



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
CREDIT FOR A GIFT OF LAND FOR CONSERVATION OR
A QUALIFIED CONSERVATION CONTRIBUTION
OF REAL PROPERTY

Table with 11 rows and 2 columns. Row 1: Amount of the qualifying contribution of land located in South Carolina. Row 2: Multiply line 1 by 25%. Row 3: Multiply the number of acres contributed (reduced by number of wetland acres within the intertidal zone) by \$250. Row 4: Enter the lesser of line 2 or line 3. Row 5: Credit carried forward from prior years. Row 6: Add lines 4 and 5. Row 7: Yearly limitation (52,500). Row 8: Enter the lesser of line 6 or line 7. Row 9: Enter your current year tax liability. Row 10: Enter the lesser of line 8 or 9. Row 11: Subtract line 10 from line 6.

INSTRUCTIONS

Line 1: Enter the amount of the qualified contribution of land located in South Carolina. The amount of the qualified contribution is the value of the "gift of land for conservation" or "qualified real property interest" located in South Carolina that is eligible for a charitable contribution under Internal Revenue Code (IRC) Section 170 and meets the requirements of SC Code Section 12-6-5590. "Qualified real property interest" is defined in IRC Section 170(h). A "gift of land for conservation" is a charitable contribution of fee simple title property given for conservation purposes as defined in Section 170(h)(4)(A) to a qualified conservation organization as described in Section 170(h)(3).

Line 3: The credit is limited to \$250 per acre. Wetland acreage lying within the intertidal zone does not count towards the calculation of this per acre cap.

Line 7: This credit is limited to \$52,500 for a taxpayer in any single tax year.

Line 10: This credit can be used along with other credits to offset any Income Tax owed by the person or entity claiming the credit. Any amounts not used because the credit is greater than the current year tax liability may be carried forward to succeeding years. The credit cannot be used against Corporation License Fee or any other fees.

Transfers

Unused credit may be transferred, devised, or distributed, with or without consideration, in accordance with SC Code Section 12-6-3515. To request approval of a credit transfer, see SC Revenue Procedure #08-1 at dor.sc.gov/policy. The credit must be claimed on a tax return before it can be transferred.

Transferees begin at line 4. Attach to your return a copy of the SCDOR letter approving the credit transfer.

How to Submit

If filing by paper, attach this to your Income Tax return. If filing online, keep a copy with your tax records.

Donative Intent

Donative intent requires the donor to be motivated by charity rather than economic benefit. Your donation does **not** qualify if it is made:

1. to comply with any state or federal environmental or other regulatory requirement
2. for the purpose of obtaining road, water, or sewer services
3. to obtain a grant, subdivision, building, zoning, environmental, mitigation, or similar permit or approval from any government.

This does not include extraordinary circumstances. The SCDOR will examine the contribution and related transactions to determine if it is made with donative intent.

Forestry and Silvicultural Practices

If forestry or silvicultural practices take place on the property, your contribution is still eligible if:

1. the practices conform to Best Management Practices established by the South Carolina Forestry Commission existing either when the conservation contribution is made or when the particular forestry or silvicultural practice takes place;
2. the conservation contribution on a real property interest meets the requirements of IRC Section 170(h) and applicable regulations for a "qualified conservation contribution" of a "qualified real property interest"; and
3. you provide the SCDOR with the necessary information to determine that you would otherwise be eligible for the deduction allowed under Section 170(h).

The amount of the credit is 25% of the contribution that would have qualified if the silvicultural and forestry activities had not been performed on the real property interest, subject to the credit conditions and limitations.

Attribution Rules

IRC Section 267 attribution rules apply in computing per acre and per taxpayer limitation.

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.

The Family Privacy Protection Act

Under the Family Privacy Protection Act, the collection of personal information from citizens by the SCDOR is limited to the information necessary for the SCDOR to fulfill its statutory duties. In most instances, once this information is collected by the SCDOR, it is protected by law from public disclosure. In those situations where public disclosure is not prohibited, the Family Privacy Protection Act prevents such information from being used by third parties for commercial solicitation purposes.