



RENTAL SURCHARGE RETURN

Mail to: SC Department of Revenue, Rental Surcharge, Columbia, SC 29214-0106.

Place an X in all boxes that apply. **USE BLACK INK ONLY.**

- AMENDED** Change of Address Business Permanently Closed
- Return (Make changes to address below) Date _____
- (Complete form C-278 and return your license)

Name/Address _____

Retail License Number
Period Covered
FEIN

Rental of Private Passenger Motor Vehicles and Rental Vehicles

FOR OFFICE USE ONLY

- | | | | |
|---------------------------------------|----|---|-------|
| 1. Total of Rental Agreements | 1. | ▶ | |
| 2. Surcharge Rate | 2. | ▶ | X .05 |
| 3. Surcharge Due | 3. | ▶ | |
| 4. Less: S.C. Property Tax Paid | 4. | ▶ | |
| 5. Net Taxable Due | 5. | ▶ | |

GL 14-2716

FOR OFFICE USE ONLY

Rental of Heavy Equipment

- | | | | |
|---------------------------------------|-----|---|-------|
| 6. Total of Rental Agreements | 6. | ▶ | |
| 7. Surcharge Rate | 7. | ▶ | X .03 |
| 8. Surcharge Due | 8. | ▶ | |
| 9. Less: S.C. Property Tax Paid | 9. | ▶ | |
| 10. Net Taxable Due | 10. | ▶ | |

GL 14-2717

- | | | | |
|--|-----|---|--|
| 11. Total Surcharge Due (Add lines 5 and 10 and enter total here)..... | 11. | ▶ | |
| 12. Penalty _____ Interest _____ | 12. | ▶ | |
| 13. Total Due (Add lines 11 and 12)..... | 13. | ▶ | |

Due Date: Form ST-394 is due February 15th of each year.

For answers to questions pertaining to completing this form, please call (803) 898-5000.

Taxpayer Signature _____ Phone Number _____

Email _____ Date _____

See Instructions on Reverse Side.

Instructions:

Rental companies engaged in the business of renting private passenger motor vehicles and other rental vehicles, or engaged in the business of renting heavy equipment or both, for a period of thirty-one days or less must collect a surcharge on each contract at the time the vehicle or equipment is rented in South Carolina. The surcharge rate is as follows: 5% for rental of private passenger motor vehicles and other rental vehicles; 3% for rental of heavy equipment.

Line 1: Enter the total of your taxable rental agreements for the period January through December.

Line 2: Multiply by the applicable surcharge rate (5%).

Line 3: Enter rental surcharge amount due.

Line 4: Deduct the total of your South Carolina property tax paid during January through December on passenger vehicles.

Line 5: Enter the net taxable amount due (line 3 minus line 4). If the amount is less than or equal to zero, enter as zero.

Line 6: Enter the total of your taxable rental agreements on heavy equipment for the period January through December.

Line 7: Multiply by the applicable surcharge rate (3%).

Line 8: Enter rental surcharge amount due on heavy equipment.

Line 9: Deduct the total of your South Carolina property tax paid during January through December on heavy equipment.

Line 10: Enter the net taxable amount due (line 8 minus line 9). If the amount is less than or equal to zero, enter as zero.

Line 11: Total Surcharge Due (Add lines 5 and 10).

Line 12: Add penalty and interest. (See penalty and interest calculations below.)

Line 13: Enter the total of all surcharge amounts due (add line 11 and line 12) for the period January through December.

Definitions:

As used on form, the following definitions are provided under Code Section 56-31-20, and reads:

"Private passenger automobile" or "vehicle" means a private passenger motor vehicle including passenger vans and minivans that are intended primarily for the transport of persons.

"Rental vehicle" means a truck under 26,001 pounds gross vehicle weight and used in the transportation of personal property that is rented without a driver, and is not used by the customer for business purposes, or a trailer with a gross weight of not more than 6,000 pounds.

However, under the provisions of Code Section 12-37-717, heavy equipment is defined as:

"Heavy equipment" means vehicles weighing more than three thousand pounds or heavy equipment that is rented without an operator by persons engaged in the heavy equipment business, which equipment or vehicles may be used for construction, mining, industrial, or forestry purposes, including, but not limited to, bulldozers, earthmoving equipment, material handling equipment, well drilling machinery and equipment, and cranes.

As used on this form, "South Carolina property tax paid" means

(a) the amount of South Carolina personal property tax you paid, to the extent you were not reimbursed by a third party, in the immediately preceding calendar year on private passenger vehicles, rental vehicles, or heavy equipment subject to taxable rental agreements in lines 1 and 6;

(b) the amount you reimburse a third party vehicle or heavy equipment owner for South Carolina personal property tax the owner paid in the immediately preceding calendar year on private passenger vehicles, rental vehicles, or heavy equipment subject to taxable rental agreements in lines 1 and 6.

PENALTY AND INTEREST CALCULATIONS

PENALTY FOR FAILURE TO FILE A RETURN: Five percent (.05) of the amount of surcharge due (from lines 5 and/or 10 on the front of the return) for each month or fraction of a month of delinquency, not to exceed twenty-five percent (.25) of the amount of tax due.

PENALTY FOR FAILURE TO PAY TAX DUE: The penalty is one-half of one percent (.005) of the amount of surcharge due (the total of lines 5 and/or 10 on the front of the return) for each month or fraction of month of delinquency, not to exceed a total of twenty-five percent (.25) of the amount of tax due. The penalties for failure to file a return and failure to pay tax due must be combined and entered as a total on line 12.

INTEREST: Interest is assessed in accordance with Sections 6621 and 6622 of the Internal Revenue Code. Rates are based on the prime rate, subject to change quarterly and are compounded daily.

NOTE: To compute penalty and interest electronically, visit mydorway.dor.sc.gov.