# State of South Carolina Department of Revenue 301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

#### SC REVENUE INFORMATIONAL BULLETIN #01-4

SUBJECT: Job Tax Credit - County Rankings for the Year 2001

Corporate Tax Moratoriums - Qualifying Counties

Fee In Lieu of Property Taxes - Reduced Investment Counties

DATE: February 14, 2001

SUPERSEDES: All previous documents and any oral directives in conflict herewith.

REFERENCE: S. C. Code Ann. Section 12-6-3360 (2000)

S. C. Code Ann. Section 12-10-35 (2000)
S. C. Code Ann. Section 12-6-3365 (2000)
S. C. Code Ann. Section 4-12-30 (Supp. 2000)
S. C. Code Ann. Section 12-44-30(14) (2000)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (2000)

SC Revenue Procedure #99-4

SCOPE: A Revenue Informational Bulletin is a written statement issued to the public

by the Department to announce general information useful in complying with

the laws administered by the Department. A Revenue Informational

Bulletin has no precedential value, and is not binding on the public or the

Department.

### INTRODUCTION

The job tax credit, the corporate tax moratoriums, and the reduction in the minimum required fee in lieu investment are dependent, in part, on per capita income and unemployment rate data received from the South Carolina Employment Security Commission and Budget and Control Board.

The purpose of this Revenue Information Bulletin is to provide county rankings for purposes of the job tax credit, counties qualifying for the corporate tax moratoriums, and counties qualifying for the reduced fee in lieu of property tax investment.

### **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 and then adjusted in accordance with special rules in South Carolina Code subsections 12-6-3360(B) and 12-6-3360(L). Pursuant to Code Section 12-6-3360(B)(5), the one county designation increase provided to counties located within 25 miles of the boundaries of an applicable military installation or applicable federal facility and the two county designation increase provided to counties in which an applicable military installation or applicable federal facility is located expires July 1, 2001.

Accordingly, it is necessary to have two rankings of South Carolina's counties for 2001 for purposes of the job tax credit. In addition, a third list is provided for new jobs created before 1996 and increases in such jobs in accordance with Code Section 12-6-3360, prior to its amendment in 1996.

RANKING LIST #1: For new jobs created in tax years which begin on or after January 1, 2001 and on or before July 1, 2001, where the job tax credit was first earned after 1995.

The Department has ranked South Carolina counties as least developed, under developed, moderately developed, and developed each year for computation of the new job tax credit. The amount of credit that a business may receive for each job created is determined by the county where the business's facility is located. The amount of credit for each new job is \$4,500 in a least developed county, \$3,500 in an under developed county, \$2,500 in a moderately developed county, and \$1,500 in a developed county.

The following ranking of counties is effective for new jobs created in tax years which begin on or after January 1, 2001 and on or before July 1, 2001, where the job tax credit was first earned after 1995:

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

## RANKING LIST #2: For new jobs created in tax years which begin on or after July 2, 2001, where the job tax credit was first earned after 1995.

The Department has ranked South Carolina counties as least developed, under developed, moderately developed, and developed each year for computation of the new job tax credit. The amount of credit that a business may receive for each job created is determined by the county where the business's facility is located. The amount of credit for each new job is \$4,500 in a least developed county, \$3,500 in an under developed county, \$2,500 in a moderately developed county, and \$1,500 in a developed county.

The following ranking of counties is effective for new jobs created in tax years which begin on or after July 2, 2001, where the job tax credit was first earned after 1995:

LEAST DEVELOPED	UNDER DEVELOPED	MODERATELY DEVELOPED	DEVELOPED
Abbeville Allendale Bamberg Barnwell Calhoun Chester Chesterfield Clarendon Dillon Edgefield Fairfield Hampton Lee Marion Marlboro McCormick Orangeburg Union Williamsburg	Berkeley Cherokee Colleton Darlington Georgetown Jasper Laurens Saluda Sumter	Aiken Beaufort Dorchester Florence Greenwood Kershaw Lancaster Newberry	Anderson Charleston Greenville Horry Lexington Oconee Pickens Richland Spartanburg York
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### RANKING LIST #3: For new jobs created before 1996 and increases in such jobs.

The Department has ranked South Carolina counties as less developed, moderately developed, and developed each year in accordance with Code Section 12-6-3360, prior to its amendment in 1996. The amount of credit that a business may receive for each job created is determined by the county where the business's facility is located. The amount of credit for each new job is \$1,000 in a less developed county, \$600 in a moderately developed county, and \$300 in a developed county.

The following ranking of counties is effective for new jobs created in tax years which begin in **2001**, where the job tax credit was first earned before 1996:

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

### **CORPORATE TAX MORATORIUMS - Qualifying Counties**

MORATORIUM #1: South Carolina Code Section 12-10-35 grants a 10 year moratorium (15 years in certain cases) on corporate income taxes for qualifying taxpayers in a county with average unemployment of at least twice the State average based on the two most recent calendar years of data available on November 1 of the preceding year, or in a county with one of the three lowest per capita incomes based on the average of the three most recent years of average per capita income data.

For 2001, the following counties qualify for the corporate tax moratorium under South Carolina Code Section 12-10-35. (Note: This section is repealed effective July 1, 2003, however, the repeal does not affect any moratorium in effect on that date.)

Chester	Marlboro
Dillon	McCormick
Fairfield	Orangeburg
Lee	Williamsburg
Marion	

**MORATORIUM #2:** South Carolina Code Section 12-6-3365 grants a 10 year moratorium (15 years in certain cases) on corporate income taxes for qualifying taxpayers in a county with average unemployment of at least twice the State average during 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 average per capita income data.

For 2001, the following counties qualify for the corporate tax moratorium under South Carolina Code Section 12-6-3365. (Note: This section is repealed effective July 1, 2005, however, the repeal does not affect any moratorium in effect on that date.)

Dillon	McCormick
Lee	Orangeburg
Marion	Williamsburg
Marlboro	

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

The minimum required investment necessary to qualify for the fee in lieu of property tax under the "Little Fee," provided in South Carolina Code Section 4-12-30(B)(3), and the "Simplified Fee," provided in South Carolina Code Section 12-44-30(14), is \$5 million. 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 two completed calendar years.

For 2001, the following counties qualify for the \$1 million minimum investment under the "Little Fee" and the "Simplified Fee."

Dillon	McCormick
Marion	Orangeburg
Marlboro	Williamsburg