



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
2020 TUITION TAX CREDIT

STUDENT ELIGIBILITY FOR TUITION TAX CREDIT

Did the student receive a high school diploma from one of the following?

- a SC high school
- a high school homeschool program in SC in the manner required by law
- a preparatory high school outside SC while being a dependent of a parent or guardian who is a legal SC resident

NO → NOT ELIGIBLE

YES ↓

Month and year student received their high school diploma: _____
Did the student receive this diploma during or after May 2015?

NO → NOT ELIGIBLE

YES ↓

Month and year the student first enrolled in a qualifying college or university: _____
(see instructions for a complete list of qualifying colleges and universities)
Was this enrollment within 12 months after graduating from high school?

NO → NOT ELIGIBLE

YES ↓

Did the student qualify for in-state tuition during the tax year?

NO → NOT ELIGIBLE

YES ↓

Was the student admitted, enrolled, and classified as a degree-seeking undergraduate, or was the student enrolled in a certificate or diploma program of at least one year?

NO → NOT ELIGIBLE

YES ↓

How many credit hours did the student complete in 2020? _____
Is it at least 30 credit hours or 30 equivalent hours?

NO → NOT ELIGIBLE

YES ↓

Did the student attend one semester, Spring or Fall, but not both, and complete at least 15 credit hours?

NO ↓

Did the student attend one semester, Spring or Fall, but not both at Converse or Wofford and complete the required equivalent hours?

NO ↓

Did the student complete the required equivalent hours approved by the authorized Disability Service Provider at the qualifying institution?

NO → NOT ELIGIBLE

YES ↓

Did the student earn credit hours after four years from the date the student first enrolled in a qualifying college or university? Answer NO if additional time was granted due to medical necessity.

YES → NOT ELIGIBLE

NO ↓

Was the student in default on a student loan? Answer NO if the loan was paid in full.

YES → NOT ELIGIBLE

NO ↓

Did the student receive a LIFE or Palmetto Fellows Scholarship for all semesters attended?

YES → NOT ELIGIBLE

NO ↓

Has the student ever been found guilty of any felonies? Answer NO if the record has been expunged.

YES → NOT ELIGIBLE

NO ↓

Was the student found guilty of any alcohol or drug related misdemeanor during the year?

YES → NOT ELIGIBLE

NO ↓

ELIGIBLE FOR TUITION TAX CREDIT



dor.sc.gov



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Complete one I-319 for each student. Attach form to the SC1040.

I-319
(Rov. 10/13/20)
3350

Name of taxpayer

Social Security Number

Select one of the following:

Student [] Parent [] Legal Guardian [] Other person eligible to claim student as a dependent []

Did you pay the tuition? Yes [] No []

Did the student receive the LIFE or Palmetto Fellows Scholarship? Yes [] No [] If yes, [] Spring 2020 [] Fall 2020

Form with fields for Student's first name and middle initial, Student's last name, Student's Social Security Number, Name of high school, Name of qualified college or university in which student was first enrolled, Name of qualified college or university attended during the tax year, and Month/Year graduated/enrolled.

Credit Hours and Tuition Information:

See instructions for semester hours requirements and qualifying tuition definitions.

Table with 5 columns: Spring Term, Summer Term, Fall Term, Interim, Total. Rows include: 1. Number of semester hours completed during tax year, 2. Qualified tuition paid, 3. Tuition limit for 4-year independent college or university, 4. Lesser of line 2 Total or line 3, 5. Amount of scholarships and grants, 6. Subtract line 5 from line 4, 7. Multiply line 6 by 50%, 8. Credit limit, 9. Enter the lesser of line 7 or line 8.

If you are completing more than one I-319, combine the Tuition Tax Credit amounts and enter the total on SC1040, line 21.

INSTRUCTIONS

Qualifying Colleges and Universities:

Beginning with the 2018 tax year, the credit is 50% of tuition paid, not to exceed \$1,500 per tax year, for 2-year and 4-year institutions.

4-Year Public Institutions

The Citadel, Clemson University, Coastal Carolina University, College of Charleston, Francis Marion University, Lander University, Medical University of South Carolina, South Carolina State University, University of South Carolina, USC Aiken, USC Beaufort, USC Upstate, Winthrop University

4-Year Independent Institutions

Allen University, Anderson University, Benedict College, Bob Jones University, Charleston Southern University, Claflin University, Coker College, Columbia College, Columbia International University, Converse College, Erskine College, Furman University, Limestone College, Morris College, Newberry College, North Greenville University, Presbyterian College, Southern Wesleyan University, Voorhees College, Wofford College

Qualifying tuition is limited to \$12,268 per school year.

2-Year Institutions

Aiken Technical College, Central Carolina Technical College, Denmark Technical College, Florence-Darlington Technical College, Greenville Technical College, Horry-Georgetown Technical College, Midlands Technical College, Northeastern Technical College, Orangeburg-Calhoun Technical College, Piedmont Technical College, Spartanburg Methodist College, Spartanburg Community College, Technical College of the Lowcountry, Tri-County Technical College, Trident Technical College, USC Lancaster, USC Salkehatchie, USC Sumter, USC Union, Williamsburg Technical College, York Technical College

Credit Hours Requirements:

Annual Credit Hours Requirement

A student attending both the spring and fall semesters must complete **30** credit hours.

Semester Credit Hours Requirement

A student attending only the spring or fall semester must complete **15** credit hours during the semester attended. Exceptions to the credit hours requirement apply for the following colleges:

College	Semester Credit Hours Required
Converse	12
Wofford	12

Summer credit hours **do not** count toward the semester requirement for credit hours.

You cannot claim Tuition Tax Credits for more than four consecutive years after the date of enrollment in an eligible college or university. An extension of the 4-year credit period may be granted due to medical necessity as defined by the South Carolina Commission on Higher Education (SCCHE). Direct your questions concerning medical necessity to your college or university's Office of Disability Services.

Qualified Tuition:

Qualified tuition is the amount charged by a college or university as a condition of enrollment and includes required fees. The cost of dorm rooms, books, and meals are **not** included in tuition.

Tuition Limit:

A tuition limit (\$12,268 for 2020) applies to students at **independent** 4-year colleges and universities. The tuition limit is the average tuition paid to public 4-year colleges and universities other than technical or research schools. The tuition limit is determined each year by the SCCHE. If the student did not attend a full year of college in 2020, calculate the tuition limit by multiplying \$12,268 by the credit hours that apply to all terms attended, and then dividing the result by the annual 30-hour requirement.

For the following schools, when a student attends the spring or fall semester, but not both, multiply the tuition limit by the total credit hours assigned to all terms attended (including interim terms) and divide by the annual credit hour requirement.

College	Semester	+	Interim/Other
Converse	12		6
Wofford	12		4

Example:

Student, a senior at Converse in 2020, completes 6 credit hours in the interim term and 12 credit hours in the spring semester (18 credit hours total) before graduating. Student's tuition limit is \$7,361 ($\$12,268 \times 18 \div 30$).

At all other independent 4-year institutions, the tuition limit when a student attends the spring or fall semester, but not both, is \$6,134 ($\$12,268 \times 15$ required semester hours $\div 30$ hours annual requirement).

Scholarships or Grants:

Before calculating the credit, deduct any scholarships or grants used to pay qualified tuition. Do not deduct any scholarships or grants that do not reduce tuition and are not used to pay tuition.

Scholarships or grants include:

- academic scholarships
- athletic scholarships
- South Carolina Tuition Grants
- Pell Grants
- Supplemental Educational Opportunity Grants

Scholarships or grants do not include:

- student loans
- IRC Section 127 educational assistance plans
- payment for teaching, research or other services
- veteran educational assistance benefits

Information For Students With Disabilities:

Eligible institutions may authorize equivalent credit hours for those students with a disability as certified under the Americans with Disabilities Act and Section 594 of the Rehabilitation Act of 1973. Attach the CHE-400, Students with Disabilities Tuition Tax Credit Verification, to your return. The CHE-400 is available at dor.sc.gov/forms.

Frequently Asked Questions:**What if more than one person pays the tuition?**

If an eligible student and a qualifying individual have both contributed to paying qualified tuition, they may each claim the credit. To determine each individual's credit, multiply the total credit by the tuition paid by the individual and divide by the amount paid by both. Complete an I-319 for each individual, and attach to each return.

Example: Student pays \$2,000 in tuition. Parent pays the remaining \$6,000. If together they are entitled to the maximum \$1,500 credit, Student is entitled to \$375 ($\$1,500 \times \$2,000 \div \$8,000$) and Parent is entitled to \$1,125 ($\$1,500 \times \$6,000 \div \$8,000$).

When may an ineligible student later become eligible?

- A student in default of a student loan may qualify for those terms beginning after the student pays off the loan.
- A student who loses a LIFE or Palmetto Fellows Scholarship may qualify for those terms beginning after the loss of the scholarship.
- A student who qualifies for in-state tuition after enrollment may qualify for those terms to which the in-state tuition applies.
- A student ineligible in the spring semester who becomes eligible for the fall semester must complete the annual requirement for credit hours.

What is the credit limit for 2020 if the student attends a 2-year and 4-year college or university within the 2020 tax year?

A student who qualifies to include credit hours from a 2-year and 4-year college or university within the same taxable year is eligible for a maximum credit amount of \$1,500.

When a student qualifies by completing the semester requirement of credit hours, does tuition for non-semester credit hours qualify for the credit?

You may claim tuition paid for non-semester credit hours only if the student is seeking a degree from the school offering the course and if the student graduated from high school before the course began. A student seeking a degree at one college or university may transfer to another college or university in order to seek a degree and qualify at both schools.

How long may I claim the credit?

The student must enroll in an eligible institution within 12 months of graduating from high school. The credit is available for four consecutive years from the date of enrollment, whether the student takes a break or not.

To which year does the payment apply?

The tuition must be claimed in the year it is paid. The tuition qualifies for the credit if the student qualifies for the credit in the year of payment.

Can a nonresident claim the credit?

A nonresident taxpayer may claim the credit as long as the qualifying student is a resident. The student must be eligible for in-state tuition and fees. In-state eligibility requires a student to establish domicile in South Carolina.

How many credit hours must a student complete to be eligible for the credit?

The student must complete at least 30 credit hours (15 if only attending one semester) at the end of the taxable year for which the credit is claimed, or its equivalent as determined by the SCCHE. Meeting the institution's requirements to be considered a full-time student is not a factor in determining eligibility for the Tuition Tax Credit. See these instructions for equivalent credit hour requirements.

What is the definition of completed hours?

A student is considered to have completed a course regardless of the grade achieved. A student who receives an incomplete grade or withdraws from a course is not considered to have completed a course for purposes of the 30 credit hour requirement.

May a student who transfers from out-of-state to an in-state college or university become eligible?

The student can only become eligible by enrolling in the in-state college or university within 12 months of graduating high school and by qualifying for in-state tuition.

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.