

#### STATE OF SOUTH CAROLINA

# DEPARTMENT OF REVENUE

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#### SC INFORMATION LETTER #19-2

SUBJECT: Job Tax Credit - County Rankings for 2019

Fee in Lieu of Property Taxes – Reduced Investment Counties

Tax Moratorium – Qualifying Counties

DATE: January 2, 2019

REFERENCE: S. C. Code Ann. Section 12-6-3360 (2014; Supp. 2017)

S. C. Code Ann. Section 12-6-3367 (2014)
S. C. Code Ann. Section 12-44-30 (2014)
S. C. Code Ann. Section 4-12-30 (Supp. 2017)
S. C. Code Ann. Section 4-29-67 (Supp. 2017)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (2014)

S.C. Code Ann. Section 1-23-10(4) (2005)

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.

## **INTRODUCTION**

The job tax credit, the tax moratorium, and the reduction in the minimum required fee in lieu of property tax investment are dependent, in part, on per capita income and unemployment rate data received from the South Carolina Department of Employment and Workforce and the United States Department of Commerce.

The purpose of this information letter is to provide the county rankings for purposes of the job tax credit, counties qualifying for the tax moratorium, and counties qualifying for the reduced fee in lieu of property tax.

### **JOB TAX CREDIT – County Rankings**

South Carolina's 46 counties are ranked and designated annually for job tax credit purposes with equal weight given to unemployment rate and per capita income as provided in South Carolina Code Section 12-6-3360(B).

The final rankings of counties for new, full time jobs created in tax years that begin in 2019, where the job tax credit was first earned on or after January 1, 2019, and increases in such jobs are listed below.

TIER IV	TIER III	TIER II	TIER I
Allendale	Abbeville	Aiken	Anderson
Bamberg	Calhoun	Florence	Beaufort
Barnwell	Cherokee	Georgetown	Berkeley
Chester	Chesterfield	Greenwood	Charleston
Clarendon	Colleton	Kershaw	Dorchester
Dillon	Darlington	Lancaster	Greenville
Lee	Edgefield	Laurens	Lexington
Marion	Fairfield	Newberry	Richland
Marlboro	Hampton	Oconee	Spartanburg
Orangeburg	Horry	Pickens	York
Union	Jasper	Saluda	
Williamsburg	McCormick	Sumter	

## **TAX MORATORIUM – Qualifying Counties**

South Carolina Code Section 12-6-3367, in part, grants a 10 year moratorium (15 years in certain cases) on corporate income taxes or insurance premium taxes for qualifying taxpayers in a county with an average annual unemployment rate of at least twice the state average during each of the last two completed calendar years, based on the most recent unemployment rates available, or in a county with one of the three lowest per capita incomes based on the average of the three most recent years of available average per capita income data. The moratorium begins the first full taxable year after the taxpayer qualifies in a county designated as a moratorium county.

For 2019, the following counties have been designated moratorium counties under South Carolina Code Section 12-6-3367.

Dillon	
Jasper	
Marlboro	

#### FEE IN LIEU OF PROPERTY TAXES - Reduced Investment Counties

The minimum required investment necessary to qualify for the fee in lieu of property taxes is \$2.5 million for the "Little Fee" and "Simplified Fee," and \$45 million for the "Big Fee." See South Carolina Code Sections 4-12-30(B)(3), 12-44-30(14), and 4-29-67, respectively. This investment amount, however, is reduced to \$1 million for a company investing in a county with an average annual unemployment rate of at least twice the state average during each of the last 24 months, based on data available on November 1.

For 2019, no county qualifies for the \$1 million minimum investment under the "Little Fee," "Simplified Fee," and "Big Fee."