



STATE OF SOUTH CAROLINA  
**DEPARTMENT OF REVENUE**  
300A Outlet Pointe Blvd., Columbia, South Carolina 29210  
P.O. Box 125, Columbia, South Carolina 29214-0575

SC INFORMATION LETTER #26-14

**SUBJECT:** Pregnancy Resource Tax Credit  
(Income Tax)

**DATE:** June 9, 2026

**AUTHORITY:** S.C. Code Ann. § 12-4-320 (2014)  
SC Revenue Procedure #09-3

**SCOPE:** An Information Letter is a written statement issued to the public to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value.

**Purpose**

Act 162 of 2026 adds South Carolina Code Section 12-6-3383, establishing a new, nonrefundable income tax credit for taxpayers who make voluntary cash contributions to eligible charitable organizations. The purpose of this Information Letter is to provide taxpayers and eligible charitable organizations with details about this new credit.

**General Credit Provisions**

The Pregnancy Resource Tax Credit is available for tax years beginning after 2024 and is repealed on December 31, 2030. Unused credits can be carried forward for five consecutive years from the end of the tax year in which the credit was earned. Taxpayers who earn a credit before the repeal date can continue to carry forward any unused credits for the remaining five-year carryforward period, or until the credits are used. The amount of credit a taxpayer can claim in a tax year is limited to 50% of the taxpayer's total South Carolina income tax liability for that year.

The South Carolina Department of Revenue (SCDOR) may allocate a total aggregate of \$3.5 million in credits to taxpayers during a calendar year. No more than 25% of the

credits allocated during a calendar year may be allocated to a single eligible charitable organization.<sup>1</sup>

Any tax credits earned by a partnership, limited liability company, S Corporation, or other passthrough entity will be allocated among all partners, members, or shareholders either in proportion to their ownership interest in the entity or as the partners, members, or shareholders agree in an executed document.

### **Eligible Charitable Organizations**

Eligible charitable organizations are pregnancy resource centers, crisis pregnancy centers, maternity homes, or residential programs for human trafficking victims that provide services for:

1. the prevention and diversion of children from custody with the Department of Social Services;
2. the safety, care, and well-being of children in custody of the Department of Social Services;
3. the express purpose of creating permanency for children through adoption;
4. the prevention of abuse, neglect, abandonment, exploitation, or trafficking of children; or
5. the provision of assistance related to carrying a pregnancy to term, preventing abortion, and promoting healthy childbirth.

Eligible charitable organizations must be exempt from federal taxation under Internal Revenue Code (IRC) Section 501(c)(3) and must file their publicly available Internal Revenue Service filings annually with the Secretary of State. To qualify, an organization will file an Application for Certification as an Eligible Charitable Organization (I-68) with the SCDOR each year. On the application, the organization will certify that:

1. it is an eligible charitable organization pursuant to Section 12-6-3383(A)(2), including that it is exempt from federal income taxation under IRC Section 501(c)(3) and that no more than 20% of the contributions received related to the credit will be spent on administrative purposes;

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<sup>1</sup> Credits not allocated before June 1, 2026, may be allocated without regard to the 25% per eligible charitable organization restriction for the same calendar year. For the 2025 and 2026 tax years, credit allocations will take place after June 1, 2026, and therefore will not be subject to the 25% per eligible charitable organization restriction.

2. the organization does not provide, pay for, or provide coverage of abortions and does not financially support any other entity that provides, pays for, or provides coverage of abortions.

For recertification in years after the initial certification year, the organization must also provide the number and total amount of voluntary cash contributions from the previous tax year along with a copy of a compilation, review, or compliance audit of the organization's financial statements relating to the grants received, conducted by a certified public accounting firm.

The annual certification application must be signed by an officer of the organization under penalty of perjury. The organization must notify the SCDOR of any changes during the year that may affect their eligibility for the credit.

The SCDOR will review the Applications for Certification and will notify organizations if they qualify as an eligible charitable organization for the purpose of the credit. The SCDOR will publish a list of eligible charitable organizations at [dor.sc.gov/pregnancy-resource-tax-credit](http://dor.sc.gov/pregnancy-resource-tax-credit).

### **Qualifying Donors**

Taxpayers must apply for the credit using the Application for Pregnancy Resource Tax Credit (TC-68A). On the application, the taxpayer must provide the name of the eligible charitable organization and the dollar amount of contributions made or to be made. The SCDOR will review applications in the order in which they are received. Within 30 days after receiving an application, the SCDOR will allocate available credits based on the dollar amount of contributions certified in the application and will notify the taxpayer of the allocated credit amount.

If, due to the \$3.5 million aggregate credit limit, the SCDOR is unable to allocate the full amount of certified credits the taxpayer requested on the application, the SCDOR will notify the taxpayer within 30 days after the application of the reduced amount of credits being allocated to the taxpayer.

The contribution to the eligible charitable organization must be made within 60 days of the SCDOR notification of the credit allocation. The taxpayer will be required to submit documentation to the SCDOR showing the contribution was made within the required 60-day period. If the taxpayer does not provide documentation of the contributions, or if the final contribution amount is lower than the amount provided on the original application, the SCDOR will adjust the amount of credit allocated to the taxpayer. Any credits cancelled during this adjustment will be made available for reallocation to other taxpayers. Allocations will be made on a first-come, first-served basis in the order in which applications are received. Only credits allocated by the SCDOR may be claimed on a donor's income tax return.

Donors and charitable organizations seeking certification can find more information about the application process, including the opening dates for applications, at **[dor.sc.gov/pregnancy-resource-tax-credit](http://dor.sc.gov/pregnancy-resource-tax-credit)**.