**South Carolina General Assembly**

124th Session, 2021-2022

**A63, R77, S677**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Davis, Goldfinch, Jackson, Shealy, Grooms, Gambrell, Matthews, Turner, Alexander, Hutto, Talley, Kimpson, McElveen, Stephens, M. Johnson, Williams, Kimbrell, Campsen, Sabb and Climer

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Introduced in the Senate on March 16, 2021

Introduced in the House on April 13, 2021

Last Amended on May 11, 2021

Passed by the General Assembly on May 12, 2021

Governor's Action: May 17, 2021, Signed

Summary: Tax credits

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 3/16/2021 Senate Introduced and read first time ([Senate Journal‑page 6](file:///h%3A%5Csj%5C20210316.docx))

 3/16/2021 Senate Referred to Committee on **Finance** ([Senate Journal‑page 6](file:///h%3A%5Csj%5C20210316.docx))

 3/31/2021 Senate Committee report: Favorable with amendment **Finance** ([Senate Journal‑page 13](file:///h%3A%5Csj%5C20210331.docx))

 4/1/2021 Senate Committee Amendment Adopted ([Senate Journal‑page 61](file:///h%3A%5Csj%5C20210401.docx))

 4/7/2021 Senate Read second time ([Senate Journal‑page 61](file:///h%3A%5Csj%5C20210407.docx))

 4/8/2021 Senate Read third time and sent to House ([Senate Journal‑page 43](file:///h%3A%5Csj%5C20210408.docx))

 4/8/2021 Senate Roll call Ayes‑43 Nays‑0 ([Senate Journal‑page 43](file:///h%3A%5Csj%5C20210408.docx))

 4/13/2021 House Introduced and read first time ([House Journal‑page 13](file:///h%3A%5Chj%5C20210413.docx))

 4/13/2021 House Referred to Committee on **Ways and Means** ([House Journal‑page 13](file:///h%3A%5Chj%5C20210413.docx))

 5/4/2021 House Committee report: Favorable with amendment **Ways and Means** ([House Journal‑page 74](file:///h%3A%5Chj%5C20210504.docx))

 5/6/2021 House Debate adjourned until Tues., 5‑11‑21 ([House Journal‑page 17](file:///h%3A%5Chj%5C20210506.docx))

 5/11/2021 House Requests for debate‑Rep(s).  King, Gilliard, Brawley, Ott, Howard, Wetmore, R Williams ([House Journal‑page 20](file:///h%3A%5Chj%5C20210511.docx))

 5/11/2021 House Amended ([House Journal‑page 67](file:///h%3A%5Chj%5C20210511.docx))

 5/11/2021 House Read second time ([House Journal‑page 67](file:///h%3A%5Chj%5C20210511.docx))

 5/11/2021 House Roll call Yeas‑106 Nays‑4 ([House Journal‑page 69](file:///h%3A%5Chj%5C20210511.docx))

 5/12/2021 House Returned to Senate with amendments ([House Journal‑page 41](file:///h%3A%5Chj%5C20210512.docx))

 5/12/2021 Senate Concurred in House amendment and enrolled ([Senate Journal‑page 21](file:///h%3A%5Csj%5C20210512.docx))

 5/12/2021 Senate Roll call Ayes‑43 Nays‑0 ([Senate Journal‑page 21](file:///h%3A%5Csj%5C20210512.docx))

 5/13/2021 Ratified R 77

 5/17/2021 Signed By Governor

 6/1/2021 Effective date 05/17/21

 6/1/2021 Act No.  63

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=677&session=124&summary=B) at the website

**VERSIONS OF THIS BILL**

[3/16/2021](file:///p%3A%5Cpprever%5C2021-22%5C677_20210316.docx)

[3/31/2021](file:///p%3A%5Cpprever%5C2021-22%5C677_20210331.docx)

[4/1/2021](file:///p%3A%5Cpprever%5C2021-22%5C677_20210401.docx)

[4/7/2021](file:///p%3A%5Cpprever%5C2021-22%5C677_20210407.docx)

[5/4/2021](file:///p%3A%5Cpprever%5C2021-22%5C677_20210504.docx)

[5/11/2021](file:///p%3A%5Cpprever%5C2021-22%5C677_20210511.docx)

(A63, R77, S677)

**AN ACT TO AMEND SECTION 12‑2‑100, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO TAX CREDITS, SO AS TO PROVIDE FOR THE ALLOCATION OF A TAX CREDIT OR UNUSED CREDIT AMOUNT CARRIED FORWARD THAT IS EARNED BY A PARTNERSHIP OR LIMITED LIABILITY COMPANY TAXED AS A PARTNERSHIP.**

Be it enacted by the General Assembly of the State of South Carolina:

**Tax credits allocation**

SECTION 1. Section 12‑2‑100 of the 1976 Code is amended to read:

 “Section 12‑2‑100. (A) Unless otherwise provided by law, a tax credit administered by the department must be used in the year it is generated and must not be refunded.

 (B) A tax credit earned by a partnership or limited liability company taxed as a partnership pursuant to Sections 12‑6‑3535, 12‑6‑3795, or 12‑65‑10, including any unused credit amount carried forward, may be passed through to the partners or members and may be allocated among any of its partners or members on an annual basis including, without limitation, an allocation of the entire credit to any partner or member who was a partner or member at any time in the year in which the credit or unused carryforward was allocated. The allocation must be allowed without regard to any provision of the Internal Revenue Code, or regulation promulgated pursuant to it, that may be interpreted as contrary to the allocation including, without limitation, the treatment of the allocation as a disguised sale.”

**Time effective**

SECTION 2. This act takes effect upon approval by the Governor and applies to a qualified project in service after January 1, 2020, but before December 31, 2030, if the project is issued an eligibility statement after May 14, 2020.

Ratified the 13th day of May, 2021.

Approved the 17th day of May, 2021.

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