



CLEAN ENERGY CREDIT

Attach to your Income Tax Return

Name As Shown On Tax Return

SSN or FEIN

- 1. Enter the amount of credit certified by the Department of Revenue 1. \$ _____
- 2. Credit carried forward from previous years 2. \$ _____
(Unused credits may be carried forward for 15 years.)
- 3. Add lines 1 and 2 3. \$ _____
- 4. Annual credit limit 4. \$ **\$500,000.00**
- 5. Enter your current year tax liability 5. \$ _____
- 6. Enter the smallest of lines 3, 4 and 5 6. \$ _____
This is the amount of credit you may use in the current year.
- 7. Line 3 minus line 6 7. \$ _____
Unused credits may be carried forward for 15 years. No more than \$5 million is allowed for all years.

General Information

For tax years beginning after 2013, a business or corporation may apply for certification of a nonrefundable credit against income tax in the amount of 10% of its qualifying investment in this State for clean energy operations. A taxpayer may separately qualify for new facilities in separate locations or for separate expansions of existing facilities located in this State.

A taxpayer's total credit for all expenditures allowed pursuant to this section must not exceed \$500,000 for any year or \$5 million total for all years.

Unused credits may be carried forward for 15 years after the tax year in which a qualified expenditure was made.

The credits authorized by this section are in lieu of any other applicable income tax credits or abatements allowed by state law, and in the event of an overlap or conflict in available credits or abatements to a taxpayer, the taxpayer must select the credit or abatement he desires in the manner prescribed by the Department of Revenue to the extent the credits or abatements conflict or overlap.

Certification by the Department of Revenue is required before claiming this credit.

By January 31st, the taxpayer must file a **TC-54A** credit application with the Department of Revenue to obtain certification of credit for all qualifying expenses incurred in the previous calendar year. By March 1st, the Department will notify the taxpayer of the amount of credit allocated to the taxpayer. The taxpayer may claim the credit for its tax year that includes December 31st of the previous calendar year.

For any credit awarded after tax year 2014, a taxpayer must notify the Department in writing that it intends to claim the credit.

- 1) **“Capital investment”** means an expenditure to acquire, lease, or improve property that is used in operating a business, including land, buildings, machinery, and fixtures.
- 2) **“Manufacturing”** means fabricating, producing, or manufacturing raw or unprepared materials into usable products, imparting new forms, qualities, properties, and combinations. Manufacturing does not include generating electricity for off-site consumption.
- 3) **“Qualifying investment”** means investment in land, buildings, machinery, and fixtures for expansion of an existing facility or establishment of a new facility in this State. Qualifying investment does not include relocating an existing facility in this State to another location in this State without additional capital investment.
- 4) **“Clean energy operations”** are limited to manufacturers of systems or components that are used or useful in manufacturing or operation of clean energy equipment for the generation, storage, testing and research and development, and transmission or distribution of electricity from renewable sources, including specialized packaging for the clean energy equipment manufactured at the facility. A clean energy operation does not include generating electricity for off-site consumption.

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 SC Department of Revenue shall 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 Department of Revenue is limited to the information necessary for the Department to fulfill its statutory duties. In most instances, once this information is collected by the Department, 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.