

TAX EXPENDITURE REPORT

FY 2019-20 to FY 2021-22



Prepared Pursuant to

Section 11-9-830(7), S.C. Code of Laws, 1976

South Carolina Revenue and Fiscal Affairs Office

February 2021

Introduction

Act 83 of 2019 requires the Revenue and Fiscal Affairs Office (RFA) to annually submit a tax expenditure report to the General Assembly of South Carolina. As directed in Sections 11-9-805(3) and 11-9-830(7), this report itemizes the estimated loss of General Fund revenue from a special exclusion, exemption, or deduction from gross income, which provides a special credit, preferential rate of tax, or deferral of tax liability, or distributes state funds pursuant to an incentive program or fund. Thus, tax expenditures include any reductions in income tax liabilities resulting from provisions that provide benefits, special incentive programs, or funds to particular taxpayers. For completeness, any items that add to income tax, which may offset other provisions, are included as negative tax expenditures.

This report provides an estimate of the amount by which state revenue is reduced due to the tax expenditure. The estimate for each tax expenditure item was made in isolation. Therefore, interactions between tax provisions are not included in the estimates. Over counting or under counting may occur in some situations, such as when one tax is a deduction or credit in determining another tax. In some cases, the estimated loss in revenue is the same amount as would be gained should the tax expenditure be removed, but it cannot be automatically assumed. The estimates are based on historical tax data provided by the Department of Revenue and projections by RFA. The estimates for the current and upcoming fiscal years are subject to change as more data becomes available.

The estimates are based on current economic activity and tax law provisions. Please be aware that these estimates may not represent the fiscal impact estimate for the removal of the tax expenditure. Estimating the removal of a tax expenditure will involve more analysis such as updated economic conditions, interaction with other tax provisions, and behavioral impacts. Consequently, RFA reserves the right to modify or change these calculations in performing its duty to provide fiscal estimates of proposed legislation under Section 2-7-71 of the Code of Laws of South Carolina.

In this report, all revenue losses are estimated and rounded to the nearest \$1,000. While the requirements in Section 11-9-830 specify items in excess of \$100,000, items with a tax expenditure of less than \$100,000 are noted for completeness. If not enough information is available to make an estimate, a label of "No Estimate" is given. Summations of the reductions are given by tax category. However, if these categories include items for which estimates are not available, the un-estimated items may result in tax categories being understated as to the true total impact of these tax expenditures.

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SUMMARY OF TAX EXPENDITURES BY TAX CATEGORY

Total Tax Credits, Deductions, or Rebates Claimed by Tax Category

Tax Category	FY 2019-20	FY 2020-21	FY 2021-22
Income Tax - Individual Tax Credits	\$551,440,000	\$604,076,000	\$647,206,000
Income Tax - Individual Deductions	\$2,246,040,000	\$2,383,483,000	\$2,586,235,000
Income Tax - Corporate Tax Credits	\$214,938,000	\$215,753,000	\$216,818,000
Bank Tax Credits	\$6,567,000	\$6,567,000	\$6,567,000
Savings and Loan Tax Credits	No Estimate	No Estimate	No Estimate
Insurance Tax Credits	\$44,899,000	\$48,112,000	\$51,012,000
Job Development and Retraining Credits	\$77,120,000	\$84,720,000	\$95,618,000
Electric Power Excise Tax Disposition	\$27,904,000	\$27,904,000	\$27,904,000
Motion Picture Film Rebates	\$18,468,000	\$16,463,000	\$16,332,000
TOTAL	\$3,187,376,000	\$3,387,078,000	\$3,647,692,000

Notes: These values represent the forecasted amounts for the total tax credits, deductions, or rebates claimed by taxpayers. These values do not include any forecast less than \$100,000 or items that are not estimated. The un-estimated items may result in totals being understated as to the true total impact of these tax expenditures.

Total Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
11-44-40	Angel Investor Credit	\$4,841,000	\$4,263,000	\$3,754,000
11-45-55	Venture Capital Investment Credit for Shareholder of S Corporation Banks	\$6,000,000	\$6,000,000	\$6,000,000
12-6-590	Two Wage Earner Credit	\$471,000	\$416,000	\$411,000
12-6-3330	Drip-Trickle Irrigation Systems Credit	\$63,104,000	\$68,500,000	\$73,896,000
12-6-3340	Minority Business Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3350	New Jobs Credit	\$211,000	\$211,000	\$211,000
12-6-3360	Accelerated Small Business Jobs Credit	\$84,224,000	\$86,762,000	\$97,989,000
12-6-3362	Corporate Tax Moratorium	\$1,431,000	\$1,988,000	\$2,763,000
12-6-3367	Water Resources Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3370	Port Cargo Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3375	Alternative Motor Vehicle Credit	\$829,000	\$1,169,000	\$1,509,000
12-6-3377	Agribusiness Income Tax Credit	\$103,000	\$132,000	\$169,000
12-6-3378	Child and Dependent Care Credit	\$1,000,000	\$1,500,000	\$2,000,000
12-6-3380	Premarital Preparation Course Credit	\$23,132,000	\$24,783,000	\$26,552,000
12-6-3381	Tuition Tax Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3385	Nursing Home Credit	\$7,297,000	\$7,556,000	\$7,824,000
12-6-3390	Total Credit for Taxes Paid to Another State	<\$100,000	<\$100,000	<\$100,000
12-6-3400	Corporate Headquarters Credit	\$327,691,000	\$341,742,000	\$356,396,000
12-6-3410	Research Expenses Credit	\$1,267,000	\$1,267,000	\$1,267,000
12-6-3415	Infrastructure Credit	\$71,041,000	\$71,632,000	\$72,397,000
12-6-3420	Child Care Program Credit	\$1,847,000	\$1,847,000	\$1,847,000
12-6-3440	Recycling Facility Credit	\$162,000	\$162,000	\$162,000
12-6-3465	Family Independence Payments Credit	\$18,985,000	\$18,985,000	\$18,985,000
12-6-3470	Apprenticeship Credit	\$112,000	\$112,000	\$112,000
12-6-3477	Qualified Retirement Plan Contribution Credit	\$719,000	\$715,000	\$683,000
12-6-3500	Qualified Conservation Contribution Credit	\$225,000	\$225,000	\$225,000
12-6-3515		\$6,605,000	\$7,947,000	\$7,947,000

Total Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-6-3525	Mercury Switch Disposal Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3530	Community Development Credit	\$1,495,000	\$1,245,000	\$1,245,000
12-6-3535	Certified Historic Structure Credit	\$25,165,000	\$24,500,000	\$23,909,000
12-6-3550	Brownfields Cleanup Credit	\$817,000	\$817,000	\$817,000
12-6-3560	Commercials Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3570	Motion Pictures Credits After June 30, 2004	<\$100,000	<\$100,000	<\$100,000
12-6-3575	Health Insurance Pool Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3580	SC Quality Forum Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3582	Anhydrous Ammonia	<\$100,000	<\$100,000	<\$100,000
12-6-3585	Industry Partnership Fund Credit	\$1,743,000	\$1,743,000	\$1,743,000
12-6-3587	Solar Energy or Small Hydropower System or Geothermal Machinery or Equipment Credit	\$18,593,000	\$18,593,000	\$18,593,000
12-6-3588	Clean Energy Credit	\$125,000	\$125,000	\$125,000
12-6-3589	Whole Effluent Toxicity Testing Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3590	Milk Producer	\$4,462,000	\$4,462,000	\$4,462,000
12-6-3600	Ethanol or Biodiesel Production Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3610	Renewable Fuel Facility Credit	\$169,000	\$138,000	\$138,000
12-6-3620	Biomass Resource Credit	\$6,548,000	\$6,548,000	\$6,548,000
12-6-3622	Fire Sprinkler System Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3632	SC Earned Income Tax Credit	\$10,195,000	\$15,195,000	\$18,195,000
12-6-3660	Residential Retrofit Credit	\$1,017,000	\$1,184,000	\$1,378,000
12-6-3670	Excess Premium Paid for Property and Casualty Insurance Credit	\$2,654,000	\$2,508,000	\$2,370,000
12-6-3695	Alternative Fuel Property Credit	<\$100,000	<\$100,000	<\$100,000

Total Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-6-3750	Venison for Charity Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3770	Solar Energy Property Tax Credit	\$1,498,000	\$1,498,000	\$1,498,000
12-6-3780	Motor Fuel Income Tax Credit	\$3,452,000	\$25,162,000	\$32,356,000
12-6-3790	Educational Credit for Exceptional Needs Children's Fund	\$6,348,000	\$6,476,000	\$6,611,000
12-6-3795	South Carolina Housing Tax Credit	<\$100,000	\$2,057,000	\$1,597,000
12-6-3800	Preceptor Credit	<\$100,000	\$217,000	\$651,000
12-10-80	Job Development Credit	\$75,351,000	\$82,951,000	\$93,849,000
12-10-95	Job Retraining Credit	\$1,769,000	\$1,769,000	\$1,769,000
12-14-60	Investment Tax Credit	\$46,627,000	\$45,857,000	\$45,857,000
12-20-105	Infrastructure Credit	\$6,914,000	\$6,914,000	\$6,914,000
12-65-30	Textiles Rehabilitation Credit	\$29,294,000	\$31,116,000	\$33,247,000
12-67-140	Abandoned Buildings Revitalization Credit	\$16,556,000	\$16,556,000	\$16,556,000
38-29-160	Life and Health Guaranty Credit	\$9,957,000	\$9,957,000	\$9,957,000
38-7-200	Coastal Premium Tax Credit	<\$100,000	<\$100,000	<\$100,000
38-74-80	Health Insurance Pool Credit - Insurance Specific	<\$100,000	\$796,000	\$796,000
48-52-870	Energy Efficient Manufactured Home Credit	<\$100,000	<\$100,000	<\$100,000
49-29-100	Scenic Rivers Credit	\$486,000	\$486,000	\$486,000
Proviso 1A.9, FY 2019-20	Classroom Teacher Expenses	\$2,432,000	\$2,444,000	\$2,455,000
	Total	\$894,964,000	\$959,228,000	\$1,017,221,000

Notes: The total value does not include any forecast less than \$100,000 or items that are not estimated. The un-estimated items may result in totals being understated as to the true total impact of these tax expenditures.

Individual Income Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
11-44-40	Angel Investor Credit	\$4,841,000	\$4,263,000	\$3,754,000
11-45-55	Venture Capital Investment Credit	<\$100,000	<\$100,000	<\$100,000
12-6-590	Credit for Shareholder of S Corporation Banks	\$471,000	\$416,000	\$411,000
12-6-3330	Two Wage Earner Credit	\$63,104,000	\$68,500,000	\$73,896,000
12-6-3340	Drip/Trickle Irrigation Systems Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3350	Minority Business Credit	\$211,000	\$211,000	\$211,000
12-6-3360	New Jobs Credit	\$16,865,000	\$19,174,000	\$30,172,000
12-6-3362	Accelerated Jobs Credit	\$1,431,000	\$1,988,000	\$2,763,000
12-6-3370	Water Resources Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3375	Port Cargo Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3377	Alternative Motor Vehicle Credit	\$103,000	\$132,000	\$169,000
12-6-3378	Agribusiness Income Tax Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3380	Child and Dependent Care Credit	\$23,132,000	\$24,783,000	\$26,552,000
12-6-3381	Premarital Preparation Course Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3385	Tuition Tax Credit	\$7,297,000	\$7,556,000	\$7,824,000
12-6-3390	Nursing Home Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3400	Total Credit for Taxes Paid to Another State	\$327,691,000	\$341,742,000	\$356,396,000
12-6-3415	Research Expenses Credit	\$7,216,000	\$7,216,000	\$7,216,000
12-6-3440	Child Care Program Credit	\$162,000	\$162,000	\$162,000
12-6-3470	Family Independence Payments Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3477	Apprenticeship Credit	\$327,000	\$323,000	\$291,000
12-6-3500	Qualified Retirement Plan Contribution Credit	\$225,000	\$225,000	\$225,000
12-6-3515	Qualified Conservation Contribution Credit	\$5,517,000	\$6,859,000	\$6,859,000
12-6-3530	Community Development Credit	\$1,245,000	\$1,245,000	\$1,245,000
12-6-3535	Certified Historic Structure Credit	\$10,645,000	\$9,980,000	\$9,389,000
12-6-3550	Brownfields Cleanup Credit	\$817,000	\$817,000	\$817,000

Individual Income Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-6-3560	Commercials Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3570	Motion Pictures Credits After June 30, 2004	<\$100,000	<\$100,000	<\$100,000
12-6-3575	Health Insurance Pool Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3580	SC Quality Forum Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3582	Anhydrous Ammonia	<\$100,000	<\$100,000	<\$100,000
12-6-3585	Industry Partnership Fund Credit	\$1,743,000	\$1,743,000	\$1,743,000
12-6-3587	Solar Energy or Small Hydropower System or Geothermal Machinery or Equipment Credit	\$17,665,000	\$17,665,000	\$17,665,000
12-6-3588	Clean Energy Credit	\$125,000	\$125,000	\$125,000
12-6-3590	Milk Producer	\$3,714,000	\$3,714,000	\$3,714,000
12-6-3600	Ethanol or Biodiesel Production Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3610	Renewable Fuel Facility Credit	\$169,000	\$138,000	\$138,000
12-6-3622	Fire Sprinkler System Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3632	SC Earned Income Tax Credit	\$10,195,000	\$15,195,000	\$18,195,000
12-6-3660	Residential Retrofit Credit	\$1,017,000	\$1,184,000	\$1,378,000
12-6-3670	Excess Premium Paid for Property and Casualty Insurance Credit	\$2,654,000	\$2,508,000	\$2,370,000
12-6-3695	Alternative Fuel Property Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3750	Venison for Charity Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3770	Solar Energy Property Tax Credit	\$1,498,000	\$1,498,000	\$1,498,000
12-6-3780	Motor Fuel Income Tax Credit	\$3,452,000	\$25,162,000	\$32,356,000
12-6-3790	Educational Credit for Exceptional Needs Children's Fund	\$6,348,000	\$6,476,000	\$6,611,000
12-6-3795	South Carolina Housing Tax Credit	N/A	\$2,057,000	\$1,597,000

Individual Income Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-6-3800	Preceptor Income Tax Credit	N/A	\$217,000	\$651,000
12-14-60	Investment Tax Credit	\$2,771,000	\$2,001,000	\$2,001,000
12-65-30	Textiles Rehabilitation Credit	\$12,233,000	\$12,233,000	\$12,233,000
12-67-140	Abandoned Buildings Revitalization Credit	\$13,638,000	\$13,638,000	\$13,638,000
48-52-870	Energy Efficient Manufactured Home Credit	<\$100,000	<\$100,000	<\$100,000
49-29-100	Scenic Rivers Credit	\$486,000	\$486,000	\$486,000
Proviso 1A.9, FY 2019-20	Classroom Teacher Expenses	\$2,432,000	\$2,444,000	\$2,455,000
	Total	\$551,440,000	\$604,076,000	\$647,206,000

Notes: The total value does not include any forecast less than \$100,000 or items that are not estimated. The un-estimated items may result in totals being understated as to the true total impact of these tax expenditures.

Individual Income Tax Deductions

Code Section	Tax Deduction	FY 2019-20	FY 2020-21	FY 2021-22
12-6-545	Active Trade or Business Income Deduction	\$317,570,000	\$348,831,000	\$383,169,000
12-6-1120(1)	Interest income on obligations of states and political subdivisions other than South Carolina	\$15,723,000	\$16,760,000	\$17,866,000
12-6-1120(1)	Interest income from obligations to the US government	\$6,459,000	\$6,459,000	\$6,459,000
12-6-1120(2)	State tax refund	\$9,353,000	\$9,353,000	\$9,353,000
12-6-1120(4)	Social security and/or railroad retirement	\$367,602,000	\$406,964,000	\$450,542,000
12-6-1120(7)	Expenses related to National Guard and Military Reserve Income	\$345,000	\$335,000	\$325,000
12-6-1120(7)	Certain nontaxable National Guard or Reserve Pay	\$4,370,000	\$4,242,000	\$4,117,000
12-6-1130(2)	State tax addback	\$32,488,000	\$33,914,000	\$35,404,000
12-6-1140(1)	44% of net capital gains	\$221,382,000	\$177,112,000	\$177,112,000
12-6-1140(2)	Dependents under the age of 6 years	\$75,465,000	\$77,965,000	\$80,548,000
12-6-1140(4)	Disability retirement income	\$7,779,000	\$6,686,000	\$5,747,000
12-6-1140(6)	Subsistence allowance	\$1,819,000	\$1,819,000	\$1,819,000
12-6-1140(10)	Volunteer deductions	\$1,133,000	\$1,118,000	\$1,103,000
12-6-1140(11)	Contributions to SC College Investment Program or Tuition Prepayment Program	\$18,071,000	\$19,451,000	\$20,937,000
12-6-1140(13)	Dependent Exemption	\$293,307,000	\$302,317,000	\$311,604,000
12-6-1140(14)	Preceptor Deduction	<\$100,000	<\$100,000	<\$100,000
12-6-1170(A)	Retirement Deduction	\$138,421,000	\$146,579,000	\$155,228,000
12-6-1170(B)	Age 65 and older deduction: Taxpayer	\$197,727,000	\$205,711,000	\$214,017,000

Individual Income Tax Deductions

Code Section	Tax Deduction	FY 2019-20	FY 2020-21	FY 2021-22
12-6-1171	Military Retirement Deduction	\$32,448,000	\$37,851,000	\$40,082,000
12-6-2220	Out-of-state losses	\$28,174,000	\$32,861,000	\$38,328,000
12-6-2220	Out-of-state income/ gain	\$143,939,000	\$153,996,000	\$164,755,000
118.10, FY 2019-20	Consumer Protection Services	<\$100,000	<\$100,000	<\$100,000
12-6-1120(5), 12-6-50	Other additions to income (multiple provisions)	\$202,477,000	\$224,584,000	\$249,105,000
12-6-1140(5), (7), (12)	Other subtractions from income (multiple provisions)	\$129,988,000	\$168,575,000	\$218,615,000
	Total	\$2,246,040,000	\$2,383,483,000	\$2,586,235,000

Notes: The total value does not include any forecast less than \$100,000 or items that are not estimated. The un-estimated items may result in totals being understated as to the true total impact of these tax expenditures.

Corporate Income Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
11-44-40	Angel Investor Credit	<\$100,000	<\$100,000	<\$100,000
11-45-55	Venture Capital Investment Credit	No Estimate	No Estimate	No Estimate
12-6-3340	Drip/Trickle Irrigation Systems Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3350	Minority Business Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3360	New Jobs Credit	\$61,953,000	\$62,178,000	\$62,403,000
12-6-3367	Corporate Tax Moratorium	<\$100,000	<\$100,000	<\$100,000
12-6-3370	Water Resources Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3375	Port Cargo Credit	\$829,000	\$1,169,000	\$1,509,000
12-6-3377	Alternative Motor Vehicle Credit	No Estimate	No Estimate	No Estimate
12-6-3378	Agribusiness Income Tax Credit	\$1,000,000	\$1,500,000	\$2,000,000
12-6-3410	Corporate Headquarters Credit	\$1,267,000	\$1,267,000	\$1,267,000
12-6-3415	Research Expenses Credit	\$61,684,000	\$61,684,000	\$61,684,000
12-6-3420	Infrastructure Credit	\$1,847,000	\$1,847,000	\$1,847,000
12-6-3440	Child Care Program Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3465	Recycling Facility Credit	\$18,985,000	\$18,985,000	\$18,985,000
12-6-3470	Family Independence Payments Credit	\$112,000	\$112,000	\$112,000
12-6-3477	Apprenticeship Credit	\$392,000	\$392,000	\$392,000
12-6-3515	Qualified Conservation Contribution Credit	\$1,088,000	\$1,088,000	\$1,088,000
12-6-3525	Mercury Switch Disposal Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3530	Community Development Credit	\$250,000	<\$100,000	<\$100,000
12-6-3535	Certified Historic Structure Credit	\$1,322,000	\$1,322,000	\$1,322,000
12-6-3550	Brownfields Cleanup Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3560	Commercials Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3570	Motion Pictures Credits After June 30, 2004	No Estimate	No Estimate	No Estimate
12-6-3580	SC Quality Forum Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3582	Anhydrous Ammonia Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3585	Industry Partnership Fund Credit	No Estimate	No Estimate	No Estimate

Corporate Income Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-6-3587	Solar Energy or Small Hydropower System or Geothermal Machinery or Equipment Credit	\$928,000	\$928,000	\$928,000
12-6-3588	Clean Energy Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3589	Whole Effluent Toxicity Testing Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3590	Milk Producer Credit	\$748,000	\$748,000	\$748,000
12-6-3600	Ethanol or Biodiesel Production Credit	No Estimate	No Estimate	No Estimate
12-6-3610	Renewable Fuel Facility Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3620	Biomass Resource Credit	\$6,548,000	\$6,548,000	\$6,548,000
12-6-3622	Fire Sprinkler System Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3695	Alternative Fuel Property Credit	No Estimate	No Estimate	No Estimate
12-6-3750	Venison for Charity Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3770	Solar Energy Property Tax Credit	No Estimate	No Estimate	No Estimate
12-6-3780	Motor Fuel Income Tax Credit	<\$100,000	<\$100,000	<\$100,000
12-6-3790	Educational Credit for Exceptional Needs Children's Fund	<\$100,000	<\$100,000	<\$100,000
12-6-3795	South Carolina Housing Tax Credit	N/A	<\$100,000	<\$100,000
12-14-60	Investment Tax Credit	\$43,856,000	\$43,856,000	\$43,856,000
12-20-105	Infrastructure Credit	\$6,914,000	\$6,914,000	\$6,914,000
12-65-30	Textiles Rehabilitation Credit	\$4,919,000	\$4,919,000	\$4,919,000
12-67-140	Abandoned Buildings Revitalization Credit	\$296,000	\$296,000	\$296,000
48-52-870	Energy Efficient Manufactured Home Credit	<\$100,000	<\$100,000	<\$100,000
49-29-100	Scenic Rivers Credit	<\$100,000	<\$100,000	<\$100,000
	Total	\$214,938,000	\$215,753,000	\$216,818,000

Notes: The total value does not include any forecast less than \$100,000 or items that are not estimated. The un-estimated items may result in totals being understated as to the true total impact of these tax expenditures.

Bank Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-6-3360	New Jobs Credit	\$3,848,000	\$3,848,000	\$3,848,000
12-6-3410	Corporate Headquarters	No Estimate	No Estimate	No Estimate
12-6-3415	Research Expenses Credit	\$138,000	\$138,000	\$138,000
12-6-3535	Certified Historic Structure Credit	\$710,000	\$710,000	\$710,000
12-6-3587	Solar Energy or Small Hydropower System or Geothermal Machinery or Equipment Credit	<\$100,000	<\$100,000	<\$100,000
12-65-30	Textiles Rehabilitation Credit	\$1,440,000	\$1,440,000	\$1,440,000
12-67-140	Abandoned Buildings Revitalization Credit	\$431,000	\$431,000	\$431,000
	Total	\$6,567,000	\$6,567,000	\$6,567,000

Notes: The total value does not include any forecast less than \$100,000 or items that are not estimated. The un-estimated items may result in totals being understated as to the true total impact of these tax expenditures.

Insurance Tax Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
11-45-55	Venture Capital Investment Credit	\$6,000,000	\$6,000,000	\$6,000,000
12-6-3360	New Jobs Credit	\$1,558,000	\$1,562,000	\$1,566,000
12-6-3367	Corporate Tax Moratorium	No Estimate	No Estimate	No Estimate
12-6-3415	Research Expenses Credit	\$2,003,000	\$2,594,000	\$3,359,000
12-6-3530	Community Development Credit	No Estimate	No Estimate	No Estimate
12-6-3535	Certified Historic Structure Credit	\$12,488,000	\$12,488,000	\$12,488,000
12-65-30	Textiles Rehabilitation Credit	\$10,702,000	\$12,524,000	\$14,655,000
12-67-140	Abandoned Buildings Revitalization	\$2,191,000	\$2,191,000	\$2,191,000
38-7-200	Coastal Premium Tax Credit	<\$100,000	<\$100,000	<\$100,000
38-29-160	Life and Health Guaranty Credit	\$9,957,000	\$9,957,000	\$9,957,000
38-74-80	Health Insurance Pool Credit	<\$100,000	\$796,000	\$796,000
	Total	\$44,899,000	\$48,112,000	\$51,012,000

Notes: The total value does not include any forecast less than \$100,000 or items that are not estimated. The un-estimated items may result in totals being understated as to the true total impact of these tax expenditures.

Job Development and Retraining Credits

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-10-80	Job Development Credit	\$75,351,000	\$82,951,000	\$93,849,000
12-10-95	Job Retraining Credit	\$1,769,000	\$1,769,000	\$1,769,000
	Total	\$77,120,000	\$84,720,000	\$95,618,000

Electric Power Tax Disposition

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-28-2915	Disposition of Electric Power Tax	\$27,904,000	\$27,904,000	\$27,904,000
	Total	\$27,904,000	\$27,904,000	\$27,904,000

Motion Picture Film Rebates

Code Section	Tax Credit	FY 2019-20	FY 2020-21	FY 2021-22
12-62-50	Film Commission Rebate	\$10,000,000	\$10,000,000	\$10,000,000
12-62-60	Distribution of Admissions Tax to Film Commission	\$8,468,000	\$6,463,000	\$6,332,000
	Total	\$18,468,000	\$16,463,000	\$16,332,000

Income Tax Credits - Individual

11-44-40. Nonrefundable Income Tax Credit for Qualified Investments - An angel investor is entitled to a nonrefundable income tax credit of thirty-five percent of its qualified investment made pursuant to this chapter.

FY 2019-20	\$ 4,841,000
FY 2020-21	\$ 4,263,000
FY 2021-22	\$ 3,754,000

11-45-55. Venture Capital Investment Credit - (A) Each designated investor group shall have the power and authority to borrow funds from lenders and invest those funds in accordance with the provisions of this chapter and its designated investor contract. (B) The authority shall issue tax credit certificates to each lender contemporaneously with each loan made pursuant to this chapter in accordance with any guidelines established by the authority pursuant to Section 11-45-100. The tax credit certificates must describe procedures for the issuance, transfer and redemption of the certificates, and related tax credits. These certificates also must describe the amounts, year, and conditions for redemption of the tax credits reflected on the certificates. Once a loan is made by a lender, the certificate issued to the lender shall be binding on the authority and this State and may not be modified, terminated, or rescinded. The form of the tax credit certificate must be approved by the State Fiscal Accountability Authority.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-590. Treatment of "S" Corporations for Tax Purposes; Shareholders - (B) A taxpayer who is a shareholder in a bank, as defined in Section 581 of the IRC, having a valid federal election under Subchapter S, is allowed a tax credit that equals the difference between: (i) the taxpayer's tax as computed pursuant to this chapter, including all credits other than the credit allowed pursuant to this section; and (ii) the tax as computed pursuant to this chapter, including all credits other than the credit allowed pursuant to this section, but excluding the taxpayer's prorata share of the net items of income and expense of the bank. The credit may not exceed the taxpayer's prorata share of the tax imposed on the bank pursuant to Section 12-11-30. These taxpayers are taxed pursuant to the provisions of this section and Section 12-6-545, notwithstanding the exception contained in Section 12-6-545(A)(1).

FY 2019-20	\$471,000
FY 2020-21	\$416,000
FY 2021-22	\$411,000

12-6-3330. Two Wage Earner Credit for Married Individuals Filing Joint Return; Computation; Definitions; When Not Allowed - (A) Married individuals are allowed a two wage earner credit against South Carolina income tax if both spouses have South Carolina earned income and a joint return is filed under the provisions of Section 12-6-5000. (B) The credit is limited to seven-tenths of one percent multiplied by the lesser of:

1. fifty thousand dollars; or
2. the South Carolina qualified earned income of the spouse with the lower South Carolina qualified earned income for the taxable year.

FY 2019-20	\$63,104,000
FY 2020-21	\$68,500,000
FY 2021-22	\$73,896,000

12-6-3340. Investment tax credit for purchase and installation of certain energy conservation and renewable energy production measures - (A) A taxpayer may claim as a credit twenty-five percent of all expenditures paid or incurred during the taxable year for the purchase and installation of the following energy conservation and renewable energy production measures:

1. conservation tillage equipment;
2. drip/trickle irrigation systems to include all necessary measures and equipment including, but not limited to, dams, pipes, pumps, wells, installation charges and other related expenses; and
3. dual purpose combination truck and crane equipment.

(B) In the case of pass-through entities, the credit is determined at the entity level and is limited to two thousand five hundred dollars. The maximum amount of credit for all taxpayers, including any credit passed through to the taxpayer from a partnership, "S" Corporation, estate, or trust, is also limited to two thousand five hundred dollars. (C) The credit may be claimed only one time for each of the three measures.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3350. Tax credit for State contractors subcontracting with socially and economically disadvantaged small business - A taxpayer having a contract with this State who subcontracts with a socially and economically disadvantaged small business is eligible for an income tax credit equal to four percent of the payments to that subcontractor for work pursuant to the contract. The subcontractor must be certified as a socially and economically disadvantaged small business as defined in Section 11-35-5010 and regulations pursuant to it.

FY 2019-20	\$211,000
FY 2020-21	\$211,000
FY 2021-22	\$211,000

12-6-3360. Job Tax Credit

(C)(1) Subject to the conditions provided in subsection (M) of this section, a job tax credit is allowed for five years beginning in year two after the creation of the job for each new full-time job created if the minimum level of new jobs is maintained. The credit is available to taxpayers that increase employment by ten or more full-time jobs, and no credit is allowed for the year or any subsequent year in which the net employment increase falls below the minimum level of ten. The amount of the initial job credit is as follows:

- a) Eight thousand dollars for each new full-time job created in "Tier IV" counties.
- b) Four thousand two hundred fifty dollars for each new full-time job created in "Tier III" counties.
- c) Two thousand seven hundred fifty dollars for each new full-time job created in "Tier II" counties.
- d) One thousand five hundred dollars for each new full-time job created in "Tier I" counties.

(C)(2)(a) Subject to the conditions provided in subsection (M) of this section, a job tax credit is allowed for five years beginning in year two after the creation of the job for each new full-time job created if the minimum level of new jobs is maintained. The credit is available to taxpayers with ninety-nine or fewer employees that increase employment by two or more full-time jobs, and may be received only if the gross wages of the full-time jobs created pursuant to this section amount to a minimum of one hundred twenty percent of the county's or state's average per capita income, whichever is lower. No credit is allowed for the year or any subsequent year in which the net employment increase falls below the minimum level of two. The amount of the initial job credit is as described in subsection (C)(1). (b) If the taxpayer with ninety-nine or fewer employees increases employment by two or more full-time jobs but the gross wages do not amount to a minimum one hundred twenty percent of the county's or state's average per capita income, whichever is lower, then the amount of the initial job credit is reduced by fifty percent.

FY 2019-20	\$16,865,000
FY 2020-21	\$19,174,000
FY 2021-22	\$30,172,000

12-6-3362. Small Business Jobs Credit; Alternate Method - (A) A taxpayer eligible, pursuant to Section 12-6-3360(C)(2), for the jobs tax credits allowed pursuant to Section 12-6-3360 may elect to claim the applicable credit in the manner provided pursuant to subsection (B) of this section rather than as provided in Section 12-6-3360(C)(2).

FY 2019-20	\$1,431,000
FY 2020-21	\$1,988,000
FY 2021-22	\$2,763,000

12-6-3370. Tax credits for construction, installation or restoration of water impoundments and water control structures - (A) A taxpayer may claim a credit for twenty-five percent of all expenditures for the construction, installation, or restoration of ponds, lakes, other water impoundments, and water control structures designed for the purposes of water storage for irrigation, water supply, sediment control, erosion control or aquaculture and wildlife management, providing these items are not located in or adjacent to and filled primarily by coastal waters of the State. In the case of pass-through entities, the credit is determined at the entity level and is limited to two thousand five hundred dollars. (B) The maximum amount of credit for all taxpayers, including any credit passed through to the taxpayer from a partnership, "S" Corporation, estate, or trust, is also limited to two thousand five hundred dollars.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3375. Tax Credit for Port Cargo Volume Increase - (A)(1) A taxpayer engaged in any of the following: manufacturing, warehousing, freight forwarding, freight handling, goods processing, cross docking, transloading, wholesaling of goods, or distribution, exported or imported through port facilities in South Carolina and which increases its port cargo volume at these facilities by a minimum of five percent in a single calendar year over its base year port cargo volume is eligible to claim an income tax credit or a credit against employee withholding in the amount determined by the Coordinating Council for Economic Development (council).

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3377. Hybrid, Fuel Cell, Alternative Fuel or Lean Burn Motor Vehicle Tax Credit (A) A South Carolina resident taxpayer who is eligible for and claims the new qualified fuel cell motor vehicle credit, the new advanced lean burn technology motor vehicle credit, the new qualified hybrid motor vehicle credit based on the combined city/highway metric or standard set by federal Internal Revenue Code Section 30B, and the new qualified alternative fuel motor vehicle credit allowed pursuant to Internal Revenue Code Section 30B is allowed a credit against the income taxes imposed pursuant to this chapter in an amount equal to twenty percent of that federal income tax credit.

FY 2019-20	\$103,000
FY 2020-21	\$132,000
FY 2021-22	\$169,000

12-6-3378. Tax Credits for Certain Agribusinesses and Service-related Facilities -

(A)(1) An agribusiness operation or an agricultural packaging operation, as defined in Section 12-6-3360, that increases its purchases of agricultural products which have been certified as South Carolina grown by the South Carolina Department of Agriculture by a minimum of fifteen percent in a single calendar year over its base year is eligible to claim an income tax credit or a credit against employee withholding in an amount determined by the Coordinating Council for Economic Development (council).

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3380. Tax Credit for Child and Dependent Care Expenses - An individual may claim an income tax credit for child and dependent care expenses. The credit is computed as provided in Internal Revenue Code Section 21, except that the term "applicable percentage" means seven percent and is not reduced, and only expenses that are directly attributable to items of South Carolina gross income qualify for the credit. If a nonresident taxpayer is a resident of a state which does not allow a resident of this State credit for child and dependent care expenses, the nonresident taxpayer is not allowed credit on the South Carolina income tax return for child and dependent care expenses.

FY 2019-20	\$23,132,000
FY 2020-21	\$24,783,000
FY 2021-22	\$26,552,000

12-6-3381. Premarital Preparation Course Tax Credit - There is allowed as a credit against the tax imposed pursuant to Section 12-6-510 an amount equal to fifty dollars for taxpayers who married during the taxable year and completed the requirements of Section 20-1-230.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3385. Income Tax Credit for Tuition - (A)(1)(a) A student is allowed a refundable individual income tax credit equal to fifty percent, not to exceed one thousand five hundred dollars in the case of both four-year institutions and two-year institutions, for tuition paid an institution of higher learning or a designated institution as provided in this section, during a taxable year.

FY 2019-20	\$7,297,000
FY 2020-21	\$7,556,000
FY 2021-22	\$7,824,000

12-6-3390. Credit for Expenses Paid to Institution Providing Nursing Facility Level, In-home, or Community Care - An individual taxpayer may claim an income tax credit for twenty percent of the expenses paid by the taxpayer for his own support or the support of another to an institution providing nursing facility level of care or to a provider for in-home or community care for persons determined to meet nursing facility level of care criteria as certified by a licensed physician. The credit is limited to three hundred dollars each taxable year. However, no credit is allowed for expenses paid from public source funds.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3400. Credit for Income Tax Paid by South Carolina Resident to Another State - (A)(1) Resident individuals are allowed a credit against the taxes imposed by this chapter for income taxes paid to another state on income from sources within that state which is taxed under both this chapter and the laws of that state regardless of the taxpayer's residence.

FY 2019-20	\$327,691,000
FY 2020-21	\$341,742,000
FY 2021-22	\$356,396,000

12-6-3415. Tax Credit for Research and Development Expenditures - (A) A taxpayer that claims a federal income tax credit pursuant to Section 41 of the Internal Revenue Code for increasing research activities for the taxable year is allowed a credit against any tax due pursuant to this chapter or Section 12-20-50 equal to five percent of the taxpayer's qualified research expenses made in South Carolina.

FY 2019-20	\$7,216,000
FY 2020-21	\$7,216,000
FY 2021-22	\$7,216,000

12-6-3440. Tax Credit for Employee Child Care Programs - (A) A taxpayer who employs persons who are residents of this State in any capacity may claim a credit against its state income tax, bank tax, or premium tax liability an amount equal to fifty percent of its capital expenditures in this State but no more than one hundred thousand dollars for costs incurred in establishing a child care program for its employees' children.

FY 2019-20	\$162,000
FY 2020-21	\$162,000
FY 2021-22	\$162,000

12-6-3470. Employer Tax Credit - (A)(1) An employer who employs a person who received Family Independence payments within this State for three months immediately preceding the month the person becomes employed is eligible for an income tax credit of:

- a) twenty percent of the wages paid to the employee for each full month of employment for the first twelve months of employment;
- b) fifteen percent of the wages paid to the employee for each full month of employment during the second twelve months of employment;
- c) ten percent of the wages paid to the employee for each full month during the third twelve months of employment.

(2) Except for employees employed in distressed counties, the maximum aggregate credit that may be claimed in a tax year for a single employee pursuant to this subsection and §12-6-3360 is five thousand five hundred dollars.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3477. Apprentice Income Tax Credit - A taxpayer who employs an apprentice pursuant to an apprentice agreement registered with the Office of Apprenticeship of the Employment and Training Administration of the United States Department of Labor is allowed a credit against an income tax imposed pursuant to this chapter equal to one thousand dollars for each apprentice employed.

FY 2019-20	\$327,000
FY 2020-21	\$323,000
FY 2021-22	\$291,000

12-6-3500. Retirement Plan Credits - If the right to receive retirement income by a taxpayer allowed the deduction pursuant to Section 12-6-1170 was earned by the taxpayer while residing in another state which imposed state income tax on the employee's contributions, a credit is allowed against the taxpayer's South Carolina income tax liability in an amount sufficient to offset the taxes paid the other state.

FY 2019-20	\$225,000
FY 2020-21	\$225,000
FY 2021-22	\$225,000

12-6-3515. Credit for Conservation - (A) A taxpayer who has qualified for and claimed on the taxpayer's federal income tax return a charitable deduction for a gift of land for conservation or for a qualified conservation contribution donated after May 31, 2001, on a qualified real property interest located in this State may elect to claim a credit against a tax imposed by this chapter for the applicable tax year in an amount equal to twenty-five percent of the total amount of the deduction attributable to the gift of land for conservation or to the qualified real property interest located in this State; provided, however, that the credit is subject to the caps provided in subsection (C).

FY 2019-20	\$5,517,000
FY 2020-21	\$6,859,000
FY 2021-22	\$6,859,000

12-6-3530. Community Development Tax Credits - (A) A taxpayer may claim as a credit against his state income tax, bank tax, or premium tax liability thirty-three percent of all amounts invested in a community development corporation or in a community development financial institution, as defined in Section 34-43-20(2) or (3).

FY 2019-20	\$1,245,000
FY 2020-21	\$1,245,000
FY 2021-22	\$1,245,000

12-6-3535. Income Tax Credit for Making Qualified Rehabilitation Expenditures for a Certified Historic Structure

(A) A taxpayer who is allowed a federal income tax credit pursuant to Section 47 of the Internal Revenue Code for making qualified rehabilitation expenditures for a certified historic structure located in this State is allowed to claim a credit against a combination of income taxes and license fees imposed by this title.

(B) A taxpayer who is not eligible for a federal income tax credit under Section 47 of the Internal Revenue Code and who makes rehabilitation expenses for a certified historic residential structure located in this State is allowed to claim a credit against the tax imposed by this chapter. The amount of the credit is twenty-five percent of the rehabilitation expenses.

FY 2019-20	\$10,645,000
FY 2020-21	\$9,980,000
FY 2021-22	\$9,389,000

12-6-3550. Voluntary Cleanup Activity Tax Credit - (A) A taxpayer is allowed a credit against taxes due for costs of voluntary cleanup activity by a non-responsible party pursuant to Article 7, Chapter 56 of Title 44, the Brownfields/Voluntary Cleanup Program.

FY 2019-20	\$817,000
FY 2020-21	\$817,000
FY 2021-22	\$817,000

12-6-3560. Credit Against State Income Tax for Motion Picture and Advertisement Production Companies - (A)(1) This section authorizes a tax credit against state income tax for production companies that produce a commercial production being an advertisement, composed of moving images and words, that is recorded on film, videotape, or digital medium in South Carolina for multi-market distribution by way of television networks, cable, satellite, or motion picture theaters.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3570. Motion Picture Related Income Tax Credit Claims - (A) A taxpayer may claim an income tax credit of an amount equal to twenty percent, but not more than one hundred thousand dollars, of the taxpayer's cash investment in a company that develops or produces a qualified South Carolina motion picture project. A taxpayer may claim no more than one credit in connection with the production of a single qualified South Carolina motion picture project.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3575. Health Insurance Tax Credits - An individual taxpayer meeting the eligibility requirements of subsection(B) of this section may claim as a nonrefundable credit against the income tax imposed pursuant to Section 12-6-510 an amount equal to fifty percent of the premium costs the individual paid during the taxable year for health insurance coverage as defined in Section 38-74-10(5), that offers coverage to the individual, his spouse, or a person he was eligible to claim as a dependent on his federal income tax return, or any combination of these people, for the taxable year.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3580. South Carolina Quality Forum Participants; Tax Credits for Registration Fee and Participation in Organizational Performance Excellence Assessment Process - (A) Taxpayers that pay an annual fee to the South Carolina Quality Forum to participate in quality programs are allowed a tax credit equal to the annual registration fee (B) Taxpayers also are allowed a tax credit equal to fifty percent of any fees charged to participate in the organizational performance excellence assessment process.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3582. Income Tax Credits; Agricultural Use of Anhydrous Ammonia - (A) A resident taxpayer engaged in the business of farming is allowed a refundable income tax credit equal to the amount expended by the taxpayer to obtain the additive required to comply with the provisions of Section 44-53-375(E)(2)(a)(ii) for the agricultural use of anhydrous ammonia.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3585. Industry Partnership Fund Tax Credit - (A) A taxpayer may claim as a credit against state income tax imposed by Chapter 6, Title 12, bank tax imposed by Chapter 11, Title 12, license fees imposed by Chapter 20 of Title 12, or insurance premiums imposed by Chapter 7, Title 38, or any combination of them, one hundred percent of an amount contributed to the Industry Partnership Fund at the South Carolina Research Authority (SCRA).

FY 2019-20	\$1,743,000
FY 2020-21	\$1,743,000
FY 2021-22	\$1,743,000

12-6-3587. Solar Energy or Small Hydropower System or Geothermal Tax Credit - (A) There is allowed as a tax credit against the income tax liability of a taxpayer imposed by this chapter an amount equal to twenty-five percent of the costs incurred by the taxpayer in the purchase and installation of a solar energy system, small hydropower system, or geothermal machinery and equipment for heating water, space heating, air cooling, energy-efficient daylighting, heat reclamation, energy-efficient demand response, or the generation of electricity in or on a facility in South Carolina and owned by the taxpayer.

FY 2019-20	\$17,665,000
FY 2020-21	\$17,665,000
FY 2021-22	\$17,665,000

12-6-3588. South Carolina Clean Energy Tax Incentive Program - (C) A business or corporation meeting the requirements of this section is eligible to receive a ten percent nonrefundable income tax credit of the cost of the company's total qualifying investments in plant and equipment in this State for clean energy operations.

FY 2019-20	\$125,000
FY 2020-21	\$125,000
FY 2021-22	\$125,000

12-6-3590. Credit for Milk Producer – (A) A resident taxpayer engaged in the business of producing milk for sale is allowed a refundable income tax credit based on the amount of milk produced and sold.

FY 2019-20	\$3,714,000
FY 2020-21	\$3,714,000
FY 2021-22	\$3,714,000

12-6-3600. Credit for Ethanol and Biodiesel Facilities - an ethanol or biodiesel facility must receive a credit against the tax imposed by this chapter in the amount of seven and one-half cents a gallon of ethanol or biodiesel, before denaturing, for new production for a period not to exceed thirty-six consecutive months.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3610. Credit for Property Used for Distribution or Dispensing Renewable Fuel – (A)(1) A taxpayer that purchases or constructs and installs and places in service in this State property that is used for distribution or dispensing renewable fuel specified in this subsection, at a new or existing commercial fuel distribution or dispensing facility, is allowed a credit equal to twenty-five percent of the cost to the taxpayer of purchasing, constructing, and installing the property against the taxpayer's liability for a tax imposed pursuant to this chapter.

FY 2019-20	\$169,000
FY 2020-21	\$138,000
FY 2021-22	\$138,000

12-6-3622. Fire Sprinkler System Tax Credits – (A)(1) A taxpayer who installs a fire sprinkler system in a commercial or residential structure, whether the structure or fire sprinkler is new or existing, when such installation is not required by law, regulation, or code is eligible for a credit against real property taxes levied by a local taxing entity equal to twenty-five percent of the direct expenses, not including any type of fee charged by the publicly or privately owned utility, incurred by the taxpayer if the local taxing entity has consented to the tax credit

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3632. Earned Income Tax Credit - There is allowed as a nonrefundable credit against the tax imposed pursuant to Section 12-6-510 on a full-year resident individual taxpayer an amount equal to one hundred twenty-five percent of the federal earned income tax credit (EITC) allowed the taxpayer pursuant to Internal Revenue Code Section 32.

FY 2019-20	\$10,195,000
FY 2020-21	\$15,195,000
FY 2021-22	\$18,195,000

12-6-3660. Tax Credit for Costs of Retrofitting to Make Residence More Hurricane Resistant - (A) An individual taxpayer is allowed a credit against the tax imposed pursuant to Section 12-6-510 for costs incurred to retrofit, as specified in subsection (B), a structure qualifying as the taxpayer's legal residence pursuant to Section 12-43-220(c) to make it more resistant to loss due to hurricane, rising floodwater, or other catastrophic windstorm event.

FY 2019-20	\$1,017,000
FY 2020-21	\$1,184,000
FY 2021-22	\$1,378,000

12-6-3670. Credit for Excess Premium Paid for Property and Casualty Insurance - (A) An individual taxpayer may claim a credit against the income tax imposed pursuant to Section 12-6-510 for excess premium paid during the applicable tax year for property and casualty insurance, as defined in Articles 1, 3, and 5 of Chapter 75, Title 38, providing coverage on the taxpayer's legal residence pursuant to Section 12-43-220(c).

FY 2019-20	\$2,654,000
FY 2020-21	\$2,508,000
FY 2021-22	\$2,370,000

12-6-3695. Alternative Fuel Property Income Tax Credit - (A)(1) A taxpayer who purchases or constructs, installs, and places in service in this State eligible property that is used for distribution, dispensing, or storing alternative fuel specified in this subsection, at a new or existing fuel distribution or dispensing facility, is allowed an income tax credit equal to twenty-five percent of the cost to the taxpayer of purchasing, constructing, and installing the eligible property.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

Section 12-6-3750. Nonrefundable Tax Credit for Processing Donated Deer for Charitable Distribution - (A) There is allowed a nonrefundable credit against taxes imposed by this chapter for a meat packer, butcher, or processing plant licensed or permitted by this State or the United States Department of Agriculture that, during the tax year for which the credit is claimed, had a valid contract with any nonprofit organization to process deer for donation to any charitable organization engaged in distributing food to the needy.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3770. Income Tax Credit for Certain Solar Energy Property. A taxpayer who constructs, purchases, or leases solar energy property located on the Environmental Protection Agency's National Priority List, National Priority List Equivalent Sites, or on a list of related removal actions, as certified by the Department of Health and Environmental Control, located in the State of South Carolina, and places it in service in this State during the taxable year, is allowed an income tax credit equal to twenty-five percent of the cost, including the cost of installation, of the property.

FY 2019-20	\$1,498,000
FY 2020-21	\$1,498,000
FY 2021-22	\$1,498,000

12-6-3780. Credit for Preventative Maintenance. A resident taxpayer is allowed a refundable income tax credit for preventative maintenance on a private passenger motor vehicle as defined in Section 56-3-630, including motorcycles, registered in this State during the appropriate year, subject to other limitations contained in this section. The total amount of the credit may not exceed the lesser of: (i) the resident taxpayer's actual motor fuel user fee increase incurred for that motor vehicle as a result of increases in the motor fuel user fee pursuant to Section 12-28-310(D) or (ii) the amount the resident taxpayer expends on preventative maintenance.

FY 2019-20	\$3,452,000
FY 2020-21	\$25,162,000
FY 2021-22	\$32,356,000

12-6-3790. Educational Credit for Exceptional Needs Children's Fund – (H)(1) A taxpayer is entitled to a tax credit against income taxes imposed pursuant to this chapter for the amount of cash and the monetary value of any publicly traded securities the taxpayer contributes to the Educational Credit for Exceptional Needs Children's Fund up to the limits contained in subsection (D)(1)(a).

FY 2019-20	\$6,348,000
FY 2020-21	\$6,476,000
FY 2021-22	\$6,611,000

12-6-3795 South Carolina Housing Tax Credit. (B)(1) A state tax credit pursuant to this section may be claimed against income taxes imposed by Section 12-6-510 or 12-6-530, bank taxes imposed pursuant to Chapter 11, Title 12, corporate license fees imposed pursuant to Chapter 20, Title 12, and insurance premium and retaliatory taxes imposed pursuant to Chapter 7, Title 38, to be termed the South Carolina housing tax credit, and is allowed with respect to each qualified project placed in service after January 1, 2020, and before December 31, 2030, in an amount equal to the federal housing tax credit allowed with respect to such qualified project. In computing a tax payable by a taxpayer pursuant to Section 38-7-90, the credit allowed pursuant to this section must be treated as a premium tax paid pursuant to Section 38-7-20.

FY 2019-20	N/A
FY 2020-21	\$2,057,000
FY 2021-22	\$1,597,000

12-6-3800(B)(1), (E). Income Tax Credit for Service as a Preceptor - (B)(1) There is allowed an income tax credit for each clinical rotation a physician serves as the preceptor for a medical school-required clinical rotation, advanced practice nursing program-required clinical rotation, and physician assistant program-required clinical rotation. (E) If a taxpayer earns the maximum annual credit amount allowed by this section and the taxpayer serves additional rotations that otherwise would have qualified for the credit, then the taxpayer may claim a deduction in an amount equal to the amount that the credit would have equaled. A taxpayer may earn the deduction allowed by this subsection up to six times a tax year.

FY 2019-20	N/A
FY 2020-21	\$217,000
FY 2021-22	\$651,000

12-14-60. Investment Tax Credit - (A)(1) There is allowed an investment tax credit against the tax imposed pursuant to Chapter 6 of this title for any taxable year in which the taxpayer places in service qualified manufacturing and productive equipment property. (2) The amount of the credit allowed by this section is equal to the aggregate of:

- a. three-year property one-half percent of total aggregate bases for all three-year property that qualifies;
- b. five-year property one percent of total aggregate bases for all five-year property that qualifies;
- c. seven-year property one and one-half percent of total aggregate bases for all seven-year property that qualifies;
- d. ten-year property two percent of total aggregate bases for all ten-year property that qualifies;
- e. fifteen-year property two and one-half percent of total aggregate bases for all or greater fifteen-year or greater property that qualifies.
- f.

FY 2019-20	\$2,771,000
FY 2020-21	\$2,001,000
FY 2021-22	\$2,001,000

12-65-30. Textile Rehabilitation Tax Credit - (A) Subject to the terms and conditions of this chapter, a taxpayer who rehabilitates a textile mill site is eligible for either:

- 1. a credit against real property taxes levied by local taxing entities; or
- 2. a credit against income taxes imposed pursuant to Chapter 6 and Chapter 11 of this title or corporate license fees pursuant to Chapter 20 of this title, or insurance premium taxes imposed by Chapter 7, Title 38, or any of them.
- 3.

FY 2019-20	\$12,233,000
FY 2020-21	\$12,233,000
FY 2021-22	\$12,233,000

12-67-140. Abandoned Buildings Revitalization Tax Credit - (A) Subject to the terms and conditions of this chapter, a taxpayer who rehabilitates an abandoned building is eligible for either:

1. a credit against income taxes imposed pursuant to Chapter 6 and Chapter 11 of this title, corporate license fees pursuant to Chapter 20 of this title, taxes on associations pursuant to Chapter 13 of this title, or insurance premium taxes, including retaliatory taxes, imposed by Chapter 7, Title 38, or a combination of them; or
2. a credit against real property taxes levied by local taxing entities.

FY 2019-20	\$13,638,000
FY 2020-21	\$13,638,000
FY 2021-22	\$13,638,000

48-52-870. Energy Efficient Manufactured Home Incentive Program - (A) The Energy Efficient Manufactured Homes Incentive Program is established to provide financial incentives for the purchase and installation of energy efficient manufactured homes in South Carolina. Any person who purchases a manufactured home designated by the United States Environmental Protection Agency and the United States Department of Energy as meeting or exceeding each agency's energy saving efficiency requirements or which has been designated as meeting or exceeding such requirements under each agency's ENERGY STAR program from a retail dealership licensed by the South Carolina Manufactured Housing Board for use in this State is eligible for a nonrefundable income tax credit equal to seven hundred fifty dollars.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

49-29-100. Acquisition of lands adjacent to scenic rivers; donations; requirements; tax treatment of donations; reports; liability of title holders - For landowners donating perpetual easements to the State under the Scenic Rivers Program, a deduction from state income tax may be taken equal to the fair market value of the easement granted. The total deduction may be taken during any one year of the five-year period or the deduction may be taken in proportionate amounts during the five-year period.

FY 2019-20	\$486,000
FY 2020-21	\$486,000
FY 2021-22	\$486,000

Proviso 1A.9, FY 2020-21 Any classroom teacher, including a classroom teacher at a South Carolina private school, that is not eligible for the reimbursement allowed by this provision, may claim a refundable income tax credit on the teacher's 2019 tax return, provided that the return or any amended return claiming the credit is filed prior to the end of the fiscal year. The credit is equal to two hundred seventy-five dollars, or the amount the teacher expends on teacher supplies and materials, whichever is less.

FY 2019-20	\$2,432,000
FY 2020-21	\$2,444,000
FY 2021-22	\$2,455,000

Income Tax Deductions- Individual

Note: Additions to income are included as negative tax expenditures in this section

12-6-545. Income Tax Rates for Pass-through Trade and Business Income; Determination of Income Related to Personal Services - (B)(1) Notwithstanding Section 12-6-510, a taxpayer may elect annually to have the income tax at the rate provided in item (2) of this subsection imposed annually on the active trade or business income received by the owner of a pass-through business. For joint returns, the election is effective for both spouses. The amount subject to tax pursuant to this section is not subject to tax pursuant to Section 12-6-510. (2) The rate of the income tax imposed pursuant to this subsection is: Taxable Year Beginning in Rate of Tax 2006 6.5 percent 2007 6 percent 2008 5.5 percent 2008 through 2011 5 percent 2012 4.33 percent 2013 3.67 percent after 2013 3 percent.

FY 2019-20	\$317,570,000
FY 2020-21	\$348,831,000
FY 2021-22	\$383,169,000

12-6-1120(1). Gross Income; Computation; Modifications - (1) South Carolina gross income is computed by making modifications to gross income provided in the Internal Revenue Code as follows: (1) The exclusion from gross income authorized by Internal Revenue Code §103 (Interest on State and Local Bonds) is modified to exempt only interest on obligations of this State or any of its political subdivisions, and to exempt interest upon obligations of the United States. This modification applies to all Internal Revenue Code Sections referencing §103.

Additions to Income for Interest Income on Obligations of States and Political Subdivisions

FY 2019-20	(\$15,723,000)
FY 2020-21	(\$16,760,000)
FY 2021-22	(\$17,866,000)

Deductions from Income for Interest Income from Obligations of the US Government

FY 2019-20	\$6,459,000
FY 2020-21	\$6,459,000
FY 2021-22	\$6,459,000

12-6-1120(2). Gross Income; Computation; Modifications - (2) South Carolina gross income does not include any state income tax refund included in federal gross income.

FY 2019-20	\$9,353,000
FY 2020-21	\$9,353,000
FY 2021-22	\$9,353,000

12-6-1120(4). Gross Income; Computation; Modifications - (4) South Carolina gross income is determined without application of Internal Revenue Code Sections 78 (Gross-up of Dividends received from Certain Foreign Corporations), 86 (Social Security and Tier 1 Railroad Retirement Benefits), and 87 (Alcohol Fuel Credit). Estimates below are restricted to Social Security and Tier I Railroad Retirement Benefits.

FY 2019-20	\$367,601,928
FY 2020-21	\$406,964,307
FY 2021-22	\$450,541,563

12-6-1120(5). Gross Income; Computation; Modifications - (5) The exclusions permitted by Internal Revenue Code §§912 (Exemptions for Certain Allowances for Citizens or Residents of the United States Living Abroad) and 931 through 936 (Income from Possessions of the United States) are not permitted.

(See Other Additions below)

12-6-1120(7). Gross Income; Computation; Modifications - (7) South Carolina gross income does not include compensation or retirement benefits received from the United States or any state for service in a state National Guard or a reserve component of the Armed Forces of the United States. This exclusion only applies to compensation and retirement benefits received for the customary annual training period not to exceed fifteen days for guard members or fourteen days plus travel time for reserve members, weekend drills, and inactive duty training. National Guard or reserve members that are called to active duty are allowed to deduct fifteen days of active duty pay if they have not excluded pay for the annual training period for the same taxable year.

Additions to Income for Expenses Related to National Guard and Military Reserve Income

FY 2019-20	(\$345,000)
FY 2020-21	(\$335,000)
FY 2021-22	(\$325,000)

Deductions from Income for Certain Nontaxable National Guard or Reserve Pay

FY 2019-20	\$4,370,000
FY 2020-21	\$4,242,000
FY 2021-22	\$4,117,000

12-6-1130(2). Taxable Income; Computation; Modifications - South Carolina taxable income is computed by making modifications to deductions provided in the Internal Revenue Code as follows: (2) The deduction for taxes permitted by Internal Revenue Code Section 164 is computed in the same manner as provided in Section 164 except there is no deduction for state and local income taxes, state and local franchise taxes measured by net income, other income taxes, or taxes measured with respect to net income. In addition, if a taxpayer elects, pursuant to Section 164, to deduct state and local sales taxes instead of state and local income taxes, the taxpayer may not deduct state and local sales and use taxes. This modification is limited for individual taxpayers to the excess of itemized deductions over the standard deduction that would be allowed if the taxpayer had used the standard deduction for federal income tax purposes.

FY 2019-20	\$32,488,000
FY 2020-21	\$33,914,000
FY 2021-22	\$35,404,000

12-6-1140(1). Deductions from Individual Taxable Income - (1) There is allowed as a deduction in computing South Carolina taxable income of an individual the following:
(1) a net gain deduction as provided in §12-6-1150;

FY 2019-20	\$221,382,000
FY 2020-21	\$177,112,000
FY 2021-22	\$177,112,000

12-6-1140(2). Deductions from Individual Taxable Income - (2) an additional deduction for dependents under six years of age as provided in §12-6-1160;

FY 2019-20	\$75,465,000
FY 2020-21	\$77,965,000
FY 2021-22	\$80,548,000

12-6-1140(3). Deductions from Individual Taxable Income - (3) a deduction as provided in §12-6-1170

(See Section 12-6-1170 below)

12-6-1140(4). Deductions from Individual Taxable Income - (4) Amounts included in South Carolina gross income received for disability retirement due to permanent and total disability by a person who could qualify for the homestead exemption under §12-37-250 by reason of being classified as totally and permanently disabled.

FY 2019-20	\$7,779,000
FY 2020-21	\$6,686,000
FY 2021-22	\$5,747,000

12-6-1140(5). Gross Income; Computation; Modifications - (5) expenses incurred by taxpayers as provided in Internal Revenue Code §162(h) without regard to limitations in §162(h)(4)

(See Other Subtractions below)

12-6-1140(6). Deductions from Individual Taxable Income – (6) A subsistence allowance of eight dollars a day for federal, state, and local law enforcement officers paid by a political subdivision of this State, the government of this State, or the federal government, for each regular work day in a taxable year and full-time firefighters and emergency medical service personnel may deduct as a subsistence allowance eight dollars a day for each regular work day in a taxable year.

FY 2019-20	\$1,819,000
FY 2020-21	\$1,819,000
FY 2021-22	\$1,819,000

12-6-1140(7). Deductions from Individual Taxable Income - (7)(a) Two thousand dollars for each adopted special needs child who is: (i) dependent upon and receiving chief support from the taxpayer; (ii) under the age of twenty-one; and (iii) enrolled in an accredited school or college or is incapable of self-support because of mental or physical defects (b) For purposes of this item, a special needs child is a person who is: (i) under eighteen at the time of adoption; (ii) the dependent of a public or private nonprofit adoption agency prior to the adoption; (iii) legally free for adoption; and (iv) unlikely to be adopted without assistance as determined by the South Carolina Department of Social Services because of conditions such as ethnic minority status, age, sibling group membership, medical condition, or physical, mental, or emotional handicaps. (c) The entire deduction is allowed for a taxable year even if the special needs child survives for only part of the taxable year

(See Other Subtractions below)

12-6-1140(10). Deductions from Individual Taxable Income - (10)(a) A deduction for a volunteer firefighter, rescue squad member, volunteer member of a Hazardous Materials (HAZMAT) Response Team, reserve police officer, Department of Natural Resources deputy enforcement officer, a member of the State Guard, or a volunteer state constable appointed pursuant to §23-1-60 for the purpose of assisting named law enforcement agencies and who has been designated by the State Law Enforcement Division as a state constable not otherwise eligible for this exemption. (b) An individual may receive only one deduction pursuant to this item. The Revenue and Fiscal Affairs Office annually shall estimate a maximum deduction that may be permitted under this section for a taxable year based on an individual income tax revenue loss of three million one hundred thousand dollars attributable to this deduction and shall certify that maximum deduction to the Department of Revenue and for the applicable taxable year, the maximum deduction amount must not exceed the lesser of the certified estimate or three thousand dollars.

FY 2019-20	\$1,133,000
FY 2020-21	\$1,118,000
FY 2021-22	\$1,103,000

12-6-1140(11). Deductions from Individual Taxable Income - (11) Contributions to the South Carolina Tuition Prepayment Program to the extent provided in §59-4-100 and to the South Carolina College Investment Program to the extent provided in §59-2-80.

FY 2019-20	\$18,071,000
FY 2020-21	\$19,451,000
FY 2021-22	\$20,937,000

12-6-1140(12). Deductions from Individual Taxable Income - (12)(a) Contributions made to each investment trust account created pursuant to Article 3, Chapter 5, Title 11, or a qualified account under Section 529A located in another state, by a resident of this State or a nonresident required to file a State of South Carolina income tax return up to the limit of maximum contributions allowed to such accounts under Section 529A of the federal Internal Revenue Code of 1986, as amended, including funds transferred to an investment trust account from another qualified plan, as allowable under Section 529A of the federal Internal Revenue Code of 1986, as amended.

(See Other Subtractions below)

12-6-1140(13). Deductions from Individual Taxable Income - (13)(a) South Carolina dependent exemption equal to four thousand one hundred ten dollars for each eligible dependent of the taxpayer, including both qualifying children and qualifying relatives. To qualify for the deduction allowed by this item, each dependent must meet the eligibility requirements of Section 151 and 152, as applicable, mutatis mutandis, as those sections applied on January 1, 2017. Notwithstanding the deduction amount set forth in this item, each December fifteenth, the department shall cumulatively adjust the deduction amount using the Chained Consumer Price Index for All Consumers, as published by the Bureau of Labor and Statistics of the Department of Labor, pursuant to Internal Revenue Code Section (1)(f), except that the rounding amount is ten dollars.

FY 2019-20	\$293,307,000
FY 2020-21	\$302,317,000
FY 2021-22	\$311,604,000

12-6-1140(14). Deductions from Individual Taxable Income - There is allowed as a deduction in computing South Carolina taxable income of an individual the following: (a) amounts earned pursuant to Section 12-6-3800(E) for each clinical rotation a physician serves as the preceptor for a medical school-required clinical rotation, advanced practice nursing program-required clinical rotation, and physician assistant program-required clinical rotation; or (b) amounts earned pursuant to Section 12-6-3800(E) for each clinical rotation an advanced practice registered nurse or physician assistant serves as the preceptor for an advanced practice nursing or physician assistant-required clinical rotation.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-1170. Retirement Income Deduction from Taxable Income for Individual –

(A) An individual taxpayer who is the original owner of a qualified retirement account is allowed an annual deduction from South Carolina taxable income of not more than three thousand dollars of retirement income received. Beginning in the year in which the taxpayer reaches age sixty-five, the taxpayer may deduct not more than ten thousand dollars of retirement income that is included in South Carolina taxable income.

(B) Beginning for the taxable year during which a resident individual taxpayer attains the age of sixty-five years, the resident individual taxpayer is allowed a deduction from South Carolina taxable income received in an amount not to exceed fifteen thousand dollars reduced by any amount the taxpayer deducts pursuant to subsection (A) not including amounts deducted as a surviving spouse. If married taxpayers eligible for this deduction file a joint federal income tax return, then the maximum deduction allowed is fifteen thousand dollars in the case when only one spouse has attained the age of sixty-five years and thirty thousand dollars when both spouses have attained such age.

Retirement Deduction

FY 2019-20	\$138,421,000
FY 2020-21	\$146,579,000
FY 2021-22	\$155,228,000

Age 65 and Older Deduction

FY 2019-20	\$197,727,000
FY 2020-21	\$205,711,000
FY 2021-22	\$214,017,000

12-6-1171. Military Retirement Income Deduction - (A)(1) An individual taxpayer who has military retirement income, each year may deduct an amount of his South Carolina earned income from South Carolina taxable income equal to the amount of military retirement income that is included in South Carolina taxable income, not to exceed seventeen thousand five hundred dollars. In the case of married taxpayers who file a joint federal income tax return, the deduction allowed by this section shall be calculated separately as though they had not filed a joint return, so that each individual's deduction is based on the same individual's retirement income and earned income. (2) Notwithstanding item (1), beginning in the year in which an individual taxpayer reaches age sixty-five, an individual taxpayer who has military retirement income may deduct up to thirty thousand dollars of military retirement income that is included in South Carolina taxable income. (C) A surviving spouse receiving military retirement income that is attributable to the deceased spouse shall apply this deduction in the same manner that the deduction applied to the deceased spouse. If the surviving spouse also has another retirement income, an additional retirement exclusion is allowed.

FY 2019-20	\$32,448,000
FY 2020-21	\$37,851,000
FY 2021-22	\$40,082,000

12-6-2220. Allocation of Interest, Dividends, Rents and Royalties, Gains and Losses, and Income from Personal Services - The following items of income must be directly allocated and excluded from the apportioned income and the apportionment factors:

1. Interest received from intangible property not connected with the taxpayer's business, less all related expenses, is allocated to the state of the corporation's principal place of business as defined in Section 12-6-30(9) or the domicile of an individual taxpayer.
2. Dividends received from corporate stocks not connected with the taxpayer's business, less all related expenses, are allocated to the state of the corporation's principal place of business as defined in Section 12-6-30(9) or the domicile of an individual taxpayer.
3. Rents and royalties received from the lease or rental of real estate or tangible personal property, less all related expenses, are allocated to the state where the property was located at the time the income was derived providing the property was not used in or connected with the taxpayer's trade or business during the taxable year.
4. Gains and losses from the sale of real property less all related expenses are allocated to the state in which the real property is located except to the extent that gain represents the return of amounts deducted as depreciation. The amount of gain which represents the return of amounts deducted as depreciation is allocated to this State to the extent of depreciation previously deducted in computing South Carolina taxable income.
5. Gains and losses from sales of intangible personal property not connected with the business of the taxpayer and not held for sale to customers in the regular course of business, less all related expenses, are allocated to the state of the corporation's principal place of business as defined in Section 12-6-30(9) or the domicile of an individual taxpayer.
6. All income from personal services received by a resident individual is allocated to this State. All income from personal services received by a nonresident individual for services rendered in this State is allocated to this State.

Additions to income for out-of-state losses:

FY 2019-20	(\$28,174,000)
FY 2020-21	(\$32,861,000)
FY 2021-22	(\$38,328,000)

Deductions from income for out-of-state income/gain:

FY 2019-20	\$143,939,000
FY 2020-21	\$153,996,000
FY 2021-22	\$164,755,000

FY 2020-21. Proviso 118.10 (SR: Tax Deduction for Consumer Protection Services) - there is allowed a deduction in computing South Carolina taxable income of an individual the actual costs, but not exceeding three hundred dollars for an individual taxpayer, and not exceeding one thousand dollars for a joint return or a return claiming dependents, incurred by a taxpayer in the taxable year to purchase a monthly or annual contract or subscription for identity theft protection and identity theft resolution services

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

Other Additions – Estimates below include federal bonus depreciation, nonrefundable credits for contributions to Exceptional SC, federal net operating losses larger than amounts attributable to South Carolina, federal deductions for income exempt or not taxed by South Carolina, federal qualified business income deductions, and other items reported together on the state income tax form 1040 Line 1e for tax year 2018. Amounts may include adjustments for other provisions. Separate estimates are unavailable. See above for additions to income in Section 12-6-1120(5). A list of all federal provisions not adopted by South Carolina is available in Section 12-6-50 of the Code of Laws.

FY 2019-20	(\$202,477,000)
FY 2020-21	(\$224,584,000)
FY 2021-22	(\$249,105,000)

Other Subtractions – Estimates below include travel expenses for legislators, SC Able Savings Account contributions, deductions for adoption of special needs children, and other items reported together on the state income tax form 1040 Line 3v for tax year 2018. Amounts may include adjustments for other provisions. Separate estimates are unavailable. See sections above for description of subtractions from income in Sections 12-6-1140(5), (7), (12).

FY 2019-20	\$129,988,000
FY 2020-21	\$168,575,000
FY 2021-22	\$218,615,000

Income Tax Credits - Corporate

11-44-40. Nonrefundable Income Tax Credit for Qualified Investments - An angel investor is entitled to a nonrefundable income tax credit of thirty-five percent of its qualified investment made pursuant to this chapter.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

11-45-55. Venture Capital Investment Credit - (A) Each designated investor group shall have the power and authority to borrow funds from lenders and invest those funds in accordance with the provisions of this chapter and its designated investor contract. (B) The authority shall issue tax credit certificates to each lender contemporaneously with each loan made pursuant to this chapter in accordance with any guidelines established by the authority pursuant to Section 11-45-100. The tax credit certificates must describe procedures for the issuance, transfer and redemption of the certificates, and related tax credits. These certificates also must describe the amounts, year, and conditions for redemption of the tax credits reflected on the certificates. Once a loan is made by a lender, the certificate issued to the lender shall be binding on the authority and this State and may not be modified, terminated, or rescinded. The form of the tax credit certificate must be approved by the State Fiscal Accountability Authority.

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

12-6-3340. Investment tax credit for purchase and installation of certain energy conservation and renewable energy production measures – (A) A taxpayer may claim as a credit twenty-five percent of all expenditures paid or incurred during the taxable year for the purchase and installation of the following energy conservation and renewable energy production measures:

1. conservation tillage equipment;
2. drip/trickle irrigation systems to include all necessary measures and equipment including, but not limited to, dams, pipes, pumps, wells, installation charges and other related expenses; and
3. dual purpose combination truck and crane equipment.

(B) In the case of pass-through entities, the credit is determined at the entity level and is limited to two thousand five hundred dollars. The maximum amount of credit for all taxpayers, including any credit passed through to the taxpayer from a partnership, "S" Corporation, estate, or trust, is also limited to two thousand five hundred dollars. (C) The credit may be claimed only one time for each of the three measures.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3350. Tax credit for State contractors subcontracting with socially and economically disadvantaged small business - A taxpayer having a contract with this State who subcontracts with a socially and economically disadvantaged small business is eligible for an income tax credit equal to four percent of the payments to that subcontractor for work pursuant to the contract. The subcontractor must be certified as a socially and economically disadvantaged small business as defined in Section 11-35-5010 and regulations pursuant to it.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

Section 12-6-3360. Job Tax Credit. – Subject to the conditions provided in subsection (M) of this section, a job tax credit is allowed for five years beginning in year two after the creation of the job for each new full-time job created if the minimum level of new jobs is maintained. The credit is available to taxpayers that increase employment by ten or more full-time jobs, and no credit is allowed for the year or any subsequent year in which the net employment increase falls below the minimum level of ten. The amount of the initial job credit is as follows:

- a. Eight thousand dollars for each new full-time job created in "Tier IV" counties.
- b. Four thousand two hundred fifty dollars for each new full-time job created in "Tier III" counties.
- c. Two thousand seven hundred fifty dollars for each new full-time job created in "Tier II" counties.
- d. One thousand five hundred dollars for each new full-time job created in "Tier I" counties.

This credit is available to small business taxpayers with ninety-nine or fewer employees that increase employment by two or more full-time jobs, and may be received only if the gross wages of the full-time jobs created pursuant Section 12-6-3360 amount to a minimum of one hundred twenty percent of the county's or state's average per capita income, whichever is lower. No credit is allowed for the year or any subsequent year in which the net employment increase falls below the minimum level of two. If the taxpayer with ninety-nine or fewer employees increases employment by two or more full-time jobs but the gross wages do not amount to a minimum one hundred twenty percent of the county's or state's average per capita income, whichever is lower, then the amount of the initial job credit is reduced by fifty percent. The taxpayer with ninety-nine or fewer employees eligible for the tax credit may elect to claim the applicable credit in the manner provided pursuant to subsection (B) of Section 12-6-3362 rather than as provided in Section 12-6-3360.

FY 2019-20	\$61,953,000
FY 2020-21	\$62,178,000
FY 2021-22	\$62,403,000

12-6-3367. Moratorium on Corporate Income and Insurance Premium Taxes for Certain Companies Investing and Creating Jobs in State - (A) A taxpayer creating and maintaining at least one hundred full-time new jobs, as defined in Section 12-6-3360(M), at a facility of a type identified in Section 12-6-3360(M) may petition, utilizing the procedure in Section 12-6-2320(B), for a moratorium on state corporate income taxes imposed pursuant to Section 12-6-530 or insurance premium taxes imposed pursuant to Title 38 for the ten taxable years beginning the first full taxable year after the taxpayer qualifies and ending either ten years from that year or the year when the taxpayer's number of full-time new jobs falls below one hundred, whichever is earlier. For purposes of insurance premium taxes, the petition pursuant to Section 12-6-2320(B) must be made to and approved by the Director of the Department of Insurance.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3370. Tax credits for construction, installation or restoration of water impoundments and water control structures - (A) A taxpayer may claim a credit for twenty-five percent of all expenditures for the construction, installation, or restoration of ponds, lakes, other water impoundments, and water control structures designed for the purposes of water storage for irrigation, water supply, sediment control, erosion control or aquaculture and wildlife management, providing these items are not located in or adjacent to and filled primarily by coastal waters of the State. In the case of pass-through entities, the credit is determined at the entity level and is limited to two thousand five hundred dollars. (B) The maximum amount of credit for all taxpayers, including any credit passed through to the taxpayer from a partnership, "S" Corporation, estate, or trust, is also limited to two thousand five hundred dollars.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3375. Tax Credit for Port Cargo Volume Increase – (A)(1) A taxpayer engaged in any of the following: manufacturing, warehousing, freight forwarding, freight handling, goods processing, cross docking, transloading, wholesaling of goods, or distribution, exported or imported through port facilities in South Carolina and which increases its port cargo volume at these facilities by a minimum of five percent in a single calendar year over its base year port cargo volume is eligible to claim an income tax credit or a credit against employee withholding in the amount determined by the Coordinating Council for Economic Development (council).

FY 2019-20	\$829,000
FY 2020-21	\$1,169,000
FY 2021-22	\$1,509,000

12-6-3377. Hybrid, Fuel Cell, Alternative Fuel or Lean Burn Motor Vehicle Tax Credit – (A) A South Carolina resident taxpayer who is eligible for and claims the new qualified fuel cell motor vehicle credit, the new advanced lean burn technology motor vehicle credit, the new qualified hybrid motor vehicle credit based on the combined city/highway metric or standard set by federal Internal Revenue Code Section 30B, and the new qualified alternative fuel motor vehicle credit allowed pursuant to Internal Revenue Code Section 30B is allowed a credit against the income taxes imposed pursuant to this chapter in an amount equal to twenty percent of that federal income tax credit.

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

12-6-3378. Tax Credits for Certain Agribusinesses and Service-related Facilities – (A)(1) An agribusiness operation or an agricultural packaging operation, as defined in Section 12-6-3360, that increases its purchases of agricultural products which have been certified as South Carolina grown by the South Carolina Department of Agriculture by a minimum of fifteen percent in a single calendar year over its base year is eligible to claim an income tax credit or a credit against employee withholding in an amount determined by the Coordinating Council for Economic Development (council).

FY 2019-20	\$1,000,000
FY 2020-21	\$1,500,000
FY 2021-22	\$2,000,000

Section 12-6-3410. Corporate Income Tax Credit for Corporate Headquarters - (A) A corporation establishing a corporate headquarters in this State, or expanding or adding to an existing corporate headquarters, is allowed a credit against any tax due pursuant to Section 12-6-530, 12-11-20, or 12-20-50 as set forth in this section. (B) In order to qualify for this credit, each of the following criteria must be satisfied:

1. The qualifying real property costs of the corporate headquarters establishment, expansion, or addition must be at least fifty thousand dollars.
2. The headquarters establishment, expansion, or addition must result in the creation of:
 - a. at least forty new jobs performing headquarters related functions and services or research and development related functions and services. These jobs must be permanent, full-time positions located in this State; and
 - b. at least twenty of the above-referenced new jobs must be classified as headquarters staff employees.

(C) The amount of the credit is equal to twenty percent of the qualifying real property costs.

FY 2019-20	\$1,267,000
FY 2020-21	\$1,267,000
FY 2021-22	\$1,267,000

Section 12-6-3415. Tax Credit for Research and Development Expenditures - (A) A taxpayer that claims a federal income tax credit pursuant to Section 41 of the Internal Revenue Code for increasing research activities for the taxable year is allowed a credit against any tax due pursuant to this chapter or Section 12-20-50 equal to five percent of the taxpayer's qualified research expenses made in South Carolina.

FY 2019-20	\$61,684,000
FY 2020-21	\$61,684,000
FY 2021-22	\$61,684,000

12-6-3420. Tax credit for construction or improvement of infrastructure project – (A) A corporation may claim a credit for the construction or improvement of an infrastructure project against taxes due under Section 12-6-530 or Section 12-11-20 for:

1. expenses paid or accrued by the taxpayer;
2. contributions made to a governmental entity; or
3. contributions made to a qualified private entity in the case of water or sewer lines and their related facilities in areas served by a private water and sewer company.

(B) For expenses paid or accrued by the taxpayer in building or improving any one infrastructure project:

1. the credit is equal to fifty percent of the expenses or contributions;
2. the credit is limited to ten thousand dollars annually; and
3. any unused credit, up to a total amount of thirty thousand dollars, may be carried forward three years.

FY 2019-20	\$1,847,000
FY 2020-21	\$1,847,000
FY 2021-22	\$1,847,000

12-6-3440. Tax Credit for Employee Child Care Programs – (A) A taxpayer who employs persons who are residents of this State in any capacity may claim a credit against its state income tax, bank tax, or premium tax liability an amount equal to fifty percent of its capital expenditures in this State but no more than one hundred thousand dollars for costs incurred in establishing a child care program for its employees' children.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3465. Recycling Facility Tax Credits - A taxpayer who is constructing or operating a qualified recycling facility is allowed a credit in the amount of thirty percent of the taxpayer's investment in recycling property during the taxable year. This credit may be used to reduce any corporate income tax imposed by Section 12-6-530, sales or use tax imposed by the State or any political subdivision of the State, or corporate license fees imposed by Section 12-20-50 or any tax similar to these taxes.

FY 2019-20	\$18,985,000
FY 2020-21	\$18,985,000
FY 2021-22	\$18,985,000

12-6-3470. Employer Tax Credit – (A)(1) An employer who employs a person who received Family Independence payments within this State for three months immediately preceding the month the person becomes employed is eligible for an income tax credit of:

- a. twenty percent of the wages paid to the employee for each full month of employment for the first twelve months of employment;
- b. fifteen percent of the wages paid to the employee for each full month of employment during the second twelve months of employment;
- c. ten percent of the wages paid to the employee for each full month during the third twelve months of employment.

(2) Except for employees employed in distressed counties, the maximum aggregate credit that may be claimed in a tax year for a single employee pursuant to this subsection and §12-6-3360 is five thousand five hundred dollars.

FY 2019-20	\$112,000
FY 2020-21	\$112,000
FY 2021-22	\$112,000

12-6-3477. Apprentice Income Tax Credit - A taxpayer who employs an apprentice pursuant to an apprentice agreement registered with the Office of Apprenticeship of the Employment and Training Administration of the United States Department of Labor is allowed a credit against an income tax imposed pursuant to this chapter equal to one thousand dollars for each apprentice employed.

FY 2019-20	\$392,000
FY 2020-21	\$392,000
FY 2021-22	\$392,000

12-6-3515. Credit for Conservation – (A) A taxpayer who has qualified for and claimed on the taxpayer's federal income tax return a charitable deduction for a gift of land for conservation or for a qualified conservation contribution donated after May 31, 2001, on a qualified real property interest located in this State may elect to claim a credit against a tax imposed by this chapter for the applicable tax year in an amount equal to twenty-five percent of the total amount of the deduction attributable to the gift of land for conservation or to the qualified real property interest located in this State; provided, however, that the credit is subject to the caps provided in subsection (C).

FY 2019-20	\$1,088,000
FY 2020-21	\$1,088,000
FY 2021-22	\$1,088,000

12-6-3525. Tax Credits for Vehicle or Scrap Recyclers Participating in End-of-Life Vehicle Solutions (ELVS) Program - A vehicle recycler or scrap recycling facility participating in the End-of-Life Vehicle Solutions (ELVS) Program is entitled to a credit in the amount of two dollars and fifty cents for each mercury switch collected and submitted for disposal in accordance with the ELVS program.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3530. Community Development Tax Credits - (A) A taxpayer may claim as a credit against his state income tax, bank tax, or premium tax liability thirty-three percent of all amounts invested in a community development corporation or in a community development financial institution, as defined in Section 34-43-20(2) or (3).

FY 2019-20	\$250,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3535. Income Tax Credit for Making Qualified Rehabilitation Expenditures for a Certified Historic Structure - (A)(1) A taxpayer who is allowed a federal income tax credit pursuant to Section 47 of the Internal Revenue Code for making qualified rehabilitation expenditures for a certified historic structure located in this State is allowed to claim a credit against a combination of income taxes and license fees imposed by this title. For the purposes of this section, "qualified rehabilitation expenditures" and "certified historic structures" are defined as provided in the Internal Revenue Code Section 47 and the applicable treasury regulations.

FY 2019-20	\$1,322,000
FY 2020-21	\$1,322,000
FY 2021-22	\$1,322,000

12-6-3550. Voluntary Cleanup Activity Tax Credit - (A) A taxpayer is allowed a credit against taxes due for costs of voluntary cleanup activity by a non-responsible party pursuant to Article 7, Chapter 56 of Title 44, the Brownfields/Voluntary Cleanup Program.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3560. Credit Against State Income Tax for Motion Picture and Advertisement Production Companies – (A)(1) This section authorizes a tax credit against state income tax for production companies that produce a commercial production being an advertisement, composed of moving images and words, that is recorded on film, videotape, or digital medium in South Carolina for multi-market distribution by way of television networks, cable, satellite, or motion picture theaters.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3570. Motion Picture Related Income Tax Credit Claims – (A) A taxpayer may claim an income tax credit of an amount equal to twenty percent, but not more than one hundred thousand dollars, of the taxpayer's cash investment in a company that develops or produces a qualified South Carolina motion picture project. A taxpayer may claim no more than one credit in connection with the production of a single qualified South Carolina motion picture project.

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

12-6-3580. South Carolina Quality Forum Participants; Tax Credits for Registration Fee and Participation in Organizational Performance Excellence Assessment Process - (A) Taxpayers that pay an annual fee to the South Carolina Quality Forum to participate in quality programs are allowed a tax credit equal to the annual registration fee (B) Taxpayers also are allowed a tax credit equal to fifty percent of any fees charged to participate in the organizational performance excellence assessment process.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3582. Income Tax Credits; Agricultural Use of Anhydrous Ammonia – (A) A resident taxpayer engaged in the business of farming is allowed a refundable income tax credit equal to the amount expended by the taxpayer to obtain the additive required to comply with the provisions of Section 44-53-375(E)(2)(a)(ii) for the agricultural use of anhydrous ammonia.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3585. Industry Partnership Fund Tax Credit - (A) A taxpayer may claim as a credit against state income tax imposed by Chapter 6, Title 12, bank tax imposed by Chapter 11, Title 12, license fees imposed by Chapter 20 of Title 12, or insurance premiums imposed by Chapter 7, Title 38, or any combination of them, one hundred percent of an amount contributed to the Industry Partnership Fund at the South Carolina Research Authority (SCRA).

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

Section 12-6-3587. Solar Energy or Small Hydropower System or Geothermal Tax Credit - (A) There is allowed as a tax credit against the income tax liability of a taxpayer imposed by this chapter an amount equal to twenty-five percent of the costs incurred by the taxpayer in the purchase and installation of a solar energy system, small hydropower system, or geothermal machinery and equipment for heating water, space heating, air cooling, energy-efficient daylighting, heat reclamation, energy-efficient demand response, or the generation of electricity in or on a facility in South Carolina and owned by the taxpayer.

FY 2019-20	\$928,000
FY 2020-21	\$928,000
FY 2021-22	\$928,000

12-6-3588. South Carolina Clean Energy Tax Incentive Program - (C) A business or corporation meeting the requirements of this section is eligible to receive a ten percent nonrefundable income tax credit of the cost of the company's total qualifying investments in plant and equipment in this State for clean energy operations.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3589. Tax Credit for Effluent Toxicity Testing - A manufacturing facility may claim a tax credit equal to twenty-five percent for costs it incurs in complying with whole effluent toxicity testing. The credit is allowed only against taxes imposed by Section 12-6-530.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3590. Credit for Milk Producer – (A) A resident taxpayer engaged in the business of producing milk for sale is allowed a refundable income tax credit based on the amount of milk produced and sold.

FY 2019-20	\$748,000
FY 2020-21	\$748,000
FY 2021-22	\$748,000

12-6-3600. Credit for Ethanol and Biodiesel Facilities - an ethanol or biodiesel facility must receive a credit against the tax imposed by this chapter in the amount of seven and one-half cents a gallon of ethanol or biodiesel, before denaturing, for new production for a period not to exceed thirty-six consecutive months.

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

12-6-3610. Credit for Property Used for Distribution or Dispensing Renewable Fuel – (A)(1) A taxpayer that purchases or constructs and installs and places in service in this State property that is used for distribution or dispensing renewable fuel specified in this subsection, at a new or existing commercial fuel distribution or dispensing facility, is allowed a credit equal to twenty-five percent of the cost to the taxpayer of purchasing, constructing, and installing the property against the taxpayer's liability for a tax imposed pursuant to this chapter.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3620. Purchase and Installation of Equipment to Produce Energy from Biomass Resources – (A) There is allowed a credit against the income tax imposed pursuant to Section 12-6-530 or license fees imposed pursuant to Section 12-20-50, or both, for twenty-five percent of the costs incurred by a taxpayer for the purchase and installation of equipment used to create heat, power, steam, electricity, or another form of energy for commercial use from a fuel consisting of no less than ninety percent biomass resource.

FY 2019-20	\$6,548,000
FY 2020-21	\$6,548,000
FY 2021-22	\$6,548,000

12-6-3622. Fire Sprinkler System Tax Credits – (A)(1) A taxpayer who installs a fire sprinkler system in a commercial or residential structure, whether the structure or fire sprinkler is new or existing, when such installation is not required by law, regulation, or code is eligible for a credit against real property taxes levied by a local taxing entity equal to twenty-five percent of the direct expenses, not including any type of fee charged by the publicly or privately owned utility, incurred by the taxpayer if the local taxing entity has consented to the tax credit

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3695. Alternative Fuel Property Income Tax Credit – (A)(1) A taxpayer who purchases or constructs, installs, and places in service in this State eligible property that is used for distribution, dispensing, or storing alternative fuel specified in this subsection, at a new or existing fuel distribution or dispensing facility, is allowed an income tax credit equal to twenty-five percent of the cost to the taxpayer of purchasing, constructing, and installing the eligible property.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3750. Nonrefundable Tax Credit for Processing Donated Deer for Charitable Distribution – (A) There is allowed a nonrefundable credit against taxes imposed by this chapter for a meat packer, butcher, or processing plant licensed or permitted by this State or the United States Department of Agriculture that, during the tax year for which the credit is claimed, had a valid contract with any nonprofit organization to process deer for donation to any charitable organization engaged in distributing food to the needy.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3770. Income Tax Credit for Certain Solar Energy Property – A taxpayer who constructs, purchases, or leases solar energy property located on the Environmental Protection Agency's National Priority List, National Priority List Equivalent Sites, or on a list of related removal actions, as certified by the Department of Health and Environmental Control, located in the State of South Carolina, and places it in service in this State during the taxable year, is allowed an income tax credit equal to twenty-five percent of the cost, including the cost of installation, of the property

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

12-6-3780. Credit for Preventative Maintenance. A resident taxpayer is allowed a refundable income tax credit for preventative maintenance on a private passenger motor vehicle as defined in Section 56-3-630, including motorcycles, registered in this State during the appropriate year, subject to other limitations contained in this section. The total amount of the credit may not exceed the lesser of: (i) the resident taxpayer's actual motor fuel user fee increase incurred for that motor vehicle as a result of increases in the motor fuel user fee pursuant to Section 12-28-310(D) or (ii) the amount the resident taxpayer expends on preventative maintenance.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3790. Educational Credit for Exceptional Needs Children's Fund – (H)(1) A taxpayer is entitled to a tax credit against income taxes imposed pursuant to this chapter for the amount of cash and the monetary value of any publicly traded securities the taxpayer contributes to the Educational Credit for Exceptional Needs Children's Fund up to the limits contained in subsection (D)(1)(a).

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-6-3795. South Carolina Housing Tax Credit – (B)(1) A state tax credit pursuant to this section may be claimed against income taxes imposed by Section 12-6-510 or 12-6-530, bank taxes imposed pursuant to Chapter 11, Title 12, corporate license fees imposed pursuant to Chapter 20, Title 12, and insurance premium and retaliatory taxes imposed pursuant to Chapter 7, Title 38, to be termed the South Carolina housing tax credit, and is allowed with respect to each qualified project placed in service after January 1, 2020, and before December 31, 2030, in an amount equal to the federal housing tax credit allowed with respect to such qualified project. In computing a tax payable by a taxpayer pursuant to Section 38-7-90, the credit allowed pursuant to this section must be treated as a premium tax paid pursuant to Section 38-7-20.

FY 2019-20	N/A
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-14-60. Investment Tax Credit – (A)(1) There is allowed an investment tax credit against the tax imposed pursuant to Chapter 6 of this title for any taxable year in which the taxpayer places in service qualified manufacturing and productive equipment property. (2) The amount of the credit allowed by this section is equal to the aggregate of:

- a. three-year property one-half percent of total aggregate bases for all three-year property that qualifies;
- b. five-year property one percent of total aggregate bases for all five-year property that qualifies;
- c. seven-year property one and one-half percent of total aggregate bases for all seven-year property that qualifies;
- d. ten-year property two percent of total aggregate bases for all ten-year property that qualifies;
- e. fifteen-year property two and one-half percent of total aggregate bases for all or greater fifteen-year or greater property that qualifies.

FY 2019-20	\$43,856,000
FY 2020-21	\$43,856,000
FY 2021-22	\$43,856,000

12-20-105. Tax Credits - (A) Any company subject to a license tax under Section 12-20-100 may claim a credit against its license tax liability for amounts paid in cash to provide infrastructure for an eligible project.

FY 2019-20	\$6,914,000
FY 2020-21	\$6,914,000
FY 2021-22	\$6,914,000

12-65-30. Textile Rehabilitation Tax Credit - (A) Subject to the terms and conditions of this chapter, a taxpayer who rehabilitates a textile mill site is eligible for either:

1. a credit against real property taxes levied by local taxing entities; or
2. a credit against income taxes imposed pursuant to Chapter 6 and Chapter 11 of this title or corporate license fees pursuant to Chapter 20 of this title, or insurance premium taxes imposed by Chapter 7, Title 38, or any of them.

FY 2019-20	\$4,919,000
FY 2020-21	\$4,919,000
FY 2021-22	\$4,919,000

12-67-140. Abandoned Buildings Revitalization Tax Credit - (A) Subject to the terms and conditions of this chapter, a taxpayer who rehabilitates an abandoned building is eligible for either:

1. a credit against income taxes imposed pursuant to Chapter 6 and Chapter 11 of this title, corporate license fees pursuant to Chapter 20 of this title, taxes on associations pursuant to Chapter 13 of this title, or insurance premium taxes, including retaliatory taxes, imposed by Chapter 7, Title 38, or a combination of them; or
2. a credit against real property taxes levied by local taxing entities.

FY 2019-20	\$296,000
FY 2020-21	\$296,000
FY 2021-22	\$296,000

48-52-870. Energy Efficient Manufactured Home Incentive Program - (A) The Energy Efficient Manufactured Homes Incentive Program is established to provide financial incentives for the purchase and installation of energy efficient manufactured homes in South Carolina. Any person who purchases a manufactured home designated by the United States Environmental Protection Agency and the United States Department of Energy as meeting or exceeding each agency's energy saving efficiency requirements or which has been designated as meeting or exceeding such requirements under each agency's ENERGY STAR program from a retail dealership licensed by the South Carolina Manufactured Housing Board for use in this State is eligible for a nonrefundable income tax credit equal to seven hundred fifty dollars.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

49-29-100. Acquisition of lands adjacent to scenic rivers; donations; requirements; tax treatment of donations; reports; liability of title holders - For landowners donating perpetual easements to the State under the Scenic Rivers Program, a deduction from state income tax may be taken equal to the fair market value of the easement granted. The total deduction may be taken during any one year of the five-year period or the deduction may be taken in proportionate amounts during the five-year period.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

Bank Tax

12-6-3360. Job Tax Credit. – Subject to the conditions provided in subsection (M) of this section, a job tax credit is allowed for five years beginning in year two after the creation of the job for each new full-time job created if the minimum level of new jobs is maintained. The credit is available to taxpayers that increase employment by ten or more full-time jobs, and no credit is allowed for the year or any subsequent year in which the net employment increase falls below the minimum level of ten. The amount of the initial job credit is as follows:

- a) Eight thousand dollars for each new full-time job created in "Tier IV" counties.
- b) Four thousand two hundred fifty dollars for each new full-time job created in "Tier III" counties.
- c) Two thousand seven hundred fifty dollars for each new full-time job created in "Tier II" counties.
- d) One thousand five hundred dollars for each new full-time job created in "Tier I" counties.

This credit is available to small business taxpayers with ninety-nine or fewer employees that increase employment by two or more full-time jobs, and may be received only if the gross wages of the full-time jobs created pursuant Section 12-6-3360 amount to a minimum of one hundred twenty percent of the county's or state's average per capita income, whichever is lower. No credit is allowed for the year or any subsequent year in which the net employment increase falls below the minimum level of two. If the taxpayer with ninety-nine or fewer employees increases employment by two or more full-time jobs but the gross wages do not amount to a minimum one hundred twenty percent of the county's or state's average per capita income, whichever is lower, then the amount of the initial job credit is reduced by fifty percent. The taxpayer with ninety-nine or fewer employees eligible for the tax credit may elect to claim the applicable credit in the manner provided pursuant to subsection (B) of Section 12-6-3362 rather than as provided in Section 12-6-3360.

FY 2019-20	\$3,848,000
FY 2020-21	\$3,848,000
FY 2021-22	\$3,848,000

12-6-3410. Corporate Income Tax Credit for Corporate Headquarters - (A) A corporation establishing a corporate headquarters in this State, or expanding or adding to an existing corporate headquarters, is allowed a credit against any tax due pursuant to Section 12-6-530, 12-11-20, or 12-20-50 as set forth in this section. (B) In order to qualify for this credit, each of the following criteria must be satisfied:

3. The qualifying real property costs of the corporate headquarters establishment, expansion, or addition must be at least fifty thousand dollars.
4. The headquarters establishment, expansion, or addition must result in the creation of:
 - a. at least forty new jobs performing headquarters related functions and services or research and development related functions and services. These jobs must be permanent, full-time positions located in this State; and
 - b. at least twenty of the above-referenced new jobs must be classified as headquarters staff employees.

(C) The amount of the credit is equal to twenty percent of the qualifying real property costs.

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

12-6-3415. Tax Credit for Research and Development Expenditures - (A) A taxpayer that claims a federal income tax credit pursuant to Section 41 of the Internal Revenue Code for increasing research activities for the taxable year is allowed a credit against any tax due pursuant to this chapter or Section 12-20-50 equal to five percent of the taxpayer's qualified research expenses made in South Carolina.

FY 2019-20	\$137,500
FY 2020-21	\$137,500
FY 2021-22	\$137,500

12-6-3535. Income Tax Credit for Making Qualified Rehabilitation Expenditures for a Certified Historic Structure - (A)(1) A taxpayer who is allowed a federal income tax credit pursuant to Section 47 of the Internal Revenue Code for making qualified rehabilitation expenditures for a certified historic structure located in this State is allowed to claim a credit against a combination of income taxes and license fees imposed by this title. For the purposes of this section, "qualified rehabilitation expenditures" and "certified historic structures" are defined as provided in the Internal Revenue Code Section 47 and the applicable treasury regulations.

FY 2019-20	\$709,500
FY 2020-21	\$709,500
FY 2021-22	\$709,500

12-6-3587. Solar Energy or Small Hydropower System or Geothermal Tax Credit - (A) There is allowed as a tax credit against the income tax liability of a taxpayer imposed by this chapter an amount equal to twenty-five percent of the costs incurred by the taxpayer in the purchase and installation of a solar energy system, small hydropower system, or geothermal machinery and equipment for heating water, space heating, air cooling, energy-efficient daylighting, heat reclamation, energy-efficient demand response, or the generation of electricity in or on a facility in South Carolina and owned by the taxpayer.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

12-65-30. Textile Rehabilitation Tax Credit - (A) Subject to the terms and conditions of this chapter, a taxpayer who rehabilitates a textile mill site is eligible for either:

1. a credit against real property taxes levied by local taxing entities; or
2. a credit against income taxes imposed pursuant to Chapter 6 and Chapter 11 of this title or corporate license fees pursuant to Chapter 20 of this title, or insurance premium taxes imposed by Chapter 7, Title 38, or any of them.

FY 2019-20	\$1,439,500
FY 2020-21	\$1,439,500
FY 2021-22	\$1,439,500

12-67-140. Abandoned Buildings Revitalization Tax Credit - (A) Subject to the terms and conditions of this chapter, a taxpayer who rehabilitates an abandoned building is eligible for either:

1. a credit against income taxes imposed pursuant to Chapter 6 and Chapter 11 of this title, corporate license fees pursuant to Chapter 20 of this title, taxes on associations pursuant to Chapter 13 of this title, or insurance premium taxes, including retaliatory taxes, imposed by Chapter 7, Title 38, or a combination of them; or
2. a credit against real property taxes levied by local taxing entities.

FY 2019-20	\$431,000
FY 2020-21	\$431,000
FY 2021-22	\$431,000

Insurance Tax Credits

11-45-55. Venture Capital Investment Credit - (A) Each designated investor group shall have the power and authority to borrow funds from lenders and invest those funds in accordance with the provisions of this chapter and its designated investor contract. (B) The authority shall issue tax credit certificates to each lender contemporaneously with each loan made pursuant to this chapter in accordance with any guidelines established by the authority pursuant to Section 11-45-100. The tax credit certificates must describe procedures for the issuance, transfer and redemption of the certificates, and related tax credits. These certificates also must describe the amounts, year, and conditions for redemption of the tax credits reflected on the certificates. Once a loan is made by a lender, the certificate issued to the lender shall be binding on the authority and this State and may not be modified, terminated, or rescinded. The form of the tax credit certificate must be approved by the State Fiscal Accountability Authority.

FY 2019-20	\$6,000,000
FY 2020-21	\$6,000,000
FY 2021-22	\$6,000,000

12-6-3360. Job Tax Credit. - (C)(1) Subject to the conditions provided in subsection (M) of this section, a job tax credit is allowed for five years beginning in year two after the creation of the job for each new full-time job created if the minimum level of new jobs is maintained. The credit is available to taxpayers that increase employment by ten or more full-time jobs, and no credit is allowed for the year or any subsequent year in which the net employment increase falls below the minimum level of ten. The amount of the initial job credit is as follows:

- a. Eight thousand dollars for each new full-time job created in "Tier IV" counties.
- b. Four thousand two hundred fifty dollars for each new full-time job created in "Tier III" counties.
- c. Two thousand seven hundred fifty dollars for each new full-time job created in "Tier II" counties.
- d. One thousand five hundred dollars for each new full-time job created in "Tier I" counties.

(2) This credit is available to small business taxpayers with ninety-nine or fewer employees that increase employment by two or more full-time jobs, and may be received only if the gross wages of the full-time jobs created pursuant Section 12-6-3360 amount to a minimum of one hundred twenty percent of the county's or state's average per capita income, whichever is lower. No credit is allowed for the year or any subsequent year in which the net employment increase falls below the minimum level of two. If the taxpayer with ninety-nine or fewer employees increases employment by two or more full-time jobs but the gross wages do not amount to a minimum one hundred twenty percent of the county's or state's average per capita income, whichever is lower, then the amount of the initial job credit is reduced by fifty percent. The taxpayer with ninety-nine or fewer employees eligible for the tax credit may elect to claim the applicable credit in the manner provided pursuant to subsection (B) of Section 12-6-3362 rather than as provided in Section 12-6-3360.

FY 2019-20	\$1,558,000
FY 2020-21	\$1,562,000
FY 2021-22	\$1,566,000

12-6-3367. Moratorium on Corporate Income and Insurance Premium Taxes for Certain Companies Investing and Creating Jobs in State - (A) A taxpayer creating and maintaining at least one hundred full-time new jobs, as defined in Section 12-6-3360(M), at a facility of a type identified in Section 12-6-3360(M) may petition, utilizing the procedure in Section 12-6-2320(B), for a moratorium on state corporate income taxes imposed pursuant to Section 12-6-530 or insurance premium taxes imposed pursuant to Title 38 for the ten taxable years beginning the first full taxable year after the taxpayer qualifies and ending either ten years from that year or the year when the taxpayer's number of full-time new jobs falls below one hundred, whichever is earlier. For purposes of insurance premium taxes, the petition pursuant to Section 12-6-2320(B) must be made to and approved by the Director of the Department of Insurance.

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

12-6-3415. Tax Credit for Research and Development Expenditures - (A) A taxpayer that claims a federal income tax credit pursuant to Section 41 of the Internal Revenue Code for increasing research activities for the taxable year is allowed a credit against any tax due pursuant to this chapter or Section 12-20-50 equal to five percent of the taxpayer's qualified research expenses made in South Carolina.

FY 2019-20	\$2,003,000
FY 2020-21	\$2,594,000
FY 2021-22	\$3,359,000

12-6-3530. Community Development Tax Credits - (A) A taxpayer may claim as a credit against his state income tax, bank tax, or premium tax liability thirty-three percent of all amounts invested in a community development corporation or in a community development financial institution, as defined in Section 34-43-20(2) or (3).

FY 2019-20	No Estimate
FY 2020-21	No Estimate
FY 2021-22	No Estimate

12-6-3535. Income Tax Credit for Making Qualified Rehabilitation Expenditures for a Certified Historic Structure - (A)(1) A taxpayer who is allowed a federal income tax credit pursuant to Section 47 of the Internal Revenue Code for making qualified rehabilitation expenditures for a certified historic structure located in this State is allowed to claim a credit against a combination of income taxes and license fees imposed by this title. For the purposes of this section, "qualified rehabilitation expenditures" and "certified historic structures" are defined as provided in the Internal Revenue Code Section 47 and the applicable treasury regulations.

FY 2019-20	\$12,488,000
FY 2020-21	\$12,488,000
FY 2021-22	\$12,488,000

12-65-30. Textile Rehabilitation Tax Credit - (A) Subject to the terms and conditions of this chapter, a taxpayer who rehabilitates a textile mill site is eligible for either:

1. a credit against real property taxes levied by local taxing entities; or
2. a credit against income taxes imposed pursuant to Chapter 6 and Chapter 11 of this title or corporate license fees pursuant to Chapter 20 of this title, or insurance premium taxes imposed by Chapter 7, Title 38, or any of them.

FY 2019-20	\$10,702,000
FY 2020-21	\$12,524,000
FY 2021-22	\$14,655,000

12-67-140. Abandoned Buildings Revitalization Tax Credit - (A) Subject to the terms and conditions of this chapter, a taxpayer who rehabilitates an abandoned building is eligible for either:

1. a credit against income taxes imposed pursuant to Chapter 6 and Chapter 11 of this title, corporate license fees pursuant to Chapter 20 of this title, taxes on associations pursuant to Chapter 13 of this title, or insurance premium taxes, including retaliatory taxes, imposed by Chapter 7, Title 38, or a combination of them; or
2. a credit against real property taxes levied by local taxing entities.

FY 2019-20	\$2,191,000
FY 2020-21	\$2,191,000
FY 2021-22	\$2,191,000

38-7-200. Credit Against Premium Tax - (A) A licensed insurer providing full property and casualty coverage, to specifically include wind and hail coverage, to property owners within the area defined in Section 38-75-310(5), including any portion of the area as it may be expanded from time to time pursuant to Section 38-75-460, may claim as a nonrefundable credit against the premium tax imposed by Sections 38-7-20 and 38-7-40 in an amount equal to twenty-five percent of the tax that otherwise is due on the premium written for the property owners for the taxable year.

FY 2019-20	<\$100,000
FY 2020-21	<\$100,000
FY 2021-22	<\$100,000

38-29-160. Showing Certificate of Contribution as Asset; Offset of Write-off Against Tax Liability; Payment of Certain Refunds to State - (1) a member insurer has the right to show a certificate of contribution as an asset in the form approved by the director or his designee pursuant to Section 38-29-80(8) at percentages of the original face amount approved by the director or his designee, for calendar years as follows: one hundred percent for the calendar year of issuance; eighty percent for the first calendar year after the year of issuance; sixty percent for the second calendar year after the year of issuance; forty percent for the third calendar year after the year of issuance; twenty percent for the fourth calendar year after the year of issuance; zero percent for the fifth calendar year after the year of issuance and thereafter. (2) The insurer may offset the amount written off by it in a calendar year under subsection (1) against its premium (or income) tax liability to this State accrued with respect to business transacted in that year.

FY 2019-20	\$9,957,000
FY 2020-21	\$9,957,000
FY 2021-22	\$9,957,000

38-74-80. Tax Exemption and Credits - The pool established pursuant to this chapter is exempt from all taxes and assessments. Any member subject to tax liability imposed by any state statute may take credit for any assessment paid to the pool in the previous year against its premium or income tax payable.

FY 2019-20	<\$100,000
FY 2020-21	\$796,000
FY 2021-22	\$796,000

Savings and Loan Associations Tax

No tax credits were taken by Savings and Loan Associations in FY 2017-18 or FY 2018-19. As such, RFA has no data to forecast future credit estimates and will update this section as data becomes available.

Job Development and Retraining Credits

12-10-80. Job Development Credit - A business that qualifies pursuant to Section 12-10-50(A) and has certified to the council that the business has met the minimum job requirement and minimum capital investment provided for in the revitalization agreement may claim job development credits as determined by this section.

FY 2019-20	\$75,351,000
FY 2020-21	\$82,951,000
FY 2021-22	\$93,849,000

12-10-95. Credit Against Withholding for Retraining; Program Review; Policies and Procedures.- (A)(1) Subject to the conditions in this section, a business engaged in manufacturing or processing operations or technology intensive activities at a manufacturing, processing, or technology intensive facility may claim as a credit against withholding one thousand dollars a year for the retraining of a production or technology first line employee or immediate supervisor who has been continuously employed by the business for a minimum of two years and is a full-time employee, so long as retraining is necessary for the qualifying business to remain competitive or to introduce new technologies.

FY 2019-20	\$1,769,000
FY 2020-21	\$1,769,000
FY 2021-22	\$1,769,000

Electric Power Tax Disposition

12-28-2915. Disposition of Electric Power Tax - (A) Seven million dollars of the taxes collected pursuant to Article 1, Chapter 23, Title 12 must be placed in the account for economic development contained in Section 12-28-2910 for fiscal year 2005-2006, fourteen million dollars for fiscal year 2006-2007, and twenty million dollars for fiscal year 2007-2008 and for each succeeding fiscal year thereafter. (B) Beginning in fiscal year 2007-2008, all taxes collected pursuant to Article 1, Chapter 23, Title 12 in excess of twenty million dollars must be credited to the Department of Transportation which shall:

1. annually distribute fifty percent of the excess to the State Non-Federal Aid Highway Fund; and
2. make an annual contribution from non-state tax sources in an amount equivalent to fifty percent of the excess to the State Highway Account of the South Carolina State Transportation Infrastructure Bank.

FY 2019-20	\$27,904,000
FY 2020-21	\$27,904,000
FY 2021-22	\$27,904,000

Motion Picture Film Rebates

12-62-50. Tax Rebate for Employment of Persons Subject to South Carolina Income Tax Withholdings - (A)(1) The South Carolina Film Commission may rebate to a motion picture production company a portion of the South Carolina payroll of the employment of persons subject to South Carolina income tax withholdings in connection with production of a motion picture. The rebate may not exceed twenty percent of the total aggregate South Carolina payroll for persons subject to South Carolina income tax withholdings, and may not exceed twenty-five percent for South Carolina residents, for persons employed in connection with the production when total production costs in South Carolina equal or exceed one million dollars during the taxable year. The rebates in total may not annually exceed ten million dollars and shall come from the state's general fund. For purposes of this section, "total aggregate payroll" does not include the salary of an employee whose salary is equal to or greater than one million dollars for each motion picture.

FY 2019-20	\$10,000,000
FY 2020-21	\$10,000,000
FY 2021-22	\$10,000,000

12-62-60. Distribution of Admissions Taxes; Rebates to Motion Picture Production Companies; Promotion of Collaborative Efforts Between Institutions of Higher Learning and Motion Picture Related Entities - (A)(1) An amount equal to twenty-six percent of the general fund portion of admissions tax collected by the State of South Carolina for the previous fiscal year must be funded annually by September first to the department for the exclusive use of the South Carolina Film Commission. The department may rebate to a motion picture production company up to thirty percent of the expenditures made by the motion picture production company in the State if the motion picture production company has a minimum in-state expenditure of one million dollars. The distribution of rebates may not exceed the amount annually funded to the department for the South Carolina Film Commission from the admissions tax collected by the State.

FY 2019-20	\$8,468,000
FY 2020-21	\$6,463,000
FY 2021-22	\$6,332,000

Appendix

12-13-20. "Net Income" Defined. - The term "net income", as used in this chapter, means taxable income as determined for a regular corporation in Chapter 6 of this title after deducting all earnings accrued, paid, credited, or set aside for the benefit of holders of savings or investment accounts, any additions to reserves which are required by law, regulation, or direction of appropriate supervisory agencies, and a bad debt deduction. The bad debt deduction allowable for South Carolina income tax purposes is the amount determined under the Internal Revenue Code as defined in §12-6-40. No deductions from income are allowed for any additions to undivided profits or surplus accounts other than herein required, and for the purposes of this chapter, a state-organized association is allowed the same deductions for bad debt reserves as those allowed to federally organized associations. Associations shall maintain the bad debt reserves allowed as a deduction pursuant to this section in accordance with the provisions of the Internal Revenue Code as defined in §12-6-40 and shall keep a permanent record. These provisions are controlling notwithstanding any other provision of law.

Income Tax Rates - Individual

12-6-510. Tax Rates for Individuals, Estates, and Trusts for Taxable Years After 1994 -
(A) For taxable years beginning after 1994, a tax is imposed on the South Carolina taxable income of individuals, estates, and trusts and any other entity except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the following rates with the income brackets indexed in accordance with Section 12-6-520

2019 Tax Computation Schedule

Income	Tax Rate
Not over \$3,030	0 percent times the amount
Over \$3,030 but not over \$6,060	3 percent times the amount less \$91
Over \$6,060 but not over \$9,090	4 percent times the amount less \$152
Over \$9,090 but not over \$12,120	5 percent times the amount less \$242
Over \$12,120 but not over \$15,160	6 percent times the amount less \$364
Over \$15,160	7 percent times the amount less \$515

12-6-545(B)(1)(2). Income Tax Rates for Pass-through Trade and Business Income; Determination of Income Related to Personal Services - (B)(1) Notwithstanding Section 12-6-510, a taxpayer may elect annually to have the income tax at the rate provided in item (2) of this subsection imposed annually on the active trade or business income received by the owner of a pass-through business. For joint returns, the election is effective for both spouses. The amount subject to tax pursuant to this section is not

subject to tax pursuant to Section 12-6-510. (2) The rate of the income tax imposed pursuant to this subsection is 3 percent.

Income Tax Rates - Corporate

12-6-530. Corporate income tax - An income tax is imposed annually at the rate of five percent on the South Carolina taxable income of every corporation, other than those described in Sections 12-6-540 and 12-6-550, and any other entity taxed using the rates of a corporation for federal income tax purposes, transacting, conducting, or doing business within this State or having income within this State, regardless of whether these activities are carried on in intrastate, interstate, or foreign commerce. The terms "transacting", "conducting", and "doing business" include transacting or engaging in any activity for the purpose of financial profit or gain.

Bank Tax Rate

12-11-20. Tax on Income of Banks; Rate. - A tax is imposed upon every bank engaged in business in the State which shall be levied, collected and paid annually with respect to the entire net income of the taxpayer doing a banking business within this State or from the sales or rentals of property within this State, computed at the rate of four and one half per cent of the entire net income of such bank or taxpayer.

12-11-30. Income Tax to be Instead of Other Taxes; Exceptions. - The income tax provided for in this chapter is instead of all other taxes on banks, except the use tax, the deed recording fee, and taxes on real property. The real property of a bank is taxed in the place where it is located.

Insurance Tax Rate

38-7-20. Insurance Premium Taxes; Allocation - (A)(1) In addition to all license fees and taxes otherwise provided by law, there is levied upon each insurance company licensed by the director or his designee an insurance premium tax based upon total premiums, other than workers' compensation insurance premiums, and annuity considerations, written by the company in the State during each calendar year ending on the thirty-first day of December. For life insurance, the insurance premium tax levied herein is equal to three-fourths of one percent of the total premiums written. For all other types of insurance, the insurance premium tax levied in this section is equal to one and one-fourth percent of the total premiums written.

Savings and Loan Associations Tax Rate

12-13-30. Imposition of Tax on Net Income; Rate - Every association located or doing business within this State shall pay an income tax measured by its net income from all sources, except for income from municipal, state, or federal bonds or securities exempted by law from the tax, including interest earned on deposits at the Federal Home Loan Bank of Atlanta, or its successors, for those savings and loan associations which meet the qualified thrift lender test set forth in the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (P.L. 101-73), as amended. The tax is six percent of the net income.

Electric Power Excise Tax Rate

12-23-10. Imposition of Tax; Rate - In addition to all other taxes of every kind imposed by law: (1) every person, except the State, a county, a municipality, or an agency or political subdivision of it, engaged in the business of selling electric power for resale within the State is subject to the payment of an excise, license, or privilege tax of five-tenths of one mill upon each kilowatt hour of electric power sold for resale within the State, except upon such electric power purchased from a vendor, however remote, previously taxed under this subsection. Sales for resale of an electric cooperative to a customer whose sales are taxed under subsection (2) must not be taxed under this subsection; and (2) except a municipality, every public utility and electric cooperative engaged in the business of selling electric power within the State to the ultimate user of the power is subject to the payment of an excise, license, or privilege tax of five-tenths of one mill upon each kilowatt hour sold within the State to the ultimate user, except such electric power purchased from vendors, however remote, taxed under subsection (1).

Data Notes

- Projections for Individual Income Tax Credits and Deductions are based upon 2014- 2019 individual income tax data provided by the Department of Revenue.
- Projections for Corporate Income Tax Credits and Job Development and Retraining Credits are calculated using historical tax data from the Department of Revenue's Annual Report from tax year 2011-2018 and tax return data for 2018.
- Projections for Bank Tax Credits and Savings and Loan Association Tax Credits are based on 2017-2018 tax data provided by the Department of Revenue.
- Projections for Insurance Tax Credits are based on 2016-2019 tax data provided by the Department of Insurance.
- Electric Power Tax Disposition and Motion Picture Film Rebate forecasts are based on Board of Economic Advisors (BEA) revenue data and projections.