



301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

SC INFORMATION LETTER #88-2

TO: Vicki Jinnette
Public Information Officer

FROM: John Swearingen
Tax Policy and Procedures Department

EFFECTIVE DATE: Taxable years beginning prior to January 1, 1988

SUBJECT: Penalty for Underpayment of Estimated Tax

REFERENCE: S.C. Code Ann. Section 12-54-55 (1987 Supp.)
S.C. Code Ann. Section 12-54-160 (1987 Supp.)

AUTHORITY: S.C. Code Ann. Section 12-3-140 (1976)
SC Revenue Procedure #87-3

SCOPE: An Information Letter is a temporary document issued for the purpose of disseminating general tax information and to respond to technical questions from within the Commission which are not related to a specific set of facts.

The Commission will waive the penalty for underpayment of estimated taxes due to the increase in the required payments from 70% to 90% (See SC Revenue Ruling 88-1).

Taxpayers that may be subject to the penalty (computed on Form SC2210 for individuals, SC2220 for corporations) should substitute 70% for 90% on line 2 of the form and write "Waiver" in the left margin on the form.