**South Carolina General Assembly**

126th Session, 2025-2026

**S. 13**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Rankin

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Introduced in the Senate on January 14, 2025

Currently residing in the Senate Committee on **Education**

Summary: Tax Deduction for Employer Contributions to 529 Accounts

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/11/2024 Senate Prefiled

12/11/2024 Senate Referred to Committee on **Education**

1/14/2025 Senate Introduced and read first time ([Senate Journal‑page 30](h:\sj\20250114.docx))

1/14/2025 Senate Referred to Committee on **Education** ([Senate Journal‑page 30](h:\sj\20250114.docx))

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**VERSIONS OF THIS BILL**

[12/11/2024](https://www.scstatehouse.gov/sess126_2025-2026/prever/13_20241211.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 59‑2‑80, RELATING TO TAX FEATURES OF THE SOUTH CAROLINA COLLEGE INVESTMENT PROGRAM, SO AS TO ALLOW EMPLOYERS TO MAKE TAX DEDUCTIBLE CONTRIBUTIONS TO EMPLOYEE COLLEGE INVESTMENT TRUST ACCOUNTS.

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

SECTION 1. Section 59‑2‑80(D) of the S.C. Code is amended to read:

(D)(1)(a) Contributions to each investment trust account created under this chapter by a resident of this State or a nonresident required to file a State of South Carolina income tax return are deductible from South Carolina income subject to tax up to the limit of maximum contributions allowed to such accounts under Section 529 of the Internal Revenue Code of 1986, as amended, including funds transferred to an investment trust account from another qualified plan, as allowable under Section 529 of the Internal Revenue Code of 1986, as amended, and to the extent that the transferred funds were not permitted a state income tax deduction previously under South Carolina law.

(b) An employer may match deductible contributions made by an employee to an investment trust account established under this chapter up to one thousand dollars. Contributions made by an employer pursuant to this subitem are deductible from the employer’s South Carolina income subject to tax.

(2) For purposes of this subsection, the term “qualified plan” means any plan qualified under Section 529 of the Internal Revenue Code of 1986, as amended.

(3) State income tax deductions as provided for in this section may be taken in any taxable year for contributions and rollovers made during that taxable year, and up to April fifteenth of the succeeding year, or the due date of a taxpayer's state income tax return excluding extensions, whichever is longer.

SECTION 2. The provisions contained in this act shall apply to each tax year beginning after 2025.

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

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