

**What is a composite return?**

- A composite return is a single return filed by a Partnership, S Corporation, or Limited Liability Company (LLC) taxed as a Partnership or S Corporation on behalf of two or more nonresident individuals, trusts, or estates who are partners of the Partnership, shareholders of the S Corporation, or members of the LLC.
- It allows S Corporations or Partnerships to compute and report the South Carolina income and tax for electing nonresident shareholders or partners on a single SC1040, Individual Income Tax Return.
- To file a composite return, all participants must use the same tax year.
- Corporate partners and members may not participate in a composite return.

What form do I use and when is the return due?

- Use the SC1040, Individual Income Tax Return.
- The composite return is due by the 15th day of the fourth month following the taxable year end of the shareholders, partners, or members. For most taxpayers, the due date of the composite return is April 15 of the following year.

How do I extend the due date to file a composite return?

- Request your extension to file by paying your balance due on our free tax portal, MyDORWAY at dor.sc.gov/pay. Select **Individual Income Tax Payment** to get started. Your payment on MyDORWAY automatically submits your filing extension request. No additional form or paperwork is required.
- To request a filing extension by paper, complete the SC4868, Request for Extension of Time to File. Use the name and FEIN of the S Corporation, Partnership, or LLC, and check the **Composite Filer** box. Make your check payable to the SCDOR and include the business name, FEIN, and SC4868 in the memo.

How do I complete a composite return?

- Enter the name, address, and FEIN of the S Corporation, Partnership, or LLC.
- Do not use **Composite Return for** or **Shareholders/Partners/Members of** in the name.
- Check the **Composite Return** box on the front of the SC1040.
- Check the **Single** filing status.
- See the I-338, Composite Return Affidavit at dor.sc.gov/forms for information on calculating the tax on a composite return.
- Calculate the tax separately on each participant's share of income and add the amounts to get the total tax due. Attach a schedule with these calculations.
- An authorized partner of the partnership, an authorized officer of the S Corporation, or an authorized member of the LLC must sign the composite return.

What are the Estimated Tax payment requirements?

- The tax due on a composite return is subject to the declaration of Estimated Tax rules. See the SC1040ES, Individual Declaration of Estimated Tax and instructions at dor.sc.gov/forms to learn more.
- Pay Estimated Tax online using our free tax portal, MyDORWAY, at dor.sc.gov/pay. Select **Individual Income Tax Payment** to get started. No additional form or paperwork is required.
- You can submit Estimated Tax payments by mail by completing the SC1040ES. Use the name and FEIN of the S Corporation, Partnership, or LLC, and check the **Composite Filer** box. Make your check payable to the SCDOR and include the business name, FEIN, and SC1040ES in the memo.