



STATE OF SOUTH CAROLINA  
DEPARTMENT OF REVENUE  
**COMMUNITY DEVELOPMENT  
TAX CREDIT**  
Attach to your Income Tax Return

SC SCH.TC-14

(Rev. 10/10/07)  
3364**20**

Name As Shown On Tax Return

SS No. or Fed. EI No.

**Attach to this form a copy of the Certifying Form(s) DC-06075 from the S. C. Dept. of Commerce.**

**Computation of Tax Credit**

1. Amounts invested in year \_\_\_\_\_ with a Community Development Corporation or Community Development Financial Institution. \$ \_\_\_\_\_
2. Eligible amount invested in year \_\_\_\_\_ with a Community Development Corporation or Community Development Financial Institution (per the Dept. of Commerce). \$ \_\_\_\_\_
3. Multiply amount on line 2 by .33 (33%) \$ \_\_\_\_\_
4. Carryover of prior year(s) unused credit (attach schedule) \$ \_\_\_\_\_
5. Total Credit available (subject to income tax liability limitation) Enter this amount on the appropriate tax credit schedule. \$ \_\_\_\_\_

IMPORTANT: Attach copies of all certifying DC-06075 forms from the S.C. Dept. of Commerce.

**General Instructions - Community Development Tax Credit**

This credit applies against state income tax, bank tax, or an insurance company's premium tax. The credit amount of up to 33% of all amounts invested in a Community Development Corporation or in a Community Development Financial Institution is subject to the limitations discussed below.

- **No credit if claiming charitable contribution deduction.** A taxpayer who invests in a Community Development Financial Institution which is a tax-exempt nonprofit corporation, and who claims the investment as a deduction according to I.R.C. Section 170, does not qualify for the credit.
- **Certificate required.** A taxpayer may not claim the credit unless the entity in which he invests is certified at the time the investment is made. The taxpayer must obtain a certificate from the South Carolina Department of Commerce certifying: (1) that the entity into which the funds are invested is a Community Development Corporation or a Community Development Financial Institution; and (2) that the total of the credit taken by or available to the taxpayer and Community Development Tax Credits previously taken by or available to other taxpayers will not exceed a total of \$5,000,000.  
GOOD-FAITH EXCEPTION: A taxpayer who has invested in good faith in a certified corporation or institution may claim the credit even if the Department of Commerce later revokes or does not renew the certification.
- **Disqualification for stock or equity interest redeemed within 5 years.** If the taxpayer invests in an entity in exchange for stock or other equity interest, and the stock or equity interest is redeemed by the entity within five years of the date it is acquired, the amount of credit attributable to the redeemed stock or equity interest is disallowed for that year and any previous year as if no credit had been allowed. Payment is due on the same date as the return for the taxable year in which the redemption took place.
- **Total credits limit for all years.** The total amount of Community Development Tax Credits allowed may not exceed \$5,000,000 for all taxpayers in all taxable years.
- **Annual total credits limit.** The total amount of Community Development Tax Credits allowed may not exceed \$1,000,000 for all taxpayers in a single taxable year.
- **Single entity limit.** A single Community Development Corporation or Community Development Financial Institution may not receive more than 25% of the total Community Development Tax Credits in any one taxable year.
- **Pro-rata reduction.** If the total amount of Community Development Tax Credits claimed by all taxpayers exceeds the total amount of credits allowed, the credits will be reduced proportionally.

- **Banks and financial institutions.** A bank or financial institution claiming this credit must be chartered by the State of South Carolina. The bank or financial institution may invest no more than 10% percent of its total capital and surplus into a qualifying entity.
- **Carry-forward.** If the amount of the credit exceeds the taxpayer's state tax liability for the applicable taxable year, the taxpayer may carry forward the excess to the immediately succeeding taxable years, but not for any taxable year that begins on or after ten years from the date of the acquisition of stock or other equity interest that is the basis for the credit. The amount of the carry-forward must be reduced to the extent that the taxpayer uses the carry-forward to obtain an additional Community Development Tax Credit for a later taxable year.

### **Social Security Privacy Act Disclosure**

It is mandatory that you provide your social security number on this tax form if you are an individual taking this credit. 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.