



# CORPORATE TAX MORATORIUM

Name \_\_\_\_\_

FEIN \_\_\_\_\_

**THIS IS NOT A TAX CREDIT**

Qualifying Year \_\_\_\_\_ Years Claimed \_\_\_\_\_ Through \_\_\_\_\_ Qualifying County \_\_\_\_\_

**Column A  
Amount**

**Column B  
% of Total Investment  
in SC**

**I. Computation of Required Investment**

- 1. Previous investment in qualifying county \_\_\_\_\_
- 2. New investment in qualifying county \_\_\_\_\_
- 3. Add line 1 and line 2 \_\_\_\_\_
- 4. Investment in non-qualifying counties in South Carolina \_\_\_\_\_
- 5. Add line 3 and line 4 \_\_\_\_\_
- 6. Is the percentage on line 3, Column B at least 90%?  
If you **checked no**, you **do not qualify** for the corporate moratorium.
 

<b>YES</b>	<b>NO</b>
<input type="checkbox"/>	<input type="checkbox"/>

**II. Creation of Jobs**

- 7. Did you create at least 100 new jobs as defined in SC Code Section 12-6-3360(M) in the qualifying year in the qualifying county?
 

<input type="checkbox"/>	<input type="checkbox"/>
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**III. Qualifying County**

- 8. Did you create jobs in a county with an average annual unemployment rate of at least twice the state average during each of the last two completed calendar years, based on the most recent unemployment rates available?
 

<input type="checkbox"/>	<input type="checkbox"/>
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- 9. Did you create jobs in a county which is one of the three lowest per capita income counties, based on the average of the three most recent years of available average per capita income data?  
If you **checked no** on lines 7, 8, or 9, you **do not qualify** for the corporate moratorium under SC Code Section 12-6-3367.
 

<input type="checkbox"/>	<input type="checkbox"/>
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**IV. Moratorium Computation**

- 10. Tax liability before moratorium \$ \_\_\_\_\_
- 11. Company's new investment percentage in qualifying county from line 2, Column B x \_\_\_\_\_
- 12. Moratorium reduction (multiply line 10 by line 11)  
Enter this amount on SC1120TC. \$ \_\_\_\_\_

If you create at least 100 new full-time jobs within five years from the date you create the first new full-time job at the facility, the moratorium period is 10 years. If you create at least 200 new full-time jobs within five years from the date you create the first new full-time job at the facility, the moratorium period is 15 years. If the number of new jobs drops below the qualifying rate (100 or 200), the moratorium no longer applies. You must have hired your first new full-time employee on or after May 31, 2006 to be eligible for either the 10 year or 15 year moratorium.

Number of new jobs in qualifying year \_\_\_\_\_ Number of new jobs maintained in current year \_\_\_\_\_

## INSTRUCTIONS

**This is not a tax credit.**

SC Code Section 12-6-3367 is effective May 31, 2006. If you did not create your first job on or after May 31, 2006, you do not qualify for the Corporate Tax moratorium. Read the full code section at [dor.sc.gov/policy](http://dor.sc.gov/policy).

A moratorium reduction may be claimed by a taxpayer who:

1. creates and maintains at least 100 new full-time jobs at a qualified facility (see SC Code Section 12-6-3360(M) at [dor.sc.gov/policy](http://dor.sc.gov/policy) for definitions);
2. files TC-34 for a moratorium on state Corporate Income Tax;
3. creates the new jobs at a manufacturing facility in a county that has an average annual unemployment rate of at least twice the state average during each of the last two completed calendar years, or is one of the three lowest per capita income counties;
4. creates the new jobs within 5 years from the date the first new full time job is created; and
5. places the investment in the county in which at least 90% of the taxpayer's total investment in South Carolina is located.

Average unemployment rate is based on the most recent unemployment rates available. The per capita income is based on the average of the three most recent years of available average per capita income data.

The moratorium begins the first full taxable year after the company first qualifies. It ends either 10 years from that year or in the year the taxpayer's number of full-time jobs falls below 100, whichever is earlier. The moratorium applies to the portion of the company's Corporate Income Tax that represents the ratio that the company's new investment in that moratorium county is of its total investments in this state.

If a taxpayer creates and maintains at least 200 new full-time jobs within five years from the creation of the first new full-time job, then the moratorium period is extended to 15 taxable years. The extended moratorium period lasts 15 years or until the year when the taxpayer's number of full-time new jobs falls below 200, whichever is earlier.

The moratorium counties are designated by December 31 each year using data from the South Carolina Department of Employment and Workforce and the United States Department of Commerce. The designations are effective for taxable years that begin in the following calendar year.

If you file by paper, attach to your Corporate Income Tax return. If you file electronically, keep a copy with your tax records.

### **Social Security Privacy Act Disclosure**

It is mandatory that you provide your Social Security Number on this tax form if you are an individual taxpayer. 42 U.S.C. 405(c)(2)(C)(i) permits a state to use an individual's Social Security Number as means of identification in administration of any tax. SC Regulation 117-201 mandates that any person required to make a return to the SCDOR must provide identifying numbers, as prescribed, for securing proper identification. Your Social Security Number is used for identification purposes.

### **The Family Privacy Protection Act**

Under the Family Privacy Protection Act, the collection of personal information from citizens by the SCDOR is limited to the information necessary for the SCDOR to fulfill its statutory duties. In most instances, once this information is collected by the SCDOR, it is protected by law from public disclosure. In those situations where public disclosure is not prohibited, the Family Privacy Protection Act prevents such information from being used by third parties for commercial solicitation purposes.