SC INFORMATION LETTER #04-21

SUBJECT: Tax Relief to Hurricane Frances, Tropical Storm Bonnie, and Hurricane Charley Victims, and Tropical Storm Gaston Victims – New and Additional Relief

DATE: September 13, 2004

MODIFIES: SC Information Letter #04-18

SC Revenue Procedure #03-1

SCOPE: An Information Letter is a written statement issued to the public by the Department to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value, and is not binding on the public or the Department.

Tax Relief for Florida Hurricane Victims

The Internal Revenue Service has granted special tax relief for taxpayers in the Presidential Disaster Area that was struck by Hurricane Frances during the period beginning September 3, 2004. It also lengthened the extension period it had earlier granted for the disaster area counties struck by Tropical Storm Bonnie and Hurricane Charley (See SC Information Letter #04-18). At this time, the Internal Revenue Service has granted relief for those affected generally until December 30, 2004.

The Hurricane Frances disaster area consists of 36 Florida counties: Alachua, Brevard, Broward, Charlotte, Citrus, Clay, Columbia, DeSoto, Dixie, Duval, Flagler, Gilchrist, Glades, Hardee, Hendry, Hernando, Highlands, Hillsborough, Indian River, Lake, Levy, Marion, Martin, Miami-Dade, Okeechobee, Orange, Osceola, Palm Beach, Pasco, Polk, Putnam, Seminole, St. Johns, St. Lucie, Sumter, and Volusia.

Tax Relief for Virginia Victims of Tropical Storm Gaston

The Internal Revenue Service has granted special tax relief for Virginia taxpayers in the Presidential Disaster Area that was struck by Tropical Storm Gaston during the period August 30, 2004 – September 8, 2004. At this time, the Internal Revenue Service has granted taxpayers relief in four independent cities: Colonial Heights, Hopewell,
Petersburg, and Richmond, and five counties: Chesterfield, Dinwiddie, Hanover, Henrico, and Prince George. At this time, the Internal Revenue Service has granted relief for those affected generally until November 3, 2004.

South Carolina Tax Relief and Procedures

In response, the South Carolina Department of Revenue is providing the same relief to individuals and businesses located in these disaster areas, taxpayers who have businesses in South Carolina with offices in the disaster areas whose operations have been affected by the storms, those whose tax records are located in the disaster areas, those whose returns are prepared by tax professionals in the affected areas, and relief workers. The Department will grant the same relief period granted by the Internal Revenue Service.

To qualify for this relief, affected taxpayers should indicate the applicable storm (e.g., “Frances”) at the top of the return relying on this relief. Individuals or businesses located in the disaster areas, or taxpayers outside the areas that were directly affected by the disasters, should notify the Department if they receive penalties for filing returns or paying taxes late for waiver of these penalties. Taxpayers with relief questions should contact the Department at 803-898-5709.