

Software Developer's Guide

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Tax Return Changes for Tax Year 2025

Reduction in the Income Tax Rates

- The 2025 top marginal Individual Income Tax rate is 6%.
- Use the SC1040TT, 2025 Tax Tables, to determine your tax.
- The 2025 tax brackets are:

At Least	But Less Than	Tax owed	
\$0	\$3,560	0%	
\$3,560	\$17,830	3% times the amount minus \$107	
\$17,830	or more	6% times the amount minus \$642	

Increase in South Carolina Dependent Exemption

- The 2025 South Carolina Dependent Exemption amount is \$4,930.
- Claim on line w of the SC1040.

Increase in Dependent Under the Age of Six Deduction

- The 2025 South Carolina Dependent Under the Age of Six Deduction amount is \$4,930.
- Claim on line t of the SC1040.

There are no new forms for 2025

Return Formatting and Line Changes

Individual Income Tax

SC1040

No changes

TC-62

- For tax years beginning after December 31, 2024, the TC62:
 - no longer has various tables based on type of preceptor and the percentage of patients in the practice that are Medicaid-insured, Medicare-insured, and self-pay.
 - has one credit calculation schedule that is used by all eligible preceptors.

I-335

• For tax year 2025, a taxpayer with South Carolina taxable income less than or equal to \$17,830 cannot benefit from the 3% rate for active trade or business income.

There are no changes to Fiduciary, Partnership, or Corporate Income Tax returns for 2025.

New MeF Functionality -

There are no changes to MeF functionality for 2025.

Changes to MeF Business Rules -

Corporate Income Tax

To report a change of officers on Schedule D of the SC1120 or SC1120S, you must check the the **Change** of **Officers** box on page 1 of the return.

Partnership Tax

A minimum of two partners must be reported on the SC1065.

Refer to the State Exchange System (SES) for a complete reference of MeF business rules.

Electronic Mandate For Filing and Paying

Any SCDOR return owing \$15,000 or more must be filed and paid electronically. Visit the pages below for a list of electronic filing and paying options.

- Individuals dor.sc.gov/iit-filing
- Fiduciaries dor.sc.gov/biz-services
- Corporations dor.sc.gov/biz-services
- Partnerships dor.sc.gov/biz-services

Direct Deposit -

Use any opportunities to encourage your clients to choose the direct deposit refund option!

Check printing is handled by another state agency. For future tax years:

- The paper refund check option may be limited.
- Taxpayers may experience up to an additional 30 day delay in the printing and mailing of a paper refund check.

We ask that you use the following highlights in your software to promote direct deposit.

Getting a refund? Direct Deposit is fast, accurate, and secure! With direct deposit, you:

- Get your refund deposited directly into your checking or savings account, giving you the fastest access to your refund.
- You don't have to worry about mail processing.
- Help save tax dollars.

Electronic Payment -

Use any opportunities to encourage your clients, both individuals and businesses, to pay their balance due using an electronic payment option!

We ask that you use the following highlights in your software to promote electronic payment.

Have a balance due? Pay electronically!

- The quickest, easiest way to pay is using the SCDOR's free online tax portal, MyDORWAY, at dor.sc.gov/pay.
 - Through MyDORWAY, you can pay by credit card or ACH Debit.
 - For individuals, select **Individual Income Tax Payment** to get started.
 - For businesses, select **Business Income Tax Payment** to get started.
- Pay by ACH Debit when you file your return electronically.
 - When you provide your bank account information, the SCDOR will make a request to your bank for payment of the South Carolina taxes you owe. Your bank will automatically debit your account for the requested funds. No further action is needed on your part!
 - The ACH Debit amount entered on the SC1040 cannot be greater than the balance due on Line 34.

Reminders

Individual Income Tax

The SCDOR will not accept Individual Income Tax returns without a valid SSN, ITIN, or FEIN.

Fiduciary Income Tax

Fiduciary Income Tax returns are processed using the FEIN. Require the customer to enter the FEIN.

Corporate Income Tax

Corporate Income Tax returns are processed using the FEIN. Require the customer to enter the FEIN.

Partnership Income Tax

Partnership Income Tax returns are processed using the FEIN. Require the customer to enter the FEIN.

Programming Payment Preferences -

Payments included with MeF submissions should default the payment withdrawal date to the same day as the return transmission date unless the taxpayer specifies otherwise.

Name and Address Updates

Include in your software the following messaging regarding taxpayer name and address updates.

For DIY and Business software:

"To ensure all tax information is going to the right place, verify your current name and address. If this information changes, update the SCDOR to avoid processing delays. For faster results, update your name and address at **MyDORWAY.dor.sc.gov**."

For Tax Professional software:

"To ensure all tax information is going to the right place, verify your current name and address. If this information changes, update the SCDOR to avoid processing delays. For faster results, update your name and address at **MyDORWAY.dor.sc.gov**."

SCDOR Software Developer Portal

Setting Up Your Account -

If you have not used our portal in the past, we will set you up in our system first. You will get an email when this is done.

Creating Your Login

Follow the steps below to create a login for a new or existing company.

- Go to https://mef.mydorway.dor.sc.gov/ and click on Sign Up.
- Enter your company's Vendor Code (Production ETIN or NACTP) and Legal Name (as written on the LOI).
 - These details will also be included in the email sent to the Authorized Representative when your LOI is approved.
- After verification, enter all requested information for your vendor username and password.
 - Remember your login information and security question! We can unlock your account or send you a password reset email, but we can't give you any of your login information.

Submitting Files for Approval-

MeF Submission Instructions

- Once your account is set up and you log in, you should see a link for "2025" under Year. After clicking on the link, you should see the five form types we support through MeF with "0 out of 5 certifications passed"
- Click into the link under Form Type. On this screen, you should see test cases 1-5. Click into the link for test case #1.
- On this screen, enter in the Submission ID associated with the matching test case.
- We will be notified internally that a test case was submitted.

- After review, we will mark the test case as passed or not passed. This status will be pushed back out to the portal.
- You can check each submission's approval status at your convenience and can send messages through the portal.

Paper Forms Submission Instructions

- Once you have logged in, click Send a Message under the I Want To tab.
- Select Paper Form Submission under Select Message Type.
- Enter the submission you want reviewed in the message subject line, using the format NACTP_ FormName_Date (example: 1234_SC1040_09012025).
- Add your attachment, which should be named the same as above. The description should also follow the same format.
- Enter any additional information we might need in the email text box.
- Click Submit to send your message.
- Allow 10 business days for review.
- You will receive a reply email with your pass or fail results after review.

Substitute Form Requirements

Our Software Developer site will keep you informed about recent updates, procedures, as well as contain all updated forms, specifications, and test cases.

You must submit all forms indicated on your LOI that have changed or been updated since their last approval. We do not require that you submit forms that have not changed unless there has been a change in your software that may impact the final version of that form.

Document Requirements -

File Layout Specifications

- Forms are designed on a 6x10 grid with 0.5 inch margins on all sides.
- Print all forms in black ink on 20lb unlined white paper size 8.5x11.
 - Print voucher forms on the bottom of the page.
 - Clearly outline the cutting line at the top of line 45 and include instructions for the taxpayer to properly cut the line.
- Place the 4-digit NACTP code on each form in the top left corner as a replacement for "1350" in line 4, columns 10-13.
 - If applicable, place the secondary vendor NACTP code on line 5, columns 10-13, directly below the primary vendor code in line 4.

File Style Specifications

- The SCDOR standard font for forms is Arial.
- All variable data, including NACTP codes, Form IDs, scan lines, and taxpayer-entered data, must be in OCR-A Extended 12 pt font.
 - The SCDOR also accepts ANSI-Standard OCR-A Type 1 font at 10 pitch characters per inch, but the font **must** be embedded in the document.
 - If OCR-A is not available, the SCDOR will accept test cases printed in Courier New.
 - Check digits must be calculated using the Modulus 10 algorithm. Refer to the Check Digit Calculation sheet at the end of this guide for more information.
- Delta (▶) placements and sizes must match the official SCDOR form.

File Naming Conventions —

All files must be named according to the following naming conventions:

- NACTPCode FormNumber MMDDYYYY
 - **Example:** 1012 SC1040ES 06222025
 - The form number in the file name must match the form number on the forms page of the Software Developer site.
 - Do not include any dashes or spaces in the form number.
- If you are submitting files for more than one product with the same NACTP code, include the name of the program in the file name. Failure to do so may result in a duplicate submission rejection.

Test Case Requirements

On our Forms page, links to forms without scanlines will open a PDF. If you have trouble viewing the PDF, download the file to your computer and open in your preferred PDF viewer.

- For forms with scanlines:
 - Submit all five required test cases in one PDF
 - Always use the Scanline and Data Specification documents

Clicking on a link to a form that contains a scanline will take you to a landing page for that form. For example, clicking on the SC1040V link on our forms page will open a new page that links you to our grid file, our Data and Scanline specs, and our Test Cases.

The grid/final files **will not** open correctly in Microsoft Edge. Download the file to a local folder and open with your preferred PDF viewer.

- For forms without scanlines:
 - submit one blank copy of your form
 - we do not review your submitted test data

List any limitations for the form you are submitting in the text of the submission message. If we do not know something is a limitation, we may reject a form.

Common Errors

Ensure that all tax law changes for 2025 and other updates are incorporated into your software. This prevents delays in the processing of your clients' returns, issuance of incorrect letters, incorrect refunds, and incorrect balance due notices. Some areas of concern include using the following:

- The 2025 Individual Income Tax Tables
- The 2025 South Carolina Dependent Exemption Amount
- The 2025 Deduction for Dependents Under the Age of Six
- The 2025 Fiduciary Income Tax rates

Review our MeF business rules on the SES to ensure that your product's implementation will minimize rejections. Confirm that the 2D barcode specifications are up to date and that the barcode is easily machine-readable.

Software Updates

Notify the SCDOR of all software updates to products after the initial approval. This two-way communication is important to make sure we stay informed about bug fixes and features offered to taxpayers. In turn, we can help communicate these messages to taxpayers when they contact us, which provides better service for our mutual customers.

Common Approval Issues

- Review all current specification documents, including those posted to the SES and the SCDOR software developer's site for our latest requirements and expectations.
 - Contact us at the earliest opportunity with any questions related to form design, form instructions, line changes, tax law changes, or schema changes so we can explain or correct as needed.
- Review our test cases. Make sure the output from your product has correct calculations, required supplemental schedules, and correct and readable scanlines or barcodes.
- Submit your paper and electronic returns early. Sending test samples early reserves your place in the review queue and ensures adequate time for review prior to filing season.

SCDOR Mailing Addresses

If you list SCDOR mailing addresses, confirm the addresses for accuracy.

Individual Income Tax

Refunds or No Tax Due (SC1040)	Estimated Tax (SC1040ES), Extension (SC4868), or Voucher (SC1040V)	All balance due returns (SC1040)	Correspondence
SC1040 Processing Center	SCDOR	Taxable Processing Center	SCDOR
PO Box 101100	IIT Voucher	PO Box 101105	Income Tax
Columbia, SC 29211-0100	PO Box 100123	Columbia, SC 29211-0105	PO Box 125
	Columbia, SC 29202		Columbia, SC 29214-0400

Fiduciary Income Tax

Refunds or no tax due returns (SC1041)	Estimated Tax (SC1041ES) Voucher (SC1041V)	All balance due returns (SC1041)	Extension (SC8736)	Correspondence
SCDOR	SCDOR	SCDOR	SCDOR	SCDOR
Nontaxable Fiduciary	Fiduciary Income Tax	Taxable Fiduciary	Taxable Extension	Fiduciary Tax
PO Box 125	Payment	PO Box 125	PO Box 125	PO Box 125
Columbia, SC 29214-	PO Box 125	Columbia, SC 29214-	Columbia, SC 29214-	Columbia, SC 29214-
0039	Columbia, SC 29214-0038	0038	0036	0400

Corporate Income Tax

Refunds or no tax due returns (SC1120, SC1120S, SC1120U, SC1101B, SC1104, SC990T, and CL-4)	Estimated Tax (SC1120CDP), Tentative (SC1120T), or Voucher (SC1120V)	All balance due returns (SC1120, SC1120S, SC1120S- WH, SC1120U, SC1101B, SC1104, SC990T, and CL-4)	Correspondence
SCDOR	SCDOR	SCDOR	SCDOR
Corporate Refund	Corporate Voucher	Corporate Taxable	Corporate Tax
PO Box 125	PO Box 100153	PO Box 100151	PO Box 125
Columbia, SC 29214-0032	Columbia, SC 29202	Columbia, SC 29202	Columbia, SC 29214-0400

Partnership Income Tax

Refunds or no tax due returns (SC1065)	Estimated Tax (SC1065ES) Voucher (SC1065V)	All balance due returns (SC1065)	Extension (SC8736)	Correspondence
SCDOR	SCDOR	SCDOR	SCDOR	SCDOR
Nontaxable	Partnership Tax	Taxable Partnership	Taxable Extension	Partnership Income Tax
Partnership	Payment	PO Box 125	PO Box 125	PO Box 125
PO Box 125	PO Box 125	Columbia, SC 29214-	Columbia, SC 29214-	Columbia, SC 29214-
Columbia, SC 29214-	Columbia, SC 29214-	0036	0036	0400
0037	0036			

Communication Preferences

We prefer that you direct taxpayers to MyDORWAY for the following:

- Registering a new South Carolina business dor.sc.gov/register
- Update Name and Address MyDORWAY.dor.sc.gov
- Making Payments dor.sc.gov/pay
- Filing Appeals and Penalty Waivers MyDORWAY.dor.sc.gov
- Request a Payment Plan dor.sc.gov/payplan
- Filing a Refund Reissue Request MyDORWAY.dor.sc.gov
- Accessing their 1099 Online MyDORWAY.dor.sc.gov
- Checking Account Balances MyDORWAY.dor.sc.gov
- Checking their Refund Status dor.sc.gov/refund
- Penalty and Interest Calculator dor.sc.gov/calculator
- Copies of Individual Income Tax return Transcripts for 2021 and newer MyDORWAY.dor.sc.gov

We prefer that you direct taxpayers to the following resources for tax information:

- SC TIED guide for tax credit descriptions https://dor.sc.gov/policy/index/policy-manuals
- I-330 Contribution for Check-Off information dor.sc.gov/forms/find-a-form?name=I-330&category=&year=AII
- IIT FAQs dor.sc.gov/tax/individual-income/faq
- Fiduciary FAQs dor.sc.gov/tax/fiduciary/faq
- Partnership FAQs dor.sc.gov/tax/partnership/faq
- Corporate FAQs dor.sc.gov/tax/corporate/faq

We prefer that you do not list our physical locations. Direct taxpayers to **dor.sc.gov/contact/in-person** for location information.

We prefer the following use of our brand:

- Only refer to our agency as South Carolina Department of Revenue or SCDOR.
- Our website is **dor.sc.gov.** Remove references to sctax.org.
- Our free online tax portal is MyDORWAY.dor.sc.gov.
- Contact **Communications@dor.sc.gov** if you need another logo variation.
- Connect with us on Facebook (facebook.com/dor.sc.gov), Instagram (instagram.com/thescdor), and X, formerly known as Twitter (x.com/scdor).

SCDOR Standard Logo



• SCDOR All White Logo



SCDOR Primary Brand Colors

Check Digit Calculation

Modulus 10 [2121...] - Revised 6/17/2021

The SCDOR uses Modulus 10 weight 2 to calculate the check digit for scan lines on our forms. Each number is assigned a weight in the order of 2121...beginning with 2. These weights are multiplied by the corresponding check digit. The result of the multiplication can be a two-digit number where each digit is treated as a single digit. Once all of the resulting digits are added together, subtract the last digit (right most) of the total from 10 to create the check digit.

Example: Scan line number (7) x assigned weight (2) = 14. The 14 is then converted to 1 + 4 = 5. 10 - 5 = 5. The check digit is 5.

If the sum is a multiple of 10, the check digit value is 0.

Do not use spaces in the calculation.

Example for Scan Line with numeric only:

Check Digit calculation for fields B, C, D, E and F using Modulus 10 (21...) starting from the left digit.

Check Digit 10 - 4 = 6

Example for Scan Line with alpha (4 letters in name control field):

Column 1 2 3 4 5 7
12345678901234567890123456789012345678901234567890

AAAAAAAXXBBBBBBBBBXXCCCCCCCCCXXDDEEXXFFFFXXGGGGGGGGGGXXXXXH

33321027 123456789 987654321 1207 CLAR 00000010000 7

The alpha translation into numeric for check digit calculation is as follows: A=1, B=2, C=3, D=4, E=5, F=6, G=7, H=8, I=9, J=1, K=2, L=3, M=4, N=5, O=6, P=7, Q=8 R=9, S=2, T=3, U=4, V=5, W=6, X=7, Y=8, Z=9.

Check Digit calculation for fields B, C, D, E, F and G using Modulus 10 (21...) starting from the left digit.

Check Digit 10 - 3 = 7