**South Carolina General Assembly**

118th Session, 2009-2010

**H. 4800**

**STATUS INFORMATION**

Joint Resolution

Sponsors: Rep. Rice

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Introduced in the House on April 13, 2010

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

Summary: Retail sales license

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

4/13/2010 House Introduced and read first time [HJ](file:///h:\HJ%20Archive\2010\04-13-10.docx)‑17

4/13/2010 House Referred to Committee on **Ways and Means** [HJ](file:///h:\HJ%20Archive\2010\04-13-10.docx)‑18

**VERSIONS OF THIS BILL**

[4/13/2010](file:///p:\pprever\2009-10\4800_20100413.docx)

**A** **JOINT RESOLUTION**

TO ALLOW THE HOLDER OF A RETAIL SALES LICENSE A STATE SALES TAX CREDIT FOR A PORTION OF CONSTRUCTION COSTS PAID IN 2010 AND 2011 TO ACQUIRE A NEW RETAIL LOCATION OR TO ENLARGE OR RENOVATE AN EXISTING RETAIL LOCATION PLACED IN SERVICE OR OTHERWISE COMPLETED IN 2010 OR 2011, TO PROVIDE THAT THE CREDIT EQUALS TWENTY PERCENT OF CONSTRUCTION COSTS PAID IN 2010 AND 2011 AGGREGATING AT LEAST ONE HUNDRED THOUSAND DOLLARS IN THOSE YEARS, TO PROVIDE FOR THOSE STATE SALES TAXES AGAINST WHICH THE CREDIT APPLIES AND ALLOW THE CARRYFORWARD OF UNUSED CREDIT FOR TEN YEARS, AND TO ALLOW THE HOLDER OF A RETAIL SALES LICENSE AND AN UNRELATED DEVELOPER FROM WHICH THE RETAIL SALES LICENSE HOLDER PURCHASES OR LEASES A NEWLY CONSTRUCTED AND PREVIOUSLY UNOCCUPIED LOCATION BY WRITTEN AGREEMENT TO IMPUTE THE DEVELOPER’S CONSTRUCTION COSTS PAID IN 2010 AND 2011 TO THE RETAIL LICENSE HOLDER FOR PURPOSES OF CLAIMING THE CREDIT.

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

SECTION 1. The holder of a new retail sales license issued in 2010 or 2011 who pays construction costs in 2010 and 2011 aggregating at least one hundred thousand dollars for a newly constructed and previously unoccupied location for which the license is issued which is placed in service in those years and the holder of a retail license who pays construction costs in 2010 and 2011 aggregating at least one hundred thousand dollars for enlarging or renovating the existing location for which the license is issued and the construction is completed in those years is allowed a credit against the state sales tax collected at that location in an amount equal to twenty percent of the construction costs paid. The credit is allowed against fifty percent of state sales tax paid at the location in 2010 and 2011, and in the case of a credit for enlargement or renovation of an existing location, the credit is allowed only against fifty percent of the state sales tax paid at the location that exceeds total state sales tax paid at the location in 2009. If a retail sales license holder occupies a newly constructed and previously unoccupied location in 2010 or 2011 that replaces a location from which the retail sales license holder no longer conducts business, the credit is allowed only against fifty percent of the state sales tax paid in 2010 or 2011 at the new location that exceeds state sales tax at the former location in its last twelve months of operation. Unused credit may be claimed against sales tax liabilities paid at the same location through the earlier of the date on which the credit is used up, or the sales tax liability paid for the last sales tax reporting period in 2021. The credit is claimed in the appropriate amount against sales tax liabilities paid for taxable periods in 2010 and 2011 and the carryforward period. If a retail sales license holder on a new location purchased or leased in 2010 or 2011 acquired the location by purchase or lease from an unrelated developer with whom the retail sales license holder had no prior construction contract or lease agreement with respect to the location before the purchase or lease, that developer and the retail sales license holder, by written agreement, and for purposes of the credit allowed by this section, may impute construction costs paid by the developer in 2010 and 2011 with respect to that location to the retail sales license holder pursuant to such terms and conditions as the agreement provides and the retail sales license holder is thereby deemed to have paid the costs. The South Carolina Department of Revenue shall prescribe appropriate forms for use in claiming the credit and providing for its efficient administration.

SECTION 2. This joint resolution takes effect upon approval by the Governor.

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