**South Carolina General Assembly**

126th Session, 2025-2026

**H. 3435**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Pace, Magnuson, Chumley, Kilmartin and Frank

Companion/Similar bill(s): 234, 3779

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Introduced in the House on January 14, 2025

Currently residing in the House

Summary: Income tax exemption

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/5/2024 House Prefiled

12/5/2024 House Referred to Committee on **Ways and Means**

1/14/2025 House Introduced and read first time ([House Journal‑page 201](h:\hj\20250114.docx))

1/14/2025 House Referred to Committee on **Ways and Means** ([House Journal‑page 201](h:\hj\20250114.docx))

1/16/2025 House Member(s) request name added as sponsor: Kilmartin

2/6/2025 House Member(s) request name added as sponsor: Frank

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=3435&session=126&summary=B)  at the website

**VERSIONS OF THIS BILL**

[12/05/2024](https://www.scstatehouse.gov/sess126_2025-2026/prever/3435_20241205.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 12‑6‑1120, RELATING TO GROSS INCOME, SO AS TO EXCLUDE CERTAIN GRATUITIES AND TIPS FROM GROSS INCOME.

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

SECTION 1. Section 12‑6‑1120 of the S.C. Code is amended by adding:

(12) South Carolina gross income does not include compensation received in the form of gratuity or tip.

SECTION 2. This act takes effect upon approval by the Governor and applies to tax years beginning after 2024.

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