

ESSENTIAL INFORMATION FOR FORM ST-455 (Rev. 7/21/15)

Please **read carefully** and **keep this information** in a convenient place for future reference.

WHO MUST FILE

Who must file: You are required to file form ST-455 to report state sales and use tax on any items subject to maximum sales and use tax (e.g., motor vehicles, motor cycles, recreational vehicles, boats and etc.); any other sales of merchandise subject to state and/or local sales and use tax. Note: You must file a return even if there is no tax due for the period. Enter zero "0" on lines 1, 1A, and 3 of Columns A, and B only on the ST-455, if you do not have sales and/or purchases to report for the period.

WHEN TO FILE

Sales and Use Tax returns are due on or before the twentieth (20th) day of the month following the close of the period ended. Example:

- **Monthly filers: (Return must be received/postmarked by the 20th)**
January reporting period - no later than February 20.
February reporting period - no later than March 20.
March reporting period - no later than April 20, etc.
December reporting period - no later than January 20 (of the next year).

Note: To request a change in your filing status (monthly, quarterly, annual or seasonal) a written request must be made to the South Carolina Department of Revenue. The request must be approved before a return and remittance can be made for the filing status being requested.

- **Quarterly Filers: (Return must be received/postmarked by the 20th)**
First Quarter (January, February, March) reporting period - no later than April 20.
Second Quarter (April, May, June) reporting period - no later than July 20.
Third Quarter (July, August, September) reporting period - no later than October 20.
Fourth Quarter (October, November, and December) reporting period - no later than January 20 (of the next year).
- **Annual Filers: (Sales for the entire year)**
December return must be received/postmarked no later than January 20 (of the next year).
- **Seasonal Filers:** Seasonal filers are required to file returns only for those months scheduled to be reported. Returns must be received/postmarked no later than the 20th of the next month.

Note: If the 20th falls on a weekend or legal holiday, the return is due on the next business day.

FILING STATE AND LOCAL OPTION SALES AND USE TAX FORMS

ST-455: State Sales and Use Tax Return: This form is available on the SCDOR website at www.dor.sc.gov. When completing this form, you must provide your business name, address, retail license number or use tax registration number, period covered, federal employer identification number or social security number.

ST-389: Schedule for local Taxes: You are required to file form ST-389 to report the appropriate local sales and use tax to a county or municipality based upon sales or deliveries within the county or municipality. You are required to file this form when:

- (1) Your business is located in a county that imposes the tax or
- (2) Your business delivers to a county or municipality with local tax regardless of whether your business is or is not located in a county that imposes a local tax

The various local taxes reportable on the ST-389 are indicated on specific pages of form ST-389. These local taxes are collected and administered by the South Carolina Department of Revenue on the behalf of the counties. See ST-389 instruction for reporting requirements.

ST-389A: Local Option Addendum: Use this form if you need more space for reporting the local option tax located on page 6 of ST-389. You must enter the applicable county/municipality code listed on the reverse side when reporting the local option tax.

ST-8A: Resale Certificate: The resale certificate form is used by retailers (purchasers) to purchase tax-free at wholesale items that are to be resold. This certificate is extended by the purchaser to the seller who maintains the certificate on file as evidence that the sales transaction is not subject to the tax. It is not required that the form ST-8A be used as long as the certificate presented to the seller contains the purchaser's name, address, and retail sales tax license number. Also, it is not necessary that a certificate be extended each time a sale is made. A resale certificate should not be used by a retailer to purchase items for their own use.

ST-14: Claim For Refund: If you have overpaid your sales/use tax on your return, you should file a claim for refund in the form of a letter or by using the form ST-14, Claim for Refund, and file amended (corrected) figures for the periods requested. **Do not take a credit on the sales and use tax return for any overpayments.** The claim for refund should specify: the name, address, and telephone number of the taxpayer or contact person; the appropriate taxpayer identification number(s); the tax period or date for which the tax was paid; the nature and kind of tax paid; the amount which is claimed as erroneously paid; a statement of facts and documentation supporting the refund position; a statement outlining the reasons for the claim, including any law or other authority upon which you rely; and any other relevant information that the Department may reasonably require.

C-278: Account Closing Form: When closing or selling your business, you are required by law to return your sales and use tax license to the Department of Revenue indicating the date of closing. Complete Form C-278 when closing your business. You must file all returns and pay all taxes due. If you sell your business, the new owner will not be issued a new license until taxes due for that location have been paid.

Change in Ownership: Any change in ownership will require a new owner to complete a Business Tax Application, Form SCDOR-111 and remit the appropriate license fee. The SCDOR-111 is available on our website at www.dor.sc.gov. However, if you would like to obtain a license online (via the internet), go to mydorway.dor.sc.gov.

SC8822: Change of Name/Address/Business Location: Any change of location requires that written notification be sent to the Department of Revenue by submitting form SC8822.

Filing an Amended Sales and Use Tax Return: Instructions for filing an amended State and Local Sales and Use Return for South Carolina are as follows:

- Check the "Amended Return" box on the top of your State sales and use tax return (e.g., ST-3, ST-388, ST-403 or ST-455). If there is no check box at the top of the return to indicate this is an amended return, be sure to write "Amended" at the top of the return. If your local sales and use tax return (e.g., ST-389) will change, write "AMENDED" across the top of the form.
- When filing an amended return, be sure to complete your return as if it were an original return. In other words, complete the amended return as if you were filing it for the first time. **DO NOT** complete the amended return with figures that represent the difference between the original amounts reported on the return and the amended amounts to be reported on a return.
- If using a copy of the original return, draw a line through any incorrect or wrong amounts as they appear on the original return reported and write down the correct amounts as they should have appeared on the return.
- If you filed an amended return on or by the due date of your original tax return, or if you filed an amended return after the due date of an originally filled return which was timely filed and paid, recalculating the taxpayer's discount may be necessary.
- If you underpaid your taxes when filing an amended return, verify your computations of the underpayment amount and send the additional tax due with applicable penalties and interest. Penalty and Interest calculations are available on our website mydorway.dor.sc.gov. If you overpaid your taxes, see Form ST-14 (Claim for Refund) for additional information.
- Sign and date the amended return.

All forms pertaining to sales and use tax may be found on our website or by calling (800) 768-3676 or (803) 898-5000.

STEP-BY-STEP INSTRUCTIONS FOR ST-455 (Rev. 7/21/15)

Please read this section before completing your form.



All entries must be typed or hand printed, clearly and legibly. If you are using a blank form (non-preprinted) be sure to indicate the following information: Business Name, Address, Retail License Number or Purchaser's Certificate (Use Tax Registration), Federal Employer Identification Number or other identifying information (social security number) and period covered. Please draw a line through any incorrect information, enter corrections and check the box on your return if your address changed.

If you have a retail license or use tax registration you are **required to file** a tax return **even if** there is **NO TAX DUE** for the period.

IMPORTANT: Complete all lines indicated with a delta (Δ) beside it, even if the amount to be reported is zero.

WHEN FILING "NO SALES" RETURNS, please enter zeroes on Lines 1, 1A, and 3 of Column A and B only on the ST-455.

COMPLETE THE SALES AND USE TAX WORKSHEETS ON THE BACK OF THE ST-455 BEFORE MAKING ENTRIES ON LINES 1 THROUGH 11 The sales tax worksheet instructions have been changed to use the word "item" when referring to entries on the sales tax worksheet and "line" when referring to entries on the front of the form.

The state sales tax rates 5%, 6% and local tax rates must be separately reported on the appropriate tax forms.

STEP 1

COMPLETING SALES AND USE TAX GROSS PROCEEDS WORKSHEET #1

Items 1 through 3

Item 1: All Gross Proceeds of Sales/Rentals and Withdrawals for Own Use

Enter the total amount of all sales (taxable and nontaxable), leases and/or rentals of tangible personal property made by the business for the reporting period. Included in this worksheet are charges made for all property subject to a maximum tax (i.e., motor vehicles, aircraft, boats, and other property subject to a maximum tax), sales of prepared or unprepared foods and all other charges otherwise subject to tax. **DO NOT INCLUDE THE AMOUNT OF SALES TAX COLLECTED.**

You must also report purchases of tangible personal property (merchandise, equipment, etc.) purchased tax free at wholesale, but used by you and/or your employees.

Item 2: Out-of-State Purchases Subject to Use Tax

Enter the total purchases of tangible personal property purchased from an out-of-state retailer for use, storage, or consumption in this state if an equal or greater amount of sales tax or use tax was not paid in the other state at the time of purchase. If the tax rate in your county is greater than the tax rate paid out-of-state, contact SCDOR for additional information.

Item 3: All Gross Proceeds of Sales/Rental, Use Tax and Withdrawals for Own Use

Add Items 1 and 2. Enter total here and on Line 1 on the front of ST-455. If local tax is applicable, enter total on Item 1 of ST-389 (local tax worksheet).

STEP 2

COMPLETING THE 6% SALES AND USE TAX WORKSHEET #2

Items 4 through 9

Item 4: Gross Proceeds of Sales/Rentals and Withdrawals of Inventory for Own Use

Enter the total amount of all sales, leases and/or rentals of tangible personal property made by the business (taxable and nontaxable) for the reporting period (i.e., charges made for repair parts, food - prepared or unprepared, etc.). However, sales of property subject to a maximum tax (i.e., motor vehicles, aircraft, boats, and other property subject to a maximum tax) are excluded from this worksheet. Property subject to a maximum tax are reported on Worksheet #3). Nontaxable sales are to be itemized on Item 7 and deducted on Item 8. **DO NOT INCLUDE THE AMOUNT OF SALES TAX COLLECTED.**

You must also report purchases of tangible personal property (merchandise, equipment, etc.) purchased tax free at wholesale, but used by you and/or your employees.

Item 5: Out-of-State Purchases Subject to Use Tax

Enter the total purchases of tangible personal property purchased from an out-of-state retailer for use, storage or consumption in this state (not otherwise excluded), if an equal or greater amount of sales tax or use tax was not paid in the other state at the time of purchase.

Item 6: Total Gross Proceeds at 6%

Add Items 4 and 5. Enter total here and on Line 1A, Column A on the front of ST-455.

Item 7: Sales and Use Allowable Deductions

South Carolina law provides for a deduction (exemptions and exclusions) from gross proceeds of sales those sales of property specifically exempt from tax. There are full and partial deductions for state tax purposes. Before any deductions may be itemized (claimed as non taxable on Item 7 of worksheet #2 and/or Item 13 of worksheet #3) on the state sales and use tax return (ST-455), the gross proceeds of sales must be reported on the state tax return worksheet (Items 1, and 2 of worksheet #1 and distributed appropriately under worksheets #2 [Items 4 and 5] and/or #3 [Items 10 and 11]). Any amount claimed as a deduction on your return must be itemized in the worksheet. To claim a deduction relating to a sale, you must enter the type of deduction (see list below) and the dollar amount of the sale. Nontaxable sales claimed in this worksheet section are to be itemized on Item 7 and deducted on Item 8.

The list below is used to identify some of the type of deductions that may be claimed for sales and use tax purchases.

Examples of Allowable Deductions: (Not all inclusive)

Sales for resale
Out-of-state sales

Exemptions:

Manufacturing
Agriculture
Federal Government
Medicine and prosthetic devices **(by prescription)**
Diabetic Supplies **(by written authorization)**
Gasoline sales

Installation charges **(separately stated on invoice)**

Trade-ins

Food purchased with food stamps

Sales tax holiday exempt sales

1% tax reduction for purchases made by individuals age 85 or older **(1% tax reduction does not apply to local tax calculations)**

Unprepared food eligible to be purchased w/USDA food coupons **(local tax applies if not specifically exempted by local tax)**

Note: Sales that are exempt from the state sales and use tax rate are generally exempt from the local tax rate. However, it is important to note that certain amounts itemized as a state sales tax deduction on Item 7 or 13, and subtracted on Item 8 or 14 of the Form ST-455 (state tax return) worksheet may be subject to a local tax since the local tax may not specifically provide such an exemption.

For instance: 1% of the state sales tax and use tax rate for individuals age 85 and older is excluded from the state sales and use tax calculations. Therefore, an amount which is equivalent to 1% of gross proceeds of sales to such an individual is allowed as a deduction from gross proceeds of sales for state sales and use tax purposes. However, the total amount (gross proceeds of sale) of such a sale is subject to all applicable local sales and use taxes since the local taxes have no such exemption.

See ST-389 instructions for additional information if local taxes are applicable.

Sales of unprepared foods are exempt from the State sales and use tax rate and must be entered here. However, local taxes still apply to sales of unprepared foods unless the local tax law specifically exempts such sales. As a result, sales that are subject to a local tax must be entered on Item 1 of Form ST-389 (See local sales tax worksheet and instructions).

You are required to maintain records that will support all deductions claimed on this return. **A further explanation of deductions is available by obtaining a copy of the Department's Sales and Use Tax Manual which is located on our website: www.dor.sc.gov>Resources>Publications>Tax Manuals**

Item 8: Total Amount of Deductions

Enter total here and on line 2, column A on front of ST-455.

Item 9: Net Taxable Sales and Purchases

Item 6 minus Item 8 should agree with line 3, Column A on front of ST-455.

STEP 3

COMPLETING THE 5% SALES AND USE TAX WORKSHEET #3

Items 10 through 15

Item 10: Gross Proceeds of Sales/Rentals and Withdrawals for Own Use

Enter the total amount of all sales, leases and/or rentals of tangible personal property made by the business (taxable or nontaxable) for (1) sales of property subject to the maximum tax; and (2) any other sales, leases or rentals subject to tax at a rate of 5% instead of 6%. Sales, leases, and rentals subject to the tax at 6% rate must be reported on Worksheet #2. Nontaxable sales are to be itemized on Item 13 and deducted on Item 14. **DO NOT INCLUDE THE AMOUNT OF SALES TAX COLLECTED.**

Item 11: Out-of-State Purchases Subject to Use Tax

Enter the total purchases of tangible personal property purchased from an out-of-state retailer for use, storage or consumption in this state, if an equal or greater amount of sales tax or use tax was not paid in the other state at the time of purchase.

Item 12: Total Gross Proceeds at 5%

Add Items 10 and 11. Enter total here and on Line 1A, Column B on the front of ST-455.

Item 13: Sales and Use Tax Allowable Deductions

To claim a deduction relating to a sale, the sales transaction must be reported on Item 10 or 11 of this worksheet. Enter the type of deduction (see list below) and the dollar amount of the sale. South Carolina law provides for a deduction from gross proceeds of sales those sales of property specifically exempt from tax. Any amount claimed as a deduction on your return must be itemized on this worksheet. You are required to maintain records that will support all deductions claimed on this return. **A further explanation of deductions is available by obtaining a copy of the Department's Sales and Use Tax Manual which is located on our website: www.dor.sc.gov>Resources>Publications>Tax Manuals**

Types of Allowable Deductions: (Not all inclusive)

- Sales to the Federal Government
- Excess over tax cap - Portion of the sale amount in excess of \$6000.00 (sale amount on which the \$300.00 maximum sales tax is calculated)
- 1% tax reduction for purchases made by individuals age 85 or older for their own use
- **NOTE:** This 1% tax reduction does not apply to 2% accommodations or local tax calculation.
- Manufactured Home **(35% exemption)**

Item 14: Total Amount of Deductions

Enter total here and on Line 2, Column B on front of this return.

Item 15: Net Taxable Sales and Purchases

Item 12 minus Item 14 should agree with Line 3, Column B on front of ST-455.

STEP 4**Transferring Sales Tax Worksheet Information to the Front of the ST-455****Lines 1 through 2****Line 1: Column A, All Gross Proceeds of Sales/Rental, Use Tax and Withdrawals of Tangible Personal Property**

Enter the total amount of all sales (taxable and nontaxable), leases and/or rentals made by the business for the reporting period subject to sales tax and use tax. Enter the total from Item 3 of your Worksheet #1. **DO NOT INCLUDE SALES TAX COLLECTED IN THIS AMOUNT.**

Line 1A: Column A, Total Gross Proceeds of Sales/Rentals and Withdrawals for Own Use Subject to 6%

Enter the total amount of all sales (taxable and nontaxable) leases and/or rentals made by the business for the reporting period subject to the 6% tax rate requirements (Total from Item 6 of Worksheet #2).

Line 1A: Column B, Total Gross Proceeds of Sales/Rentals and Withdrawals for Own Use. Property Subject to a Maximum Tax in this Total

Enter the total amount of all sales subject to a 5% tax requirements and be sure to include charges for items subject to a maximum tax if sold. (Total from Item 12 of Worksheet #3).

Line 2: Column A, Total Amount of Deductions

Enter the total amount of deductions from sales tax worksheet (back of return) to the front of return as follows:

- Item 8 of Worksheet #2 (back of return) to Line 2 of Column A (front of return)
- Item 14 of Worksheet #3 (back of return) to Line 2 of Column B (front of return)

STEP 5**CALCULATION OF TAX ON FRONT OF ST- 455****Lines 3 through 5****Line 3: Net Taxable Sales and Purchases**

Line 2 minus Line 1A of Column A and/or B.

Line 4: Tax Due

Multiply Line 3 amount by the tax rate shown at the head of each column and enter results on Line 4 of proper column. (i.e., Column A tax rate is 6% and B tax rate is 5%.)

Line 5: Total State Sales and Use Tax

Enter the total of line 4 for Columns A and B.

STEP 6**ENTERING TAX FROM ST-389 TO ST-455****Lines 6 through 7**

REMINDER: If local taxes are applicable, ST-389 must be completed and attached for all additional taxes. If this section does not apply, go to line 7 of the ST-455.

Line 6: Tax Due from ST-389

Enter total from Column B on Line 2 of page 7 of 8 of Form ST-389.

Line 7: State and Local Taxes

Enter total of Lines 5 and 6

STEP 7**DETERMINE TOTAL DISCOUNT CLAIMED ON RETURN****Line 8****Line 8: Taxpayer's Discount**

A taxpayer's discount may be claimed for timely filing a sales and use tax return when the taxes due on the return are paid in full and by the due date. **No discount** is allowed if the return **or** payment is received after the due date. The discount is computed as follows:

- If your total tax liability shown on line 7 above is less than \$100, the discount rate is 3% (.03) of line 7.
- If your total tax liability shown on line 7 above is \$100 or more, the discount rate is 2% (.02) of line 7. Deduct this amount from line 7.

Note: Discounts are not allowed to exceed \$3,000 per taxpayer (for all locations) during any one South Carolina fiscal year, which covers payments made from July 1 through June 30. This includes all returns which become due during this period (returns for June through May). The \$3,000 maximum discount is calculated based on the total taxes due (sales/use and local taxes) on the return.

Taxpayers who file and pay electronically are allowed a \$3,100 maximum discount. The discount amount is \$10,000 for out-of-state retailers who cannot be required to register for sales and use tax but who voluntarily register to collect and remit the tax. However, you must receive prior approval from the Department of Revenue for the \$10,000 discount.

When claiming the discount amount allowed on tax return, taxpayer must not claim a discount amount that exceeds the maximum amount allowed. Any discount amount claimed in excess of the maximum amount allowed will be assessed for the difference.

STEP 8

ST-455 - DETERMINE TOTAL STATE & LOCAL AMOUNT DUE

Lines 9 through 11

Line 9: Net Tax Payable

Line 7 minus Line 8.

Line 10: Total Penalty and Interest

If you fail to file your return or fail to pay the taxes when they are due, enter the total of Penalty and Interest, using instructions below (Line 10A and 10B) or visit mydorway.dor.sc.gov

If not late, go to Line 11.

Line 10A: Penalty

Enter the total penalty, from calculations below or visit mydorway.dor.sc.gov

PENALTY FOR FAILURE TO FILE A RETURN: Five percent (.05) of the amount of tax due (from Line 7 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 tax due (the total of Line 7 on the front of the return) for each month or fraction of a month of delinquency, not to exceed a total of twenty-five percent (.25) of the amount of tax due. The penalty for failure to file and pay must be combined and entered as a total on Line 10A.

Line 10B: Interest

Enter calculations of interest for tax due on line 7. Visit mydorway.dor.sc.gov to use our online P and I Calculator.

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.

Line 11: Total Amount Due

Enter the total of Line 9 and Line 10.

STEP 9

SIGNATURE

Sign and date your return on the back of the ST-455. All submitted forms must be completed with a valid file number (retail license or use tax registration number) and period covered.

DON'T FORGET Returns are past due after the 20th of the month.

If you are not using preprinted forms and it is necessary to use blank forms, be sure to include your social security number or Federal Employer Identification Number (FEIN) in the label section.

Social Security Privacy Act Disclosure

It is mandatory that you provide your social security number on this tax form. 42 U.S.C 405(c)(2)(C)(i) permits a state to use an individual's social security number as means of identification in administration of any tax. SC Regulation 117-201 mandates that any person required to make a return to the SC Department of Revenue shall provide identifying numbers, as prescribed, for securing proper identification. Your social security number is used for identification purposes.

The Family Privacy Protection Act

Under the Family Privacy Protection Act, the collection of personal information from citizens by the Department of Revenue is limited to the information necessary for the Department to fulfill its statutory duties. In most instances, once this information is collected by the Department, it is protected by law from public disclosure. In those situations where public disclosure is not prohibited, the Family Privacy Protection Act prevents such information from being used by third parties for commercial solicitation purposes.