

# REPORT OF THE SALES AND INCOME TAX SUBCOMMITTEE

(Huggins, Simrill, G.M. Smith, Hosey & Limehouse - Staff Contact: Katie Owen)

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## HOUSE BILL 4328

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H. 4328 -- Rep. White: A BILL TO AMEND SECTION 12-8-1530, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE QUARTERLY INCOME TAX WITHHOLDINGS, SO AS TO CHANGE THE DUE DATE OF THE FOURTH QUARTER RETURN FROM THE LAST DAY OF FEBRUARY TO THE LAST DAY OF JANUARY; AND TO AMEND SECTION 12-8-1550, RELATING TO THE DUE DATE FOR FILING STATEMENTS REGARDING INCOME TAX WITHHOLDINGS WITH THE DEPARTMENT OF REVENUE, SO AS TO CHANGE THE DUE DATE FROM THE LAST DAY OF FEBRUARY TO THE LAST DAY OF JANUARY.

***Summary of Bill:***

This bill changes the due date of the fourth quarter return from the last day in February to the last day in January. It also changes the due date for filing statements regarding income tax withholdings with the Department of Revenue from the last day in February to the last day in January.

***Estimated Revenue Impact:***

This bill will have no expenditure or revenue impact on the General Fund, Federal Funds, or Other Funds.

***Subcommittee Recommendation:***

Favorable



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 4328  
**Author:** White  
**Subject:** Quarterly Income Tax Withholdings  
**Requestor:** House Ways and Means  
**RFA Analyst(s):** Shuford  
**Impact Date:** February 4, 2016

**Estimate of Fiscal Impact**

	FY 2016-17	FY 2017-18
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill will have no expenditure or revenue impact on the General Fund, Federal Funds, or Other Funds.

**Explanation of Fiscal Impact**

**State Expenditure**

The Department of Revenue indicates that this bill will have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

**State Revenue**

This bill changes the due date of the fourth quarter income tax withholding return from the last day in February to the last day in January. The bill also changes the due date for W-2 forms and the annual withholding recapitulation and reconciliation report to the last day in January. These proposed South Carolina date changes correspond with current federal due date requirements for employers' annual reports for federal unemployment tax withholdings, withheld federal income tax, and Form W-2 wage, tips, and other compensation paid to employees. We expect no revenue impact over a fiscal year period from changing the South Carolina return due dates.

**Local Expenditure and Revenue**

N/A

Frank A. Rainwater, Executive Director

**South Carolina General Assembly**  
121st Session, 2015-2016

**H. 4328**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. White

Document Path: I:\council\bill\dk\3116sa15.docx

Introduced in the House on June 3, 2015

Currently residing in the House Committee on **Ways and Means**

Summary: Quarterly Income Tax Withholdings

**HISTORY OF LEGISLATIVE ACTIONS**

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
6/3/2015	House	Introduced and read first time ( <u>House Journal-page 226</u> )
6/3/2015	House	Referred to Committee on <b>Ways and Means</b> ( <u>House Journal-page 226</u> )

View the latest [legislative information](#) at the website

**VERSIONS OF THIS BILL**

6/3/2015

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**A BILL**

TO AMEND SECTION 12-8-1530, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE QUARTERLY INCOME TAX WITHHOLDINGS, SO AS TO CHANGE THE DUE DATE OF THE FOURTH QUARTER RETURN FROM THE LAST DAY OF FEBRUARY TO THE LAST DAY OF JANUARY; AND TO AMEND SECTION 12-8-1550, RELATING TO THE DUE DATE FOR FILING STATEMENTS REGARDING INCOME TAX WITHHOLDINGS WITH THE DEPARTMENT OF REVENUE, SO AS TO CHANGE THE DUE DATE FROM THE LAST DAY OF FEBRUARY TO THE LAST DAY OF JANUARY.

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

SECTION 1. Section 12-8-1530(A) of the 1976 Code is amended to read:

“(A)A withholding agent shall file a quarterly return in a form prescribed by the department indicating the total amount withheld pursuant to this chapter during the calendar quarter. The return must be filed even in quarters when no income tax has been withheld. The return must be filed on or before dates required for filing federal quarterly withholding returns specified in Internal Revenue Code Section 6071 and Internal Revenue Code Regulation Section 31.6071(a)(1), except the fourth quarter return. The fourth quarter return is due on or before the last day of ~~February~~ January following the calendar year of the withholding.”

SECTION 2. Section 12-8-1550(A) of the 1976 Code is amended to read:

1     “(A) On or before the last day of ~~February~~ January following the  
2 calendar year of the withholding, the following items must be filed  
3 with the department:

4         (1) the original copy of the statement required by Section  
5 12-8-1540;

6         (2) a recapitulation and reconciliation of taxes withheld and  
7 paid in the form the department prescribes.”

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9 SECTION 3. This act takes effect upon approval by the Governor.

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