

OVERVIEW OF SOUTH CAROLINA TAX INCENTIVES

Creation of New Jobs

Within specific industries, companies that create permanent new jobs are eligible for credits against corporate income taxes. The credit amount varies, depending on the economic need of the company's location, but can range up to \$8,000 per year, per job. The tax credit can be taken each year for up to five years.

Development of Jobs

Within specific industries, companies that go through an application process can obtain a refund of the employee's withholding to use for approved business expenses. In order to be eligible, the company must create a specific number of new jobs, and the credits can be taken for up to fifteen years.

Job Training

Within specific industries, companies that spend significant amounts on training employees in order to increase their company's competitiveness can receive tax credits. The amount of the tax incentive depends on the economic need of the company's location.

Research and Development

Within specific industries, a company that has increasing research expenses can qualify for a credit of up to 5% of its research expenses in South Carolina.

Zone Investment

If a company places productive equipment for use in certain government-designated counties, the company can qualify for a tax credit.

Headquarters Location

Corporations are allowed a tax credit against corporate income taxes for the establishment of expansion of a corporate HQ in South Carolina. The real property and personal property costs must meet the government-regulated minimum, and the corporation must also meet other requirements.

Investment Credit

If a company invests in a nonprofit organization with specific organizational goals, the investing business can receive a refund of a portion of its investment.

Child Care Programs

If an employer establishes a child care program for its employees or pays part of the cost of such a program, the employer may be able to claim a credit of up to half the cost of its expenditures for the child care program.

Energy Conservation

If a business purchases certain energy-conserving equipment of a solar heating/cooling system, it can claim up to 25% of its expenditures in tax credits. In addition, the purchase of a new alternative motor vehicle can make the company eligible for tax credits.

Facility Revitalization

If a business renovates or improves certain types of sites, it may be able to receive an income, license OR real property tax credit.

Ethanol/Biodiesel Production Credit

South Carolina provides several income tax credits for a facility that produces ethanol or biodiesel at a plant in SC at which all fermentation, distillation and dehydration takes place.