

INFORMATION GUIDE

Tax Appeal Procedures for State Tax Assessments and License Revocations (Other Than Property Tax)



**South Carolina
Department of Revenue**

CID-6 (Rev. 8/17/07) 9003

PURPOSE

This information guide explains the South Carolina Tax Appeals Procedure for proposed tax assessments and revocations.

I. Initial Process

A. When a division of the Department of Revenue (Department) determines you owe additional taxes, it will mail or deliver to you a proposed assessment.

B. The proposed tax assessment is the first written notice you receive that says you owe or requests that you pay additional taxes, interest, or penalties. The term "proposed assessment" does not include the auditor's work papers or draft audit reports. If you disagree with a proposed assessment, you are entitled to appeal the findings using the following procedures.

C. If you agree with the proposed assessment, the amount due should be paid on or before the due date of the proposed assessment to avoid additional interest and penalties, if applicable.

If you cannot pay, you may request to enter into an installment payment agreement. An installment payment agreement will allow you to pay over an agreed period of time. You may contact the district manager of the Taxpayer Service Center nearest you for additional information about installment agreements.

D. You may agree with portions of the proposed assessment and disagree with others. The portion of the assessment with which you agree may be paid to avoid additional interest and penalties, and the remainder can be appealed.

E. If you disagree with part or all of the proposed assessment, you may appeal by sending a written protest within 90 days from the date on the proposed assessment to the address on the proposed assessment. The written protest must contain:

1. your name, address, and telephone number;
2. the appropriate taxpayer identification number or numbers;
3. the tax period or date for which the tax was proposed;
4. the nature and kind of tax in dispute;
5. a statement of facts supporting your position; and
6. a statement outlining the reasons for the appeal, including any law or other authority upon which you rely.

You do not need to provide legal or other authority, as provided in item 6, if the total amount of the proposed assessment is less than \$2,500.00, unless you are a partnership, a "S" corporation, an exempt organization, or an employee plan and the proposed tax is imposed by Chapters 6, 11, or 13 of Title 12.

F. The Department may extend the time for filing a protest at any time before the period has expired.

II. Review By The Department of Revenue

A. After you appeal, you will be offered a conference with the person who issued your proposed assessment, and if requested, that person's supervisor. The purpose of the conference is to give you a better understanding of the facts and issues and to also afford you the opportunity to present additional information. At the Department's discretion, the conference may be conducted by telephone. After the conference, if your protest is not resolved, your file will be transferred to the Department's Office of General Counsel for Litigation.

B. The General Counsel's Office for Litigation will review your file and prepare a written Department Determination addressing the issues raised by your appeal. Once the Department's Director approves the Determination, it will be mailed to you.

III. Contested Case Hearing Before The Administrative Law Court

A. You can request a contested case hearing before the Administrative Law Court if you disagree with the Department Determination.

B. The request for a contested case hearing must be made in writing within 30 days after the date of the Determination.

C. The rules of the Administrative Law Court will control from this point forward.

D. A final assessment will be sent to you for payment, if you do not request a contested case hearing within 30 days.

IV. License Revocation

A. The Department may deny or revoke any license issued by the Department for failure to pay taxes or certain regulatory violations.

B. Notice will be sent to you if a division of the Department proposes to deny or revoke your license.

C. You can appeal the denial or revocation by filing a written protest with the Department within 90 days of the notice. The written protest must contain:

1. your name, address, and telephone number;
2. the appropriate taxpayer identification number or numbers, if any;
3. the kind of license in dispute;
4. a statement of facts supporting your position;
5. a statement outlining the reasons for the appeal, including any law or other authority upon which you rely.

D. If your protest involves a failure to pay taxes, your written protest should be filed with the Department's District Manager who signed the denial or revocation. The District Manager will transfer the matter to the Department's Office of the General Counsel if it cannot be resolved. The matter will then be handled in the manner describe in Section II. B. of this Information Guide.

E. If your protest involves a regulatory violation of the alcoholic beverage laws, bingo laws, or other coin operated devices provisions, your written protest should be filed with the Department of Revenue's Regulatory Division.

F. You can request a contested case hearing before the Administrative Law Court if you disagree with the Department Determination. The request must be made in writing within 30 days after the date of the Determination. The rules of the Administrative Law Court will control from this point forward.