
State of South Carolina
Department of Revenue
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Website Address: <http://www.sctax.org>

SC INFORMATION LETTER #03-4

SUBJECT: Corporate Tax Moratoriums - Qualifying Counties
Fee In Lieu of Property Taxes - Reduced Investment Counties

DATE: March 21, 2003

SUPERSEDES: All previous documents and any oral directives in conflict herewith.

REFERENCE: S. C. Code Ann. Section 12-10-35 (Supp. 2002)
S. C. Code Ann. Section 12-6-3365 (Supp. 2002)
S. C. Code Ann. Section 4-12-30 (Supp. 2002)
S. C. Code Ann. Section 12-44-30(14) (2002)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (2000)
SC Revenue Procedure #03-1

SCOPE: An Information Letter is a written statement issued to the public by the Department to announce general information useful in complying with the laws administered by the Department. **An Information Letter has no precedential value, and is not binding on the public or the Department.**

INTRODUCTION

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

The purpose of this Information Letter is to provide county designations for purposes of counties qualifying for the corporate tax moratoriums and counties qualifying for the reduced fee in lieu of property tax investment.

CORPORATE TAX MORATORIUMS - Qualifying Counties

MORATORIUM #1: South Carolina Code Section 12-10-35 grants a 10 year moratorium (15 years in certain cases) on corporate income taxes for qualifying taxpayers in a county with average unemployment of at least twice the State average based on the two most recent calendar years of data available on November 1 of the preceding year, or in a county with one of the three lowest per capita incomes based on the average of the three most recent years of average per capita income data.

For 2003, the following counties qualify for the corporate tax moratorium under South Carolina Code Section 12-10-35. (Note: This section is repealed effective July 1, 2003, however, the repeal does not affect any moratorium in effect on that date.)

Dillon	Marlboro
Fairfield	McCormick
Jasper	Orangeburg
Lee	Williamsburg
Marion	

MORATORIUM #2: South Carolina Code Section 12-6-3365 grants a 10 year moratorium (15 years in certain cases) on corporate income taxes for qualifying taxpayers in a county with average unemployment of at least twice the State average during the last two completed calendar years based on the most recent unemployment rates available, or in a county with one of the three lowest per capita incomes based on the average of the three most recent years of average per capita income data.

For 2003, the following counties qualify for the corporate tax moratorium under South Carolina Code Section 12-6-3365. (Note: This section is repealed effective July 1, 2005, however, the repeal does not affect any moratorium in effect on that date.)

Fairfield	Marlboro
Jasper	McCormick
Lee	Union
Marion	Williamsburg

FEE IN LIEU OF PROPERTY TAXES - Reduced Investment Counties

The minimum required investment necessary to qualify for the fee in lieu of property tax under the “Little Fee,” provided in South Carolina Code Section 4-12-30(B)(3), and the “Simplified Fee,” provided in South Carolina Code Section 12-44-30(14), is \$5 million. This investment amount, however, is reduced to \$1 million for a company investing in a county with an average annual unemployment rate of at least twice the State average during each of the last two completed calendar years.

For 2003, the following counties qualify for the \$1 million minimum investment under the “Little Fee” and the “Simplified Fee.”

Fairfield	McCormick
Marion	Union
Marlboro	Williamsburg