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State of South Carolina  
**Department of Revenue**  
300A Outlet Pointe Blvd., P. O. Box 125, Columbia, South Carolina 29214  
Website Address: <http://www.dor.sc.gov>

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SC INFORMATION LETTER #15-1

**SUBJECT:** Job Tax Credit - County Rankings for 2015  
Fee in Lieu of Property Taxes – Reduced Investment Counties  
Tax Moratorium – Qualifying Counties

**DATE:** January 8, 2015

**REFERENCE:** S. C. Code Ann. Section 12-6-3360 (2014)  
S. C. Code Ann. Section 12-6-3367 (2014)  
S. C. Code Ann. Section 12-44-30 (2014)  
S. C. Code Ann. Section 4-12-30 (Supp. 2012)  
S. C. Code Ann. Section 4-29-67 (Supp. 2012)

**AUTHORITY:** S.C. Code Ann. Section 12-4-320 (2014)  
SC Revenue Procedure #09-3

**SCOPE:** An Information Letter is a written statement issued to the public to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value.

## **INTRODUCTION**

The job tax credit, the tax moratorium, and the reduction in the minimum required fee in lieu of property tax investment are dependent, in part, on per capita income and unemployment rate data received from the South Carolina Employment Security Commission and Budget and Control Board.

The purpose of this advisory opinion is to provide the county rankings for purposes of the job tax credit, counties qualifying for the tax moratorium, and counties qualifying for the reduced fee in lieu of property tax.

## **JOB TAX CREDIT – County Rankings**

South Carolina's 46 counties are now ranked and designated annually for job tax credit purposes with equal weight given to unemployment rate and per capita income. Because of the amendments in the job tax credit statute in 2010, it is necessary to have two rankings of South Carolina's counties for purposes of the job tax credit.

**Ranking List #1 - For new, full time jobs created in tax years that begin in 2015, where the job tax credit was first earned on or after January 1, 2015, and increases in such jobs.** As required by statute, the Department has ranked South Carolina’s counties as “Tier IV,” “Tier III,” “Tier II,” and “Tier I” for computation of the new job tax credit with equal weight given to unemployment rate and per capita income.

<b>TIER IV</b>	<b>TIER III</b>	<b>TIER II</b>	<b>TIER I</b>
Allendale	Abbeville	Anderson	Aiken
Bamberg	Cherokee	Calhoun	Beaufort
Barnwell	Chester	Edgefield	Berkeley
Chesterfield	Colleton	Florence	Charleston
Clarendon	Darlington	Greenwood	Dorchester
Dillon	Fairfield	Laurens	Georgetown
Hampton	Horry	Newberry	Greenville
Marion	Jasper	Oconee	Kershaw
Marlboro	Lancaster	Pickens	Lexington
McCormick	Lee	Spartanburg	Richland
Union	Orangeburg	York	Saluda
Williamsburg	Sumter		

**Ranking List #2 – For Transitional Purposes: For increases in new, full time jobs created in tax years that begin in 2015, where the job tax credit was first earned before January 1, 2011.** As required by statute, the Department has ranked South Carolina’s counties as “distressed,” “least developed,” “under developed,” “moderately developed,” and “developed” for computation of the new job tax credit based on unemployment rate and per capita income and then adjusted in accordance with applicable special rules in South Carolina Code Sections 12-6-3360(B) and 12-6-3360(L), as they existed prior to the amendment of Code Section 12-6-3360 effective January 1, 2011.

<b>DISTRESSED</b>	<b>LEAST DEVELOPED</b>	<b>UNDER DEVELOPED</b>	<b>MODERATELY DEVELOPED</b>	<b>DEVELOPED</b>
Allendale	Abbeville	Calhoun	Anderson	Aiken
Bamberg	Cherokee	Chester	Beaufort	Berkeley
Barnwell	Fairfield	Colleton	Florence	Charleston
Chesterfield	Horry	Darlington	Georgetown	Dorchester
Clarendon	Jasper	Edgefield	Newberry	Greenville
Dillon	Lancaster	Greenwood	Oconee	Kershaw
Hampton	Lee	Laurens	Richland	Lexington
Marion	Orangeburg	Pickens	Saluda	
Marlboro		Sumter	Spartanburg	
McCormick			York	
Union				
Williamsburg				

## **TAX MORATORIUM – Qualifying Counties**

South Carolina Code Section 12-6-3367, in part, grants a 10 year moratorium (15 years in certain cases) on corporate income taxes or insurance premium taxes for qualifying taxpayers in a county with an 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 moratorium begins the first full taxable year after the taxpayer qualifies in a county designated as a moratorium county.

For 2015, the following counties have been designated moratorium counties under South Carolina Code Section 12-6-3367.

Chesterfield
Dillon
Marlboro

## **FEE IN LIEU OF PROPERTY TAXES - Reduced Investment Counties**

The minimum required investment necessary to qualify for the fee in lieu of property taxes is \$2.5 million for the “Little Fee” and “Simplified Fee,” and \$45 million for the “Big Fee.” See South Carolina Code Sections 4-12-30(B)(3), 12-44-30(14), and 4-29-67, respectively. 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.

For 2015, no county qualifies for the \$1 million minimum investment under the “Little Fee,” “Simplified Fee,” and “Big Fee.”