each vehicle sold to a nonresident.

Modular Homes

The sale of modular homes regulated pursuant to Chapter 43 of Title 23 is exempt on 50% of the gross proceeds of the sale (as defined under code section 12-36-2120 (34), whether on-frame or off-frame. Furthermore, the provisions of Code Section 12-36-2110 (maximum tax section) do not apply to the sale of modular homes effective January 13, 2005.

- After allowing for the exemption, the manufacturer must collect the tax and remit it to the Department of Revenue. The tax is imposed on the remaining balance at the applicable state and local sales and use tax rate.

Local Sales & Use Taxes

South Carolina counties may approve a local tax through a county referendum. If voters approve the referendum, the tax will typically become effective in that county on May 1 following the November election date. The local sales and use tax does NOT apply to the sale of items that are subject to the $300 maximum sales and use tax.

The taxable sales subject to the local sales and use tax must be reported on form ST-389, which is attached to and made part of form ST-3. Counties with more than one local tax must report it in the designated section(s) on the ST-389.

Local Sales & Use Tax by Type

Local Option

The local option sales and use tax is authorized under Code Section 4-10-10 et. seq. This tax is a general sales and use tax on all sales at retail (with a few exceptions) taxable under the state sales and use tax laws. This tax is intended to reduce the property tax burden on persons in the counties that impose this type of local tax and is collected and administered by the Department of Revenue on behalf of these counties.

Effective Date	Counties
July 1, 1991	Charleston, Colleton, Hampton, Jasper, Marion and McCormick
May 1, 1992	Abbeville, Allendale, Bamberg, Edgefield, Lancaster, Marlboro and Saluda
May 1, 1994	Chester and Florence
May 1, 1995	Pickens
May 1, 1996	Dillon, Lee and Sumter
May 1, 1997	Berkeley, Chesterfield, Clarendon, Darlington, Kershaw and Williamsburg
May 1, 1999	Barnwell, Laurens
May 1, 2005	Richland and Calhoun
May 1, 2006	Fairfield
May 1, 2009	Cherokee

Transportation

The local transportation projects sales and use tax is authorized under Code Section 4-37-30 et. seq. This tax is a general sales and use tax on all sales at retail (with a few exceptions) taxable under the state sales and use tax laws. This tax is imposed specifically to defray the debt service on bonds issued for various transportation projects in the counties that impose this type of local tax and are collected and administered by the Department of Revenue on behalf of these counties.

This local sales and use tax, not to exceed 1%, is used for transportation needs such as roads and bridges. This tax may be imposed in addition to the local option sales and use tax. (Effective: June 13, 1997) As of the date of this publication, the authorized counties with a local transportation tax imposed are:

Effective Date	Counties
May 1, 2005	Charleston (½%), Dorchester
May 1, 2007	Beaufort (*repealed 10/1/12*)
May 1, 2009	Berkeley
May 1, 2013	Richland

Capital Projects

The local capital projects sales and use tax is authorized under Code Section 4-10-300 et. seq. This tax is a general sales and use tax on all sales at retail (with a few exceptions) taxable under the state sales and use tax laws. This tax is imposed specifically to defray the debt service on bonds issued for various capital projects in the counties that impose this type of local tax and is collected and administered by the Department of Revenue on behalf of these counties.

This 1% local sales and use tax is used to fund specific capital projects such as roads, bridges, public facilities, recreation facilities, and water and sewer projects. This tax may be imposed in addition to all other sales and use taxes.

When the capital projects sales and use tax is imposed or re-imposed pursuant to a referendum on or after June 3, 2009, unprepared food items eligible for purchase with United States Department of Agriculture food coupons are exempt from the capital projects tax.

Note: Sales of unprepared foods in a county that imposed the capital projects tax pursuant to referendum before June 3, 2009 are subject to this local tax. The Department of Revenue will collect this tax.

As of the date of this publication, the authorized counties with a local capital projects tax imposed are:

Effective Date	Counties
May 1, 1998	York
May 1, 1999	Newberry, Orangeburg
May 1, 2001	Aiken
May 1, 2007	Florence, Greenwood (*repealed 7/1/12*), Horry
May 1, 2009	Allendale, Chester, Lancaster, Sumter
May 1, 2013	Bamberg, Hampton, Lee, Marion

School District/Education Capital Improvement

The General Assembly has authorized certain school districts to impose a sales and use tax within the county. These taxes are generally imposed to pay debt service on general obligation bonds and/or the cost of capital improvements. *Note:* Food is exempt from the school district tax but not the capital projects tax, local option tax, and transportation tax (unless the capital projects tax is imposed pursuant to a referendum approved on or after June 3, 2009),

This 1% local sales and use tax is used for schools. As of the date of this publication, the authorized counties with a local school district/education capital improvement tax imposed are:

Effective Date	Counties
July 1, 1996	Cherokee*
September 1, 2000	Chesterfield
December 1, 2002	Jasper
February 1, 2004	Darlington
June 1, 2004	Clarendon
March 1, 2005	Lexington
October 1, 2006	Lee (*repealed 10/1/2011*)
October 1, 2008	Dillon
March 1, 2009	Horry
March 1, 2011	Charleston
February 1, 2013	Marlboro

**(See SC Revenue Ruling #09-9 for more information on the Cherokee County local tax.)*

Tourism Development

The local tourism development sales and use tax is authorized under Section 4-10-910 et.seq. The local tourism and development tax is a general sales and use tax on all sales at retail (with a few exceptions) taxable under the state sales and use tax laws and may only be imposed by a municipality located in a county where revenue from the state accommodations tax is at least fourteen million dollars in a fiscal year. The tax is imposed specifically for tourism advertisement and promotion directed at non-South Carolina residents; however, in the third and subsequent years of this tax a portion of the tax may be used for certain property tax rollbacks. This tax is collected and administered by the Department of Revenue on behalf of these municipalities.

As of the date of this publication, the authorized municipality with a 1% tourism development tax imposed is:

Effective Date	**Municipality**
August 1, 2009	Myrtle Beach

Exemptions and Exclusions

Generally, all retail sales are subject to the sales and use tax. However, there are a number of exemptions from the tax, most notably, certain items used in farming and manufacturing, medicines sold by prescription and sales to the federal government.

Exclusions

Items excluded from the sales and use tax primarily include sales of goods for resale.

Other excluded items include certain property used in the manufacturing process, materials used to ship manufactured goods for sale and items brought into the state that are for use outside the state.

Sales to individuals 85 years of age or older are exempt from 1% of the state sales tax on the purchase of items for their personal use.

Exemptions

For discussion's sake the following exemptions can be divided into the following categories: Business, Government, Educational, Agricultural, General Public Good and Alternative Energy.

These exemptions are not categorized as such in the law. These categories have been developed simply for discussion.

The following items are exempt from sales and use tax:

<u>Business Exemptions</u>

- Coal, coke, or other fuel for manufacturers, transportation companies, electric power companies, and processors
- Fuel used for test flights of aircraft by the manufacturer of the aircraft or used in the transportation of an aircraft prior to its completion from one facility of the manufacturer to another facility of the manufacturer, provided the taxpayer, over a seven year period, invests at least seven hundred fifty million dollars in real or personal property or both comprising or located at a single manufacturing facility and creates at least three thousand eight hundred full-time new jobs at the a single manufacturing facility
- Toll charges between telephone exchanges, certain access charges, charges for telegraph messages, and automatic teller machine transactions
- Fuel and other supplies for consumption on ships on the high seas
- Wrapping paper, containers, etc., used incident to the sale and delivery of tangible personal property
- Motor fuel taxed under the motor fuel user fee law

- Machines used in manufacturing, processing, recycling, compounding, mining, or quarrying tangible personal property for sale. This includes certain machines used to prevent or abate air, water, or noise pollution caused by machines used in manufacturing, processing, recycling, compounding, mining, or quarrying tangible personal property for sale
- Electricity used to manufacture, process, mine, or quarry tangible personal property for sale or used by cotton gins to manufacture tangible personal property for sale
- Railcars and locomotives
- Certain vessels and barges (more than 50 tons burden)
- Laundry supplies and machinery used by a laundry or drycleaning business. This exemption does not apply to coin operated laundromats.
- Vacation time sharing plans and exchange of accommodations in which the accommodation to be exchanged is the primary consideration
- 50% of the gross proceeds of a modular home regulated under Chapter 43 of Title 23
- Movies sold or rented to movie theatres
- Tangible personal property delivered out of state by South Carolina retailers
- Petroleum asphalt products transported and used outside South Carolina
- Shipping containers used by international shipping lines under contract with the State Ports Authority
- Depreciable assets as part of a sale of an entire business
- Supplies, equipment, machinery, and electricity for use in filming/producing motion pictures
- Postage purchased by a person engaged in the business of selling advertising services for clients consisting of mailing advertising material through the United States mail
- The following items when used by a qualified recycling facility: recycling property, electricity, natural gas, fuels, gasses, fluids and lubricants, ingredients or component parts of manufactured products, property used for the handling or transfer of postconsumer waste or manufactured products or in or for the manufacturing process, and machinery and equipment foundations
- Material handling systems and material handling equipment used in the operation of a distribution facility or a manufacturing facility of a taxpayer that invests at least $35 million in South Carolina
- Parts and supplies used by persons engaged in the business of repairing or reconditioning aircraft owned by or leased to the federal government or commercial air carriers. This exemption does not extend to tools and other equipment not attached to or that do not become a part of the aircraft.
- Motor vehicle extended service and warranty contracts
- Clothing and other attire required for working in a class 100 or better clean room environment (as defined in Federal Standard 209E)
- Audiovisual masters made or used by a production company
- Machines used in research and development
- Cooperative direct mail promotional advertising materials and promotional maps, brochures, pamphlets, or discount coupons for use by nonprofit chambers of commerce or nonprofit convention and visitor bureaus
- Facilities transmitting electricity that are transferred, sold or exchanged by an electrical utility, municipality, electric cooperative, or political subdivision to a limited liability company subject to regulation under the Federal Power Act and formed to operate or to take functional control of electric transmission assets

- 70% of the gross proceeds of the rental or lease of portable toilets
- Sweetgrass baskets made by artists of South Carolina using locally grown sweetgrass
- Computer equipment used in connection with, and electricity and certain fuel used by, a technology intensive facility (defined in South Carolina Code §12-6-3360(M)(14)(b)) that invests $300 million over 5 years, creates at least 100 new jobs during the 5 years with an average cash compensation of 150% of the per capita income of the State, and spends at least 60% of the $300 million investment on computer equipment.
- Computer equipment used in connection with a manufacturing facility where the taxpayer, over a seven year period, invests at least $750 million in real or personal property or both comprising or located at a single manufacturing facility and creates at least 3,800 full-time new jobs at a single manufacturing facility
- Construction material used in the construction of a single manufacturing or distribution facility, or one that serves both, that invests at least $100 million at a single site in South Carolina over an 18 month period.
- Construction material used in the construction of a single manufacturing facility where the taxpayer, over a seven year period, invests at least $750 million in real or personal property or both comprising or located at a single manufacturing facility and creates at least 3,800 full-time new jobs at the a single manufacturing facility
- Gold, silver or platinum bullion or any combination; coins that are or have been legal tender; and currency.
- Amusement park rides; parts, machinery and equipment used to assemble, operate and make up amusement park rides; and performance venue facilities and any related or required machinery, equipment and fixtures. A $250 million investment and creation of 250 full-time jobs and 500 part-time or seasonal jobs over a 5 year period is required.
- Machinery and equipment, building and other raw materials, and electricity used in the operation of a facility owned by an organization which qualifies as a tax exempt organization pursuant to the Internal Revenue Code Section 501(c)(3) when the facility is principally used for researching and testing the impact of such natural hazards as wind, fire, water, earthquake, and hail on building materials used in residential, commercial, and agricultural buildings, provided the taxpayer invests at least $20 million dollars over a three year period.
- Computers, computer equipment, and computer software used within a datacenter, and electricity used by a datacenter or used by eligible business property located and used at a datacenter where the taxpayer: (1) invests at least $50 million in real or personal property or both over a 5 year period; or, if more than one taxpayer, invests a minimum aggregate capital investment of at least $75 million in real or personal property or both over a 5 year period; (2) creates and maintains at least 25 full-time jobs at the facility with an average cash compensation level of 150% of the per capita income of South Carolina or of the county in which the facility is located; and (3) maintains the jobs requirement for 3 consecutive years after certification by the Department of Commerce.

Government Exemptions

- Transactions that are prohibited from being taxed by U.S. or State Constitutional provisions or federal or state law
- Sales to the federal government
- Material necessary to assemble missiles
- Sales of cars and motorcycles to nonresident military personnel
- Federal government contracts – property that passes to the government
- Supplies purchased by State General Services Division for resale to State agencies
- War memorials and monuments
- Solid waste disposal collection bags required under a solid waste disposal plan of a county or other political subdivision
- Lottery tickets sold pursuant to Chapter 150 of Title 59 (South Carolina Education Lottery Act)
- Copies of, or access to, legislation or other informational documents provided to the general public or any other person by a legislative agency when a charge for these copies is made reflecting the agency's cost of the copies
- Any property sold to the public through a sheriff's sale as provided by law

Educational or School Related Exemptions

- Textbooks, books, magazines, periodicals, newspapers, and access to on line information used in a course of study or for use in a school or public library. These items may be in printed form or in alternative forms such as microfilm or CD ROM. Communication services and equipment subject to tax under South Carolina Code §§12-36-910(B)(3) and 12-36-1310(B)(3) are not exempt.
- Newspapers, newsprint paper, and the SC Department of Agriculture Market Bulletin
- Meals or food used in furnishing meals to K-12 students in schools (not for profit)
- Television, radio, and cable TV supplies, equipment, machinery, and electricity
- Zoo plants and animals
- Exhibition rentals for museums (charitable, eleemosynary, or governmental museums)
- Purchases of tangible personal property during the State fiscal year 2013-2014 for use in private primary and secondary schools, including kindergarten and early childhood education programs, are exempt from the use tax if the school is exempt from income taxes under Internal Revenue Code §501(c)(3). Temporary proviso 117.41 (Act No. 101)

Agricultural Exemptions

- Livestock
- Feed used to produce and maintain livestock
- Insecticides, chemicals, fertilizers, soil conditioners, seeds, or seedlings, or nursery stock used in the production of farm products
- Containers and labels used in preparing agriculture products for sale or preparing turpentine gum, gum resin, and gum spirits of turpentine for sale
- Farm machinery
- Fuel used to cure agriculture products
- Farm products sold in their original state of production when sold by the producer
- Electricity and gas used in the production of livestock and milk
- Electricity used to irrigate crops
- Building materials, supplies, fixtures, and equipment used to construct commercial housing for poultry or livestock

General Public Good Exemptions

- Meals provided to elderly or disabled persons at home by nonprofit organizations
- Food sold to nonprofit organizations or food sold or donated by the nonprofit organization to another nonprofit organization
- Meals or foodstuffs prepared or packaged that are sold to public or nonprofit organizations for congregate or in-home service to the homeless or needy or disabled adults over 18 or individuals over 60. This exemption only applies to meals and foodstuffs eligible for purchase under the USDA food stamp program.
- Water sold by public utilities and certain non-profit corporations
- Medicine and prosthetic devices sold by prescription; certain diabetic supplies sold to diabetics under the written authorization and direction of a physician; certain free samples of medicine and certain medicine donated to hospitals; prescription medicine and radiopharmaceuticals used in treating cancer or rheumatoid arthritis, including prescription medicines to relieve the effects of treatment; prescription medicines used to prevent respiratory syncytial virus; disposable medical supplies, such as bags, tubing, needles, and syringes, dispensed by a pharmacist by prescription of a licensed health care provider for the intravenous administration of a prescription drug (only for treatment outside of a hospital, skilled nursing facility, or ambulatory surgical treatment center); and prescription medicine dispensed to Medicare Part A patients in a nursing home.
- Residential electricity and fuel
- Hearing aids
- Concession sales by nonprofit organizations at festivals
- Sales by nonprofit organizations
- Goods sold to nonprofit hospitals that primarily treat children at no cost to the patient
- Annual sales tax holiday on the first Friday, Saturday, and Sunday in August for personal use clothing, clothing accessories, footwear, computers, printers, printer supplies, computer software, bath wash cloths, blankets, bed spreads, bed linens, sheet sets, comforter sets, bath towels, shower curtains, bath rugs, pillows, pillow cases, and school supplies

- Medicine and medical supplies, including diabetic supplies and diabetic diagnostic and testing equipment, sold to a health care clinic providing free medical and dental care to all patients
- Durable medical equipment and related supplies as defined under federal and state Medicare and Medicaid laws if (a) paid directly by funds of South Carolina or the United States under the Medicare and Medicaid programs, (b) state and federal law prohibits the payment of the sales and use tax, and (c) the sale is by a provider with a South Carolina retail license whose principal place of business is in South Carolina. Effective January 1, 2013, sales meeting the requirements of this exemption will be fully exempt from both state and local sales and use taxes.

- Unprepared food that lawfully may be purchased with United States Department of Agriculture food coupons. This exemption does not apply to local taxes unless the local tax specifically exempts the sale of such food
- Injectable medications and injectable biologics, so long as the medication or biologic is administered by or pursuant to the supervision of a physician in an office which is under the supervision of a physician, or in a Center for Medicare or Medicaid Services certified kidney dialysis facility. (The effective date of this exemption will be based upon a BEA forecasts that meets specific annual general fund revenue growth requirements.)

Alternative Energy Exemptions

- Any device, equipment, or machinery that is (a) operated by hydrogen or fuel cells, (b) used to generate, produce, or distribute hydrogen and designated specifically for hydrogen applications or for fuel cell applications, and (c) used predominantly for the manufacturing of, or research and development involving hydrogen or fuel cell technologies.
- Building material used to construct a new or renovated building in a research district and machinery or equipment located in a research district. The sales tax that would have been assessed must be invested by the taxpayer in hydrogen or fuel cell machinery or equipment located in the same research district within 24 months of the exempt purchase.
- Manufactured homes designated by the United States Environmental Protection Agency and the United States Department of Energy as meeting or exceeding each agency's energy efficiency requirements or designated as meeting or exceeding the energy efficiency requirements under each agency's Energy Star program.

Reporting and Paying the Tax

After you receive your retail license or purchaser's certificate of registration, you have several ways to file and pay;

1. File electronically via eSales,
2. File electronically via EDI or
3. Obtain and complete a paper return from our website www.sctax.org to report and pay the sales and use tax.

Returns and payments are due no later than the 20th of the month following the month in which the sales were made.

For example:

You have $2000 worth of sales in the month of January. The sales tax return for the month of January must be filed no later than February 20. The return must be postmarked on or before February 20 to be considered timely filed.

The tax is remitted for the month the sale was made regardless of whether the tax was collected from the customer in that month. Depending on the amount of tax paid, the Department of Revenue may authorize certain businesses to pay quarterly or annually, rather than monthly.

Reporting and Paying the Tax Electronically

eSales

As a South Carolina Business owner, you can conveniently file your sales tax return by using the South Carolina Department of Revenue Electronic Sales Tax System (eSales). eSales is designed to give taxpayers a FAST, FREE and SECURE way to file and pay their sales, use, accommodations, local option and special local taxes on-line.

eSales will allow the filing of the following forms:

- ST-3 - Sales and Use Tax Return
- ST-388 - Sales, Use and Accommodations Tax Return
- ST-389 - Schedule for Local Taxes
- ST-455 - Maximum Sales Tax Return

The SC Department of Revenue's eSales System will allow you to make payment by EFW (Electronic Funds Withdrawal/Bank Draft) or credit card (MasterCard and VISA).

For more information, go to www.sctax.org and click on Electronic Services. Then, click on the Sales and Use link to see more details about eSales. For technical questions, call (803) 896-1715.

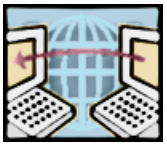
Business Tax TeleFile

Businesses with no (zero) gross proceeds of sales, rentals, use tax or withdrawals may file your sales tax return using the Business Tax TeleFile System. Business Tax TeleFile is available 24 hours a day/ seven days a week.

As a first time user, you're required to register on the Business Tax TeleFile System before filing. Registration can be handled directly on the system during the initial telephone call. The registration and filing process takes less than five minutes. Subsequent filings take less than three minutes. The procedure is completely paperless; mailing additional documentation to the Department of Revenue is not required. You need to keep a copy of your report for your files, however.

To use the Business Tax TeleFile System, dial (803) 898-5918 and follow the instructions. If assistance is needed with sales tax related questions, you can contact the DOR Sales Tax Help Line at (803) 898-5788. For all TeleFile support issues, you should contact the Business Tax TeleFile Help Line at (803) 896-1715 or contact us by e-mail at telefile@sctax.org.

Electronic Filing Program (EFT/EDI)



The Department of Revenue has designed an Electronic Filing Program (EFT/EDI) for the transmission of your payment and filing your tax return information for **sales, use, accommodations and local taxes.** This method requires taxpayers to use an approved, vendor software package. EDI allows keying or importing of tax information. Electronic payments can be made by using the ACH (Automated Clearing House) debit or credit method.

If you are interested in filing and paying one tax through EFT/EDI, you must file and pay all of these taxes through EFT/EDI. *For example, you cannot file and pay sales tax through this program and pay local option through a conventional process.*

Be aware that you must file both the return and the payment electronically; you cannot choose to do one part electronically and the other in a conventional method.

Advantages of participating in the EFT/EDI program include:

- Eliminates paperwork, no more paper returns and checks
- Reduces return error potential due to no re-keying; no manual intervention
- Accurate timing of payment from your bank account
- Comprehensive audit trail for both the return and the payment

For information about registering for Sales EFT/EDI, please call (800) 476-0311, or e-mail BusinessEFT@sctax.org.

Electronic Payment Requirements

Businesses that have paid $15,000 or more during any one filing period during the past year are required to pay electronically. Taxpayers with less than $15,000 in tax due during a filing period may participate voluntarily with the Electronic Funds Transfer (EFT)/ Electronic Data Interchange (EDI) Program or eSales.

Discount for Timely Payment

If returns are filed and the taxes paid in full by the due date, you will be allowed a discount.

- For taxes less than $100, you may take a 3% discount of the tax.
- For taxes of $100 or more, your discount is 2% of the tax.

The maximum discount allowed per taxpayer *(all locations included)* during the state's fiscal year *(July 1 - June 30)* is $3,000. If the retailer files his sales and use tax returns electronically, that discount increases to a maximum of $3,100.

Nonresident retailers not required by law to collect South Carolina sales or use tax, but whom voluntarily register to do so, are allowed a maximum discount of $10,000 each fiscal year. This $10,000 discount must be preapproved by the South Carolina Department of Revenue. In calculating the maximum discount, begin with the June return filed in July and end with the May return filed in June.

Sales Tax Holiday

If your business sells clothing, footwear and/or educational supplies, South Carolina's sales tax exemption may impact your business. The three-day sales tax exemption occurs from 12:01 a.m. on the **first Friday in August** and ends at midnight the following Sunday.

For a full list of items that are exempt from the sales tax during this period, see Revenue Ruling #10-7.

Sales & Use Tax Listserver

Do you want to receive e-mail notices of newsletters or hot topics related to Sales and Use Tax? To use our e-mail notification service, sign up for our Sales and Use Tax Listserv at: **http://www.sctax.org/Tax+Information/saleslist/salesanduselist.htm**

What Happens If You Don't File a Return?

PENALTIES AND INTEREST ARE IMPOSED IF YOU DON'T FILE!!

If you fail to comply with any of the tax rules administered by the Department of Revenue, your retail license may be revoked and you must close your business until all tax liabilities have been paid. Alcoholic Beverage Licenses (ABL) may be revoked or renewals denied if there are outstanding tax liabilities.

Selected Forms to Use

There are a number of Sales and Use Tax forms to use based on the types of taxes you collect and where you are located.

ST-3	State Sales and Use Tax Return
ST-3T	Accommodations Report by County or Municipality
ST-8	Single Sale Certificate
ST-8A	Resale Certificate
ST-10	Application for Certificate
ST-382	Religious Organization Affidavit for Musical Instruments/Office Equipment
ST-385	Vehicle Affidavit for Nonresident
ST-387	Application for Sales Tax Exemption
ST-388	Sales, Use and Accommodations Tax Return
ST-389	Schedule for Local Taxes
ST-403	Sales, Use and Aviation Gasoline Tax Return
ST-455	Sales, Use, Maximum Tax and Special Filers Tax Return

For the most up-to-date forms, visit the South Carolina Department of Revenue website at **www.sctax.org** and go to Sales and Use > Forms.

Withholding

A person located, doing business, or having gross income in this State and an employer having an employee earning income within this State are subject to the South Carolina withholding laws. South Carolina requires withholding from:

- Wages
- Prizes
- Royalties
- Winnings
- Payments to nonresident contractors *(contracts exceeding $10,000.00)*
- Rental payments made to nonresidents who own five or more residential units or one or more commercial properties in South Carolina
- Income from the sale of real estate and associated tangible personal property located in South Carolina to nonresident sellers
- Distributions by partnerships to nonresident partners and by S corporations to nonresident shareholders
- Compensation paid to individuals who have no valid taxpayer identification number or social security number or whose taxpayer identification number is reserved for nonresident aliens

How to Register for a Withholding Number

You must apply for a South Carolina Withholding number in order to establish an account in which to deposit your withholding payments. This can be done by going to the South Carolina Business One Stop (SCBOS) website, www.scbos.sc.gov, or by completing the Business Tax Application, Form SCDOR-111. The number entitles you to be a **withholding agent**. The withholding number is permanent as long as it is active and will not be issued to any other business or person. Should the ownership of the business change, such as conversion from a partnership to a corporation, a new withholding number must be obtained. The withholding number will appear on all reports, returns and correspondence concerning the withholding agent and the account.

Your SC Withholding number will start with a 25 and is a 9 digit number.

You should reference this number on all returns, correspondence and when any phone calls are made to the agency.

You can apply for and receive your federal employer identification number at www.irs.gov.

Rule of Thumb: If you are required to get a new Federal Employer Identification Number, then you are required to get a new SC Withholding Number.

W-4 (Exemption Certificate) Requirements

A federal Form W-4, Withholding Exemption Certificate, should be on file for each employee to determine the amount of income tax to withhold from an employee's wages. Employers should withhold at the rate for zero exemptions if no exemption certificate (W-4) is provided by the employee. South Carolina has adopted the use of the federal W-4. **South Carolina does not have a separate state W-4 form** (except for nonresident spouses of servicemembers; see below)**.**

It is not required that an employee file a separate W-4 for state purposes, unless the employee claims a smaller number of exemptions from those claimed for federal purposes. Use the federal form W-4 and indicate on the face of the form that it is "For State Purposes Only." An employee is not allowed to claim a greater number of exemptions for state purposes than the exemptions claimed for federal purposes. Copies of W-4 forms are available from the Internal Revenue Service and are to be maintained in the employer's records.

If an employer receives a W-4 claiming ten or more exemptions or believes a W-4 is incorrect, the employer must furnish a copy of the W-4 to the South Carolina Department of Revenue (SCDOR) within 30 days per SC Code §12-8-1030(A)(1). The employer should withhold on the basis of the claimed exemptions until notified by the SCDOR to withhold at a different rate.

SC W-4 Annual Withholding Tax Exemption Certification for Servicemember's Nonresident Spouse

The federal Military Spouses Residency Relief Act of 2009 provides that income earned by civilian spouse of a military person is not taxable to the state where the income was earned if all of these conditions are met:

1. The state where the servicemember and spouse are living is not the domicile of the spouse or the servicemember;
2. The spouse resides in the state solely in order to live with the servicemember;
3. The servicemember is present in the state as a result of military orders; and
4. The spouse and the servicemember both have the same domicile.

In order to qualify for a withholding exemption, the employee (civilian spouse) must provide all of the following to the employer:

1. A completed SC W-4, Annual Withholding Tax Exemption Certification for Servicemember's Nonresident Spouse;
2. An original of the servicemember's latest Leave and Earning Statement (LES), on which the LES assignment location must match the information provided on SC W-4; and
3. A current military identification card identifying the employee as a military spouse.

Withholding Tax Tables

Use the withholding tables (WH-1603) to determine the amount of tax to withhold, depending on the employee's salary, number of exemptions, and frequency of payment (daily, weekly, biweekly, semimonthly or monthly).

All South Carolina withholding agents are required to withhold tax from employees' wages at the same time employees are paid (based on the date of the paycheck).

Withholding Payments

When to Make State Withholding Payments

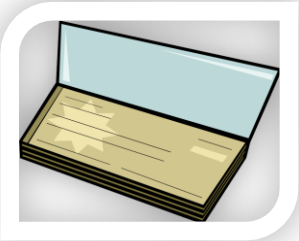
For payment of withholding taxes, the South Carolina employer/withholding agent accounts are divided into two categories: RESIDENT and NONRESIDENT.

- A **resident** employer/withholding agent is an individual or other entity whose principle place of business is in South Carolina.

- A **nonresident** employer/withholding agent is an individual or other entity whose principal place of business is outside South Carolina.

Resident employers/withholding agents are required to make payment of withholding taxes at the same time that their federal payments are due. ***Regardless of the state amount withheld, your payment is due at the same time that your federal payment is due.***

Nonresident employers/withholding agents are required to make payments either quarterly or monthly. If the South Carolina state tax liability is less than $500 for the quarter, the payment is due by the last day of the month following the end of the quarter. Once the state withholding reaches $500 or more during the quarter, it is due by the 15th of the following month.



How to Make State Withholding Payments

There are three ways to make withholding payments:

1. **DOR ePay—**you may submit your payment by electronic funds withdrawal (bank draft) or by credit card at the SC Department of Revenue website, www.sctax.org. Look for the DOR ePay logo. There is no cost to you.

2. **EFT**—Payments may be made by using the internet or the telephone when using the Electronic Funds Transfer (EFT) method. However, to use this payment method, **you must register** with our EFT office at (800) 476-0311 or (803) 896-1715 if you are in the Columbia calling area.

3. **Check**—you can make your payment directly to the SC Department of Revenue using the Withholding Tax Payment Coupon (WH-1601). Prepare your check (made payable to the SC Department of Revenue), complete the WH -1601 payment coupon indicating which quarter the payment is to be applied and mail the check with the coupon directly to:

South Carolina Department of Revenue
Withholding
Columbia, SC 29214-0004

Electronic Payment Requirements

Withholding agents who withhold $15,000 or more state tax per quarter or who make 24 or more withholding payments per year are required to electronically pay taxes using either ePay or Electronic Funds Transfer (EFT). The Department of Revenue notifies withholding agents if they are required to make electronic payments. *Any withholding agent may voluntarily participate in the electronic programs.* For additional information regarding DOR ePay, you may contact us at (803) 896-1715. For more information regarding EFT, contact the Electronic Services section at (800) 476-0311 or (803) 896-1715 if you are in the Columbia area.

Withholding Returns

Returns that are required to be filed

There are two types of state withholding returns:

1. SC Withholding Quarterly Tax Return (WH-1605)
2. SC Withholding Fourth Quarter/Annual Reconciliation (WH-1606)

A withholding agent is required to file a return for each quarter that the withholding account is open.

- Quarterly returns (WH-1605) are due by the end of the month following the end of the quarter for the first, second and third quarters of the calendar year.

- The Fourth Quarter/Annual Reconciliation (WH-1606) is due by the last day of February following the calendar year.
    - The Fourth Quarter/Annual Reconciliation has two sections. The top section of the form is exactly like the WH-1605 Quarterly return. The fourth quarter information is listed in this section. The bottom section of the WH-1606 contains the annual information. *Both sections of the form must be completed.*

A quarterly withholding return must be filed if the withholding account is open, even if no South Carolina withholding tax was withheld during the quarter. **A 4th quarter/ annual reconciliation return (WH1606) must be filed if the withholding account was open for any portion of the year, even if the account was closed during that year.**

Which Withholding Return to File

The SC Withholding Quarterly Tax Return (WH-1605) should be filed for the first, second and third quarters of the calendar year.

The SC Withholding Fourth Quarter/Annual Reconciliation (WH-1606) is a combined form and should be the final return filed for the year. *Do not file a WH-1605 for the fourth quarter.* Fourth quarter information is included on the WH-1606.

How to File Withholding Returns

There are three ways to file a withholding return:

1. File electronically using eWithholding at www.sctax.org ,
2. Use our Business Tax Telefile system, or
3. Complete and mail a paper return.

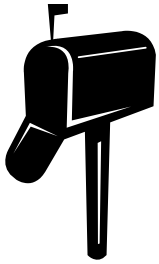
IF A WITHHOLDING ACCOUNT IS IN OPEN STATUS, A RETURN MUST BE FILED EVEN IF NO SOUTH CAROLINA TAXES WERE WITHHELD DURING THE QUARTER.

When to File Withholding Returns

Due dates for returns are:

First Quarter	April 30th
Second Quarter	July 31st
Third Quarter	October 31st
Fourth Quarter/Annual	Last day of February

Where to Mail Returns



Mail your returns to:
South Carolina Department of Revenue
Withholding
Columbia SC 29214-0004

What Happens If You Don't File a Return?

South Carolina Employer Withholding Tax Returns (WH-1605 and WH-1606) are to be filed for any open withholding account even if zero tax is withheld. Failure to file the withholding return will result in a Failure to File delinquent notice being mailed. Penalties and interest will be assessed if quarterly withholding returns are not filed for open withholding accounts.

Reporting and Paying Withholding Tax Electronically

eWithholding

As a South Carolina business owner, you can conveniently file your quarterly withholding tax return by using the South Carolina Department of Revenue Electronic Withholding System (eWithholding). eWithholding is designed to give tax filers a FAST, FREE, and SECURE way to file and pay your quarterly withholding return on-line.

eWithholding will allow the filing of the following forms:

- WH-1605 SC Withholding Quarterly Tax Return
- WH-1606 SC Withholding Fourth Quarter/Annual Reconciliation

The SC Department of Revenue's eWithhholding system will allow you to make payment by EFW (Electronic Funds Withdrawal/Bank Draft) or credit card (MasterCard and VISA).

For more information or for technical questions call (803) 896-1715.

Business Tax TeleFile

Businesses with quarterly withholding returns that have zero payment due or refund due may file their withholding return using the Business Tax TeleFile System. Business Tax TeleFile is available 24 hours a day/ seven days a week.

As a first-time user you are required to register on the Business Tax TeleFile System before filing. Registration can be handled directly on the system during your initial telephone call. The registration and filing process takes only minutes. The procedure is virtually paperless.

If you file your WH-1606 (Fourth quarter/Annual Reconciliation) using the TeleFile system, submit your W2s and/or 1099s with form WH-1612 (Transmittal Form for W2s or 1099s Submitted by CD-ROM or Paper) if you are submitting your W2s and/or 1099s by paper forms or via CD-ROM. An online solution for submitting Forms W2 to the SC DOR is operational at www.scbos.sc.gov. This electronic submission option will not require the Form WH-1612.

If you used the TeleFile system to file your quarterly return, do not file the corresponding paper return. **This will result in a duplicate filing and will potentially cause problems in your withholding account.**

To use the Business Tax TeleFile System, dial (803) 898-5918 and follow the instructions. If additional assistance is needed, you can contact the Business Tax TeleFile coordinator in Columbia at (803) 896-1715.

Tax Service Providers

If you are a tax service provider or CPA who files for approximately 100 or more South Carolina withholding clients, you are **mandated** to file your clients withholding quarterly returns through our Batch Withholding program. This program provides an electronic means of filing Withholding quarterly returns with the SC Department of Revenue. For more information, contact the Electronic Services area at (803) 896-1715.

W2s

A federal wage and tax statement, Form W2 must be furnished to each employee before January 31 following the close of the calendar year or on the last day of employment.

The W2 must include the following information:

- name and address of the withholding agent;
- state and federal identification number of the withholding agent;
- name and address of the employee;
- Social Security number of the employee;
- total amount of wages or payments;
- total amount of tax withheld.

Copy one of the W2 must be sent to SCDOR along with WH-1612 *on or before the last day of February of the following year.*

Filing W2 Information

Who Needs to File

SC Code §12-8-1550 provides that where information required under §12-8-1540 (Wage and Tax Statements and 1099s) is required to be submitted to the Internal Revenue Service by non-paper methods, the information must also be submitted to the SCDOR using electronic filing or CD-ROM.

Electronic Filing

A corporation, partnership, employer, estate, and trust who files 250 or more W2s for any calendar year must file electronically using the W2 portal at **www.scbos.sc.gov**. A corporation, partnership, employer, estate, and trust who files 250 or more 1099s for any calendar year must file by CD-ROM. See complete **Instructions and Specifications for Filing Forms W2** in South Carolina Department of Revenue Package **RS-1**. A complete package is available on our website at www.sctax.org**.** Anyone having W2 submission questions should call (803) 896-1450.

W2 submissions will be safe, easy, and convenient!

An online solution for submitting Forms W2 to the South Carolina Department of Revenue (in partnership with South Carolina Business One Stop (SCBOS)) is operational for tax years 2011 forward. There are a number of advantages to submitting W2's online through SCBOS…

- No paper! You mail NOTHING! Employers will have two options for submitting W2s.

    1. Employers with a small number of employees can utilize direct entry method.
    2. Software packages can produce an output file compatible to be uploaded to SC DOR via the SCBOS application.

For more information on submitting W2s online, just look for the W2 Portal page at www.SCBOS.sc.gov.

Where to mail W2 and/or 1099 Forms

Paper W2, 1099 and Extensions	CD-ROM	Overnight Delivery (CD-ROM Only)
South Carolina Department of Revenue Withholding Columbia, SC 29214-0004	South Carolina Department of Revenue CD-ROM Columbia, SC 29214-0022	South Carolina Department of Revenue CD-ROM 300A Outlet Point Blvd. Columbia, SC 29210

Selected Forms to Use

WH-1603	Withholding Tax Tables
WH-1603F	Computer Formula
WH-1605	Quarterly Tax Return (Quarters 1, 2 and 3)
WH-1606	Fourth Quarter/Annual Reconciliation of Income Tax Withheld
WH-1612	Transmitter Summary Report for CD ROM
W2	Wage and Tax Statement *(federal form)*
W-4	Withholding Exemption Certificate *(federal form)*
SC W-4	Annual Withholding Tax Exemption Certification for Servicemember's Nonresident Spouse
Form 105	Information Guide - South Carolina Withholding Tax
SCDOR-111	Business Tax Application
SCDOR-111Ins	Instructions for Completing SCDOR-111
C-278	Account Closing Form
SC8822	Change of Address/Business Location

Other South Carolina Taxes You May Need to File

Unemployment Insurance Contributions

Employers of one or more workers must pay a tax on wages paid to employees for purposes of providing unemployment compensation. This tax is administered and collected by the South Carolina Department of Employment and Workforce.

South Carolina Department of Employment and Workforce

1550 Gadsden Street
Post Office Box 995
Columbia, SC 29202
Telephone: (803) 737-2400
www.dew.sc.gov

Workers' Compensation

Employers with four or more employees must purchase insurance or qualify as a self-insurer by meeting certain requirements in accordance with the rules and regulations of the South Carolina Workers' Compensation Commission. Workers' Compensation provides benefits to employees who have sustained a job-related injury or illness. The Workers' Compensation Commission collects premiums.

South Carolina Workers' Compensation Commission

1333 Main Street, Suite 500
Post Office Box 1715
Columbia, SC 29202
Telephone: (803) 737-5700
www.wcc.sc.gov

Property Tax

Property tax is generally administered and collected by local governments. Real property is subject to property taxes. Personal property that is used in business and certain personal property that is used for personal purposes such as motor vehicles, boats and airplanes are subject to property taxes. There is no state or local tax on intangible personal property or inventories.

Property taxes are generally assessed and collected by local governments, but the Department of Revenue assesses and collects some property taxes and oversees all property tax assessments to ensure equitable and uniform assessment throughout the state. Businesses must file a business personal property tax return with the Department of Revenue.

How the Tax is Calculated

Each class of property is assessed at a ratio unique to that type of property. The assessment ratio is applied to the market value of the property to determine the assessed value of the property. Each county, municipality or other taxing entity then applies its millage rate to the assessed value to determine the tax due. A mill is a unit of monetary value, equal to one-tenth of a cent, or one-thousandth of a dollar (.001).

For example, if the millage rate is 200 mills and the assessed value of the property is $1,000, the tax on that property is $200.

A state property tax is levied on private carlines and airlines based on the average statewide millage rate.

Assessment Ratios

The following assessment ratios are applied to the value of the property to determine the assessed value for purposes of taxation:

Manufacturing Property	10.5% of fair market value
Utility Property	10.5% of fair market value
Railroads, Private Carlines, Airlines and Pipelines	9.5% of fair market value
Primary Residences	4.0% of fair market value
Agricultural Property *(privately owned)*	4.0% of use value
Agricultural Property *(corporate owned)*	6.0% of use value
Other real estate	6.0% of fair market value
Personal property	10.5% of income tax depreciated value
Private Passenger Vehicles	6% of fair market value

Business Personal Property

Merchants are required to file a Business Personal Property Return with the county or the Department of Revenue annually. The taxpayer should contact the Department of Revenue or the county to determine which jurisdiction to file the return. All furniture, fixtures and equipment are to be reported at acquisition cost with a deduction allowed for depreciation.

The Business Personal Property Return filed with DOR can be filed electronically through South Carolina Business One Stop at www.scbos.sc.gov.

The return is due on the last day of the fourth month following the close of the tax year. No extension of time for filing will be granted.

Exemptions

South Carolina law provides for a number of property tax exemptions. To obtain an exemption, application must be made to the Department of Revenue on Application for Exemption, Form PT-401.

The properties listed below are exempt from property tax:

Exemptions as they relate to institutions of learning

All property of:

- Schools
- Colleges and other institutions of learning except where the profits of the institutions are applied to private use

The property of all charitable institutions

In the nature of hospitals, institutions caring for:

- The infirmed
- The disabled
- The aged
- Children
- Indigent persons except where the profits of the institutions are applied to private use

The property of all:

- Libraries
- Churches
- Parsonages
- Burial grounds
    - all property which extends beyond the premises actually occupied by the church if no profit or benefit from any operation flows through to any private stockholder or individual or no income producing ventures are located on the property

Exemptions as they relate to certain individuals

The dwelling house and up to one acre of surrounding land is exempt for:

- A Veteran who is permanently and totally disabled from a service-connected disability
- A former law enforcement officer who is permanently and totally disabled from a service connected disability in this State as defined in Section 23-23-10 (E)(1).
- A former firefighter, including a volunteer firefighter who is permanently and totally disabled from a service connected disability in this State as defined in Chapter 80 of Title 40.
- A paraplegic or hemiplegic person is exempt provided he or she can provide satisfactory proof of their disability.
- The exemption is passed to the surviving spouse of a member of the armed forces of the United States who meet the qualifications of a veteran, law enforcement officer or firefighter.
- Qualified surviving spouse also means the surviving spouse of a member of the armed forces of the United States who was killed in action who at the time of death owned the dwelling in fee or jointly with the now surviving spouse. All criteria must be met to qualify for the exemption.
- The law enforcement officer and firefighter must have been employed in the State of South Carolina when declared permanently and totally disabled as a result of a service connected disability.

Two motor vehicles for persons listed below may qualify for an exemption if all requirements are met.

- Prisoner of War (World War I, World War II, Korean Conflict and Vietnam Conflict)
- A permanent and totally service connected disabled veteran
- Recipients of the Medal of Honor
- Persons required to use wheelchairs

Exemptions as they relate to organizations

Nonprofit organizations involved in the following:

- Water supply
- Sewage disposal
- A combination of both water supply and sewage disposal
- American Legion
- Veterans of Foreign Wars
- Disabled American Veterans
- Fleet Reserve Association
- Marine Corps League
- Other similar veterans' organizations
- YMCA and YWCA
- Salvation Army
- Boy Scouts
- Girl Scouts
- Palmetto Junior Homemaker Association
- New Homemakers of South Carolina
- South Carolina Association of Future Farmers of America
- New Farmers of South Carolina
- Religious, charitable, eleemosynary, educational or literary society, corporation or association, when the property is held primarily for holding meetings and conducting business
- Property owned by religious, charitable, eleemosynary, educational or literary society, corporation or association, if property is acquired to construct or renovate a residential structure for sale to economically disadvantaged persons
    - The exemption will not exceed fifty (50) acres per county and the sale cannot be for profit
- Property owned by religious, charitable, eleemosynary, educational or literary society, corporation or association, extends to the real property that is held for a future use by the organization that would qualify for the exemption or held for investment by the organization in sole pursuit of the organization's exempt purposes and while held this property is not rented or leased for a purpose unrelated to the exempt purposes as defined in SC Code Section 12-37-220 (B)(16)(c).

Real property leased on a nonprofit basis to a:

- State agency
- County
- Municipality or other political subdivision used for public purposes
    - the exemption does not apply to property used for office space or warehousing
- Volunteer fire departments and rescue squads when property is used exclusively for that purpose or property leased to a department or squad by an entity itself exempt from property taxes

- Nonprofit museums used exclusively for such purpose
- Property of nonprofit or eleemosynary community theater companies, symphony orchestras, county and community arts councils and other similar companies, which is used exclusively for promotion of the “arts”
- Charitable trusts and foundations if property is used for charitable purposes

<u>The following exemptions as they relate to personal effects and the home</u>

- Household goods and furniture used in the owner’s home
- Household goods and furniture used in a timeshare residential units
- Clothing
- A homestead exemption of $50,000 is available to residents who are 65 years of age, who are totally disabled or who are totally blind

<u>The following exemptions pertain to the farm</u>

- All agricultural products owned by the producer
- Livestock and poultry
- Farm machinery and equipment
- Greenhouses

<u>The following exemptions pertain to business concerns</u>

- New manufacturing facilities and additions costing at least $50,000 to existing manufacturing facilities are exempt from the ordinary county taxes for a period of five years
- Corporate headquarters, corporate office facilities and distribution facilities are exempt from ordinary county taxes for five years if the cost of new construction or additions is $50,000 or more and 75 or more full-time jobs are created
- Manufacturers’ inventories
- Merchants’ inventories
- Personal property of an air carrier operating a hub in South Carolina is exempt for 10 years
- Water, air or noise pollution equipment and facilities

Other property tax exemptions

- Real property leased on a nonprofit basis to a state agency, county, municipality or other political subdivision used for a public purpose other than office space or warehousing
- Property leased to and operated by the S.C. Public Service Authority for generating or transmitting electricity
- Personal property used for public display loaned or leased on a nonprofit basis to a(n):
    - State agency
    - County
    - Municipality
    - Other political subdivision
    - Organization exempt from federal income tax under Internal Revenue Code (IRC) Section 501-514
- Carnival equipment owned, leased or used by a foreign corporation or nonresident for a period of not more than six months if property tax has been paid in another state
- Other property owned by churches if no income producing ventures are located on the property and no profit or benefit is derived by any individual
- Nonprofit community-owned recreation facilities open to the general public
- Personal property in transit with *'no situs'* status
- Intangible personal property

Fee-in-Lieu of Property Taxes

Manufacturing and Fee-in-Lieu of Property Taxes

Businesses investing at least $2.5 million in South Carolina may negotiate for a fee-in-lieu of property taxes. Under a fee in lieu of property tax agreement, the assessment ratio can be negotiated down from 10.5% to 6%. For large investments, the assessment ratio can be reduced down to 4%. The county and the business may agree to either set the millage rate for the entire agreement period or have the millage change every five years in step with the average millage rate for the area where the project is located. Any personal property subject to the fee in lieu of property taxes depreciates in accordance with South Carolina law while the real property is either set at cost for the life of the agreement or can be appraised by SCDOR every five years.

A fee in lieu of property taxes is granted at the sole discretion of the county as to whether to grant a fee in lieu of property taxes for a particular project. The business must make the $2.5 million investment over a five-year period to qualify. Projects with large investment projects have eight years to meet their increased investment requirements. During this period, all property that is placed in service pursuant to the agreement is subject to a fee instead of ad valorem property taxes. A county may give the business an additional five years to complete the project and place new property in service subject to the fee. A single piece of property can be subject to the fee for a

maximum of 40 years with the county's consent. The total project can be subject to the fee for a maximum of 50 years with the county's consent.

In addition, a company may replace existing property with new property that may become eligible for the fee agreement.

Tax Returns

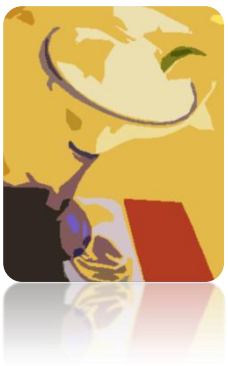
Tax returns reporting business personal property, manufacturers' property and utility companies' property must be submitted by businesses to the Department of Revenue by the last day of the fourth month after the close of the taxpayer's accounting period. No extension of time for filing can be granted.

Selected Forms to Use

PT-100	Business Personal Property Tax Return
PT-139	Water and Sewer Companies Property Tax Return
PT-300	Manufacturer's Property Tax Return
PT-401	Property Tax Exemption Application
PT-417	Private Carline Tax Return
PT-418	Airline Property Tax Return
PT-420	Utility and Railroad Company Property

For the most up-to-date forms, visit the South Carolina Department of Revenue website at **www.sctax.org** and go to the Forms and Instructions link.

Alcoholic Beverages



What Are the Basic Requirements for a Beer and Wine Permit or a Liquor License?

A sole proprietor applicant must:

- Be at least twenty-one (21) years of age,
- Be a legal resident of the United States,
- Be a legal resident of South Carolina for at least thirty (30) days prior to making application to the South Carolina Department of Revenue,
- Be of good moral character. This includes the applicant, principals, officers, agents, etc.
- Not have any outstanding liabilities with the South Carolina Department of Revenue

A corporate entity that is an applicant must:

- Disclose corporate principals
- Have a certificate of good standing as an SC corporate entity or
- Be registered to do business in SC if a foreign corporate entity
- Have all corporate principals of good moral character
- Neither have a corporate tax liability or an individual tax liability of a corporate principal with the SC Department of Revenue

➢ Depending on the type of license, the location must meet certain requirements.

For more information on obtaining an ABL license, visit https://www.scbos.sc.gov/Run_Your_Business/SC_Dept_of_Revenue_Filings.aspx.

Alcoholic Liquors and Beer/Wine License/Permit Fees

The alcoholic liquors tax is imposed on all manufacturers, wholesalers and retailers of alcoholic liquors. Anyone selling alcoholic liquors must apply to the Department of Revenue for a license.

The license fees are:

License Type	Nonrefundable Filing Fee	License Fee
Brewery or winery	$300.00	$ 400.00 biennially
Wholesale beer and/or wine	$ 300.00	$ 2,200.00 biennially
Liquor manufacturer	$ 200.00	$ 50,200.00 biennially
Liquor Micro Distillery	$ 200.00	$ 5,200.00 biennially
Wholesale liquor	$ 200.00	$ 20,200.00 biennially
On premises beer & wine	$ 300.00	$ 600.00 biennially
Off premises beer & wine	$ 300.00	$ 600.00 biennially
Brewpub	$ 300.00	$ 2,200.00 biennially
7-day off-premises beer & wine	$ 300.00	$ 2,200.00 biennially
Sunday/Sabbath beer & wine	$ 300.00	$ 650.00 biennially
Food Service Establishment beer & wine	$ 300.00	$ 600.00 biennially
Business (restaurant/hotel/motel) liquor by the drink	$ 200.00	$ 1,700.00 biennially
Nonprofit private club liquor by the drink	$ 200.00	$ 1,700.00 biennially
Retail liquor store	$ 200.00	$ 1,400.00 biennially
Alcoholic liqueurs (cooking license)	$ -0-	$ 250.00 biennially
*Certification fee	$	$ 5.00
120 day temporary beer & wine	$ -0-	$ 25.00
120 day temporary liquor by the drink	$ -0-	$ 25.00
120 day temporary retail liquor	$ -0-	$ 25.00

*(Certification fee is required, in addition to filing fees, if you are applying for a license at a location that is currently licensed to sell liquor by the drink or retail liquor.)

Licenses must be renewed every two years. Renewal is determined by the county in which the license is located.

Excise Tax

Manufacturers, wholesalers and retailers must pay tax on alcoholic liquors as follows:

Per 8 ounces of alcohol	$ .17
Liquor by the drink	5% of gross proceeds from sales of alcoholic liquor by the drink
Per liter	$ .71825
Standard case (wholesalers)	$1.81
Standard case (payable by retailers to wholesalers)	$2.99
Standard case (additional tax paid by wholesalers)	$ .56
Surtax	9%

Beer and Wine Tax

All wholesale distributors, retailers, breweries and wineries doing business within South Carolina are required to be licensed by the Department of Revenue.

Wholesale distributors are required to pay beer and wine tax, the tax rates are:

Beer per Ounce	$.006

Wine U.S. Sized Containers:

Per 8 oz. up to 1 gallon	$.06
Per gallon	$.90
Additional tax per 8 oz.	$.012
Additional tax per gallon	$.18

Wine Metric Sized Containers:

Per liter	$.2535
Additional tax per liter	$.0507

Each wholesaler is required to report all beer and wine sold or disposed of within this state and **pay the tax due no later than the 20th of the month following the month the sales occurred.**

What Type of Establishments Can Be Licensed for a Liquor by the Drink License?

Restaurants must be primarily engaged in the preparation and serving of meals, have seating for not less than forty (40) people simultaneously at tables, which must be usable and suitable for the consumption of meals year round, a separate kitchen area that is used for solely for the storage and preparation of meals, not less than 21 cu. feet of cold storage and have a Grade A health permit from the South Carolina Department of Health and Environmental Control (DHEC). For additional requirements, refer to S.C. Ann. §§61-6-20; 61-6-1610; and Code Reg. 7-401.3.

Hotels and motels must rent lodging to the public of at least 18 rooms on a regular basis.

Private clubs must be established for social, benevolent, patriotic recreational, or fraternal purposes, have a limited membership, be governed by bylaws, not open to the general public and must have a nonprofit charter in good standing with the South Carolina Secretary of State.

Retail liquor stores must meet structural requirements of South Carolina Code Section 61-6-1510 and may sell liquor at wholesale to restaurants and bars only after they have applied for a wholesale basic permit under the Federal Alcohol Administration Act.

Alcoholic Beverage License Renewals Online

Businesses which currently have an ABL License, and have been sent a 60 day notification for renewal may renew online using the SC Business One Stop (SCBOS). The Department of Revenue will not renew a license if there is an outstanding tax liability with the Department or the Internal Revenue Service. If there has been a change of ownership, possession or control of the business or the corporation, or a business address change since the original issuance of the license, the renewal is not allowed; you will have to reapply.

Renewals are permitted for the following license types:

PBB -	Brew Pub Beer/Wine
PBW -	On Premises Beer/Wine
PBG -	Off Premises Beer/Wine
PBP -	Beer/Wine Producer
P7B -	7 Day Week Off Premises Beer/Wine
PAL -	Alcoholic Cooking Liquors
PLP -	Liquor Producer/Importer (outside SC)
PLR -	Liquor Producer Representative
PML -	Liquor Manufacturer
PMD -	Liquor MicroDistillery
PRL -	Retail Store Liquor
PWL -	Wholesale Liquor
PLB-	Business Liquor by the Drink
PLC-	Non Profit Liquor By the Drink

Corporate Income Tax

The Initial Annual Report of Corporations, form CL-1, must be submitted by both domestic and foreign corporations. The report should be submitted when filing:

- The Articles of Incorporation
- An Application for Authority to Transact Business in South Carolina
- On or before sixty (60) days after commencing business in South Carolina

➢ The minimum license fee of $25 must be paid at the time the report is filed.

Tax Rate

The tax rate on South Carolina net corporate income is 5%. The starting point in determining South Carolina taxable income is the corporation's federal taxable income.

The license fee rate is .001% of the corporation's capitalization plus $15. The corporation's capital stock and paid in capital accounts are subject to this tax.

The minimum license fee is $25 and is paid a year in advance with the year's corporate tax report.

Most Common Modifications to Federal Taxable Income

1. Interest on state or local obligations other than South Carolina are additions to income

2. State and local income taxes or state and local franchise taxes measured by net income, any income taxes, or any taxes measured by or with respect to net income must be added back to federal taxable income

3. Add back federal net operating loss (NOL). South Carolina allows a South Carolina NOL carryover but no carry-back

4. If a corporation is claiming a reduction in salaries and wages due to the federal jobs credit, subtract this amount for South Carolina purposes

5. South Carolina does not recognize deductions for bonus depreciation, domestic production activities, or qualifying shipping activities

Summary of Corporate Income Tax Credits:

DRIP/TRICKLE IRRIGATION SYSTEMS CREDIT: For purchasing and installing conservation tillage equipment, drip/trickle irrigation system or dual purpose combination truck and crane equipment. **(TC-1)**

MINORITY BUSINESS CREDIT: For state contractors that subcontract with socially and economically disadvantaged small businesses. **(TC-2)**

WATER RESOURCES CREDIT: For investing in the construction of water storage and control structures for soil and water conservation, wildlife management, agriculture and aquaculture purpose. **(TC-3)**

NEW JOBS CREDIT: For qualifying employers that create and maintain 10 or more full-time jobs. **(TC-4)**

ACCELERATED SMALL BUSINESS JOBS CREDIT: For qualifying small businesses that create 2 or more full-time jobs. **(TC-4SA)**

SMALL BUSINESS JOBS CREDIT: For qualifying small businesses that create and maintain 2 or more full-time jobs. **(TC-4SB)**

SCENIC RIVER CREDIT: For donating certain lands adjacent to designated rivers or sections of a river. **(TC-5)**

INFRASTRUCTURE CREDIT: For construction or improvements of water lines, sewer lines and road projects eventually dedicated to public use or qualifying private entity. **(TC-6)**

PALMETTO SEED CAPITAL CREDIT: For investing in the Palmetto Seed Capital Corporation. **(TC-7)**

CORPORATE HEADQUARTERS CREDIT: For qualifying costs related to establishing a corporate headquarters in South Carolina or expanding or adding to an existing headquarters. **(TC-8)**

CHILD CARE PROGRAM CREDIT: For employers that establish child care programs to benefit employees or donate to a non-profit corporation providing child care. **(TC-9)**

CAPITAL INVESTMENT CREDIT: For placing qualified manufacturing and productive equipment property in service. **(TC-11)**

PLASTICS AND RUBBER PRODUCTS MANUFACTURERS CREDITS: For large manufacturers of plastics or rubber products. **(TC-11A)**

FAMILY INDEPENDENCE PAYMENTS CREDIT: For employers hiring qualifying recipients of Family Independence Payments. **(TC-12)**

COMMUNITY DEVELOPMENT CREDIT: For investing amounts not claimed as charitable deductions in qualifying development corporations or financial institutions. **(TC-14)**

RECYCLING PROPERTY CREDIT: For taxpayers constructing or operating a qualified recycling facility when investing in recycling property. **(TC-17)**

RESEARCH EXPENSES CREDIT: For taxpayers claiming a federal research expenses credit. **(TC-18)**

QUALIFIED CONSERVATION CONTRIBUTION CREDIT: For donating a qualifying gift of land for conservation or a qualified conservation contribution of a real property interest. **(TC-19)**

BROWNFIELDS CLEANUP CREDIT: For costs of voluntary cleanup activity by a nonresponsible party. **(TC-20)**

CERTIFIED HISTORIC STRUCTURE CREDIT: For rehabilitation projects that qualify for the federal credit. **(TC-21)**

TEXTILES REHABILITATION CREDIT: For rehabilitating an abandoned textile manufacturing facility. **(TC-23)**

COMMERCIALS CREDIT: For production companies producing commercials in South Carolina. **(TC-24)**

MOTION PICTURES CREDITS: For investing in motion picture projects or motion picture production or post-production facilities in South Carolina. (**TC-25)**

VENTURE CAPITAL INVESTMENT CREDIT: For lending money to the SC Venture Capital Authority **(TC-26)**

SC QUALITY FORUM CREDIT: For participating in quality programs of the SC Quality Forum. **(TC-28)**

PORT CARGO CREDIT: For increasing usage by volume at state ports. **(TC-30)**

RETAIL FACILITIES REVITALIZATION CREDIT: For revitalizing abandoned retail facilities. **(TC-31)**

MERCURY SWITCH DISPOSAL CREDIT: For vehicle recycler or scrap recycling facility participating in End-of-Life Vehicle Solution (ELVS) Program for each mercury switch collected and admitted for disposal. **(TC-33)**

CORPORATE TAX MORATORIUM: For qualifying taxpayers that make a substantial investment and creates at least 100 new, full-time jobs, a 10 year, or in some cases, a 15 year moratorium (not a credit) on corporate income taxes. **(TC-34)**

ALTERNATIVE MOTOR VEHICLE CREDIT: Taxpayers with federal credit allowed under Internal Revenue Code 30B, will receive SC Credit. **(TC-35)**

INDUSTRY PARTNERSHIP FUND CREDIT: For contributing to the SC Research Authority's Industry Partnership Fund. **(TC-36)**

WHOLE EFFLUENT TOXICITY TESTING CREDIT: For a manufacturing facility incurring costs in complying with whole effluent toxicity testing. **(TC-37)**

SOLAR ENERGY OR SMALL HYDROPOWER SYSTEM CREDIT: For installing a solar energy system or small hydropower system in a South Carolina facility. **(TC-38)**

ETHANOL OR BIODIESEL PRODUCTION CREDIT: For producers of corn-based or non-corn-based ethanol or soy-based or non-soy-based biodiesel. **(TC-40)**

RENEWABLE FUEL FACILITY CREDIT: For constructing a renewable fuel production or distribution facility in South Carolina. **(TC-41)**

APPRENTICESHIP CREDIT: For employing an apprentice. **(TC-45)**

NEW PLUG-IN HYBRID VEHICLE CREDIT: For in-state purchase or lease of a new plug-in hybrid vehicle. **(TC-48)**

BIOMASS RESOURCE CREDIT: For costs incurred by corporation for purchases and installation of equipment used to create power, etc. for commercial use. **(TC-50)**

VENISON FOR CHARITY CREDIT: For processing deer meat for charity. **(TC-51)**

FIRE SPRINKLER SYSTEM CREDIT: For installing a fire sprinkler system. **(TC-52)**

ENERGY EFFICIENT MANUFACTURED HOME CREDIT: $750 credit for new purchase of an Energy Star manufactured home. **(TC-53)**

CREDIT FOR MANUFACTURING RENEWABLE ENERGY SYSTEMS: For investing in production of renewable energy systems and components. **(TC-54)**

ABANDONED BUILDINGS REVITALIZATION CREDIT: For rehabilitating an abandoned building. **(TC-55)**

ANGEL INVESTOR CREDIT: For investing in certain types of businesses. (**TC-56**)

These Credits Can Also Be Used Against Corporate License Fees:

Infrastructure Credit **(TC-6)**
Corporate Headquarters Credit **(TC-8)**
Recycling Property Credit **(TC-17)**
Research Expenses Credit **(TC-18)**
Certified Historic Structure Credit **(TC-21)**
Textiles Rehabilitation Credit **(TC-23)**
Venture Capital Investment Credit **(TC-26)**
Mercury Switch Disposal Credit **(TC-33)**
Industry Partnership Fund Credit **(TC-36)**
Biomass Resource Credit **(TC-50)**
Abandoned Buildings Revitalization Credit **(TC-55)**

Refundable Income Tax Credits

Milk Credit: A resident taxpayer in the business of producing milk for sale may be eligible for a refundable income tax credit against corporate income tax based on the amount of milk produced and sold. See I-334, the Milk Credit form.

Anhydrous Ammonia Credit: A resident taxpayer engaged in the business of farming is eligible for a refundable income tax credit equal to the amount expended to obtain the additive required to comply with Code Section 44-53-375(E)(2)(a)(ii) for the agricultural use of anhydrous ammonia. The refundable credit may be claimed against corporate income taxes. See I-333, the Ammonia Additive Credit form.

Filing Requirements

Corporations are required to file one of the following forms (whichever is applicable):

- SC1120 for corporations
- SC1120S for 'S' corporations
- SC1120U for utilities.
- SC1101B for banks
- SC1104 for savings and loan associations

NOTE: Insurance companies files tax returns with the Department of Insurance.

SC1120, SC1120S, and SC1120U each have three sections.

1. Computation of income tax liability
2. Computation of license fee, and
3. Annual Report

Banks and Savings and Loan Associations are exempt from license fees. Tax-exempt organizations are also exempt from license fees and file SC990T only if they have unrelated business income. SC990T is due on the 15th day of the fifth month following the close of the taxable year.

Corporate income tax returns are due no later than the 15th day of the third month following the close of the taxable year.

Corporations with a multi-state business are taxed only on income earned or derived within South Carolina. Some amounts are directly allocated. The remaining income is apportioned according to one of the following methods:

1. "Sales only" apportionment for taxpayers whose principal business in South Carolina is dealing in tangible personal property. This method is typically used by businesses that manufacture, sell, distribute, or rent tangible personal property.

2. "Gross receipts" apportionment method for taxpayers not dealing in tangible personal property. This method is typically used by financial businesses and service businesses, including doctors, architects, businesses that install or repair tangible personal property, and contractors.

3. A "special" apportionment method for certain companies, such as railroad companies, telephone companies, pipeline companies, airline companies, and shipping lines.

4. An individualized apportionment method tailored to a particular business because the normally required method would not fairly represent the extent of the taxpayer's business in South Carolina.

5. An individualized apportionment method tailored to a particular business as an economic incentive.

Extension to File

If any corporate income tax or license fee is anticipated to be due, the taxpayer must use South Carolina extension form SC1120-T.

An extension can also be filed electronically through SCDOR **ePay.**

If no income tax or license fee is anticipated to be due and the taxpayer has requested a federal extension, the federal extension will be accepted as a South Carolina extension if the corporate return is received within the time as extended by the Internal Revenue Service.

Corporations filing a consolidated return should file a single South Carolina extension SC1120-T and attach a schedule listing the corporations to be included in the South Carolina consolidation. A federal extension will be accepted if all corporations filing in South Carolina are included in one or more federal extensions. A schedule must also be attached listing the corporations included in the South Carolina consolidation.

A copy of the federal or South Carolina extension(s) must be attached to the return when filed.

There is no extension for payment of corporate income tax or license fee. Any income tax or license fee due must be paid by the prescribed due date to avoid the assessment of late penalties and interest.

Estimated Tax Payments

Declaration of estimated tax payments are required by the 15th day of the 4th, 6th, 9th and 12th months following the beginning of the taxable year.

The total of the estimated payments must equal 100% of the final tax liability, based on requirements for federal estimated income in IRC Section 6655. No estimated tax payment is required if the estimated tax is less than $100 annually.

Electronic Payment

You may also make Corporate Tax declaration payments online by using our ePay system from our website. There is no cost to you and no registration is required. Using the ePay system, payments are submitted by credit card or by electronic funds withdrawal (bank draft). Go to our website at **www.sctax.org** to use the program.

Consolidated Returns

A consolidated return is not required unless a consolidated return was filed previously. The following corporations may file a consolidated return: (1) a parent and any substantially controlled (80%) subsidiary or subsidiaries; or (2) two or more corporations under substantially the entire control of the same interest. A corporation doing business entirely within South Carolina may consolidate with another doing a multi-state business. All corporations included in a consolidated return must be C corporations, use the same accounting year, and be subject to South Carolina corporate income tax. The income tax calculation is determined separately for each corporation included in a consolidated return, but tax credits earned by members of the consolidated group are used on a consolidated basis.

Fed/State Corporate EFile

Taxpayers can file both federal and South Carolina returns or just the state return electronically utilizing tax preparation software available from software developers. South Carolina began offering Fed/State filing for Corporate (SC1120/1120S) in September, 2007. Corporate returns may be filed for returns being filed for current year plus back two years. For example, in 2014…corporate returns will be filed for tax years 2013, 2012, and 2011. Amended returns are NOT eligible for electronic filing via the Fed/State method.

County Rankings, Moratorium and Reduced Investment Counties

South Carolina's 46 counties are ranked and designated annually for job tax credit purposes based on unemployment rates and per capita income.

A 10- or 15-year moratorium on corporate income or insurance premium taxes is available to a qualifying taxpayer in a county with average annual unemployment rate of at least twice the State average during each of the last two completed calendar years, based on the most recent unemployment rates available, or in a county with one of the three lowest per capita incomes based on the average of the three most recent years of available average per capita income data.

The minimum required investment necessary to qualify for the fee in lieu of property tax under the "Little Fee," provided in South Carolina Code Section 4-12-30(B)(3), and the "Simplified Fee," provided in South Carolina Code Section 12-44-30(14), is $2.5 million. This investment amount, however, is reduced to $1 million for a company investing in a county with an average annual unemployment rate of at least twice the State average during each of the last 24 months, based on data available on November 1.

Each year, the Department releases a list of all County Rankings, Moratorium Counties, and Reduced Investment Counties. You can find the list at **www.sctax.org > Dept. Advisory Opinions > An Alphabetical Index > Income Taxes > Job Tax Credit.**

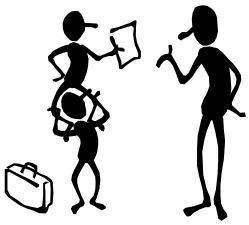
Limited Liability Companies & Partnerships

Limited Liability Companies --The Basics

A limited liability company (LLC) is an unincorporated business association that provides its owners (members) limited liability and flexible management and financial alternatives. An LLC can provide the favorable pass-through tax treatment of partnerships and the limited personal liability of corporations. An LLC is formed when one or more initial members sign Articles of Organization and deliver that to the Secretary of State along with the filing fee.

If an LLC is a corporation for federal income tax purposes, it is a corporation for South Carolina income tax purposes. Likewise, if an LLC is a partnership for federal income tax purposes, it is a partnership for South Carolina income tax purposes. South Carolina has adopted all of the partnership provisions of subchapter K of the Internal Revenue Code and Section 7701 that defines partnership and corporation. A single member LLC that is not taxed a corporation for federal purposes is not considered to be an entity separate from its owner.

United States Treasury regulations govern how an organization is classified for federal tax purposes. There are United States Department of Treasury regulations for determining the classification of an unincorporated business organization as either a partnership or a corporation for federal income tax purposes.
These regulations replaced the prior four-factor test of:



- Continuity of life
- Centralized management
- Limited liability and
- Free transferability of interests

Under these regulations an unincorporated entity can choose to be taxed as a partnership (or disregarded as an entity entire separate from its owner if it is a single member LLC) or be taxed as a corporation. This new classification process is referred to as “check the box.” For South Carolina income tax purposes, the South Carolina Department of Revenue follows the “check the box” regulations.

The following definitions will be used:

- **Partnership** includes an LLC taxed for SC income tax purposes as a partnership.

- **Partner** includes any member of an LLC taxed for SC income tax purposes as a partnership.

- **Corporation** includes an LLC or professional or other association taxed for SC income tax purposes as a corporation.

- **Shareholder** includes any member of an LLC taxed for SC income tax purposes as a corporation.

- **A Limited Liability Partnership** (LLP) is formed when an application is filed by a majority of the partners or any one or more partners authorized to execute it, and delivered to the Secretary of State with a $100 filing fee.

  An LLP's registration is effective for one year only. Each year the LLP must file a renewal application within the 60-day period preceding the expiration date.

  The Secretary of State is not required to notify an LLP that its registration is up for renewal.

Partnerships -- The Basics

A partnership is a legal entity that is jointly owned by two or more individuals. The owners are personally responsible for all debts of the business, even those in excess of the amount invested in the business.

Liability for Returns

Every partnership in South Carolina, whether domestic or foreign, doing business or owning a business in South Carolina must make a return of income on the Partnership Return of Income, form SC1065 not later than the 15th day of the fourth month following the close of the accounting period.

The income or loss of a partnership will be computed in the same manner and on the same basis as in the case of the individual.

Taxpayers carrying on business in a partnership are liable for income tax only in their individual capacity, and each partner must include in their return their distributive share, whether distributed or not, of the net income or loss of the partnership for the taxable year. If the taxable year of a partner is different from that of the partnership, the amount included will be based on the partnership income of the year ending with the taxpayer's taxable year.

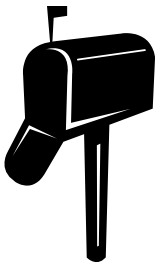
Information to be furnished to the Partners

An SC1065 K-1 must be provided to each partner and is prepared by the partnership to show each partner's share of the entity's income. Each item is adjusted as required by South Carolina law and allocated or apportioned to SC or to states other than South Carolina. Provide each nonresident partner with a federal Form 1099-MISC with "SC only" written at the top, showing the amount of the nonresident partner's withholding.

When and Where Do I File?

A South Carolina Partnership return of income should be completed after the federal partnership return is completed, but is due no later than the 15th day of the fourth month after the close of the taxable year.

Returns should be mailed to the following address:



SC Department of Revenue
Partnership Returns
P O Box 125
Columbia SC 29214-0008

Failure to file your return on time may subject the Partnership to a penalty. If additional time is still needed to file your SC1065, you may file form SC8736 by the date due of your return.

The South Carolina Department of Revenue will accept the federal extension for a partnership in lieu of SC8736.

If you intend to use the federal extension in lieu of South Carolina's extension, it is not necessary to send South Carolina a copy of the federal form by the due date of your tax return. Simply attach a copy of the federal extension when you file the tax return within the extended period.

Partners' returns are extended separately. A copy of each federal K-1 is required to be attached to form SC1065.

Partners with income or loss must file a tax return regardless of tax liability. See SC1065 K-1 on information to be furnished to partners.

What Happens if You Don't File?

A taxpayer who fails to remit tax when due will be charged interest from the time the tax was due until paid in its entirety. Penalties may be applied for late payment of tax and for late filing of returns. Penalties may also be applied for negligence and for disregard of regulations.

Selected Forms to Use

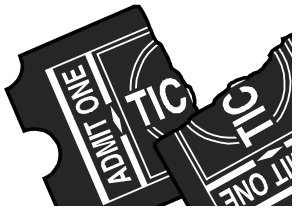
SC616	Certification of Eligibility for South Carolina New Jobs Tax Credit
SC990-T	Return of Organization Exempt from Income Tax
SC1065	Partnership Return of Income
SC8736	Partnership Extension
SC Sch. TC-1	Drip/Trickle Irrigation Systems Credit

SC Sch. TC-2	Minority Business Credit
SC Sch. TC-3	Water Resources Credit
SC Sch. TC-4	New Jobs Credit
SC Sch. TC-4SA	Accelerated Small Business Jobs Credit
SC Sch. TC-4SB	Small Business Jobs Credit
SC Sch. TC-5	Scenic River Tax Credit
SC Sch. TC-6	Infrastructure Credit
SC Sch. TC-7	Palmetto Seed Capital Credit
SC Sch. TC-9	Child Care Program Credit
SC Sch. TC-11	Capital Investment Credit
SC Sch. TC-11A	Plastics and Rubber Manufacturers Credits
SC Sch. TC-12	Family Independence Payments Credit
SC Sch. TC-14	Community Development Tax Credit
SC Sch. TC-17	Recycling Property Tax Credit
SC Sch. TC-18	Research Expenses Credit
SC Sch. TC-19	Qualified Conservation Contribution Credit
SC Sch. TC-20	Brownfields Cleanup Credit
SC Sch. TC-21	Certified Historic Structure Credit
SC Sch. TC-23	Textiles Rehabilitation Credit
SC Sch. TC-24	Commercials Credit
SC Sch. TC-25	Motion Pictures Credit
SC Sch. TC-26	Venture Capital Investment Credit
SC Sch. TC-28	SC Quality Forum Credit
SC Sch. TC-30	Port Cargo Volume Increase
SC Sch. TC-31	Retail Facilities Revitalization Credit
SC Sch. TC-35	Alternative Motor Vehicle Credit
SC Sch. TC-36	Industry Partnership Fund Credit
SC Sch. TC-37	Whole Effluent Toxicity Testing Credit
SC Sch. TC-38	Solar Energy or Small Hydropower System Credit
SC Sch. TC-40	Ethanol or Biodiesel Production Credit
SC Sch. TC-41	Renewable Fuel Facility Credit
SC Sch. TC-45	Apprenticeship Credit
SC Sch. TC-48	New Plug-in Hybrid Vehicle Credit
SC Sch. TC-51	Venison for Charity Credit
SC Sch. TC-52	Fire Sprinkler System Credit
SC Sch. TC-53	Energy Efficient Manufactured Home Credit
SC Sch. TC-54	Credit for Manufacturing Renewable Energy Systems
SC Sch. TC-55	Abandoned Buildings Revitalization Credit
SC Sch. TC-56	Angel Investor Credit
I-333	Anhydrous Ammonia Additive Credit
I-334	Milk Credit
I-348	Composite Filing Instructions

For the most up-to-date forms, visit the South Carolina Department of Revenue website at **www.sctax.org** and go to the Forms button under the tax type.

Miscellaneous Taxes & Fees

Admissions Tax



Admissions tax must be collected by all places of amusement when an admission price has been charged. The tax is 5% of the paid admissions. If you operate a place of amusement, you must obtain an admissions tax license. There is no charge for the license. You may also be required to obtain a retail license.

Examples of “places of amusement” are: nightclubs, college and professional sporting events, amusement parks, golf courses, miniature golf or “putt-putt” courses, tennis courts, bowling alleys, water slides, movie theaters, musical concerts, health clubs, spas, gyms, swimming pools, skating rinks, baseball batting cages and craft shows.

Exemptions from the admissions tax are:

1. Stage plays or pageants in which only local or nonprofessional talent or players perform

2. Certain Junior American Legion athletic events

3. High school or grammar school athletic events

4. Admissions to the State Fair or county or community fairs

5. Admissions charged by eleemosynary and nonprofit organizations organized exclusively for religious, charitable, scientific or educational purposes or the presentation of performing artists by an accredited college or university *(except athletic events of a college or university, and admissions to rides, places of amusement, shows, exhibits and other facilities at a circus, carnival or community fair, except when the proceeds are donated to a hospital)*

6. Nonprofit public swimming pools

7. Hunting or shooting preserves

8. Privately owned fish ponds or lakes

9. Circuses operated by nonprofit organizations organized exclusively for religious, charitable, scientific or educational purposes when the proceeds will be used for those same purposes

10. Properties or attractions on the National Register of Historical Places

11. Classical musical performances of a nonprofit organization operated exclusively to promote classical music

12. Admissions to events sponsored by nonprofit organizations organized exclusively for religious, charitable, scientific, civic, fraternal or educational purposes, when the entire net proceeds are donated to an organization operated exclusively for charitable purposes

13. Admissions charged by nonprofit community theater companies, community symphony orchestras, county and community arts councils and other commissions and companies promoting the arts

14. Boats that charge a fee for pleasure fishing, excursion, sightseeing and private charter

15. Admissions to physical fitness centers that provide only aerobics, calisthenics, weight-lifting equipment, exercise equipment, running tracks, racquetball, handball, squash or swimming pools for aerobics or lap swimming

Reporting and Paying the Tax

Filers of Admissions Tax must complete and submit to the Department of Revenue an Admissions/Theater Tax Return, form L-511 and are required to maintain a copy of this return for audit purposes. This return is due on the 1st day of the month following period covered by the return, and becomes delinquent on the 21st day.

The tax is five percent (5%) of net receipts.

What Happens If You Don't File?

Failure to file this return will result in a penalty of 5% for the first month plus 5% for each additional month not to exceed an aggregate of 25%. Failure to pay will result in penalties of ½ of 1% per month not to exceed 25%.

Interest on all overdue accounts will be assessed at the rate provided under Sections 6621 and 6622 of the Internal Revenue Code. Rates will change quarterly depending on the prime rate. In addition interest will be compounded daily.

Bingo Tax

Nonprofit groups organized for fraternal, religious or charitable purposes which have been certified as tax exempt by the Internal Revenue Service and domiciled in South Carolina for at least three years may conduct bingo in South Carolina. The organization must also have been active in this State for at least two years.

Authorized nonprofit organizations may apply for a bingo license on form L-2058. There are six categories of bingo licenses which vary in prize limits, number of allowable sessions and costs.

The Department of Revenue authorizes the purchase of bingo cards/paper from licensed distributors. The bingo tax is 10% of each dollar of face value of the cards on Class AA, B, D & E. The bingo tax is 4% of each dollar of face value of the cards on Class C games. The tax is 5% of each dollar of face value of the cards on a Class F game. If the tax is not paid within 15 days, the organization will not be able to obtain bingo cards.

Type of License	License Cost **(ONE TIME FEE)**
Class AA	$4,000
Class B	$1,000
Class C	No Cost
Class D	$100 (10 days or less)
Class D	$200 (more than 10 days)
Class E	$500
Class F	$100

Class AA, B, and C licensed organizations must designate a promoter, who must be licensed. However, if a Class C licensed organization is authorized by the department to use bingo hard cards, a licensed promoter is not required. The promoter must complete an application Form L-2057 to obtain a license. The promoter's license is $1,000 annually.

Each organization licensed to operate bingo must file quarterly financial reports.

At least fifty percent of the gross proceeds from the sale of bingo cards taken in by a bingo operation during a single session must be returned to the players in the form of prizes.

In February 2004, the General Assembly passed legislation which allows bingo to be played on electronic devices, in addition to the traditional bingo dabbed on paper.

Deed Recording Fee

The County Clerk of Court or Register of Deeds imposes a recording fee when any lands, tenements or other realty is transferred to another person. The fee is $1.85 for each $500 or fractional part thereof, of the real estate's value. The value is the consideration paid or to be paid in money or money's worth for the realty.

The following transfers of realty are exempt from the deed-recording fee:

- Realty valued at $100 or less
- Transfers to the federal, state or local government, including school districts;
- Transfers exempted under federal or South Carolina laws and Constitutions;
- In which no gain or loss is recognized by Section 1041 of the Internal Revenue Code;
- Transfers that are made to partition realty;
- Individual grave space at a cemetery;
- Contract for the sale of timber to be cut;
- Transfers to a corporation, partnership or
- a trust in order to become or as a stockholder, partner or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust or the increase in value in stock or interest held by the grantor;
- Transfers from a family partnership to a partner or from a family trust to a beneficiary so long as no consideration is paid;
- Statutory merger or consolidation from a constituent corporation to the continuing or new corporation;
- Merger or consolidation from a constituent corporation to the continuing or new partnership; and
- A corrective deed or quitclaim deed used to confirm title already vested in the grantee provided that no consideration is paid;
- Transferring realty subject to a mortgage to the mortgagee whether by a deed in lieu of foreclosure executed by the mortgagee or deed pursuant to foreclosure proceedings;
- Transferring realty from an agent to the agent's principal in which the realty was purchased with funds of the principal, provided that a notarized document that is also filed with the deed that establishes that fact that the agent and principal relationship existed at the time of the original purchase as well as for the purpose of purchasing the realty.

For additional information about deed recording, you can review the deed recording manual by visiting the Department of Revenue's website at www.sctax.org, then go to "DOR Services – Publications' and then click on Information for Tax Professionals – Deed Recording Fee Manual.

Business License Taxes

Tobacco Products

The business license tax applies to all tobacco products sold in South Carolina. All persons selling, purchasing, distributing or importing tobacco products in South Carolina are required to pay the business license tax. The tax is paid only once. If tobacco products are purchased from a licensed distributor, then the retailer would owe no tax.

A business license is required for all persons selling, purchasing or distributing tobacco products in South Carolina at wholesale or through vending machines. A separate license is required for each business location. Apply for the license on form L-915. Manufacturers' sales representatives who conduct business in South Carolina must obtain a license by making application on form L-917.

Persons who sell tobacco products through vending machines need only one license, but they must maintain a current listing of locations of each vending machine.

Persons who own and stock vending machines on their own premises are not required to obtain a license.

The tax rates on tobacco products are:

Cigarettes	.0285/cigarette (57 cents/pack of 20)
All other tobacco products	5% of manufacturing price

Every person first receiving untaxed cigarettes and/or other tobacco products for sale or distribution in South Carolina must file a monthly report and remit the tax.

Cigarette packages do not require tax stamps.

The tax is paid with a monthly report, Monthly Tobacco Tax Return, form L-922, due on or before the 20th day of the month following the month in which sales were made. The Department of Revenue may require tobacco tax be reported and paid during regular periods other than monthly.

➢ A discount for timely filing tobacco tax returns and paying the tax due is 3.5% of the tax due.

Electric Power Tax

Every person who sells electric power for resale and every public utility and cooperative that sells electric power to the consumer must pay an electric power tax. The tax does not apply to electric power purchased from vendors previously taxed under the statute. The tax is 5/10 of one mill (.0005) upon each kilowatt-hour of electric power sold.

Every person subject to the tax is required to file Form L-814-A, Electric Power Excise Tax Return, showing the amount of electricity sold during the month. The return and the tax due must be filed by the 20th of the month following the month in which the electricity was sold. A biannual report is due in January and July of each year listing exempt sales to industrial customers for the preceding six months.

Estate Tax

The estate tax is on the privilege of transferring property at death. The State Estate Tax is the amount of credit for state death taxes allowed on the Federal Estate Tax return. The State Estate Tax return is due nine months after the date of decedent's death.

Forest Renewal Tax

The forest renewal tax is assessed on all primary forest products harvested from South Carolina and is paid by the processor of the primary forest products. The amount of tax to be collected for the fiscal year is determined by the Forestry Commission's budget requirement. The tax is collected based on fiscal quarters beginning with quarter ending September 30th through quarter ending March 31st or until the required revenue is reached. The Forestry Commission provides to the Department of Revenue a list of processors required to report and pay this tax. The date due for this quarterly return is the 25th of the month following the end of the quarter. Processors are required to maintain product records for three fiscal years.

The tax rates are:

Softwood products measured in board ft.	50¢ per 1,000-board ft.
Softwood products measured in cords	20¢ cents per cord
Hardwood products measured in board ft.	25¢ per 1,000-board ft.
Hardwood products measured in cords	7¢ cents per cord

➢ Use the Primary Forest Products Tax Report, form L-2012 to remit tax due.

Low-level Radioactive Waste Tax

A tax is levied on the disposal of low-level radioactive waste at the facility in Barnwell County for long-term disposal. The operator of a regional disposal facility should submit payment to the SC Department of Revenue within 30 days of the end of the fiscal year. The amount of the payment is equal to the total revenues received for waste disposed in that fiscal year (with interest accrued on cash flows in accordance with instructions from the State Treasurer) minus allowable costs, operating margin, and any payment already made from such revenue for reimbursement of administrative costs to state agencies and the compact commission. The DOR will deposit the payment with the State Treasurer.

Solid Waste Excise Tax

Retailers of tires and batteries and wholesalers of appliances and motor oil are required to report and pay the solid waste excise tax on the sale of these items. The tax is $2 per tire, battery and appliance sold and eight cents for each gallon of motor oil sold.

➢ The tax is reported on form ST-390. Register for the tax by checking block 8-A on form SCDOR-111.

Highway Use Tax

South Carolina is a member of the International Fuel Tax Agreement (IFTA).

The IFTA is a base-state agreement administered by the South Carolina Department of Public Safety and designed to simplify the administration of the state fuel use tax for interstate motor carriers.

Motor carriers who travel exclusively within South Carolina (i.e. 100% of miles in South Carolina) no longer have to file highway use returns and do not have to become licensed under IFTA. If an occasional trip out of South Carolina is required, the South Carolina intrastate carrier has the option of purchasing trip permits with each state or becoming licensed under IFTA.

All motor carriers based in South Carolina and operating qualified motor vehicles in two or more IFTA states are required to be licensed under IFTA.

If you are an IFTA carrier based in another member jurisdiction outside South Carolina, your South Carolina highway use tax account is closed. You will report South Carolina fuel use information to your base jurisdiction IFTA. If you are not an IFTA carrier and are based in another jurisdiction, you will be required to continue filing highway use tax returns with South Carolina or obtain trip permits. For more information concerning IFTA registration or IFTA tax reports, call (803) 896-3870. Or, you can mail your requests or reports to P. O. Box 1993, Blythewood, SC 29106.

Motor Fuel User Fee

Subject to exemptions provided for in the motor fuel code of laws, a motor fuel user fee (commonly referred to as gas tax) of 16 cents per gallon is imposed upon all gasoline, gasohol, or blended fuels containing gasoline used or consumed in this state for any purpose and upon all diesel fuel, substitute fuels, or alternative fuels, or blended fuels containing diesel fuel used or consumed in this state in producing or generating power for propelling motor vehicles.

All suppliers and importers doing business in South Carolina are responsible for collecting the user fee and reporting and remitting it to the Department of Revenue. The returns and user fee must be filed by the 22nd day of the month following the month in which the transaction occurred.

Terminal suppliers, permissive suppliers, terminal operators, exporters, transporters, importers, tank-wagon operators, fuel vendors, and blenders are required to obtain a license before operating and pay applicable fees. Application should be made on form L-2045. **Some licenses may require a bond**. **Contact the South Carolina Department of Revenue Motor Fuel Section at (803) 896-1990 for details.**

Fuel vendors or purchasers of motor fuel may obtain a refund of the motor fuel user fee paid for the following uses:

- Motor fuel sold for use in commercial shrimp boats
- Motor fuel sold for use in state school buses or other state vehicles used in the South Carolina school bus transportation program
- Motor fuel sold to the federal government
- Motor fuel purchased by a regional transport authority
- Motor fuel diverted to another state
- Motor fuel used in the manufacture of fuel oil
- Motor fuel used in trucking equipment for non-highway purposes (i.e., power take off units)
- Taxable diesel that has been contaminated by dye so as to be unsalable or unusable as highway fuel
- Diesel fuel used as heating oil or in trains

➢ **Use the Application for Motor Fuel License; form L-2045 to register. This license takes thirty (30) days to process. In addition, South Carolina motor fuel filers can now file and remit user fees electronically.**

The South Carolina Department of Revenue has implemented a web-based system to provide filers of Motor Fuel User Fee Returns, Diversion Payment Vouchers, and Import Payment Vouchers the option to file and remit fees electronically at no charge. Motor Fuel licensees that do not want to file using the new web-based system, may continue to file a paper return/voucher.

The following returns/vouchers are now available for web filing: Blender, Bonded Importer, Exporter, Manufacturer, Miscellaneous, Occasional Importer, Tankwagon Importer, Fuel Vendor Annual, Terminal Operator Annual, Supplier, Terminal Operator Monthly, Transporter, Diversion Payment Voucher and Import Payment Voucher.

User Guides and the Registration Application – Motor Fuel EDI or Web Base Electronic Filing (D-155) are available on the South Carolina Department of Revenue website www.sctax.org Motor Fuel/Eservices. Guides will provide specific instructions necessary to file returns/vouchers using the web filing program. Please review the user guides and contact the Motor Fuel Section at (803) 896-1990 if there are any questions concerning web filing.

Payment Requirement

Please note that filing electronically requires electronic payment for any user fees required to be remitted. Payment options are ACH credit and ACH debit only. Paper checks cannot be accepted for payment of liabilities reported on web filed user fee returns or vouchers. The payment method is required to be selected at the time of registration.

Registration

To participate in the web filing program, complete a separate Registration Application – Motor Fuel EDI or Web Base Electronic Filing (D-155 for each voucher/return type). Return this form to: SC Department of Revenue, Electronic Services Help Desk, Columbia, SC 29214-0016 or Fax to (803) 896-1779. Contact the Electronic Services Help Desk for assistance with this form at (800) 476-0311 or, in the Columbia area at (803) 896-1715.

Once the registration application is received, a User ID and temporary password will be issued via email in order to access a link located on the South Carolina Department of Revenue website. A permanent password will then be created by the filer.

If you have any questions or concerns or feel that you have received this letter in error, please contact the South Carolina Department of Revenue Motor Fuel Section at (803) 896-1990.

Dry Cleaning Facility Registration Fees and Surcharges

Owners of dry-cleaning facilities must pay registration fees for each of their “wet-site” locations.

The initial and annual registration fees are based upon the number of employees at the facility the previous year and are computed as follows:

Number of Employees	Registration Fee
1-4	$750
5-10	$1,500
11 or more	$2,250

Fees may be paid on an annual or quarterly basis. Use the Dry Cleaning Facility Registration Application, Form L-2093, to register

An environmental surcharge is due on the privilege of producing in South Carolina or importing into the state perchloroethylene (tetrachloroethylene) and Stoddard (petroleum) solvent. A person importing or producing one of these solvents must register with the Department of Revenue for purposes of remitting the surcharge and pay a $30 registration fee.

The surcharge imposed is $10 a gallon on perchloroethylene and $2 a gallon on Stoddard solvent. The surcharge is due on the first day of the month after the month of production, importation or removal from a storage facility. It must be paid on or before the 20th of the month on Solvent Surcharge Return, Form ST-397.

Individual Income Tax

South Carolina's income tax structure follows the federal income tax laws. South Carolina generally accepts the adjustments, exemptions and most deductions allowed on your federal return. Your federal taxable income is the starting point in determining your state income tax liability.

You are required to file a South Carolina income tax return if you earn income in South Carolina and are required to file a federal return. Even if you are not required to file a federal return and you have taxes withheld from your wages, you should file a state income tax return in order to obtain a refund. For calendar year taxpayers, individual income tax returns are due on April 15 of each year.

Business income must be reported on Schedule C of the federal tax return.

Attach a copy of your federal return to your state return when you file a Federal Schedule C, D, E or F or a SC Schedule NR, SC1040TC, I-319, or I-335

Additions to Income

The following are examples of items that must be added back to your federal taxable income for South Carolina purposes:

- Any out-of-state losses, if subtracted on your federal return
- Interest income from state and local obligations other than those in South Carolina
- South Carolina income tax paid if itemized and deducted on your federal return
- Expenses related to National Guard and military reserve income

For a complete list, see form SC1040 and instructions; a copy is available at the Department of Revenue website, **www.sctax.org.**

Deductions from Income

The following are examples of items that may be deducted from your federal taxable income for South Carolina purposes:

- Income from an out-of-state business if included on your federal return
- Interest income from U.S. obligations
- A taxpayer may take a deduction of up to $3,000 from income received from a qualified retirement plan. At age 65, the deduction increases up to $10,000 annually.
- South Carolina resident taxpayers age 65 and older are allowed a deduction of up to $15,000 from any source of income. This differs from the retirement deduction in that the $3,000/$10,000 deduction is allowed only against retirement income. This deduction must be offset by any amount claimed as a retirement deduction.
- National Guard or armed forces reserve annual training and drill pay *(pay for tours of active military duty is not deductible)*
- Disability retirement income received due to permanent and total disability
- Social Security benefits if included as income on the federal return
- 44% of net capital gains with a one-year holding period (beginning with tax year 2001)
- A deduction for each dependent claimed on your federal return who has not reached age six by December 31 of the tax year (the deduction is equal to 100% of the federal personal exemption)

For a complete list of deductions, see form SC1040 and instructions. A copy is available on the Department of Revenue website, www.sctax.org under Forms and Instructions.

South Carolina Individual Income Tax Rates for 2013

Note: *2014 tax rates can be found on the 2014 SC1040ES under Quick Links>Forms and Instructions>Individual Income.*

Rates apply to Line 6 of the SC1040

OVER	BUT NOT OVER	%	LESS
$0	$2,850	0%	$0
$2,850	$5,700	3%	$85
$5,700	$8,550	4%	$142
$8,550	$11,400	5%	$228
$11,400	$14,250	6%	$342
$14,250	.....	7%	$485

Income Tax Credits

South Carolina has a number of income tax credits, and some examples are listed below:

- A two-wage earner credit allows a maximum credit of $210 if both spouses work
- A $300 maximum credit is allowed for expenses paid by an individual for his own support or the support of another to an institution (in any state) providing nursing facility level of care or paid to a provider for in-home or community care
- A credit is allowed for income taxes paid to another state on income earned in the other state and taxed by both states
- A child and dependent care credit allows you to claim 7% of your allowable federal expenses for the care of a child or an elderly person, if that care is necessary for you to work. A maximum credit of $210 is allowed for one child and or dependent and $420 for two or more.

For a complete list, see form SC1040, SC1040TC and instructions to each. Copies are on the Department of Revenue website, **www.sctax.org** under Forms and Instructions.

Estimated Tax Payments

Declaration of estimated tax is the method you use to pay tax on income that is not subject to withholding. This includes income from self-employment, interest, dividends, alimony, rent, capital gains and prizes. You may also have to pay estimated tax if enough tax is not being withheld from your salary, pension or other income. Generally you should make estimated tax payments if you figure your estimated tax liability will be $100 or more. If your estimated tax liability will exceed $100, you must pay in at least 90% of the tax to be shown on your current income tax return or 100% of the tax shown on your last year's income tax return, whichever is less. The 100% rule is modified to be 110% of last year's tax liability for an individual with an adjusted gross income of more than $150,000 as shown on the return for the preceding tax year.

Estimated tax payments are due April 15, June 15, September 15 and January 15 for calendar year taxpayers.

Electronic Payment

You may also make Declaration of Estimated Tax payments online by using our ePAY system from our website. There is no cost to you and no registration is required. Using the ePAY system, payments are submitted by credit card or by electronic funds withdrawal (bank draft). Go to our website at **www.sctax.org** to use the program.

Part-Year Residents

If you moved into South Carolina during the year, you are a part-year resident. As a part-year resident, you may consider yourself a full-year resident or a nonresident. You may choose the filing method that is most advantageous to you. If you elect to be a full-year resident, file the form SC1040. Report all your income as though you were a resident for the entire year. You will be allowed a credit for taxes paid to another state. If you elect to be a nonresident, file your form SC1040 with the Schedule NR. You will be taxed only on income earned in South Carolina and your deductions and exemptions will be prorated.

Extension to File

If you need more time to file a South Carolina income tax return, and you owe additional state income tax, use SC4868 to request an extension of time to file SC1040. File this request on or before April 15. This extension will allow you an automatic six months to file your return. If you filed a federal extension and no income tax is anticipated to be due, the Department of Revenue will accept a copy of the federal extension. Attach the federal extension to your SC tax return when the return is filed.

SCnetFile

SCnetFile will allow taxpayers to file extensions using form SC4868 on our website, www.sctax.org.

Any balance due can be paid by credit card (MasterCard and VISA) or Electronic Funds Withdrawal. Remember that an extension only allows you additional time to file your return. Your tax must still be paid by April 15 to avoid penalties and interest. Visit our website **www.sctax.org** for more details.

Reporting and Paying the Tax

In addition to mailing paper returns, South Carolina also allows electronic methods of filing individual income tax returns. Taxpayers using an electronic filing option have until May 1 to file or pay their balance due without penalties and interest. Failure to file or pay the balance due by May 1 will result in penalties and interest from April 15 until the return is filed and the tax is paid. **THIS INCENTIVE DOES NOT APPLY TO FEDERAL RETURNS OR TO SC TAXPAYERS THAT FILE PAPER RETURNS.**

South Carolina accepts electronically filed state income tax returns filed jointly with federal returns, as well as state-only filings. Refund and balance due returns are accepted electronically. Refunds may be deposited directly into your bank account.

You may use one of two programs to file your South Carolina tax return (SC1040) electronically. Visit the Department of Revenue website at **www.sctax.org** for more information on each of these options. They are:

- **Online Filing**
  - Easy access to tax preparation software
  - Go to **www.sctax.org** to see if you qualify to have your federal and South Carolina returns filed for FREE
  - If you don't qualify to file your federal and South Carolina returns for free and you have a simple state return, you may still file for free using South Carolina Fillable Forms

- **Electronic Filing**
  - Taxpayers may electronically file federal and state returns through a tax practitioner
  - It's fast, safe and easy

State and Federal Agencies Offering Assistance

State Online Assistance

SCBOS.sc.gov

South Carolina Business One-Stop (SCBOS) contains information and forms needed for opening and operating a business in South Carolina.

At **www.scbos.sc.gov**, you will find links to other agencies and institutions offering assistance to business owners and those considering starting a new business.

SC.gov

For quick and easy access to all aspects of South Carolina Government, as well as links to other local, county and national sites, visit the official South Carolina state government website at **www.sc.gov.**

Simply enter a few words describing the information you need and a powerful search engine will scan thousands of state government web pages to find just the site you need. Use the custom features to focus on the issues that directly impact your business and your life.

State Agencies

- For information on fire safety, service stations, fire extinguishers and liquefied petroleum gas, contact:

  SC Department of Labor, Licensing and Regulation
  Division of Fire and Life Safety
  141 Monticello Trail
  Columbia, SC 29203
  Telephone: (803) 896-9800
  Website: **www.llr.sc.gov or www.scfiremarshal.llronline.com**
  Some LLR licenses available at www.scbos.sc.gov

- For information on Articles of Incorporation, foreign corporations authorized to conduct business in this state, security registration and trademark registration, contact:

  Secretary of State's Office
  Edgar Brown Building
  1205 Pendleton Street, Suite 525
  Columbia, SC 29201

  Telephone: (803) 734-2158
  Website: **www.sos.sc.gov**
  To apply online: www.scbos.sc.gov

- For information on Occupational Safety and Health (OSHA), labor-management services, employment standards, licensing for elevators and amusement rides, and migrant and seasonal farm workers, contact:

  SC Department of Labor, Licensing and Regulation
  PO Box 11329
  Columbia, SC 29211

  Telephones:
  General Information (803) 896-4300
  OSHA (803) 896-7665
  Email: askSCOSHA@llr.sc.gov
  Website: **www.llr.sc.gov** or **www.scosha.llronline.com**
  Some LLR licenses available at www.scbos.sc.gov

- For information on professional licensing and regulations, contact:

  SC Department of Labor, Licensing and Regulation
  Synergy Business Park
  Kingstree Building
  110 Centerview Drive
  Columbia, SC 29210

  Telephone: (803) 896-4300
  Website: **www.llr.sc.gov**
  Some LLR licenses available at www.scbos.sc.gov

- For information on public employment service, unemployment taxes and finding employees for companies, contact:

  SC Department of Employment and Workforce
  Physical Address: 1550 Gadsden Street
  Columbia, SC 29201

  Mailing Address: Post Office Box 995
  Columbia, SC 29202
  Telephone: (803) 737-2400
  Website: **www.dew.sc.gov**
  To apply online: www.scbos.sc.gov

- For information on small and existing business services to help maintain costs and support growth initiatives, contact:

  SC Department of Commerce
  1201 Main Street
  Suite 1600
  Columbia, SC 29201-3200
  Telephone: (803) 737-0400 or (800) 868-7232
  Email: info@sccommerce.com
  Website: **www.sccommerce.com**

- For information on water pollution control, air quality, solid waste, hazardous materials, water supply, shellfish, recreational waters and radiological health, contact:

  SC Department of Health and Environmental Control
  2600 Bull Street
  Columbia, SC 29201
  Telephone: (803) 898-3432
  Email: info@dhec.sc.gov
  Website: **www.dhec.sc.gov**
  Some DHEC licenses are available at www.scbos.sc.gov

- For information concerning any business activities in coastal areas, contact:

SC Department of Health and Environmental Control
Office of Ocean and Coastal Resource Management

Charleston (Main) Office:	Beaufort Office:	Myrtle Beach Office:
1362 McMillan Avenue Suite 400 Charleston, SC 29405 Telephone (843) 953-0200	104 Parker Drive Beaufort, SC 29906 Telephone (843) 846-9400	927 Shine Avenue Myrtle Beach, SC 29577 Telephone (843) 238-4528

Website: **www.dhec.sc.gov/environment/ocrm**

- For information on electric and communication services, contact:

Public Service Commission
Synergy Business Park
Saluda Building
101 Executive Center Drive, Suite 100
Columbia, SC 29210
Telephone: (803) 896-5100
E-mail: contact@psc.sc.gov
Website: **www.psc.sc.gov**

- For information on credit services and consumer laws, policies & regulations, contact:

SC Department of Consumer Affairs
Physical Address: 2221 Devine Street, Suite 200
Columbia, SC 29205

Mailing Address: Post Office Box 5757
Columbia, SC 29250
Telephone: (803) 734-4200 in Columbia or (800) 922-1594
Website: **www.consumer.sc.gov**
Some Department of Consumer Affairs licenses are available at
www.scbos.sc.gov

- For information on private security or private investigation business, concealed weapons permits, security guard, alcohol licensing questions, record checks and regulations of pistols, contact:

  SC Law Enforcement Division

  Regulatory Services
  Physical Address: 4400 Broad River Road
  Columbia, SC 29210

  Mailing Address: Post Office Box 21398
  Columbia, SC 29221
  Telephone: (803) 737-9000
  Alcohol Licensing Questions: (803) 896-6475
  Record Checks and Questions: (803) 896-1443
  Website: **www.sled.sc.gov**

- For information on groundwater in capacity use areas; construction in navigable waters; oil and gas exploration, drilling and production; water use reporting; water well logging; state climatology; scenic rivers; drought plans, and inter-basin transfers of waters, contact:

  SC Department of Natural Resources, Land, Water and Conservation Division
  Physical Address:
  1000 Assembly Street
  Columbia, SC 29201

  Mailing Address: Post Office Box 167
  Columbia, SC 29202
  Telephone: (803) 734-9100
  Website: **www.dnr.sc.gov**

Federal Agencies

- For information concerning federal tax issues contact:

  Internal Revenue Service
  Telephone: (800) 829-1040 for Individuals
  (800) 829-4933 for Businesses
  Website: **www.irs.gov**

South Carolina IRS offices:

City	Street Address	Days/Hours of Service	Telephone
Charleston	1 Poston Road Charleston, SC 29407	Monday-Friday - 8:30 a.m.-4:30 p.m.	(843) 566-0209
Columbia	1835 Assembly St. Columbia, SC 29201	Monday-Friday - 8:30 a.m.-4:30 p.m.	(803) 765-5544
Florence	401 W. Evans St. Florence, SC 29501	Monday-Friday - 8:30 a.m.-4:30 p.m. (Closed for lunch 12:30 p.m.-1:30 p.m.)	(843) 664-8889
Greenville	440 Roper Mountain Rd. Greenville, SC 29615	Monday-Friday - 8:30 a.m.-4:30 p.m.	(864) 286-7095
Myrtle Beach	601 19th Ave. N. Myrtle Beach, SC 29577	Monday-Friday - 8:30 a.m.-4:30 p.m. (Closed for lunch 12:00 noon-1:00 p.m.)	(843) 626-2700

- For information on Social Security taxes, contact:

  Social Security Administration
  Strom Thurmond Federal Building
  1835 Assembly Street, 11th Floor
  Columbia SC 29201
  Telephone: (866) 964-7594
  Website: **www.ssa.gov**

- For information on federal labor laws, including the minimum wage, contact:

  United States Department of Labor, Wage and Hour Division
  Strom Thurmond Federal Building
  1835 Assembly Street, Room 1072
  Columbia, SC 29201-9863
  Telephone: (803) 765-5981 or (866) 487-9243
  Website: **www.dol.gov**

- The United States Small Business Administration provides financial, technical and management assistance to help Americans start, run and grow their businesses. The Columbia office serves the entire state. For more information contact:

  United States Small Business Administration
  South Carolina District Office
  Strom Thurmond Federal Building
  1835 Assembly Street, Room 1425
  Columbia, SC 29201
  Telephone: (803) 765-5377
  Website: **www.sba.gov**

  Charleston Alternate Worksite
  5900 Core Drive, Suite 403
  North Charleston, SC 29406
  Telephone: (843) 225-7430

Small Business Development Centers

Small Business Development Centers (SBDC) provide assistance to new and existing business owners. For additional information, contact the Small Business Development Center nearest you or go to their website at **www.scsbdc.com**.

State SBDC Director's Office
University of South Carolina
Darla Moore School of Business
1705 College Street
Columbia, SC 29208
Phone: (803) 777-4907
scsbdc@sc.edu

Aiken Area SBDC
USC-Aiken, School of Business
471 University Parkway, Box 9
Aiken, SC 29801
(803) 641-3646
sbdc@usca.edu

Beaufort Area SBDC
USC-Beaufort, Historic Beaufort Campus
801 Carteret Street
Beaufort, SC 29902
(843) 521-4143
goodman@uscb.edu

Charleston Area SBDC
The Citadel
256 Bond Hall
171 Moultrie Street
Charleston, SC 29409
(843) 740-6160
charlestonsbdc@moore.sc.edu

Clemson Area SBDC
Clemson University
407 Sirrine Hall
Clemson, SC 29634
(864) 710-4717
bennys@clemson.edu

Columbia Area SBDC
1225 Laurel Street, Third Floor
Columbia, SC 29201
(803) 777-5118
uscsbdc@mailbox.sc.edu

Florence Area SBDC
Florence/Darlington Technical College
PO Box 100548
Florence, SC 29501
(843) 661-8256
sbdc.florence@gmail.com

Greenville Area SBDC
55 East Camperdown Way
Greenville, SC 29601
(864) 370-1545
clemsonsbdc@clemson.edu

Greenwood Area SBDC
Lander University
320 Stanley Avenue
Greenwood, SC 29649
(864) 388-8492
Rennm@clemson.edu

Hilton Head Area SBDC
USC-Beaufort Gateway to Hilton Head Campus
One University Boulevard
Bluffton, SC 29909
(843) 208-8259
pcameron@uscb.edu

Myrtle Beach Area SBDC
Coastal Carolina University
Atlantic Hall
PO Box 261954
Conway, SC 29528
(843) 349-4010
jpgraham@coastal.edu

Newberry Area SBDC
Newberry College
2100 College Street
Newberry, SC 29108
(803) 321-5689
nancy.williamson@newberry.edu

North Charleston Area SBDC
2430 Mall Drive, Suite 155
North Charleston, SC 29406
(843) 740-6160
Charlestonsbdc@moore.sc.edu

Orangeburg Area SBDC
South Carolina State University
Algernon S. Belcher Hall
300 College Street, Campus Box 7176
Orangeburg, SC 29117
(803) 536-8445
dtucker@scsu.edu

Rock Hill Area SBDC
Winthrop University
118 Thurmond Building
Rock Hill, SC 29733
(803) 323-2283
winthropregionalsbdc@gmail.com

Spartanburg Area SBDC
Spartanburg Community College
Tyger River Campus
1875 East Main Street
Duncan, SC 29334
(864) 592-6318
ES2@clemson.edu

Sumter Area SBDC
USC Sumter
200 Miller Road, Room 216
Sumter, SC 29150
(803) 938-3833
jgiffin@sc.edu

Occupational and Professional Licensing

South Carolina's occupational and professional licensing boards are responsible for the examination and licensing of people in various industries. Most boards require that candidates meet certain educational and/or technical background requirements before becoming licensed. Call the appropriate board at the telephone number listed (below) for specific information.

Each of the licensing boards listed below are located in Columbia through the Office of Board Services (OBS) at the SC Department of Labor, Licensing & Regulation.

Licensing Board	Telephone Number
Accountancy	(803) 896-4770
Architectural Examiners	(803) 896-4408
Athletic Commission	(803) 896-4571
Auctioneers Commission	(803) 896-4800
Barber Examiners	(803) 896-4588
Boiler Safety Program	(803) 896-5171
Building Codes Council	(803) 896-4688
Chiropractic Examiners	(803) 896-4587
Perpetual Care Cemetery Board	(803) 896-4497
Contractors' Licensing Board	(803) 896-4686
Cosmetology	(803) 896-4588
Professional Counselors, Marriage and Family Therapists and Psycho-Educational Specialists	(803) 896-4658
Dentistry	(803) 896-4599
Dietetics	(803) 896-4651
Engineers and Surveyors	(803) 896-4422
Environmental Certification	(803) 896-4430
Foresters	(803) 896-4800
Funeral Service	(803) 896-4497
Geologists	(803) 896-4800
Landscape Architectural Examiners	(803) 896-4408
Liquefied Petroleum Gas Board	(803) 896-9802
Long Term Health Care Administrators	(803) 896-4544
Manufactured Housing Board	(803) 896-4682
Massage/Bodywork Panel	(803) 896-4588
Medical Examiners	(803) 896-4500
Nursing	(803) 896-4550
Occupational Therapy	(803) 896-4683
Opticianry	(803) 896-4681
Optometry	(803) 896-4679
Pharmacy	(803) 896-4700

Physical Therapy	(803) 896-4655
Pilotage	(803) 896-4598
Podiatry	(803) 896-4500
Psychology	(803) 896-4664
Pyrotechnic Safety	(803) 896-9800
Real Estate Commission	(803) 896-4400
Real Estate Appraisers	(803) 896-4400
Residential Builders Commission	(803) 896-4696
Social Work Examiners	(803) 896-4664
Soil Classifier Advisory Council	(803) 896-4408
Speech-Language Pathology & Audiology	(803) 896-4655
Veterinary Medical Examiners	(803) 896-4598

County Auditors, Assessors and Treasurers

To find the most up-to-date information about counties and county officials go to www.sccounties.org. Click on 'SC Counties' and search for a county website.

State Tax Departments

You may obtain information on all of the state tax departments by contacting the Federation of Tax Administrators at either their website www.taxadmin.org or by telephone at (202) 624-5890.

Department of Revenue Telephone Directory

Executive Division		
William M. Blume, Jr.	**Agency Director**	**(803) 898-5040**

Administrative Services Division		
Meredith Cleland	**Deputy Director**	**(803) 898-5038**
Samantha Cheek	Public Information Director	(803) 898-5281
Jean Funches	Taxpayer Rights Advocate	(803) 898-5444
Phone Line Topics		
Property - Business Personal		(803) 898-5222
Property - Exempt		(803) 898-5482
Property - Manufacturing		(803) 898-5055
Property - Motor Carrier		(803) 898-5222
Property - Utilities		(803) 898-5482
Compliance and Recovery		(803) 898-5381
Problem Resolution Office	problem@sctax.org	(803) 898-5199

Office of General Counsel, Tax & Regulatory Services Division		
Joe Dusenbury, Jr.	**Deputy Director**	**(803) 898-5173**
Milton Kimpson	Litigation	(803) 898-5131
John McCormack	Policy	(803) 898-5138
Mont Alexander	Audit Services, Criminal Investigations and Bingo Regulation	(803) 898-5950
Phone Line Topics		
Alcohol Beverage Licensing		(803) 898-5864
Bingo Tax		(803) 898-5393
Estate Tax		(803) 898-5626
Gift Tax		(803) 898-5756

Taxpayer Services & Operations Division

Sherrie McTeer	**Deputy Director**	**(803) 896-1912**
Mario Alvarez	Office Operations	(803) 896-1445
Sylvan Proser	Research and Review	(803) 898-5706
Carol Pierce	Collections	(803) 898-5621
Phone Line Topics		
Accommodations Tax		(803) 898-5970
Admissions Tax		(803) 896-1970
Alcoholic Liquors Tax		(803) 896-1970
Bank Tax		(803) 896-1730
Beer Tax		(803) 896-1970
Cigarette Tax		(803) 896-1970
Coin-Operated Devices Tax		(803) 898-5923
Copies - Tax Returns		(803) 896-1164
Corporate Income Tax		(803) 896-1730
Deed Recording Fee		(803) 896-1970
Electric Power Tax		(803) 896-1970
Electronic Services		
	Electronic Program Questions and Issues for Individual Income, Corporate, Sales, Motor Fuel, Withholding & Misc. Taxes	(803) 896-1715
	Business Telefile:	
	Registration and Filing Program Line	(803) 898-5918
	Telefile System Help Line	(803) 896-1715
	Sales Telefile Tax Questions	(803) 896-1420
	Withholding Telefile Tax Questions	(803) 896-1450
	Batch Withholding	(803) 896-1715
Fiduciaries		(803) 898-5791
Forest Renewal Tax		(803) 896-1970
Hospital Tax (Indigent Care)		(803) 896-1970
Individual Income Tax		
	Automated Refund Inquires	(803) 898-5300
	General Information, Request for Forms, Individual Declarations, Notice of Adjustments & Information Letters *(Computer Generated)*	(803) 898-5709
	Copies of Returns	(803) 896-1164
	Debt Matches under Offset Program	Number on Taxpayer Notice
	Levy/Garnishments	(803) 898-5611

Licenses: *Admissions, Corporate,* *Highway Use, Motor Fuel, Sales,* *Use and Withholding Taxes*		(803) 896-1350
Low-Level Radioactive Waste		(803) 896-1970
Motor Fuel Tax		(803) 896-1990
Partnerships		(803) 896-1730
PSC Utility Tax		(803) 896-1970
Rental Surcharge Tax		(803) 896-1420
Registration for Taxes		(803) 896-1350
Retail License		(803) 896-1350
Sales and Use Tax		
	General Information Refunds, Local Taxes Failure to File, Casual Excise	(803) 898-5788
Savings and Loan Tax		(803) 896-1730
Solid Waste Tax		(803) 898-5970
Telephone-911 *User Fee & 900# Tax*		(803) 896-1420
Tobacco Tax		(803) 896-1970
Use Tax		(803) 898-5788
Wine Tax		(803) 896-1970
Withholding Tax		
	General Information	(803) 898-5752
	Refunds, Balance Dues, NR Contractor, NR Real Estate	(803) 896-1450
	Batch Withholding Filing Program	(803) 896-1715
	W-2 Filing Program (W2 Portal/CD ROM)	(803) 896-1450
	Enterprise Zone/Rural Development Act Credit	(803) 896-1388

Technology Services Division

Kurt Hamm	**Deputy Director**	**(803) 898-1294**
SCBOS HelpDesk	SCBOS	(803) 898-5690

Can't make it to one of our Service Centers?

Other locations where you can meet in-person with a DOR representative

AIKEN
Clemson Extension Office
1555 E. Richland Avenue, Room 200
Thursdays Only
8:30 am-12:00 pm
(803) 649-9920

ANDERSON
107 South Main Street, Room 111
Tuesdays – 8:30 am–12:00 pm
For questions, please telephone
(864) 260-4347 (*Anderson*) or (864)
241-1200 (*Greenville District office*)

BARNWELL
Barnwell County Annex Building
3rd Wednesday of each month
9:00 am–12:30 pm

BENNETTSVILLE
SC Dept. of Motor Vehicles
Hwy 9 West
2nd Thursday Only – 9:00 am–12:30 pm
(843) 479-0785

CAMDEN
Kershaw County Agricultural Building
632 W Dekalb Street
2nd floor, Room 209
2nd Wednesday of each month
9:00 am–12:00 pm
(803) 898-5758

CHESTER
Chester Co. Government Complex
1476 J.A. Cochran By-Pass, Room #32
2nd Thursday of each month
9:00 am–12:00 pm

DILLON
Disaster Preparedness Agency
205 West Howard Street
2nd Wednesday Only
9:00 am–12:00 pm
(843) 774-1414

GAFFNEY
Cherokee County Administration Building
110 Railroad Avenue
Tuesdays 9:00 am-4:30 pm
(864) 237-0479

GEORGETOWN
County Courthouse
129 Screven Street, Room 312
Mondays – 9:00 am–12:00 pm

GREENWOOD
Park Plaza Suite 17 – Next to Greenwood Courthouse
Thursday – 8:30 am–12:30 pm
(864) 943-1545

KINGSTREE
County Courthouse
2nd floor Break Room
2nd Wednesdays Only
9:00 am–12:00 pm

LANCASTER
Clemson Extension Service Building
107 S. French Street
Tuesday – 9:00 am–12:00 pm
(803) 283-2169

LAURENS
Laurens County Judicial & Services Complex
100 Hillcrest Square
2nd Tuesday each month
1:00 pm– 4:00 pm
For questions telephone (864) 241-1200
(*Greenville District office*)

MCCORMICK
516 Mims St.
McCormick, SC 29835
Tuesday – 9:00 am–12:00 pm
(864) 992-0389

ORANGEBURG
Orangeburg Administrative Centre
1437 Amelia Street
Wednesday – 8:30 am–1:00 pm
(803) 898-5807

SUMTER
Department of Social Services Building
105 North Magnolia Street, 4th Floor
2nd Wednesday each month
9:00 am-12:00 pm
Bernard Kelly (803) 773-5531 Ext. 221

UNION
210 West Main Street
2nd Tuesday each month
1:00 pm–4:00 pm
For questions telephone (864) 241-1200
(*Greenville District office*)

WALHALLA
60 Short Street
2nd Tuesday each month
8:30 am–12:00 pm
For questions telephone (864) 241-1200
(*Greenville District office*)

Tax Returns and other correspondence should be mailed to:

SC Department of Revenue

Post Office Box 125

Columbia, SC 29214

www.sctax.org