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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

SMALL BUSINESS JOBS CREDIT

SC SCH.TC-4SB
(Rev. 12/17/19)
3417

20_____

Name	SSN or FEIN

If credit was received from a pass-through entity, name and FEIN of entity

Street address of facility creating new jobs

County	City	State	ZIP

Part I: Computing the number of qualifying jobs

In the tax year when you first claimed the credit, did you have a total of 99 or fewer full-time jobs everywhere, at either the beginning or ending of the tax year? ☐ Yes ☐ No If No, **STOP -** you do not qualify for this credit

Number of full-time employees subject to withholding during each month:

Month	Base Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	20___	20___	20___	20___	20___	20___	20___
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
Line 1: Total employees (add months 1 through 12).....							
Line 2: Number of months in operation.....							
Line 3: Monthly average of full-time employees (divide line 1 by line 2).....							
Line 4: Previous year average (see instructions).....							
Line 5: Average increase in full-time employees (subtract line 4 from line 3).....							

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Employees eligible for credit:

	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Line 6: Year 1 increase						
Line 7: Year 2 increase						
Line 8: Year 3 increase						
Line 9: Year 4 increase						
Line 10: Year 5 increase						
Line 11: Year 6 increase						
Line 12: Number of new jobs for credit (add line 6 through line 11)						

If you have fewer than 2 full-time jobs or full-time job equivalents for the year on line 12, **STOP!**
Most types of qualifying businesses are required to have a minimum increase of 2 jobs.

Part II: Qualifying for the 100% credit

Determining the 120% thresholds:

If you pay annualized gross wages at or above 120% of the lesser of the county or state per capita income, the jobs are eligible for 100% of the traditional credit amount for each qualifying month. If annualized gross wages are below 120% of both the county and state per capita income, the jobs are eligible for 50% of the traditional credit amount for each qualifying month. Multiply gross wages by 12 months and then divide by the actual number of months worked in a tax year to arrive at annualized gross wages. Find Information Letters with the state and county per capita income amounts at **dor.sc.gov/policy.**

Base year threshold:

1. State per capita income at the end of the base year..... 1. _____

2. County per capita income at the end of the base year..... 2. _____

3. Lesser of line 1 or line 2..... 3. _____

4. Base year threshold (multiply line 3 by 120%). Round to the nearest whole dollar..... 4. _____

If annualized gross wages paid in the base year are greater than the amount on line 4, include the job in the Base Year column.

Tax year threshold:

5. State per capita income at the end of the tax year..... 5. _____

6. County per capita income at the end of the tax year..... 6. _____

7. Lesser of line 5 or line 6..... 7. _____

8. Tax year threshold (multiply line 7 by 120%). Round to the nearest whole dollar..... 8. _____

If annualized gross wages paid in the tax year are greater than the amount on line 8, include the job in the appropriate year column.

Number of full-time employees over the 120% threshold in each month:

Month	Base Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	20___	20___	20___	20___	20___	20___	20___
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
Line 9: Total employees over the 120% threshold (add months 1 through 12).....							
Line 10: Number of months in operation.....							
Line 11: Monthly average of employees over threshold (divide line 9 by line 10).....							
Line 12: Previous year average (see instructions).....							
Line 13: Average increase in employees over threshold (subtract line 12 from line 11).....							

Employees eligible for 100% credit:

	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Line 14: Year 1 increase.....						
Line 15: Year 2 increase.....						
Line 16: Year 3 increase.....						
Line 17: Year 4 increase.....						
Line 18: Year 5 increase.....						
Line 19: Year 6 increase.....						
Line 20: Number of new jobs for credit (add line 14 through line 19).....						
Line 21: Enter amounts from Part I, line 12.....						
Line 22: Jobs qualifying for 100% credit (lesser of line 20 or line 21).....						

If you have fewer than 2 full-time jobs or full-time job equivalents for the year on line 22, **STOP!**
You do not qualify for the 100% credit. Enter -0- on Part III, line 4.

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Part III: Determining the allowable credit

100% allowable credit

1. 100% credit amount for each job (based on county, see instructions)..... 1. _____

2. Additional credit amounts (see instructions)..... 2. _____

3. Total credit for each job (add line 1 and line 2)..... 3. _____

4. Number of qualifying jobs (from Part II, line 22)..... 4. _____

5. Allowable 100% credit (multiply line 3 by line 4)..... 5. _____

50% allowable credit

6. 50% credit amount for each job (based on county, see instructions)..... 6. _____

7. Additional credit amounts (see instructions)..... 7. _____

8. Total credit for each job (add line 6 and line 7)..... 8. _____

9. Total qualifying jobs (from Part I, line 12)..... 9. _____

10. Jobs eligible for 50% credit (subtract line 4 from line 9)..... 10. _____

11. Allowable 50% credit (multiply line 8 by line 10)..... 11. _____

Total allowable credit

12. Total current year credit (add line 5 and line 11)..... 12. _____

13. Credit carryover from prior year..... 13. _____

14. Total credit available (add line 12 and line 13)..... 14. _____

15. Tax liability..... 15. _____

16. Credit limit (multiply line 15 by 50%)..... 16. _____

17. Allowable credit (lesser of line 14 or line 16)..... 17. _____

18. Credit carryforward (subtract line 17 from line 14)..... 18. _____

INSTRUCTIONS

Qualifying taxpayers with 99 or fewer employees worldwide who increase employment in South Carolina by two or more full-time jobs can take a credit against South Carolina Individual Income Tax, Corporate Income Tax, Bank Tax, or Insurance Premium Tax. The credit is limited to 50% of the tax liability.

Qualifying businesses:
To qualify, a taxpayer must operate one of the following:

- manufacturing facility
- tourism facility
- processing facility
- agricultural packaging facility
- warehousing facility
- distribution facility
- research and development facility
- corporate office facility
- qualifying service-related facility
- agribusiness operation
- extraordinary retail establishment
- qualifying technology intensive facility
- bank
- retail facility (only if located in a Tier IV county)
- service-related industry (only if located in a Tier IV county)

Job requirements:
Generally, taxpayers must increase employment by at least **two** new full-time jobs during a year to qualify for the credit. Hotels and motels must create at least 20 new full-time jobs to qualify. Certain qualifying service-related facilities must create 25 to 175 new full-time jobs, depending on the average cash compensation, to qualify. See the definitions below for more information.

A qualifying small business taxpayer, with 99 or fewer employees, may use this form to claim the small business jobs credit, or they may use the SC SCH. TC-4SA to claim the accelerated credit. Taxpayers **cannot** use both the SC SCH. TC-4SA and the SC SCH. TC-4SB for the same new jobs. Qualifying taxpayers with more than 99 employees use the SC SCH. TC-4 to claim the jobs tax credit. Forms and instructions are located at **dor.sc.gov/forms.**

Calculate the number of new and additional new full-time jobs by comparing the monthly average number of full-time employees subject to South Carolina Income Tax withholding during the tax year with the monthly average of the previous tax year. To calculate the monthly average, use the actual months in operation or a full 12-month period. If the business is in operation for less than 12 months in a year, use the monthly average for the months in operation to calculate the number of new full-time jobs.

County rankings:
Each year the SCDOR ranks South Carolina counties using income and unemployment data from the South Carolina Department of Employment and Workforce and the US Department of Commerce. You can find Information Letters with the rankings for each year at **dor.sc.gov/policy.** The counties with a combination of the highest unemployment rate and lowest per capita income are designated as Tier IV counties. The counties with a combination of the lowest unemployment rate and highest per capita income are designated as Tier I counties. County designations are effective for tax years that begin in the following calendar year.

The credit amount is based on the county designation at the time the jobs are created. If the county designation changes in a future year, the credit amount does not change. If additional new jobs are created in future years, the credit amount for those jobs is based on the county designation at the time the jobs are created.

A taxpayer planning a significant expansion can file the SC616, Notification to Lock In County Designation, before creating the new jobs to lock in the current year Tier II, III, or IV county designation. This will allow the taxpayer to use the current-year designation in the future when the jobs are created. If the actual county designation in the year the jobs are created is more favorable, the taxpayer is not required to use the designation locked in by the SC616. You can find the SC616 at **dor.sc.gov/forms.**

Amount of credit:
Beginning in 2019, the amount of the initial job credit for each new full-time job with gross wages of 120% or more of the county or the state per capita income is:

- $25,000 for Tier IV counties
- $20,250 for Tier III counties
- $2,750 for Tier II counties
- $1,500 for Tier I counties

For new full-time jobs created in tax years from 2011 through 2018, the amount of credit is:

- $8,000 for Tier IV counties
- $4,250 for Tier III counties
- $2,750 for Tier II counties
- $1,500 for Tier I counties

For job tax credits first earned before January 1, 2011, the amount of credit is:

- $8,000 in distressed counties
- $4,500 in least developed counties
- $3,500 in underdeveloped counties
- $2,500 in moderately developed counties
- $1,500 in developed counties

If gross wages are less than 120% of both the county and the state per capita income, the initial amount of the credit is 50% of the amounts listed above.

The SCDOR publishes an Information Letter each year with updated state and county per capita income amounts. You can find these Information Letters at **dor.sc.gov/policy.**

Taxpayers can receive an additional $1,000 credit for each new full-time job located in a business or industrial park jointly established and developed by a group of counties. The additional credit is available for five years beginning in the tax year after the job was created.

Taxpayers can receive an additional $1,000 credit for each new full-time job located on property where a response action has been completed based on a non-responsible party voluntary cleanup contract under the Brownfields Voluntary Cleanup Program. The additional credit is available for five years beginning in the tax year after the job was created. No additional credit is available if the taxpayer is considered a responsible party.

Except for employees in Tier IV counties, the maximum amount of combined new jobs credit (TC-4, TC-4SA, or TC-4SB) and employer credit (TC-12) that may be claimed for a single employee is $5,500.

Taking the credit:
The credit is available for five years, beginning in Year 2 after the new jobs are created. No credit is allowed for the year, or any following year, if the net employment increase falls below the minimum level required for the credit (generally 2 jobs).

If the taxpayer creates additional new full-time jobs in Years 2-6, they may receive a credit for those new jobs for five years following the year in which the job is created.

Credits are only allowed for the job level maintained in the year the credit is claimed. If the job level decreases, the five-year eligibility period for the credit continues to run.

The amount of credit that can be taken in a tax year is limited to 50% of the taxpayer's tax liability.

If you are taking multiple tax credits, calculate credit limitations one credit at a time. Credit limitations are based on the remaining tax liability after other credits have been taken. Credits can be taken in any order, unless otherwise provided in the statute allowing a particular credit. For more information, refer to the South Carolina Tax Incentives for Economic Development publication found at **dor.sc.gov/policy-manuals**.

Unused credits can be carried forward for 15 years from the year in which they were earned. The credit carryforward must be used in the order the credits were earned and cannot be used before job credits earned in the current year. If you are claiming a credit carryforward, attach a schedule detailing the year the credits were earned and the amounts used in each tax year. Taxpayers claiming the new jobs credit and the Corporate Tax moratorium may carry forward unused credit amounts until after the moratorium period expires.

Annualizing wages:
To determine if the 120% wage threshold is met, you must annualize the gross wages paid for each new job created in the tax year. Multiply the gross wages by 12 months. Then divide the result by the number of months worked in the tax year. For a part-time job, multiply the result by 40 hours and then divide by the number of half-time hours worked per week.

Example: A new full-time job created in X county on July 1 pays a gross wage of $20,000 for the six month period of July 1 through December 31. The annualized salary is $40,000 ($20,000 wages x 12 total months in calendar year ÷ 6 months worked in tax year).

Compare the annualized salary to the per capita income for the county and the state to determine if the wages meet the 120% threshold.

Pass-through entities:
A partnership, S Corporation, or limited liability company (LLC) taxed as a partnership or S Corporation may pass the credit earned to each partner, shareholder, or member. An S Corporation must first use the credit against any Corporate Income Tax due at the entity level. Any credit remaining passes through to the shareholders.

To calculate the amount of credit to pass through, multiply the partner's interest in the partnership, the shareholder's percentage of stock ownership, or the member's interest in the LLC for the tax year by the amount of credit earned by the partnership, S Corporation, or LLC. The credit taken on the partner's, shareholder's, or member's tax return cannot be greater than 50% of their tax liability. Unused credits can be carried forward by the partner, shareholder, or member for 15 years from the year in which the credit was earned. The partnership, S Corporation, or LLC does not carry forward any credit that was passed through to partners, shareholder, or members.

If you are a partner, shareholder, or member claiming the credit, begin with Part III, line 12, and enter the amount of credit passed through by the partnership, S Corporation, or LLC on the South Carolina K1.

Credit transfer:
A merger, consolidation, or reorganization where tax attributes survive does not create new eligibility in the succeeding taxpayer. Unused job tax credits may be transferred and continued by the succeeding taxpayer, but they are subject to the limitations on credits provided in Internal Revenue Code Section 383. If one taxpayer transfers to another taxpayer all, or substantially all, of its assets, or the assets of a trade or business or operating division related to the generation of the tax credits, then they may also assign the rights to the job tax credits. The required number of new jobs for that amount of credit must be maintained for the transfer of credits to be allowed.

Definitions:

- **Taxpayer** is a sole proprietor, partnership, corporation, LLC, or association subject to South Carolina Corporate or Individual Income Tax, Bank Tax, or Insurance Premium Tax.

- **New job** is a job created in South Carolina at the time a new facility or an expansion is initially staffed. A new job does not include a job transferred from one site to another site by the taxpayer or a related person, unless the job is transferred to a county where a federal facility has reduced its permanent employment by 3,000 or more jobs after December 31, 1990.

  New job includes jobs reinstated when the employer has rebuilt the facility after:
  - more than 50% of it was destroyed by accidental fire, natural disaster, or act of God
  - involuntary conversion took place through condemnation or exercise of eminent domain by the federal government or by South Carolina or one of its political subdivisions

  The year of reinstatement is the year a reinstated job was created. All reinstated jobs qualify for the credit. You are not required to compare the number of full-time jobs in the tax year with the number of full-time jobs in the prior tax year.

- **Full-time job** is a job requiring a minimum of 35 hours of an employee's time each week for the entire normal year of company operations or for a year in which the employee was initially hired for or transferred to the South Carolina facility. Two half-time jobs are considered one full-time job.

  For agricultural packaging and agribusiness operations, seasonal workers may be considered a full-time employee. The seasonal employee counts as a fraction of a full-time worker. To calculate the percentage of a full-time job that a seasonal employee qualifies for, multiply the number of hours they worked in a week by the number of weeks worked, then divide that total by 1,820.

- **Half-time job** is a job requiring a minimum of 20 hours of an employee's time a week for the entire normal year of the company's operations or for a year in which the employee was initially hired for or transferred to the South Carolina facility.

- **Manufacturing facility** is an establishment where tangible personal property is produced or assembled.

- **Processing facility** is an establishment that prepares, treats, or converts tangible personal property into finished goods or another form of tangible personal property. It includes a business engaged in processing agricultural, aquacultural, or maricultural products - specifically, meat, poultry, and other food processing operations. It does **not** include a location where retail sales of tangible personal property are made to retail customers.

- **Warehousing facility** is an establishment where tangible personal property is stored. It does **not** include any establishment where retail sales of tangible personal property are made to retail customers.

- **Distribution facility** is an establishment where shipments of tangible personal property are processed for delivery to customers.

  It does **not** include an establishment where retail sales of tangible personal property are made to retail customers more than 12 days a year unless:
  - the facility processes customer sales orders by mail, telephone, or electronic means
  - the facility also processes shipments of tangible personal property to customers
  - at least 75% of the dollar amount of goods sold through the facility are sold to customers outside of South Carolina

  The 12-day and 75% limitations do not apply to retail sales made inside the facility to employees working at the facility.

- **Research and development facility** is an establishment engaged in laboratory, scientific, or experimental testing and development related to new products, new uses for existing products, or improving existing products.

  It does **not** include an establishment engaged in:
  - efficiency surveys
  - management studies
  - consumer surveys
  - economic surveys
  - advertising
  - promotion
  - banking
  - research connected with literary, historical, or similar projects

- **Corporate office facility** is a corporate headquarters as defined below or the corporate headquarters of a general contractor licensed by the South Carolina Department of Labor, Licensing, and Regulation.

- **Corporate headquarters** is the facility or facility portion where corporate staff employees are physically employed. It is where the majority of the company or business unit's financial, personnel, legal, planning, information technology, or other headquarters-related functions are handled on a regional, national, or global basis.
  - A national corporate headquarters is the sole corporate headquarters in the nation and handles headquarters-related functions at least on a national basis.
  - A regional corporate headquarters is the sole corporate headquarters within the region and handles headquarters on a regional basis.

    Region or regional means a geographic area of:
    - at least five states, including South Carolina, or
    - two or more states, including South Carolina, if the entire business operations of the corporation are performed in fewer than five states

- **Tourism facility** is an establishment where entertainment, education, or recreation is provided to the general public, and includes:
  - theme parks
  - amusement parks

- historical, educational, or trade museums
- botanical gardens
- cultural centers
- theaters
- motion picture production studios
- convention centers
- arenas
- auditoriums
- spectator or participatory sports facilities

New hotel and motel construction also qualify as tourism facilities, but the number of new jobs that must be created by the new hotel or motel is **20** or more. This limitation exists regardless of the county where the facility is located.

Tourism facility does **not** include the portion of an establishment where retail merchandise or services are sold directly to retail customers.

- **Qualified service-related facility** is one of the following:
  - An establishment engaged in an activity listed under the following NAICS code sections:
    - 621: ambulatory health care
    - 622: hospitals
    - 623: residential care facilities
    - 488190: support activities for air transportation

  - A business not engaged in legal, accounting, banking, investment services, or retail sales with a net increase of at least:
    - 175 jobs at a single location
    - 150 jobs at a single location that is a building, or portion, that has been vacant for at least 12 consecutive months before the taxpayer's investment
    - 100 jobs at a single location with an average cash compensation level that is more than 150% of the lower of state per capita income or the per capita income of the county where the jobs are located
    - 50 jobs at a single location with an average cash compensation level that is more than 200% of the lower of state per capita income or the per capita income of the county where the jobs are located
    - 25 jobs at a single location with an average cash compensation level that is more than 250% of the lower of state per capita income or the per capita income of the county where the jobs are located

  Use the most recent per capita income data available at the end of the tax year in which the jobs are filled.

- **Technology intensive facility** is a facility at which a firm engages in the design, development, and introduction of new products or innovative manufacturing processes through the systematic application of scientific and technical knowledge. Included are activities under the following NAICS codes:
  - 5114: database and directory publishers
  - 5112: software publishers
  - 54151: computer systems design and related services
  - 541511: custom computer programming services
  - 541512: computer systems design services
  - 541711 (2007 NAICS): research and development in biotechnology
  - 541712 (2007 NAICS): research and development in physical, engineering, and life sciences
  - 518210: data processing, hosting, and related services
  - 9271: space research and technology
  - 51811 (2002 NAICS): internet service providers and web search portals

- **Extraordinary retail establishment** is a single store located in South Carolina within two miles of an interstate highway or in a county with at least 3.5 million visitors a year. It must be a destination retail establishment with at least 2 million visitors a year. At least 35% of the visitors must have traveled at least 50 miles to the establishment. It must have a capital investment of at least $25 million, including land, buildings, and site preparation costs. One or more hotels must be built to service the establishment within three years of occupancy. The certificate of occupancy must be after July 1, 2006. The South Carolina Department of Parks, Recreation, and Tourism determines and annually certifies who qualifies.

- **Agricultural packaging** is the technology of enclosing, protecting, or preserving agricultural products for distribution, storage, sale, and use. It also refers to the process of design, evaluation, and production of packages used for agricultural products.

Line instructions:
Enter your name and SSN or FEIN.

If you are receiving this credit from a pass-through entity, enter the name and FEIN of the entity. Then begin with Part III, line 12 and enter the amount of credit shown on your K1 as passed through from the entity.

Enter the address of the facility where the new jobs are created. Include the county where the facility is located.

Part I: Computing the number of qualifying jobs
To qualify for the small business jobs credit, you must have 99 or fewer total employees at all locations worldwide at either the beginning or the ending of the tax year in which the new, full-time jobs are created. The determination is only made once per credit period. It is not made in later years, even if the number of employees is greater than 99 in other years during the credit period.

Enter the number of full-time employees subject to withholding each month. Year 1 is the tax year of the new jobs increase. Base year is the previous tax year.

Line 1: Add the number of employees from months 1 through 12. This is the number of total employees subject to South Carolina withholding in the applicable county for the year.

Line 2: Enter the number of months that you were in operation during the tax year.

Line 3: Divide line 1 by line 2. Round down to the nearest whole number. This is the monthly average of full-time employees.

Line 4: Enter the monthly average of full-time employees from line 3 of the immediately previous year column.

Line 5: Subtract line 4 from line 3. Enter a negative number in parentheses. This is the average increase (or decrease) in full-time employees for the year.

Line 6 through line 11: Enter the yearly increase from line 5 of the applicable year. New jobs qualify for five years, beginning with the year **after** the year in which they are created, as long as they are maintained.

Line 12: Add line 6 through line 11. This is the number of new jobs available for the credit. If the number on line 12 is less than two, you do not qualify for the credit for the current year. The number of new jobs must be greater than the minimum job requirement.

Part II: Qualifying for the 100% credit
Jobs are eligible for 100% of the traditional credit amount if annualized gross wages are at least 120% of the lesser of the county or state per capita income. See instructions on page 7 for how to calculate annualized gross wages. You can find Information Letters with state and county per capita income information at **dor.sc.gov/policy.**

Line 1: Enter the South Carolina per capita income at the end of the base year.

Line 2: Enter the county per capita income at the end of the base year.

Line 3: Enter the lesser of line 1 and line 2.

Line 4: Multiply line 3 by 120%. This is the base year threshold to use. If annualized gross wages paid in the base year are greater than this amount, include the job in the Base Year column.

Line 5: Enter the South Carolina per capita income at the end of the current tax year.

Line 6: Enter the county per capita income at the end of the current tax year.

Line 7: Enter the lesser of line 5 and line 6.

Line 8: Multiply line 7 by 120%. This is the threshold to use for the tax year. If the annualized gross wages are greater than this amount, include the job in the appropriate year column.

Enter the number of full-time employees with annualized gross wages above the 120% threshold amount for each month.

Line 9: Add the number of employees from months 1 through 12. This is the number of total employees subject to South Carolina withholding in the applicable county for the year with annualized gross wages over the 120% threshold.

Line 10: Enter the number of months that you were in operation during the tax year.

Line 11: Divide line 1 by line 2. Round down to the nearest whole number. This is the monthly average of full-time employees.

Line 12: Enter the monthly average of full-time employees from line 11 of the immediately previous year column.

Line 13: Subtract line 12 from line 11. Enter a negative number in parentheses. This is the average increase (or decrease) in full-time employees for the year.

Line 14 through line 19: Enter the yearly increase from line 13 of the applicable year. New jobs qualify for five years, beginning with the year **after** the year in which they are created, as long as they are maintained.

Line 20: Add line 14 through line 19.

Line 21: Enter amounts from Part I, line 12.

Line 22: Enter the lesser of line 20 or line 21. This is the number of new jobs qualifying for the 100% credit. If the number on line 22 is less than two, enter -0- on Part III, line 4. You do not have any new jobs eligible for the 100% credit.

Part III: Determining the allowable credit

Line 1: Enter the 100% credit amount for each job. Use the **Amount of credit** instructions on page 6. The credit is based on the year and the county designation for the facility where the new jobs are located. Use the county designation in effect at the time the new job was created. If you filed an SC616, use the greater of the county designation at the time the SC616 was filed or at the time the job was created.

Line 2: Enter any additional credit amounts for new jobs located in qualifying business or industrial parks or at brownfields project sites.

Line 3: Add line 1 and line 2. This is the total credit for each job with wages above the 120% threshold amount.

Line 4: Enter the number of qualifying jobs from Part II, line 22. If line 22 is less than two, enter zero.

Line 5: Multiply line 3 by line 4. This is the allowable 100% credit amount.

Line 6: Enter the 50% credit amount for each job. This amount is half of the **Amount of credit** listed in the instructions, based on the year and the county designation.

Line 7: Enter any additional credit amounts for new jobs located in qualifying business or industrial parks or at brownfields project sites.

Line 8: Add line 6 and line 7. This is the total credit for each job with wages below the 120% threshold amount.

Line 9: Enter the amount from Part I, line 12. This is the total number of jobs qualifying for the credit.

Line 10: Subtract line 4 from line 9. This is the number of jobs eligible for the 50% credit.

Line 11: Multiply line 8 by line 10. This is the allowable 50% credit amount.

Line 12: Add line 5 and line 11. This is the total current year credit. If you are a partner, shareholder, or member receiving the credit from a partnership, S Corporation, or LLC, begin with this line and enter the amount of credit passed through on a South Carolina K1.

Line 13: Enter any credit carried over from a prior year. If claiming a credit carryforward, attach a schedule showing when the credit was earned, the amount of credit earned, and the amounts taken in prior years.

Line 14: Add line 12 and line 13. This is the total credit available for you this year.

Line 15: Enter your tax liability from line 10 of the SC1040, line 9 of the SC1120, line 7 of the SC1120S, line 7 of the SC1120U, line 5 of the SC1101B, or line 8 of the SC1041.

Line 16: Multiply line 15 by 50%. The credit is limited to 50% of your tax liability. If you are taking other credits, calculate the credit limitations one credit at a time.

Line 17: Enter the lesser of line 14 or line 16. This is the amount of credit you are able to take this tax year.

Line 18: Subtract line 17 from line 14. This is the amount of unused credit able to be carried forward. Credits can be carried forward for up to 15 years.

Find more information about the new jobs credit at **dor.sc.gov/policy**, including:

- SC Revenue Ruling #99-5: a question and answer advisory opinion about the 1996 version of the credit
- SC Revenue Ruling #05-5: an advisory opinion defining expansion
- SC Revenue Ruling #07-2: an advisory opinion explaining small business provision of the credit
- Information Letters with county designations for each year
- South Carolina Tax Incentives for Economic Development: a manual with descriptions of tax credits
- Any future or updated advisory opinions relating to the credit

If you are filing by paper, attach a copy of this form to your tax return. If you are filing electronically, keep a copy for your 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.