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Comments Due by: **December 3, 2019**

SC REVENUE RULING #19- DRAFT 11/7/19

- SUBJECT:** Job Tax Credit – Increased Credit Amount for Tier III and IV Counties (Income Tax)
- EFFECTIVE DATE:** For jobs created in tax years which begin on or after January 1, 2019
- MODIFIES:** SC Revenue Ruling #99-5 and SC Revenue Ruling #07-2
- SUPERSEDES:** SC Revenue Ruling #87-5 and all previous advisory opinions and any oral directives in conflict herewith.
- REFERENCES:** S.C. Code Ann. Section 12-6-3360 (2014) (Supp. 2018)
S.C. Code Ann. Section 12-6-3362 (2014)
Act No. 83 of 2019 (Enacted May 22, 2019)
- AUTHORITY:** S.C. Code Ann. Section 12-4-320 (2014)
S.C. Code Ann. Section 1-23-10(4) (2005)
SC Revenue Procedure #09-3
- SCOPE:** The purpose of a Revenue Ruling is to provide guidance to the public and Department personnel. It is an advisory opinion issued to apply principles of tax law to a set of facts or general category of taxpayers. It is the Department’s position until superseded or modified by a change in statute, regulation, court decision, or another Department advisory opinion.

PURPOSE

Act No. 83, enacted May 22, 2019, substantially increased the job tax credit amount for jobs created in South Carolina counties ranked as a Tier III county or Tier IV county. The purpose of this advisory opinion is to provide guidance regarding the credit amount available to taxpayers in a Tier III or Tier IV county who first create qualifying jobs in 2019 and who are beginning a credit period and to taxpayers who created qualifying jobs in 2018 and earlier who are in an existing credit period.

OVERVIEW OF JOB TAX CREDITS

South Carolina Code Title 12, Chapter 6 contains three job tax credit provisions. The provisions are contained in Code Section 12-6-3360(C)(1), the “traditional” annual job tax credit; Code Section 12-6-3360(C)(2), the “annual” small business job tax credit; and Code Section 12-6-3362, the “accelerated” small business job tax credit.

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In general, the job tax credit is available to qualifying new or expanding businesses creating a minimum monthly average number of new, full time jobs (“new jobs”) in South Carolina.¹ Sole proprietorships, partnerships, corporations, S corporations, and limited liability companies that operate a qualifying business type in South Carolina (e.g., manufacturing, processing, etc.) are eligible. The credit taken in one tax year may not exceed 50% of the taxpayer’s South Carolina income tax,² bank tax, or insurance premium tax liability. Any unused credit may be carried forward for 15 years.³

An overview of the three job tax credit provisions is provided below. Because the qualifying requirements, the credit amount and computation, and the time in which the credit may be first claimed may differ depending on the specific credit provision, the applicable South Carolina job tax credit statute should be carefully reviewed. Careful consideration should be given to which specific credit the taxpayer will claim since that provision is applicable for the entire credit period.

See the Appendix for a chart comparing the “traditional,” “annual” small business, and “accelerated” small business job tax credit provisions.

Code Section 12-6-3360(C)(1) - “Traditional” annual job tax credit for any size business.

Code Section 12-6-3360(C)(1) provides a job tax credit for a qualifying taxpayer, regardless of size, creating and maintaining a minimum monthly average increase of new, full time jobs in South Carolina. For most taxpayers, the minimum monthly average increase for the tax year is 10. (See Question 4 for exceptions.) The credit amount depends, in part, on the county where the taxpayer’s business is located. The credit is claimed on the taxpayer’s tax return for 5 years (Years 2 through 6) beginning in the year following the year of the creation of the new jobs (Year 1), provided the jobs are maintained. During the original 5-year credit period, a taxpayer is also allowed a credit for additional new jobs created (even for increases less than 10) for 5 years beginning in the year following the year in which the new jobs were created.

Code Section 12-6-3360(C)(2) - “Annual” small business job tax credit for a business with 99 or fewer total employees worldwide.⁴

Code Section 12-6-3360(C)(2) provides a job tax credit for a qualifying small business taxpayer creating and maintaining a minimum monthly

¹ The monthly average of full time employees is the cumulative total of full time employees for each month (number of employees in January plus number in February, etc.) divided by the months in operation. It is not the number of jobs created in each month, the total number of jobs created at the end of the year, or the total change in jobs from year to year.

² The job tax credit may be claimed against income tax imposed by Code Sections 12-6-510 (individuals, estates, and trusts) or 12-6-530 (corporations).

³ The job tax credit is a nonrefundable credit. See Code Section 12-6-3360(I) for special situations when the credit may be transferred. The credit may not be sold.

⁴ A small business taxpayer may qualify for the “traditional” annual job tax credit. Although the taxpayer may meet the requirements of all three of the credit provisions, only one credit provision may be used for each credit period. Note: The taxpayer has the option to determine whether it has 99 or fewer total employees at all locations worldwide at either the beginning or the end of its tax year in which the new jobs are created in Year 1. The determination is made each time a credit period begins.

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average of new, full time jobs in South Carolina. For most taxpayers, the minimum monthly average increase for the tax year is 2. (See Question 4 for exceptions.) The credit amount depends, in part, on the county in which the taxpayer is located and the amount of gross wages paid to each employee. New jobs paid gross wages at or above 120% of the county or State average per capita income,⁵ whichever is less, are eligible for 100% of the “traditional” credit amount. New jobs paid gross wages below 120% of the county or State average per capita income, whichever is less, are eligible for 50% of the “traditional” credit amount. (Note: A minimum monthly average of 2 new jobs must be created paying gross wages in the “at or above” 120% wage threshold for the tax year to receive the 100% credit amount.)⁶ The credit is claimed on the taxpayer’s tax return for 5 years (Years 2 through 6) beginning in the year following the year of the creation of the new jobs (Year 1), provided the new jobs are maintained each year. During the original 5-year credit period, a taxpayer is also allowed a credit for additional new jobs created and maintained (even for an increase of 1 new job) for 5 years beginning in the year following the year in which the new jobs were created

Code Section 12-6-3362 - “Accelerated” small business job tax credit for a business with 99 or fewer total employees worldwide. Code Section 12-6-3362 allows a small business qualifying for the “annual” small business job tax credit in Code Section 12-6-3360(C)(2), an “election” to accelerate the use of the credit by claiming the credit beginning in the year the new, full time jobs are created. The credit is claimed on the taxpayer’s tax return for 5 years (Years 1 through 5) beginning in the year of the creation of the new jobs (Year 1). During the original 5-year credit period, a taxpayer is allowed a credit for the jobs maintained and is also allowed a credit for additional new jobs created (even if only 1 new job is created).

QUESTIONS AND ANSWERS

1. Q. What are the job tax credit amounts for new jobs created in South Carolina following the enactment of Act No. 83?
 - A. The credit amount for each eligible new job is determined, in part, by the county in which the taxpayer’s business is located. South Carolina’s 46 counties are ranked annually as a Tier I, II, III, or IV county, with equal weight given to unemployment rate and per capita income. Act No. 83 increased the credit amounts for Tier III and Tier IV counties only. The credit amounts for Tier I and Tier II counties were not changed by Act No. 83. The credit amount for each county ranking prior to, and following, Act No. 83 are provided below.⁷

⁵ Generally, the federal government releases the South Carolina per capita figure in March and September and the county per capita figures in November. The Department publishes Information Letters each year listing the per capita figures upon release.

⁶ A taxpayer creating a monthly average of 2 new, full time jobs for the tax year paying one new job in the “at or above” 120% threshold and paying the other new job in the “below” 120% threshold qualifies only for the 50% credit amount for these 2 new jobs. The credit amount for additional new jobs created during the original credit period is determined separately.

⁷ These amounts are the “basic” credit amounts. A qualifying taxpayer may also be eligible for an “additional” credit amount of \$1,000 per new job for a business located in a multicounty park or an “additional” credit amount for a

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County Ranking	Credit Amount before Act No. 83 (i.e., the “old” credit amount)	Credit Amount as amended by Act No. 83 (i.e., the “new” credit amount)
Tier IV	\$8,000	\$25,000
Tier III	\$4,250	\$20,250
Tier II	\$2,750	\$2,750
Tier I	\$1,500	\$1,500

2. Q. What are the county rankings for 2019⁸ and 2020?

A. The Department publishes an Information Letter each December to announce the county rankings to use for calculating the credit amount for new jobs created during the next tax year. For example, the list published in December 2019 will contain the county rankings for new jobs created in tax years which begin in 2020. See the Department’s website for annual rankings.

County Rankings for New, Full Time Jobs Created in Tax Years that Begin in 2019			
Tier IV	Tier III	Tier II	Tier I
Allendale	Abbeville	Aiken	Anderson
Bamberg	Calhoun	Florence	Beaufort
Barnwell	Cherokee	Georgetown	Berkeley
Chester	Chesterfield	Greenwood	Charleston
Clarendon	Colleton	Kershaw	Dorchester
Dillon	Darlington	Lancaster	Greenville
Lee	Edgefield	Laurens	Lexington
Marion	Fairfield	Newberry	Richland
Marlboro	Hampton	Oconee	Spartanburg
Orangeburg	Horry	Pickens	York
Union	Jasper	Saluda	
Williamsburg	McCormick	Sumter	

3. Q. Does the “old” credit amount or the “new” credit amount apply to jobs created in a Tier III or Tier IV county?

A. For a taxpayer creating new jobs in a Tier III or Tier IV county in a tax year which begins on or after January 1, 2019, the “new” credit amount applies. For a taxpayer in an existing credit period, the “old” credit amount continues to apply for jobs created in a tax year which began before 2019.

business meeting the requirements for location at a brownfields site. See Code Section 12-6-3360(E) for the requirements.

⁸ See Information Letter #19-2.

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The examples below illustrate the transitional provisions of Act No. 83 and the determination of the credit amount.

Example 1 - A business first creating new jobs in 2019.

Assume new Company X is a calendar year taxpayer who begins operations in South Carolina in 2019. Company X creates a monthly average of 10 new jobs in a Tier IV county in 2019, maintains all the new jobs for the 5-year credit period, and does not create any additional new jobs during the credit period.

For new jobs created in tax years beginning January 1, 2019, the credit amount is based on the “new” credit amount as indicated below.

	2019	2020	2021	2022	2023	2024
New jobs created in Year 1	10					
Credit amount to be claimed in Years 2 – 6 for each new job created in Year 1 and maintained		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Total Credit		\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

Example 2 - A business in a 5-year credit period (i.e., the new jobs were created prior to tax year 2019) who does not create additional new jobs.

Assume existing Company Y created a monthly average of 10 new jobs in a Tier IV county in 2017. Company Y qualifies for the traditional job tax credit, maintains all the new jobs for the 5-year credit period, and does not create any additional new jobs during the credit period.

For the new jobs created in 2017, the credit amount is based on the “old” credit amount as indicated below.

	2017	2018	2019	2020	2021	2022
New jobs created in Year 1	10					
Credit amount to be claimed in Years 2 – 6 for each new job created in Year 1 and maintained		\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Total Credit		\$80,000	\$80,000	\$80,000	\$80,000	\$80,000

This example illustrates that the job tax credit amount for each of the 10 new jobs created prior to January 1, 2019 is fixed at \$8,000 - the credit amount available when the new jobs were initially created in Year 1 (2017 in this example). The credit amount during the 5-year credit period is not affected by the increase in the Tier IV credit amount to \$25,000 in 2019 by Act No. 83.

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Example 3 - A business in an existing 5-year credit period (i.e., the new jobs were created prior to tax year 2019) who creates additional new jobs in 2019 and 2020. The county ranking changes during the credit period.

Assume existing Company Z is a business qualifying for the traditional job tax credit and created a monthly average of 10 new jobs in 2018, added 2 more new jobs in 2019, and added 8 more new jobs in 2020. All new jobs were maintained. The county was ranked as a Tier III county in 2018 and 2019, and a Tier II county in 2020.

New Jobs Created in Tax Year and Credit Per Job	2018	2019	2020	2021	2022	2023	2024	2025
2018 - 10 new jobs (Tier III - \$4,250 per job)	\$0	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250		
2019 - 2 new jobs (Tier III - \$20,250 per job)			\$20,250	\$20,250	\$20,250	\$20,250	\$20,250	
2020 - 8 new jobs (Tier II - \$2,750 per job) ⁹				\$2,750	\$2,750	\$2,750	\$2,750	\$2,750
Total Credit		\$42,500	\$83,000	\$105,000	\$105,000	\$105,000	\$62,500	\$22,000

During the original credit period, a taxpayer is eligible to claim a credit for additional new jobs created even if fewer than 10 additional new jobs are created. The additional credit is claimed for 5 years beginning in the year following the year the additional new jobs are created, provided the jobs are maintained. Generally, the credit amount for any number of additional new jobs is based on the credit amount for the year the additional new jobs are created.¹⁰

In this example, the taxpayer will claim a job tax credit using three credit amounts - \$4,250 Tier III “old” credit amount from 2019 – 2023 for the initial 10 new jobs created in 2018; \$20,250 Tier III “new” credit amount increased by Act 83 from 2020 – 2024 for the additional 2 new jobs created in 2019; and \$2,750 Tier II credit amount from 2021 – 2025 for the additional 8 new jobs created in 2020.¹¹

Example 4 – A business using the “accelerated” small business job tax credit who first creates new jobs in 2018 and creates additional new jobs in 2019.

Assume Company A is a business with 99 or fewer employees worldwide meeting all requirements to qualify for the job tax credit. In 2018, Company A creates a monthly average of 5 new, full time jobs paying below 120% of the per capita gross wage threshold. In 2019, Company A creates 3 more new jobs - 2 new jobs paying greater than the 120% gross wage

⁹ In this example, the county ranking changed from Tier III to Tier II in 2020.

¹⁰ Note: The answer is different if the taxpayer files a SC Form 616, “Notification to Lock in County Designation,” before the initial staffing of the new facility or expansion. South Carolina Form 616 “locks in” the beneficial credit designation for the years indicated, regardless of whether the county designation changes to a lower credit amount during the year in which the jobs are actually created. It is valid for all new jobs created during the original 5-year credit period and for any increases during this 5-year credit period.

¹¹ In this example, if the taxpayer had filed a timely SC Form 616, the Tier III ranking would be “locked in” and the taxpayer would claim the higher credit amount for the additional 8 new jobs created in 2020 (i.e., \$20,250 “new” credit amount).

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threshold and 1 new job paying less than the 120% gross wage threshold. Company A maintains all the new jobs in subsequent years and does not create any additional new jobs during the credit period. The county was ranked as a Tier IV county in 2018 and 2019. Company A “elects” to use the accelerated small business job tax credit and is eligible to claim the credit immediately in Years 1 through 5 (instead of Years 2 through 6 as provided in the “annual” small business credit in Code Section 12-6-3360(C)(2)).

Number of New Jobs Created in Tax Year in a Tier IV County	2018	2019	2020	2021	2022	2023
2018 – 5 new jobs paying below the 120% wage threshold (Tier IV - \$8,000 per job “old” amount)	\$4,000 (50% of “old” Tier IV credit amount)	\$4,000	\$4,000	\$4,000	\$4,000	
2019 – 2 new jobs paying above the 120% wage threshold		\$25,000 (100% of “new” Tier IV credit amount)	\$25,000	\$25,000	\$25,000	\$25,000
1 new job paying below the 120% wage threshold (Tier IV - \$25,000 per job “new” amount)		\$12,500 (50% of “new” Tier IV credit amount)	\$12,500	\$12,500	\$12,500	\$12,500
Total Credit	\$20,000	\$82,500	\$82,500	\$82,500	\$82,500	\$62,500

This example illustrates the “accelerated” small business job tax credit gross wage threshold requirements and credit amounts. Under the “accelerated” credit, new jobs paid gross wages at or above 120% of the county or State average per capita income (whichever is less) are eligible for 100% of the “traditional” credit amount, and new jobs paid gross wages below 120% of the county or State average per capita income (whichever is less) are eligible for 50% of the “traditional” credit amount.

In this example, the taxpayer will claim a job tax credit using three credit amounts for the two credit periods¹² - \$4,000 Tier IV “old” credit amount from 2018 – 2022 for the initial 5 new jobs created in 2018 paying below the wage threshold (50% “old” credit amount); \$25,000 Tier IV “new” credit amount provided by Act No. 83 from 2019 – 2023 for the additional 2 new jobs created in 2019 paying above the wage threshold; and \$12,500 “new” Tier IV credit amount (50% “new” credit amount) provided by Act No. 83 from 2019 – 2023 for the additional 1 new job also created in 2019 paying below the wage threshold.

¹² A taxpayer adding a new facility or expanding may choose to treat these new jobs as additional increases of the existing credit or choose to start a new 5-year credit period.

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4. Q. What types of businesses qualify for the job tax credit and what are the job requirements for each type of business?
- A. Code Section 12-6-3360 provides for the types of businesses that qualify for the job tax credit. In general, a qualifying business is eligible for the credit when creating and maintaining a required number of jobs in any South Carolina county. However, there are two business types – a service related industry and a retail facility – that only qualify for the credit in a Tier IV county. See Code Section 12-6-3360 (A) and (M) for definitions of eligible businesses.

In general, the minimum monthly average job increase requirement for a qualifying business is 10 to be eligible for the “traditional” job tax credit and 2 to be eligible for the “small business” job tax credit. A higher job requirement, however, exists for three business types - qualifying service related facility, new hotel or motel (tourism), and professional sports team - whether the taxpayer claims the “traditional” or the “small business” job tax credit.

The following chart summarizes the types of businesses that qualify in each county tier and the new job eligibility requirements (and exceptions) for both the “traditional” and “small business” job tax credit.

Qualifying Businesses and Definitions	County Ranking		Monthly Average Increase for Tax Year Requirement
	Tier IV County	Tier III, II, or I County	
Manufacturing – Code Section 12-6-3360(M)(5)	Yes	Yes	10 - traditional credit 2 - small business credit
Processing – Code Section 12-6-3360(M)(6)	Yes	Yes	10 - traditional credit 2 - small business credit
Warehousing – Code Section 12-6-3360(M)(7)	Yes	Yes	10 - traditional credit 2 - small business credit
Distribution – Code Section 12-6-3360(M)(8)	Yes	Yes	10 - traditional credit 2 - small business credit
Research and Development – Code Section 12-6-3360(M)(9)	Yes	Yes	10 - traditional credit 2 - small business credit
Corporate Office – Code Section 12-6-3360(A) and (M)(10)	Yes	Yes	10 - traditional credit 2 - small business credit
Technology Intensive – Code Section 12-6-3360(M)(14)	Yes	Yes	10 - traditional credit 2 - small business credit
Banks – Code Sections 12-6-3360(A) and 12-11-10	Yes	Yes	10 - traditional credit 2 - small business credit
Agribusiness Operations Code Section 12-6-3360(A)	Yes	Yes	10 - traditional credit 2 - small business credit
Agricultural Packaging – Code Section 12-6-3360(M)(16)	Yes	Yes	10 - traditional credit 2 - small business credit
Extraordinary Retail Establishment – Code Section 12-6-3360(M)(15)	Yes	Yes	10 - traditional credit 2 - small business credit

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Qualifying Service Related Facility – (a) health care (e.g., hospital, health related services) (b) air transportation support Code Section 12-6-3360(M)(13)(a)	Yes	Yes	10 - traditional credit 2 - small business credit
Qualifying Service Related Facility – Other (e.g., call centers, mortgage processing centers) Note: Legal, accounting, banking, investment services, or retail sales do <u>not</u> qualify as a “qualifying service related facility” Code Section 12-6-3360(M)(13)(b)	Yes	Yes	25 - 175 in a single location based on specified average cash compensation amounts or other criteria. See Code Section 12-6-3360(M)(13)(b).
Service Related Industry – (e.g., seamstress, hair stylist, lawn care, child care, construction contractor, painter, repair services, trucking or hauling, roofer, janitorial services, courier services, security services, accounting, legal, investment services, call center, mortgage processing) Code Section 12-6-3360(A)	Yes	No	10 - traditional credit 2 - small business credit
Retail Facility – (e.g., convenience store, restaurant, florist, photographer, machine shop, interior design, repair shop selling tangible personal property) Code Section 12-6-3360(A)	Yes	No	10 - traditional credit 2 - small business credit
Tourism – Code Section 12-6-3360(M)(12)	Yes	Yes	10 - traditional credit 2 - small business credit Exception: 20 if a new hotel or motel
Professional Sports Team (if jobs are created by, or revitalization agreement entered into before, July 1, 2022) Code Section 12-6-3360(M)(17)	Yes	Yes	150 and annual federal payroll of \$190 million

5. Q. How is the job tax credit reported if more than one credit amount applies each year?

A. For ease of computing the credit, it is suggested that a separate South Carolina Form TC-4, “New Jobs Credit,” TC-4SB, “Small Business Jobs Credit,” or TC-4SA, “Accelerated Small Business Jobs Credit” be filed for each credit amount when claiming the credit for years in which the credit amount differs. Note: Once a credit period begins, the “annual” or “accelerated” method must be used for the entire credit period.

Computer designed forms or spreadsheets are acceptable in lieu of Forms TC-4, TC-4SB, or TC-4SA, provided all information on the applicable credit form is reflected on the substitute form.

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6. Q. Who completes and files the job tax credit form?

A. South Carolina Form TC-4, TC-4SB, or TC-4SA is completed and retained by the entity creating the new jobs. The form is not required to be attached to the entity's electronically filed tax return, but should be retained and made available upon request. The form, however, is required to be attached to the entity's tax return if it is paper filed. The entity creating the new jobs, including a pass through entity, does not provide its Form TC-4, TC-4SB, or TC-4SA to the partner, shareholder, or member claiming the credit.

7. Q. How does a partner, shareholder, or member report the job tax credit received from a pass through entity?

A. The job tax credit passed from a partnership, S corporation, or limited liability company to its partners, shareholders, or members is reported on Schedule SC K-1. The job tax credit claimed by the individual, trust, or corporation is limited to 50% of its income tax liability.

To facilitate processing of the South Carolina tax return, it is recommended that the Schedule SC K-1 or a supporting schedule be attached to the tax return of the partner, shareholder, or member. See the Appendix for a sample supporting schedule.

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COMPARISON OF JOB TAX CREDIT PROVISIONS

CAVEAT: This comparison is written in general terms and should not be relied on as a substitute for researching original sources of authority.

	“Traditional” Job Tax Credit	“Small Business” Job Tax Credit	
		“Annual”	“Accelerated”
Code Section	12-6-3360(C)(1)	12-6-3360(C)(2)	12-6-3362
Form	TC-4	TC-4SB	TC-4SA
Qualifying Type Business	<p>Manufacturing, processing, warehousing, distribution, research and development, corporate office, technology intensive, banking, agribusiness operations, agricultural packaging, qualifying health care related facilities, air transportation support, qualifying service related facility, tourism, and professional sports team</p> <p>A retail facility in a Tier IV county or a service related industry in a Tier IV county</p> <p>See Code Section 12-6-3360(M)(5) through (17)</p>	<p>Same</p> <p>Same</p>	<p>Same</p> <p>Same</p>
Size Requirement	None	99 or fewer employees worldwide	99 or fewer employees worldwide
Taxes Credit Used Against	Corporate, individual, or trust income tax; bank franchise tax; or insurance premium tax	Same	Same
Entities Qualifying	C corporation, S corporation, Partnership, Sole proprietorship, or Limited Liability Company	Same	Same
Credit Amount – Basic	\$1,500 - \$25,000 per year for each new, full time job created, depending on county designation	\$1,500 - \$25,000 (100% credit amount) or \$750 - \$12,500 (50% credit amount), depending on county	\$1,500 - \$25,000 (100% credit amount) or \$750 - \$12,500 (50% credit amount), depending on county

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	“Traditional” Job Tax Credit	“Small Business” Job Tax Credit	
		“Annual”	“Accelerated”
		designation and annualized compensation	designation and annualized compensation
Credit Amount – Additional	\$1,000 multicounty park \$1,000 Brownfields Voluntary Cleanup Program	Same	Same
“Monthly Average” Increase for Tax Year Requirement	10 Exception: 25-175 for qualifying service related facilities; 20 for new hotels or motels; and 150 for professional sports teams	2 Exception: Same	2 Exception: Same
Compensation/Gross Wage Requirement	No, except for certain qualifying service related facilities Exception: A qualifying service related facility’s job and pay requirement at a single location is: 100 jobs paying 1.5 times the county or State average; 50 jobs paying 2 times the county or State average; or 25 jobs paying 2.5 times the county or State average	Yes (determines if jobs qualify for 100% or 50% credit amount) Based on $\geq 120\%$ or $< 120\%$ per capita income for State or county (whichever is lower)	Yes (determines if jobs qualify for 100% or 50% credit amount) Based on $\geq 120\%$ or $< 120\%$ per capita income for State or county, (whichever is lower)
Tax Limitation	50% of tax liability	Same	Same
Carryforward	15 years	Same	Same
Credit Duration	5 years	Same	Same
Period to Claim	Years 2 – 6 after job creation in Year 1, if jobs are maintained	Years 2 – 6 after job creation in Year 1, if jobs are maintained	Years 1 – 5, if jobs are maintained
Base Year	Year preceding first year a taxpayer creates the number of new jobs to qualify, regardless of whether it is the first year of operation	Same	Same

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Job Tax Credit – Supporting Schedule

Tax Year _____

For Use by a Partner, Shareholder, or Member

	Credit from Entity 1	Credit from Entity 2	Credit from Entity 3
1. Name of Entity Generating Credit from Schedule SCK-1			
2. FEIN of Entity Generating Credit			
3. Amount of Credit Allocated in Tax Year from Schedule SCK-1			
4. Credit Carryforward Available from Prior Year			
5. Total Credit Available (Line 4+5)			

6. Aggregate Job Tax Credit from all Entities (Sum of all columns of Line 5)	
7. Income Tax Liability from Form SC1040 Line ____, SC1120 Line ____, or SC1041 Line ____.	
8. Tentative Job Tax Credit - 50% of Line 7	
9. Job Tax Credit Claimed in Tax Year (Lesser of Line 6 or 8)	
10. Job Tax Credit Carryforward (Line 6 less Line 9)	

Note: This schedule is not required and is not an official SCDOR form. However, to facilitate processing of the South Carolina tax return of a partner, shareholder, or member receiving a job tax credit from a pass through entity, it is recommended that the Schedule SC K-1 or this supporting job tax credit schedule (or one containing the same information) be attached to the tax return.