



## Application for Angel Investor Credit I SC SCH. TC-56A

Revised 12/18/2023

File online at [MyDORWAY.dor.sc.gov](https://MyDORWAY.dor.sc.gov).

Angel Investor applicants must submit the Application for Angel Investor Credit using MyDORWAY, our secure online tax portal at [MyDORWAY.dor.sc.gov](https://MyDORWAY.dor.sc.gov), by December 31, 2024. If you do not have a MyDORWAY account, get started at [dor.sc.gov/MyDORWAY-signup](https://dor.sc.gov/MyDORWAY-signup). The SCDOR recommends you create a MyDORWAY logon as soon as possible to avoid delays in your submission.

If you are an individual and have not previously filed a South Carolina Individual Income Tax return, you will need to request a Letter ID to set up your MyDORWAY account:

1. Download the Tax Registration Application (SCDOR-111) at [dor.sc.gov/forms](https://dor.sc.gov/forms) and complete only the sections and fields listed below:
  - Section A:
    - Type of ownership (Sole Proprietor/SC Resident/Non-Resident/Year & months lived in SC)
    - ID type (required)
    - SSN
    - Business names
    - Your first and last name
  - Section C:
    - Mailing address
  - Section H:
    - Contact name
    - Phone number
    - Email
  - Section I:
    - Signatures and date signed
2. Email your SCDOR-111 to [TaxTech@dor.sc.gov](mailto:TaxTech@dor.sc.gov) to request your Letter ID and use "Letter ID for Angel Investor Credit" as the subject line.
3. Once we receive your SCDOR-111 and request for a Letter ID, the SCDOR will mail you your Letter ID. If we need additional information we will send you an email.

If you are an entity and have not previously filed a South Carolina Income Tax Return for your business, you will need to request a Letter ID to set up your MyDORWAY account.

1. Download the Tax Registration Application (SCDOR-111) at [dor.sc.gov/forms](https://dor.sc.gov/forms) and complete it in full.
2. Email your SCDOR-111 to [TaxTech@dor.sc.gov](mailto:TaxTech@dor.sc.gov) to request your Letter ID and use "Letter ID for Angel Investor Credit" as the subject line.
3. Once we receive your SCDOR-111 and request for a Letter ID, the SCDOR will mail you your Letter ID. If we need additional information we will send you an email.

### Application Instructions

- Log in to MyDORWAY and select the **Accounts** tab.
- Scroll to your Individual Income, Corporate, or Partnership Tax account and click **More Account Options**.
- Select **Apply for an Angel Investor Credit**.

### Credit requirements:

- You must be an individual or pass-through entity only. Non-grantor trusts and corporations are not eligible for this credit.
- You must qualify as an Angel Investor under the criteria of accredited investors.
- You must have made a qualified investment in 2024.
- You must provide the date, investment amount, and name of the qualified business that you invested in.
- You must specify if your cash investment was a purchase of equity stock shares or equity rights, or if the cash investment was a purchase of subordinated debt.
- **Pass-through entities:** Only members, partners, and shareholders who are individuals are eligible for the Angel Investor Credit. Each member, partner, and shareholder must qualify as an accredited investor.
- **Pass-through entities:** You must make an irrevocable election with the SCDOR as to the method the credit will be allocated.
- The total amount of credit allowed an individual for one or more qualified investments in a single taxable year, whether made directly or by a pass-through entity and allocated to an individual, must not exceed \$100,000.
- If the credit amounts of all applications received by the SCDOR exceed \$5 million, then the SCDOR must allocate the credit on a pro rata basis among the Angel Investors who filed a timely application.

### Questions? We're here to help

- Log in to MyDORWAY, select the **More** tab, then click **Send the SCDOR a Message**.
- Find MyDORWAY tutorials and instructions at [MyDORWAY.dor.sc.gov](https://MyDORWAY.dor.sc.gov).