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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
**WITHHOLDING TAX ON INCOME OF
NONRESIDENT SHAREHOLDERS**

SC1120S-WH
(Rev. 6/16/22)
3312

FEIN		Income Tax period ending (MM-YY)	
Name			
Mailing address			
City	State	ZIP	

1. SC income taxed to shareholders (line 7 of your SC1120S)	1. \$	00
2. Amount of line 1 taxable to nonresident shareholders	2. \$	00
3. SC income exempt from withholding (see instructions)	3. \$	00
4. SC income subject to withholding (subtract line 3 from line 2)	4. \$	00
5. SC Withholding Tax (multiply line 4 by 5%)	5. \$	00
6. Amount withheld (from I-290 or 1099 MISC)	6. \$	00
7. Balance due (subtract line 6 from line 5)	7. \$	00

Signature of duly authorized officer / taxpayer

Date

INSTRUCTIONS

General information: S Corporations are required to withhold 5% of the South Carolina taxable income of shareholders who are nonresidents of South Carolina.

Due dates: To avoid penalty and interest, file the SC1120S-WH and submit your Withholding Tax payment by the 15th day of the third month following the S Corporation's taxable year end. **No extension of time to file or pay can be granted for the SC1120S-WH.** For more information, refer to SC Code Section 12-8-590(A), available at dor.sc.gov/policy.

Payments: Pay online using our free tax portal, **MyDORWAY**, at dor.sc.gov/pay. Select **Business Income Tax Payment** to get started. Payments of \$15,000 or more must be submitted electronically according to SC Code Section 12-54-250.

The SC1120S-WH cannot be filed electronically.

If you pay on MyDORWAY, you **must still mail** your completed SC1120S-WH to:

SCDOR
Corporate Taxable
PO Box 100151
Columbia, SC 29202

If you pay by check, make payable to SCDOR and include your business name, FEIN, and SC1120S-WH in the memo.

Line instructions:

Heading: Enter the FEIN and Income Tax period ending date of your S Corporation.

Enter the name and mailing address of your S Corporation.

Line 1: Enter the South Carolina income taxed to the shareholders of your S Corporation. This amount is on line 7 of your SC1120S. Reduce the line 7 amount by any income that was directly allocated to the shareholders. If you are requesting an extension of time to file your SC1120S, estimate the amount of South Carolina taxable income on line 1 of the SC1120S-WH. There is no extension of time to file the SC1120S-WH.

Line 2: Enter the amount of income from line 1 that is taxable to nonresident shareholders.

Line 3: Enter the income allocated to nonresident shareholders but exempt from withholding. Nonresident shareholders are exempt from withholding if they:

- have provided an I-309 affidavit,
- are included on a composite Individual Income Tax return, or
- are a tax exempt entity

Include the I-309 Nonresident Shareholder Affidavits and the I-338 Composite Return Affidavits if they have not previously been filed with the SCDOR.

Line 4: Subtract the amount on line 3 from the amount on line 2. This is your South Carolina income subject to withholding.

Line 5: Multiply line 4 by 5%. This is the amount of Withholding Tax due.

Line 6: Enter the amounts withheld on an I-290 or passed through from other entities on a 1099-MISC. **If claimed here, do not claim on your SC1120S.**

Line 7: Subtract the amount on line 6 from the amount on line 5. This is your balance due.

What to do after you file the SC1120S-WH: Provide nonresident shareholders a federal 1099-MISC with "South Carolina only" written at the top. The 1099-MISC should show the amount of income allocated to the nonresident shareholders and the tax withheld on their behalf. The 1099-MISC must be provided to nonresident shareholders by the 15th day of the third month following the taxable year end of the S Corporation. The nonresident shareholder must

attach a copy of the 1099-MISC to their Income Tax return to claim credit for the withholding. The shareholder cannot use an SC1120S K-1 to claim withholding on their Income Tax return.

You cannot amend the SC1120S-WH to reduce the withholding amount after the original due date of the return. Report the amount of withholding to the shareholders on the 1099-MISC. The shareholders will claim any refunds due on their Income Tax returns.

Sign and date your return: The return must be signed by an officer of the corporation who is duly authorized to make the report on behalf of the corporation.