
State of South Carolina
Department of Revenue
301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

SC REVENUE RULING #99-11

- SUBJECT:** Per Capita Income Figures for State and Counties
(Income Tax)
- EFFECTIVE DATE:** Applies to all periods open under the statute.
- SUPERSEDES:** All previous documents and any oral directives in conflict
herewith.
- REFERENCE:** S. C. Code Ann. Section 12-6-3360(M)(13)(Supp. 1998)
S. C. Code Ann. Section 12-6-3410(D)(2) (Supp. 1998)
- AUTHORITY:** S. C. Code Ann. Section 12-4-320 (Supp. 1998)
SC Revenue Procedure #97-8
- SCOPE:** A Revenue Ruling is the Department of Revenue’s official
advisory opinion of how laws administered by the Department
are to be applied to a specific issue or a specific set of facts, and
is provided as guidance for all persons or a particular group. It is
valid and remains in effect until superceded or modified by a
change in the statutes or regulations or a subsequent court
decision, Revenue Ruling or Revenue Procedure.

Taxpayers that operate “qualified service-related facilities” are eligible for the South Carolina job tax credit contained in Code Section 12-6-3360 if they create a certain number of jobs. In most cases, those jobs must pay a certain percentage above the per capita income for the county in which the jobs will be located in order for the taxpayer’s facility to qualify as a qualified service-related facility.

The South Carolina headquarters credit contained in Code Section 12-6-3410 provides a credit equal to 20% of the personal property costs incurred in constructing a headquarters if a corporation meets certain investment and job requirements as well as certain per capita income requirements with respect to employees employed at the headquarters and throughout the State. This document provides taxpayers with the per capita income figures for the State and for each county within the State in order that a taxpayer may determine if it has met the requirements of either Code Section 12-6-3360(M)(13) or 12-6-3410(D)(2).

The South Carolina Job Tax Credit

The South Carolina job tax credit, Code Section 12-6-3360(M)(13), reads in relevant part:

“Qualified service-related facility” means:

...(b) a business, other than a business engaged in legal, accounting, or investment services or retail sales, which has a net increase of at least:

- (i) two hundred and fifty jobs at a single location;
- (ii) one hundred twenty-five jobs at a single location and the jobs have an average cash compensation level of more than one and one-half times the per capita income in the county where the jobs are located;
- (iii) seventy-five jobs at a single location and the jobs have an average cash compensation level of more than twice the per capita income in the county where the jobs are located; or
- (iv) thirty jobs at a single location and the jobs have an average cash compensation level of more than two and one-half times the per capita income in the county where the jobs are located.

A taxpayer shall use the most recent per capita income data available as of the end of the taxable year in which the jobs are filled. Determination of the required number of jobs is in accordance with the monthly average described in subsection (F).

A taxpayer must use the most recent per capita income information available as of the last day of the taxpayer’s taxable year in which the jobs have been filled. For example, if the taxpayer is qualifying as a “qualified service related facility” and plans to pay its employees one and a half times the per capita income of the county where the facility is located and the taxpayer is a calendar year taxpayer, the taxpayer should use the per capita income information available as of December 31st (last day) of the taxable year in which the 125th person (based on the monthly average) is hired to determine if the employees have been paid an average cash compensation level of one and one-half times the per capita income of the county. The taxpayer must retain the required number of jobs with the appropriate average cash compensation for the entire taxable year, and for each taxable year for which the credit is claimed.

The Board of Economic Advisors usually receives the information concerning county per capita income once a year, usually in May. Once the Board of Economic Advisors receives this information, it forwards this information to the South Carolina Department of Revenue. Accordingly, the following are the per capita income amounts for each of the counties in this State as of June 1, 1999 that should be used for determining whether a taxpayer has met the per capita income requirements contained in Code Section 12-6-3360(M)(13):

County	Per Capita Income
Abbeville	\$17,102
Aiken	\$21,117
Allendale	\$14,371
Anderson	\$20,044
Bamberg	\$15,344
Barnwell	\$19,141
Beaufort	\$25,599
Berkeley	\$15,147
Calhoun	\$17,112
Charleston	\$21,670
Cherokee	\$17,626
Chester	\$16,279
Chesterfield	\$16,948
Clarendon	\$14,365
Colleton	\$16,017
Darlington	\$18,582
Dillon	\$15,765
Dorchester	\$19,013
Edgefield	\$16,576

Fairfield	\$17,301
Florence	\$20,622
Georgetown	\$20,173
Greenville	\$24,761
Greenwood	\$20,981
Hampton	\$16,597
Horry	\$21,185
Jasper	\$16,153
Kershaw	\$19,383
Lancaster	\$18,638
Laurens	\$19,773
Lee	\$12,512
Lexington	\$22,771
McCormick	\$14,571
Marion	\$15,716
Marlboro	\$14,567
Newberry	\$18,273
Oconee	\$21,349
Orangeburg	\$17,446
Pickens	\$19,459
Richland	\$23,874
Saluda	\$18,376
Spartanburg	\$21,182
Sumter	\$16,883
Union	\$16,829
Williamsburg	\$13,734

York	\$22,414
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The South Carolina Headquarters Credit

The personal property credit which is a component of the headquarters credit contained in Code Section 12-6-3410, provides in relevant part:

...(D) A headquarters establishment, expansion, or addition which meets the criteria of subsection (B) of this section is entitled to an additional credit equal to twenty percent of cost for tangible personal property if the following conditions are met:

...(2) The establishment, expansion, or addition of a corporate headquarters or research and development facility must result in:

(a) the creation of at least seventy-five new full-time jobs performing either:

(i) headquarters related functions and services; or

(ii) research and development related functions and services.

The jobs must have an average cash compensation level of more than one and one-half times the per capita income of this State based on the most recent per capita income data available as of the end of the taxpayer's taxable year in which the jobs are filled; and

(b) an average South Carolina employee cash compensation level for all employees in this State of more than twice the per capita income in the State based on the most recent per capita income data available as of the end of the taxpayer's taxable year in which the jobs are filled.

A taxpayer must use the most recent per capita income information available as of the last day of the taxpayer's taxable year in which the jobs have been filled. For example, for the personal property component of the headquarters credit if the taxpayer is a calendar year taxpayer, the taxpayer should use the State per capita income figure available as of December 31st (last day) of the taxable year in which the seventy-fifth employee is hired in determining if the employees have been paid an average cash compensation level of one and one-half and twice the State average.

Pursuant to Code Section 12-6-3410, no credit may be claimed for a taxable year during which the taxpayer fails to meet the qualifying employment requirements provided in

Code Section 12-6-3410. Further, the carryforward period continues to run for any year in which the credit may not be claimed for failure to meet the employment requirements and thus, there is no extension of the carryforward period. Therefore, for any year in which the taxpayer wishes to claim the credit (including the fifteen year carryforward period) the taxpayer must have maintained the required employment levels and have met the per capita income requirements contained in the statute.¹

The information on the State per capita income is generally made available twice a year, usually in May and October. The following is the current State per capita income which should be used in determining if a taxpayer has met the requirements of Code Section 12-6-3410(D)(2).

State of South Carolina \$20,508

The Department of Revenue will publish information concerning the per capita income figures for counties and for the State after it becomes available from the Board of Economic Advisors. If you have questions about this revenue ruling, you may call Jerilynn VanStory at (803)898-5151.

SOUTH CAROLINA DEPARTMENT OF REVENUE

s/Elizabeth A. Carpentier
Elizabeth A. Carpentier, Director

Columbia, South Carolina
September 10, 1999

¹Note, a taxpayer may claim the credit for a taxable year in the unextended carryforward period if the taxpayer re-qualifies for the credit by meeting the employment requirements during that taxable year.