



**CREDIT FOR A CERTIFIED HISTORIC STRUCTURE**

Name	SSN or FEIN
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If credit was received from a pass-through entity, name and FEIN of the entity

1. Rehabilitation expenses made to a property located in South Carolina and placed in service during this tax year .....	1. _____
If rehabilitation expenses are \$500,000 or greater, attach documentation that the preliminary and final fees were paid to the South Carolina Department of Archives and History (SCDAH).	
2. Credit amount earned (10% or 25% of line 1; see instructions) .....	2. _____
3. Annual installment amount (divide line 2 by 3 for property placed in service this year, or enter the previous year's installment amount).....	3. _____
4. Amount carried forward from prior tax years .....	4. _____
5. Add line 3 and line 4 .....	5. _____
6. Current year tax liability .....	6. _____
7. Current year credit (lesser of line 5 and line 6).....	7. _____
Individuals: enter the credit on the SC1040TC. Corporations: enter the credit on the SC1120TC.	
8. Credit carryforward (subtract line 7 from line 5).....	8. _____
Unused credits can be carried forward for five years.	

**INSTRUCTIONS**

Taxpayers can take the Certified Historic Structure Credit against their Income Tax or Corporate License Fee. The credit is for qualified rehabilitation expenditures to a certified historic structure, as defined in IRC Section 47 and applicable Internal Revenue Service regulations. To be eligible, a rehabilitation project must meet all requirements for the federal 20% Income Tax credit under IRC Section 47.

Additional work done within five years must be consistent with the Secretary of the Interior's Standards for Rehabilitation. The State Historic Preservation Officer may review and inspect the additional work. If the State Historic Preservation Officer determines the additional work is inconsistent with the Standards for Rehabilitation, you will forfeit any unused credit. If you disagree with the determination, you can request a review by filing an appeal with the State Review Board.

Complete a separate TC-21 for each rehabilitated property. To claim a credit for rehabilitation expenses for a certified historic residential structure, complete the TC-22.

**Line instructions**

**Line 1:** Enter the amount of qualifying rehabilitation expenses made to a certified historic structure located in South Carolina and placed in service **during this tax year**.

For projects with rehabilitation expenses of \$500,000 or greater, a taxpayer claiming a credit must pay a preliminary fee and final fee to the SCDAH. The fee schedule is located in SC Code Section 12-6-3535, available at [dor.sc.gov/policy](http://dor.sc.gov/policy). When filing the TC-21, include a copy of the documentation from the SCDAH confirming that you have paid the fees.

**Line 2:** The South Carolina credit amount is 10% of the amount qualifying under IRC Section 47. You may elect a 25% tax credit instead of the 10% credit, not to exceed \$1 million for each certified historic structure.

**Line 3:** The credit is claimed in equal installments over a three-year period beginning with the tax year the property is placed in service. To calculate the installment amount in the year the property is placed in service, divide line 2 by 3. If the property was placed in service in a prior year, enter the amount from line 3 of last year's TC-21.

**Line 4:** You can carry annual installments that exceed your tax liability forward for up to 5 consecutive years.

**Line 5:** The total available credit is the amount of this year's annual installment plus any amount carried forward from prior years.

**Line 6:** The credit you claim cannot exceed your tax liability for the year.

**Line 7:** The allowable credit is the lesser of the available credit and this year's tax liability.

**Line 8:** The amount of credit you are unable to use this tax year is the amount you can carry forward for 5 consecutive years.

If an S Corporation owing Income Tax at a corporate level earns the credit, it must be used first at the entity level. Any remaining credit passes through to the shareholders at a percentage equal to their percentage of stock ownership.

The credit earned by a general partnership, limited partnership, limited liability company, or other pass-through entity, as defined in SC Code Section 12-6-545, must be passed through to its partners. The partners may agree on any method of allocating the credit, including an allocation of the entire credit to one partner. SC Code Section 12-6-545 is available at [dor.sc.gov/policy](http://dor.sc.gov/policy).

If you make a pass-through election under IRC 50(d), you may choose to pass the credit claimed to the tenant of the eligible structure or to retain the credit.

If you file by paper, attach this form and a copy of the federal forms showing the amount of federal rehabilitation expenditures claimed. If applicable, include a copy of the documentation from the SCDAH confirming the fees have been paid. If you file electronically, keep a copy of the documents with your tax records.

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

It is mandatory that you provide your Social Security Number on this tax form if you are an individual taxpayer. 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 SCDOR must 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 SCDOR is limited to the information necessary for the SCDOR to fulfill its statutory duties. In most instances, once this information is collected by the SCDOR, 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.