



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
SOLAR ENERGY
PROPERTY CREDIT

Name

SSN or FEIN

If credit was received from a pass-through entity, name and FEIN of entity

Credit calculation: Year ____ of 5. Attach a copy of the credit approval letter from SCDOR. If you are taking an installment after the year the credit is first earned, begin with line 5.

- 1. Total cost of solar energy property 1. \$ _____
2. Credit calculation (multiply line 1 by 25%)..... 2. \$ _____
3. Credit limit..... 3. \$ _____
(Enter \$2,500,000 for installations placed in service before December 31, 2021. Enter \$5,000,000 for installations placed in service after December 31, 2021.)
4. Available credit (lesser of line 2 or line 3) 4. \$ _____
5. Annual installment (multiply line 4 by 20% or use installment amount from prior year)..... 5. \$ _____
6. Credit carryforward from previous years 6. \$ _____
7. Current year credit available (add line 5 and line 6) 7. \$ _____
8. Current year tax liability 8. \$ _____
9. Allowable credit (lesser of line 7 or line 8) 9. \$ _____
10. Credit carryforward (subtract line 9 from line 7) 10. \$ _____
Unused credits can be carried forward for five years

INSTRUCTIONS

The Solar Energy Property Credit is available to taxpayers constructing, purchasing, or leasing nonresidential solar energy property located in South Carolina and placed in service in this state. The credit is only available for property located on:

- The Environmental Protection Agency's (EPA) National Priority List
• The EPA's National Priority List Equivalent Sites
• A list of related removal actions as certified by the Department of Health and Environmental Control (DHEC)
• Land subject to a Voluntary Cleanup Contract with DHEC or to corrective action under the Federal Resource Conservation and Recovery Act of 1976
• Land owned by the Pinewood Site Custodial Trust

If you are installing solar property in a location that does not qualify for this credit, you may qualify for the Solar Energy Credit taken on SC SCH TC-38 instead.

Use the SC SCH TC-58A to apply for the credit with the SCDOR. Once the application process is complete, we will send you a letter approving your eligibility for the credit. Include a copy of the SCDOR approval letter with your return claiming the credit.

Credit limits:

- The credit for each installation of solar energy property placed in service before December 31, 2021 may not exceed \$2.5 million.
- The credit for each installation of solar energy property placed in service after December 31, 2021 may not exceed \$5 million.

The credit is allowed on a first-come, first-served basis.

The total amount of credits available to be taken, based on the five equal annual installments claimed by all taxpayers in a taxable year, may not exceed \$2.5 million in a tax year.

The credit is earned in the year the property is placed in service. It is taken in five equal annual installments beginning with the year the property is placed in service. If you are taking an installment after the year the credit is first earned, do not complete line 1 through line 4 of the SC SCH TC-58. Begin by entering the annual installment amount on line 5. Unused credit may be carried forward for five additional tax years.

For property placed in service after 2019, Partnerships or LLCs taxed as partnerships may pass the credit through to their partners or members. The credit may be allocated to partners or members on an annual basis including, without limitation, an allocation of the entire credit to any partner or member who was a member or partner at any time in the year the credit is allocated.

If you are receiving the credit from a pass-through entity, enter the name and FEIN of the entity. On line 5, enter the amount you received from the entity as shown on your SC K-1. You do not need to complete line 1 through line 4, and you do not need to provide a copy of the approval letter. The approval letter should be included with the pass-through entity's return claiming the original credit.

If you file by paper, attach to your 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.