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State of South Carolina  
**Department of Revenue**  
301 Gervais Street, P. O. Box 125, Columbia, South Carolina 29214

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SC REVENUE PROCEDURE #96-2 (TAX)

**SUBJECT:** Tax Assistance - Troops Serving in "Operation Joint Endeavor"

**SUPERSEDES:** SC Information Letter #96-5 and all previous documents and any oral directions in conflict herewith.

**REFERENCE:** Title 12 - South Carolina Code of Laws, As Amended (1976, Supp. 1995)

**AUTHORITY:** S.C. Code Section 12-4-320 (Supp. 1995)  
SC Revenue Procedure #94-1

**SCOPE:** A Revenue Procedure is a statement which provides information of a procedural nature. It is valid and remains in effect until superseded or modified by a change in the statute or regulations or a subsequent court decision, Revenue Procedure or Revenue Ruling.

In order to assist military personnel serving in Operation Joint Endeavor, and their families, the General Assembly has enacted a joint resolution that authorizes the Department to establish procedures and assistance programs similar to those authorized by Congress.

Extensions of Time to File Tax Returns:

For military personnel serving in Operation Joint Endeavor the Department has extended the time for filing their individual income tax returns (SC 1040, SC 1040A, and SC 1040NR) until at least 180 days after the taxpayer departs Bosnia, Herzegovina, Croatia, and Macedonia. The time for paying additional taxes due on the return, if any, has also been extended until at least 180 days after the taxpayer departs Bosnia, Herzegovina, Croatia, and Macedonia. The above extensions also apply to any joint returns such military personnel may file with their spouses. (Following the Internal Revenue Service, the Department had previously extended the time for filing until December 15, 1996. This revised extension period, authorized by the General Assembly, now coincides with the extension for federal returns granted recently by Congress in P.L. 104-117 (H.R. 2778).)

If the military person expects a refund, another person, such as a spouse or other family member, may sign the return for the military person, if the military person has given that person the authority to do so.

Penalties and Interest:

The Department will waive any penalties and interest due as a result of any extensions, or suspension of collection activities, granted under this document; however, penalties and interest will be assessed if the above returns and taxes are not filed or paid by any extended due date authorized by the Department.

Penalties and interest due as the result of the failure to pay estimated taxes will be waived for any estimated taxes due while the individual taxpayer is participating in Operation Joint Endeavor.

The Department will review all other tax liabilities, with respect to penalties and interest, on a case by case basis.

Further Extensions:

The extension deadlines established by the Department may be extended further, depending on circumstances in Bosnia, Herzegovina, Croatia, and Macedonia.

Documentation Required Upon Filing of a Return:

A taxpayer filing a return extended under the provisions of this document should attach to the front of the return a copy of his or her military orders establishing that he or she participated in Operation Joint Endeavor. In addition, the taxpayer should write "Operation Joint Endeavor" across the top of the face of the tax return. The purpose of this is to minimize the issuance of unnecessary assessment notices for failure to file penalties, failure to pay penalties, and interest.

If a taxpayer is inadvertently assessed failure to file penalties, failure to pay penalties, and interest which have been waived pursuant to this document, the taxpayer should request, in writing, relief of such penalties and interest. Such request, along with any documentation, should be sent to:

Problems Resolution Office  
P.O. Box 11189  
Columbia, South Carolina 29211-1189  
Attn: Operation Joint Endeavor

Suspension of Collection Activities:

The Department will suspend , during the time period the taxpayer is serving in Operation Joint Endeavor, the enforced collection of any assessed liability of a taxpayer participating in Operation Joint Endeavor if the assessed liability is (1) the sole obligation of the taxpayer or, (2) the joint obligation of the taxpayer and his or her spouse.

The Department will review all other tax liabilities, with respect to the possible suspension of enforced collections, on a case by case basis.

Reinstatement of Collection Activities:

The Department will reinstate collection activities of any assessed liabilities suspended pursuant to this document no sooner than 180 days after the taxpayer departs Bosnia, Herzegovina, Croatia, and Macedonia.

Combat Pay for Members of the Armed Forces:

South Carolina has adopted many of the provisions of the Internal Revenue Code, including the provisions of Section 112. This section excludes certain combat pay from the definition of "gross income", thereby, exempting such pay from income taxes.

Congress has enacted legislation (P.L. 104-117; H.R. 2778) that applies the exemption provisions of IRC Section 112 to members of the Armed Forces serving in Bosnia, Herzegovina, Croatia, and Macedonia.

Other Tax Assistance:

Other tax matters concerning military persons and their families affected by Operation Joint Endeavor will be reviewed by the Department on a case by case basis.

In addition, military persons and their families affected by Operation Joint Endeavor can also receive tax assistance at any one of the Department's nine Taxpayer Service Centers listed below.

Aiken	410 Barnwell Street N.W.	(803) 641-7685
Beaufort	Carolina Cove Executive Ctr Suite 112	(803) 524-2852
Charleston	3 Southpark Circle Suite 202	(803) 852-3600

Columbia	301 Gervais Street	(803) 737-4660
Florence	1452 West Evans Street	(803) 661-4850
Greenville	211 Century Drive	(864) 241-1200
Myrtle Beach	141 McDonalds Court	(803) 293-6550
Rock Hill	875 Albright Road	(803) 324-7641
Spartanburg	Hillcrest Offices - Suite 475	(864) 594-4900

SOUTH CAROLINA DEPARTMENT OF REVENUE

s/Burnet R. Maybank III  
Burnet R. Maybank, III, Director

June 12, 1996  
Columbia, South Carolina