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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

APPRENTICESHIP CREDIT

Use this form to claim a credit for tax years
ending May 21, 2024 and after

SC SCH.TC-45

(Rev. 8/1/24)

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20_____

Name

SSN or FEIN

Check if you had:

- ☐ Apprentice (Complete Worksheet A for each apprentice)
- ☐ Youth Apprentice (Complete Worksheet B for each apprentice)
- ☐ Apprentice retained upon program completion (Complete Worksheet C for each apprentice)

Complete the appropriate worksheets on page 3 and then continue below.

1.	Total number of apprentices employed for at least seven months of the tax year	1.
2.	Number of apprentices employed based on registered agreement (see instructions)	2.
3.	Number of youth apprentices (see instructions)	3.
4.	Number of apprentices employed after completion of the apprenticeship program (see instructions)	4.
5.	Total credit earned from line 2 apprentices (enter the total from Column G of Worksheet A)	5.
6.	Total credit earned from line 3 youth apprentices (enter the total from Column G of Worksheet B)	6.
7.	Total credit earned from line 4 retained apprentices (enter the total from Column D of Worksheet C)	7.
8.	Total credit earned this tax year (add line 5, line 6, and line 7)	8.
9.	Credit carried forward from prior tax years	9.
10.	Total credit amount (add line 8 and line 9)	10.
11.	Current year tax liability	11.
12.	Available credit (lesser of line 10 or line 11) Individuals: enter the credit on the SC1040TC Corporations: enter the credit on the SC1120TC	12.
13.	Credit carryforward (subtract line 12 from line 10) Unused credit can be carried forward for three years	13.

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INSTRUCTIONS

Use the correct version of the SC SCH.TC-45. The tax year you are claiming the credit determines the form you'll use. Forms are available at dor.sc.gov/forms.

A taxpayer who employs an apprentice under an apprenticeship agreement registered with the Office of Apprenticeship of the Employment and Training Administration of the US Department of Labor may be eligible for a nonrefundable tax credit against Corporate or Individual Income Tax.

For the purpose of this credit:

- **Apprentice** means an apprentice under an apprenticeship agreement registered with the Office of Apprenticeship of the Employment and Training Administration of the US Department of Labor who has been an employee of the taxpayer for at least seven months of the tax year.
- **Youth apprentice** means an apprentice in a registered youth apprenticeship program who has been an employee of the taxpayer for at least seven months of the tax year.
- **Retained apprentice** means a qualifying apprentice that remains employed by the taxpayer after the apprenticeship is completed.

Calculating the credit:

- The credit is equal to the cost of the apprenticeship or \$1,000, whichever is greater, for each employed apprentice.
- For a tax year, the credit cannot exceed:
 - \$4,000 for an apprentice, or
 - \$6,000 for the youth apprenticeship program.
- For a taxpayer to claim the credit for more than four years, the apprentice must:
 - complete the apprenticeship, and
 - remain an employee of the taxpayer.
- If the apprentice meets these qualifications, the taxpayer is eligible to claim a \$1,000 credit for up to three additional tax years.

The maximum aggregate credit amount for all taxpayers may not exceed \$5 million in a tax year.

Complete the applicable worksheets below for each qualifying apprentice. Enter the totals from the worksheets on the TC-45.

Worksheet A: Use for qualifying apprentices.

Column A Apprentice Name	Column B Last four digits of Apprentice SSN/ITIN	Column C Cost of the Apprenticeship	Column D Minimum Credit Amount	Column E Greater of Column C and Column D	Column F Maximum Credit Amount	Column G Lesser of Column E and Column F
			\$1,000		\$4,000	
			\$1,000		\$4,000	
			\$1,000		\$4,000	
			\$1,000		\$4,000	
			\$1,000		\$4,000	
			\$1,000		\$4,000	
Total for qualifying apprentices: Sum of Column G. Enter on line 5 of page 1.						

Worksheet B: Use for qualifying youth apprentices.

Column A Apprentice Name	Column B Last four digits of Apprentice SSN/ITIN	Column C Cost of the Apprenticeship	Column D Minimum Credit Amount	Column E Greater of Column C and Column D	Column F Maximum Credit Amount	Column G Lesser of Column E and Column F
			\$1,000		\$6,000	
			\$1,000		\$6,000	
			\$1,000		\$6,000	
			\$1,000		\$6,000	
			\$1,000		\$6,000	
			\$1,000		\$6,000	
Total for qualifying youth apprentices: Sum of Column G. Enter on line 6 of page 1.						

Worksheet C: Use for retained apprentices still employed after completing the apprenticeship program. **If any number in Column C is greater than 3, STOP. This employee does not qualify.**

Column A Employee Name	Column B Last four digits of Employee SSN/ITIN	Column C Years Employed After Apprenticeship Program Completed	Column D Credit Amount (Credit amount is \$1,000 per retained apprentice)
Total for retained apprentices: Sum of Column D. Enter on line 7 of page 1.			

Keep a copy of each worksheet for your records. The SCDOR may request additional documentation in a review of the credits claimed.

Line instructions

Check the boxes for the type of apprentices you employed.

Line 1: Enter the total number of apprentices employed for at least seven months of the tax year.

Line 2: Enter the number of apprentices employed under a registered agreement (other than a youth apprenticeship program).

Line 3: Enter the number of apprentices employed under a registered youth apprenticeship program.

Line 4: Enter the number of retained apprentices employed after completion of the apprenticeship program.

Line 5: Enter the total from Worksheet A.

Line 6: Enter the total from Worksheet B.

Line 7: Enter the total from Worksheet C.

Line 8: Add line 5, line 6, and line 7. This is your total credit earned this tax year.

Line 9: Enter the amount of credit carried over from prior years.

Line 10: Add line 8 and line 9. This is your total credit amount.

Line 11: Enter the current year tax liability from your tax return.

Line 12: Enter the lesser of line 10 or line 11. The credit you can claim in a year is limited to your tax liability.

Line 13: Subtract line 12 from line 10. This is the amount of credit you can carry forward for up to three years.

If filing a paper return, attach the TC-45 and all worksheets to your Income Tax return. If filing electronically, include the information from this form when you file your return. Keep a copy of the form and all worksheets with your tax records.

For more information on the Apprenticeship Tax Credit, refer to SC Code Section 12-6-3477, available at dor.sc.gov/policy.

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.