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

SC REVENUE INFORMATIONAL BULLETIN #02-5

- SUBJECT:** Job Tax Credit - County Rankings for 2002
Corporate Tax Moratoriums - Qualifying Counties
Fee In Lieu of Property Taxes - Reduced Investment Counties
- DATE:** February 12, 2002
- SUPERSEDES:** All previous documents and any oral directives in conflict herewith.
- REFERENCE:** S. C. Code Ann. Section 12-6-3360 (Supp. 2001)
S. C. Code Ann. Section 12-10-35 (Supp. 2001)
S. C. Code Ann. Section 12-6-3365 (Supp. 2001)
S. C. Code Ann. Section 4-12-30 (Supp. 2001)
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 of property tax 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). Because of amendments in the job tax credit statute, it is necessary to have two rankings of South Carolina's counties for purposes of the job tax credit.

Ranking List #1: For new jobs created in tax years which begin in 2002, 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.

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

Ranking List #2: 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 the tax year beginning in 2002**, where the job tax credit was first earned before 1996:

LESS DEVELOPED	MODERATELY DEVELOPED	DEVELOPED
Abbeville	Barnwell	Aiken
Allendale	Berkeley	Anderson
Bamberg	Calhoun	Beaufort
Chester	Cherokee	Charleston
Chesterfield	Colleton	Dorchester
Clarendon	Darlington	Florence
Dillon	Edgefield	Greenville
Fairfield	Georgetown	Horry
Lee	Greenwood	Lexington
Marion	Hampton	Oconee
Marlboro	Jasper	Pickens
McCormick	Kershaw	Richland
Orangeburg	Lancaster	Spartanburg
Sumter	Laurens	Saluda
Union	Newberry	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 2002, 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.)

Dillon	Marlboro
Fairfield	McCormick
Lee	Orangeburg
Marion	Williamsburg

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 2002, 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 2002, the following counties qualify for the \$1 million minimum investment under the “Little Fee” and the “Simplified Fee.”

Dillon	McCormick
Marion	Orangeburg
Marlboro	Williamsburg