Additional Resources:
- Register your business with the South Carolina Secretary of State’s office at sos.sc.gov
- Learn more about federal tax laws on the Internal Revenue Service website at irs.gov

Section A: Entity Registration Information

Registration Selection - Select the desired account types to which the application applies. The applicable license fee must accompany the application in order for the application to be processed and the license issued.

- **Sales & Use Tax:**
  The Sales & Use Tax category contains several Sales & Use Tax subtypes. Included in this category, for the purpose of the SCDOR-111 application, are Accommodations, Artist & Craftsman, Aviation, Max Tax, Retail, and Use Tax. See Section D, Box 9, for details pertaining to each of these Sales & Use Tax subtypes.

- **Withholding Tax:**
  Withholding Tax is taken out of taxpayer wages to go towards the taxpayers' total yearly income tax liability. Every employer/withholding agent that has an employee earning wages in South Carolina (and who is required to file a return or deposit with the IRS) must make a return or deposit to the SCDOR for any taxes that have been withheld for state purposes. South Carolina requires withholding from:
  - wages
  - prizes
  - royalties
  - winnings
  - nonresident contractors (contracts exceeding $10,000)
  - rental payments made to nonresidents who own five or more residential units or one or more commercial properties in South Carolina
  - net proceeds going to nonresident sellers of real estate and associated tangible personal property located in South Carolina

  Wages are taxed in the state in which they are earned unless the employee is working in a state that does not withhold state Income Tax. If the employee is working in South Carolina, regardless of where he/she is a resident, the income earned in South Carolina is taxed by South Carolina. If a South Carolina resident is earning wages in a state that does not have a state Income Tax, the withholding should be for South Carolina.

- **Nonresident Withholding Exemption:**
  South Carolina requires employers to withhold Income Tax from certain payments made to nonresidents. Nonresidents who have activity but no employees in South Carolina can be granted an exemption from statute requirements. Provide a completed I-312, Affidavit of Registration, to the employer or Withholding agent with whom you are contracting. Do not submit the I-312 to the SCDOR. The SCDOR will forward you a letter of verification upon registration

Box 1 - Select the appropriate option to indicate type of ownership. Corporations that conduct business in South Carolina, as well as LLCs or LLPs, must first register with the Office of the Secretary of State and do so at least 30 days prior to submitting the SCDOR-111 application.

If ownership type is LLC, indicate the filing method of Corporation, Partnership, or Single Member disregarded entity. This filing method must be approved by the IRS. Once IRS election has been granted, forward that information to the SCDOR. If the LLC is a disregarded entity, indicate Single Member in Box 1 and provide single member information in Section B.

Ownership types:
- **Corporation:**
  A corporation is a business formed and authorized by law to act as a single taxpayer, although constituted by one or more persons, and is legally endowed with rights and responsibilities. It is advisable to consult a lawyer when organizing a corporation to assure full compliance with state and federal laws.
**Limited Liability Company (LLC):**
A limited liability company is an unincorporated business association that provide its owners (members) limited liability and flexible management and financial alternatives. An LLC provides the limited personal liability of corporations. An LLC can elect to be taxed as a corporation. A multiple member LLC not taxed as a corporation is taxed as a partnership.

- **Note on Single Member LLCs:** A Single member LLC that does not elect to be taxed as a corporation for federal income tax purposes is said to be “disregarded” for state tax purposes, in the sense that it is not considered to be an entity separate from its owner. The revenue, expense, income, assets, liabilities, and equity of the disregarded entity will flow up to the owner from the corporation as if it were a division of the owner. Therefore, a single member who is a corporation reports income from the single member LLC as income from one of its divisions. For an individual member income from a single member LLC is most likely Schedule C income.

**Partnership:**
A partnership is a legal entity that is jointly owned by two or more entities. As in the sole proprietorship, the owners are personally responsible for all debts of the business, even those in excess of the amount invested in the business.

**Sole proprietorship:**
A sole proprietorship is a business owned by an individual who is solely responsible for all aspects of the business. The owner is personally responsible for all debts of the business, even in excess of the amount invested in the business.

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Box 2 - Enter the Federal Employer Identification Number or Social Security Number to be utilized for registration.
- FEIN - Contact the IRS and apply for an FEIN using Form SS-4.
- SSN - When applying as a Sole Proprietorship, enter the Social Security Number. See the Social Security Privacy Act on the SCDOR-111. Sole Proprietors registering for Withholding are required to obtain an FEIN.

Box 3 - Enter legal name and any applicable “Doing Business As” (DBA) name.

Box 4 - Indicate the status of your CL-1 (Initial Report of Corporations) fee. This is not applicable for Sole Proprietors.

Box 5 - Enter the state and date of incorporation for the entity.

**Section B: Owner, Partner, Officer, and Member Information**
Enter the Social Security Number, printed name, title, phone number, home address, and percentage of ownership, for all owners, partners, officers, and members. Do not include limited partners.

**Section C: Business Addresses**
- Mailing - Enter the complete mailing address for the business.
- Location or Physical Address - Enter the complete physical location of the business including any suite or unit letters and numbers. This address cannot be a PO Box nor any other mail service center address. Municipality is required.

**Section D: Account Details**
- Retail License - $50, Artist & Craftsman’s License - $20, Use Tax Certificate - No Fee

Box 6 - Describe the main business activity:
- Retail - Describe the products to be sold (apparel, furniture, cars, groceries, etc.).
- Manufacturing - Describe the products to be manufactured.
- Service - Describe the type of service to be offered.

Box 7 - Enter the opening date of the account:
- Retail and Use Tax accounts cannot be issued more than 90 days from the date of the application.
- For Use Tax accounts, enter the date of registration.
- For Accommodations, Artist & Craftsman, Aviation Tax, Max Tax, or Retail Tax accounts, enter the first date of anticipated sales or the first date the retail license is needed to purchase supplies or products.
Box 8 - Select the account's filing frequency.
- Monthly - Accounts are required to file monthly returns unless they are utilized for seasonal or casual sales.
- Seasonal - Accounts who only make sales in specific months must indicate the months they plan to be active.

Accounts are required to file a return by the 20th of the month for all active months, even if no sales were made. If the 20th falls on a weekend or holiday, returns are due on the next business day.

Box 9 - Select the appropriate option to indicate the desired Account Subtype:
- Accommodations
  - The rental of transient accommodations is subject to a 2% Accommodations Tax in addition to the 5% Sales Tax, and any applicable Local Tax.
  - If you rent out rooms or spaces at hotels, campgrounds, boarding houses, mobile home parks, etc., you are required to obtain a retail license.
  - Rentals of the same room to the same person for at least 90 continuous days are not subject to the tax.
  - If you rent a room in the house in which you live and the house has less than six bedrooms, you are exempt from the tax.
  - If you rent transient accommodations for no more than one week each calendar quarter, you are not required to obtain a retail license, but you still must report and pay the tax annually.
- Artist & Craftsman - Artists and crafters sell products that they have created or assembled at arts and crafts shows and festivals within South Carolina. They may obtain a permanent retail license from the SCDOR for $20. Artists and crafters must charge and collect the 6% statewide Sales and Use Tax along with any applicable counties 1% Local Sales Tax. Generally, all retail sales are subject to Sales Tax.
- Aviation Tax - Sales and Use Tax is imposed on aviation gasoline sold for use in airplanes.
- Max Tax - This is due on boats, airplanes, self-propelled light construction equipment with compatible attachments limited to a maximum of 160 net engine horsepower, and other items not subject to the Infrastructure Maintenance Fee.
- Retail - Sales tax is imposed on the sales at retail of tangible personal property and certain services.
- Use Tax - Use Tax is imposed on the storage, use, or consumption of tangible personal property on which South Carolina Sales Tax has not been previously paid.

Box 10 - Select the appropriate North American Industry Classification System (NAICS) Code to indicate type of business.

Box 11 - Select the appropriate options to indicate which of these items will be sold, or if the entity is providing a service to wireless users in South Carolina.

Box 12 - Select the appropriate options to indicate how and where sales will be made.

Section E: Account Details - Withholding

Box 13 - Enter the anticipated date of first payroll. This date will be used as the open date of the Withholding account. The quarter where this anticipated date falls will be the first quarter that a Withholding Tax return is due. If payroll occurs in a later quarter, a quarterly Withholding return must still be filed for the quarter containing the open date.

A closed Withholding account can only be reopened if done so in the same calendar year it was closed. To reopen, enter REOPEN and the reopen date. Then enter the closed account's file number in Box 14.

Box 14 - Sole Proprietors registering for Withholding Tax are required to obtain an FEIN.

Box 15 - Select the appropriate option for the residency status of the employer or Withholding agent. Residency status determines when Withholding payments are remitted to South Carolina.
- Resident Business - The principal place of business is inside South Carolina. Resident employers or Withholding agents are required to pay Withholding Taxes at the same time that federal payments are due.
- Nonresident Business - The principal place of business is outside South Carolina. Nonresident employers or Withholding agents are required to pay either quarterly or monthly. If the South Carolina State tax liability is less than $500 for the quarter, the payment is due by the last day of the month following the end of the quarter. If the liability reaches $500 or more during the quarter, the payment is due by the 15th of the following month.
Box 16 - Select the appropriate filing frequency for Withholding Tax returns. Employers or Withholding agents are considered quarterly return filers unless all of their employees are household employees, farmers, fishermen, ministers, or performed other services listed in SC Code Section 12-8-520 (D). See Form 105, SC Withholding Tax Information Guide, available at dor.sc.gov/forms, for information about Withholding payment frequencies. Returns are required for every active period that the Withholding account is open even when there are no withholdings or employees.

- **Quarterly** - file returns for every quarter
  - 1st quarter January, February, and March Form WH-1605 Due April 30
  - 2nd quarter April, May, and June Form WH-1605 Due July 31
  - 3rd quarter July, August, and September Form WH-1605 Due October 31
  - 4th quarter October, November, and December Form WH-1606 Due January 31

- **Annual** - file return for each calendar year
  - January through December Form WH-1606 Due January 31

Section F: Nonresident Withholding Exemption

Provide the nature of your business and select the appropriate option.

Section G: Banking Information

Box 17 - Provide the name, phone number (including area code), and email address of the financial institution with whom you are conducting business.

Section H: Business Contact Information

A completed and signed SC2848, Power of Attorney and Declaration of Representative, must accompany the application in order for any Power of Attorney information provided to be valid.

Box 18 - Provide the name, phone number (including area code), and email of the contact person for your business.

Section I: Signatures, Titles, Dates

The application must be signed by all owners, partners, and corporate officers. The SCDOR will reject the application if all signatures are not included. Any information omitted from the application may cause the application to be rejected.

Additional documentation that may be included:
Articles of Organization
IRS letter confirming FEIN assignment

The fastest, easiest way to complete this registration is using our free online tax portal, MyDORWAY, at MyDORWAY.dor.sc.gov.

If you register by paper, mail your completed SCDOR-111 along with any applicable license payment (payable to SCDOR) to: SCDOR, PO Box 125, Columbia, SC 29214-0850

Reasons your application could be rejected or delayed:
- License fee is not submitted with application
- Location/Physical address, main business type, account commence date, date of first payroll, or signature omitted
- The physical address of your business is in South Carolina and the ownership type of the LLC/LLP or Corporation is not registered with the South Carolina Secretary of State.

For more information on:
- starting and running a business in South Carolina, visit scbos.sc.gov
- filing and paying business taxes, visit dor.sc.gov/biz-services
- tax seminars & workshops, tutorials, and other taxpayer education resources, visit dor.sc.gov/ted

Questions? We’re here to help. Contact us at RegistrationForTaxes@dor.sc.gov or 1-844-898-8542.