

**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 have 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 on or before the 15th day of the fourth month following the taxable year end of the shareholders, partners, or members.

How do I extend the filing due date of 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. Use the name and FEIN of the S Corporation, Partnership, or LLC, and check the Composite Filer box.

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 return.
- 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 or SC1041ES 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.