
State of South Carolina
Department of Revenue
300A Outlet Pointe Blvd., P. O. Box 12265, Columbia, South Carolina 29211
Website Address: <http://www.sctax.org>

SC INFORMATION LETTER #12-19 (Revised)

SUBJECT: Job Tax Credit - County Rankings for 2012
Fee in Lieu of Property Taxes – Reduced Investment Counties
Tax Moratorium – Qualifying Counties

DATE: December 17, 2012; Revised March 21, 2013

REFERENCE: S. C. Code Ann. Section 12-6-3360 (Supp. 2011)
S. C. Code Ann. Section 12-6-3367 (Supp. 2011)
S. C. Code Ann. Section 12-44-30 (Supp. 2011)
S. C. Code Ann. Section 4-12-30 (Supp. 2011)
S. C. Code Ann. Section 4-29-67 (Supp. 2011)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (2000)
SC Revenue Procedure #09-3

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

NOTE: This Information Letter (IL #12-19) was revised on March 21, 2013 to add “Ranking List #2 - For Transitional Purposes” that provides job tax credit county rankings of each county for use by certain taxpayers claiming a job tax credit under the rules that existed prior to the statutes amendment effective January 1, 2011.

INTRODUCTION

The job tax credit, the tax moratorium, and the reduction in the minimum required fee in lieu of property tax investment are dependent, in part, on per capita income and unemployment rate data received from the South Carolina Employment Security Commission and Budget and Control Board. The purpose of this advisory opinion is to provide the county rankings for purposes of the job tax credit, counties qualifying for the tax moratorium, and counties qualifying for the reduced fee in lieu of property tax.

JOB TAX CREDIT – County Rankings

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

Ranking List #1 - For new, full time jobs created in tax years that begin in 2012, where the job tax credit was first earned on or after January 1, 2012, and increases in such jobs. As required by statute, the Department has ranked South Carolina’s counties as “Tier IV,” “Tier III,” “Tier II,” and “Tier I” for computation of the new job tax credit with equal weight given to unemployment rate and per capita income.

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

Ranking List #2 – For Transitional Purposes: For increases in new, full time jobs created in tax years that begin in 2012, where the job tax credit was first earned before January 1, 2011. As required by statute, the Department has ranked South Carolina’s counties as “distressed,” “least developed,” “under developed,” “moderately developed,” and “developed” for computation of the new job tax credit based on unemployment rate and per capita income and then adjusted in accordance with applicable special rules in South Carolina Code Sections 12-6-3360(B) and 12-6-3360(L), as they existed prior to the amendment of Code Section 12-6-3360 effective January 1, 2011.

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

TAX MORATORIUM – Qualifying Counties

South Carolina Code Section 12-6-3367, in part, grants a 10 year moratorium (15 years in certain cases) on corporate income taxes or insurance premium taxes for qualifying taxpayers in a county with an average annual unemployment rate of at least twice the State average during each of the last two completed calendar years, based on the most recent unemployment rates available, or in a county with one of the three lowest per capita incomes based on the average of the three most recent years of available average per capita income data. The moratorium begins the first full taxable year after the taxpayer qualifies in a county designated as a moratorium county.

For 2012, the following counties have been designated moratorium counties under South Carolina Code Section 12-6-3367.

Allendale
Lancaster
Marlboro

FEE IN LIEU OF PROPERTY TAXES - Reduced Investment Counties

The minimum required investment necessary to qualify for the fee in lieu of property taxes is \$2.5 million for the “Little Fee” and “Simplified Fee,” and \$45 million for the “Big Fee.” See South Carolina Code Sections 4-12-30(B)(3), 12-44-30(14), and 4-29-67, respectively. This investment amount, however, is reduced to \$1 million for a company investing in a county with an average annual unemployment rate of at least twice the State average during each of the last 24 months, based on data available on November 1.

For 2012, no county qualifies for the \$1 million minimum investment under the “Little Fee,” “Simplified Fee,” and “Big Fee.”