WH-1605Z - SC Withholding Quarterly Tax Return EZA/RDA Instructions (Rev. 1/14/20)

Due dates: Jan - Mar: due Apr 30
Apr - Jun: due Jul 31
Jul - Sep: due Oct 31

Line 1. Enter the total amount of state tax withheld from **ALL** SC employees and from all other sources of withholding for the quarter.

The information for lines 2a-2d is from the SC Withholding EZA/RDA Worksheet. Complete the worksheet for each project claiming a job development and/or retraining credit.

Line 2a. Enter the amount from line 5 of the EZA/RDA worksheet. This is the **maximum EZA/RDA** credit. This amount will be the lower of:

1. amount allowed by law as calculated under SC Code Section 12-10-80(B). This information may be found on Exhibit C - Quarterly Report that is required to be filed with SC Coordinating Council **or**
2. amount of withholding tax paid.

Maximum credit can never exceed total withholding. A taxpayer may **not** claim a job development credit unless the taxpayer has maintained the minimum job requirement for the quarter.

Line 2b. Enter the amount from line 6 of the EZA/RDA worksheet. This is the allowable amount of EZA/RDA credit that may be retained as determined by SC Code Section 12-10-80(D)(1) and the county in which the project is located. This is the amount of job development credit that a taxpayer is allowed to receive and use for the purposes provided in SC Code Section 12-10-80(C)(3).

Line 2c. Enter the amount from line 7 of the EZA/RDA worksheet. This is the amount that the taxpayer is not allowed to retain. This amount will be forwarded by the SCDOR to the State Rural Infrastructure Fund administered by the SC Coordinating Council.

Line 2d. Enter the amount from line 9 of the EZA/RDA worksheet. This is the amount of **retraining credit allowed** under SC Code Section 12-10-95.This amount cannot exceed $1,000 per year per employee and may not exceed $5,000 per employee over a consecutive five year period.

Line 2e. Enter the amount of New Jobs and Capital Investment credit. Complete TC-11A-WH to determine this amount.

Line 3. Subtract lines 2b, 2d, and 2e from line 1. This is the liability for the quarter.

Line 4. Enter total withholding tax paid for the quarter.

Line 5. If line 4 is **greater** than line 3, enter the difference. This is the amount of the **refund** requested.

Any refund that results from claiming a job development credit and/or retraining credit **must** be used to reimburse the company for qualified expenditures.

Line 6. If line 4 is less than line 3, enter the difference. This is amount of **tax due.** Attach a check to the paper return or file return and pay additional tax at **MyDORWAY.dor.sc.gov**. If return is filed late with tax due, MyDORWAY will calculate the penalty and interest for you.

Line 7. Enter the amount of penalty and interest due. A penalty and interest calculator is available at **MyDORWAY.dor.sc.gov**.

Line 8. Enter the net state tax, penalty, and interest due. Complete the EZA/RDA worksheet if claiming a credit.

Instructions for Completing the EZA/RDA Worksheet

- This worksheet is **required** to be completed for **each project** that is claiming credit on this return. This includes both Job Development and Retraining projects. If additional space is needed, attach a separate worksheet.
- Complete the EZA/RDA worksheet when filing original or amended quarterly returns.
- You can now file your worksheet along with your return at **MyDORWAY.dor.sc.gov**.

Enter the following information for **each** Job Development project that is claiming credit. The information for Lines 1 - 4 is available on **Exhibit C - Quarterly Report** which is required to be filed with the SC Coordinating Council each quarter.

Line 1a. Enter the project number that begins with **EZ followed by eight numbers. Example: EZ07123456**

Line 1b. Enter allowable percentage for project (100%, 85%, 70% or 55%).

Line 2. Enter **Maximum** Job Development credit claimed this quarter.

Line 3. Enter **Allowable** Job Development credit claimed this quarter.

Line 4. Enter **Rural Infrastructure Fund** claimed this quarter.

Line 5. Enter total of maximum amounts listed on line 2. Transfer this amount to line 2a on front of return.

Line 6. Enter total of allowable amounts listed on line 3. Transfer this amount to line 2b on front of return.

Line 7. Enter total of State Rural Infrastructure amounts listed on line 4. Transfer this amount to line 2c on front of return.

Enter the following information for each Retraining project that is claiming a credit.

Line 8a. List the project number that begins with **TR followed by eight numbers. Example: TR07123456**

Line 8b. Enter allowable retraining amount.

Line 9. Enter total allowable credits. Transfer this amount to line 2d on front of return. This is your retraining credit claimed for the quarter.

WH-1606Z - SC Withholding Fourth Quarter/Annual Reconciliation EZA/RDA Return Instructions

Due date: Oct-Dec: due on January 31 of the following year

Lines 1-8. See instructions for WH-1605Z

- If claiming New Jobs and Capital Investment Credits for Plastics and Rubber Manufacturers attach TC-11A-WH

Line 9. Enter total state tax withheld from all sources as listed on W-2s and/or 1099s that reflect SC state tax withheld.

Line 10a. Enter **total maximum EZA/RDA** credits claimed during the **entire** year.

Line 10b. Enter **total allowable EZA/RDA** credits claimed during the **entire** year.

Line 10c. Enter **total amount not allowed** to be retained during the **entire** year.

Line 10d. Enter **total allowable Retraining** credit for the **entire** year.

Line 10e. Enter **total New Jobs and Capital Investment Credits** for the **entire** year.

Line 11. Subtract Lines 10b, 10d, and 10e from Line 9 and enter the result. This is the liability for the year.

Line 12. Enter total South Carolina **wages** from W-2s and 1099 income.

Line 13. Enter total number of South Carolina wage and tax statements accounted for on line 9.

- Complete EZA/RDA worksheet if claiming a credit.

Instructions for Amending WH-1605Z and WH-1606Z

- Use form WH-1605Z to amend a previously filed WH-1605Z for **1st, 2nd, or 3rd quarter**.
- Use form WH-1606Z to amend a previously filed WH-1606Z for **4th quarter**.
- Place an **X** in the **AMENDED Return** box.
- **A complete return, including worksheets, is required.** All lines must be completed.
- If an amended WH-1605Z is filed **after** the original WH-1606Z has been filed, an amended WH-1606Z is also required.
- Amended returns can be filed electronically at **MyDORWAY.dor.sc.gov** or mailed to address listed on tax return.