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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TAX ON LUMP-SUM DISTRIBUTIONS

From Qualified Retirement Plans

Attach to your SC1040 or SC1041

SC4972
(Rev. 6/17/25)
3107
2025

Name

SSN or FEIN

Part I Complete this part to choose capital gain election (see federal instructions)

1. Capital gain reported in Box 3 of your 1099-R .... 1.______
2. Multiply line 1 by 3.92%
If you choose to use Part II, continue to line 3. Otherwise, enter this amount on your SC1040, line 7 or SC1041, line 9 .... 2.______

Part II Complete this part to choose the 10-year tax option (see federal instructions)

3. Amount from line 10 of your federal 4972 .... 3.______
4. Retirement deduction (see instructions)
a) Taxpayer (date of birth: ______________) .... 4a.______
b) Spouse (date of birth: ______________) .... 4b.______
c) Surviving spouse (date of birth of deceased spouse: ______________) .... 4c.______
5. Age 65 and older deduction (see instructions)
a) Taxpayer (date of birth: ______________) .... 5a.______
b) Spouse (date of birth: ______________) .... 5b.______
6. Add line 4 and line 5 .... 6.______
7. Total taxable amount (subtract line 6 from line 3) .... 7.______
8. Current actuarial value of annuity from Box 8 of your 1099-R .... 8.______
9. Adjusted total taxable amount (add line 7 and line 8). If this amount is $70,000 or more, **skip** line 10 through line 13, enter this amount on line 14, then go to line 15 .... 9.______
10. Multiply line 9 by 50%. If greater than $10,000, enter **$10,000** .... 10.______
11. Subtract $20,000 from line 9. If less than zero, enter 0 .... 11.______
12. Multiply line 11 by 20% .... 12.______
13. Minimum distribution allowance (subtract line 12 from line 10) .... 13.______
14. Subtract line 13 from line 9 **or** enter the amount from line 9 if the amount is $70,000 or more. If line 8 is blank, skip line 15 through line 17, then go to line 18 .... 14.______
15. Divide line 8 by line 9 and enter the result as a decimal (round to at least four places) .... 15.______
16. Multiply line 13 by line 15 .... 16.______
17. Subtract line 16 from line 8 .... 17.______
18. Multiply line 14 by 10% .... 18.______
19. Tax on amount from line 18 (use the Tax Computation Schedule on page 2) .... 19.______
20. Multiply line 19 by 10. If line 8 is blank, skip line 21 through line 23 and enter this amount on line 24, then go to line 25 .... 20.______

21. Multiply line 17 by 10% .... 21.______________

22. Tax on amount from line 21 (use the Tax Computation Schedule below) .... 22.______________

23. Multiply line 22 by 10 .... 23.______________

24. Subtract line 23 from line 20 (multiple recipients, see federal instructions) .... 24.______________

25. Tax on lump-sum distribution (add line 2 and line 24) .... 25.______________
Enter this amount on SC1040, line 7 or SC1041, line 9.

INSTRUCTIONS

South Carolina's provisions for lump-sum distributions are the same as the federal provisions. If you used the federal 4972 for a lump-sum distribution, you must use the SC4972 to compute the South Carolina tax.

Line 4: Retirement deduction
An individual under the age of 65 may deduct up to $3,000 of qualified retirement income. An individual age 65 or older may deduct up to $10,000 of qualified retirement income.

A surviving spouse receiving qualified retirement income from a deceased spouse may deduct up to $3,000 or $10,000, whichever would apply if the deceased spouse were alive. The surviving spouse retirement deduction is in addition to the individual's retirement deduction from their own plan.

The retirement deduction can be claimed on this form to the extent it is not claimed on the SC1040 or the Schedule NR. If an age 65 and older deduction has been claimed on the SC1040 or the Schedule NR, **do not** include any individual retirement deduction on line 4.

Line 5: Age 65 and older deduction
Beginning in the tax year that a resident individual reaches age 65, a deduction of $15,000 can be claimed against **any** South Carolina income. This deduction is reduced by the amount of any individual retirement deduction. The age 65 and older deduction is not reduced by any surviving spouse retirement deduction.

The age 65 and older deduction can be claimed on line 5 to the extent it is not claimed on the SC1040 or the Schedule NR.

For additional information on the retirement deduction and age 65 and older deduction, see the SC1040 instructions, available at **dor.sc.gov/forms**.

2025 Tax Computation Schedule for Line 19 and Line 22

If the amount on line 18 or line 21 is:

At least	But less than	**Compute the tax as follows:**
$0	$3,560	0% times the amount
$3,560	$17,830	3% times the amount minus $107
$17,830	or more	6% times the amount minus $642

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.