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SC INFORMATION LETTER #92-15

TO: Vickie Jinnette Ringer
Public Information Director

FROM: Sally Major, Tax Analyst
Tax Policy and Appeals Department

DATE: May 12, 1992

SUBJECT: Organization Exempt from Income Tax under Internal Revenue
Code Section 501
(Income Tax, Corporate License Fee and Annual Report)

REFERENCE: S.C. Code Ann. Section 12-7-1510 (As amended May 1992)
S.C. Code Ann. Section 12-19-20 (As amended May 1992)
S.C. Code Ann. Section 12-19-150 (As amended May 1992)

AUTHORITY: S.C. Code Section 12-4-320 (1991 Supp.)
SC Revenue Procedure #87-3

SCOPE: An Information Letter is a temporary document issued for the purpose of
disseminating general tax information and to respond to technical questions
from within the Commission which are not related to a specific set of facts.

Act #361 - Section #6

Effective for tax years beginning on or after January 1, 1993,

Code Section 12-7-1510 is amended to provide that organizations described in Internal Revenue Code Section 501 (Exempt Organizations) and 1381 (Cooperatives) are only required to file income tax returns in the State if they have taxable income in South Carolina under Internal Revenue Code Section 501(b) (Unrelated Business Income) or Sections 1382 and 1383 (Taxable Income of Cooperatives).

Additionally, Code Sections 12-19-20(a) and 12-19-150 are amended to provide that organizations exempt from income taxes under Internal Revenue Code Section 501 are not required to pay the corporate annual license fee or file an annual report.