AMENDED

April 24, 2012

**H. 4997**

Introduced by Reps. Stringer, Bingham, Harrell, Norman, Clemmons, Quinn, Ballentine, Spires, Brannon, McCoy, Ryan, Patrick, Bedingfield, Parker, Taylor, Brady, Murphy, Bowen, Hearn, Nanney, Sottile, Loftis, Lowe, J.R. Smith, Allison, Atwater, Bannister, Chumley, Crosby, Daning, Delleney, Erickson, Hamilton, Hardwick, Henderson, Herbkersman, Hixon, Horne, Limehouse, Long, Merrill, D.C. Moss, V.S. Moss, Owens, Pinson, Pope, Sandifer, Simrill, G.M. Smith, G.R. Smith, Tallon, Willis, Young and Forrester

S. Printed 4/24/12--H.

Read the first time March 13, 2012.

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑6‑511 SO AS TO ELIMINATE THE FOUR, FIVE, AND SIX PERCENT INCOME BRACKETS AND INSTEAD TAX THOSE INCOMES AT THREE PERCENT.

Amend Title To Conform

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

SECTION 1. Article 5, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑511. (A) Notwithstanding the provisions of Section 12‑6‑510, for taxable years beginning after 2012, a tax is imposed on the South Carolina taxable income of individuals, estates, and trusts and any other entity except those taxed or exempted from taxation under Sections 12‑6‑530 through 12‑6‑550 computed at the following rates with the income brackets indexed in accordance with Section 12‑6‑520:

OVER BUT NOT OVER

$ 0 $ 2,800 0% Times the amount

2,800 14,000 3.75%Times the amount less $105

14,000 7% Times the amount less $560

(B) The department may prescribe tax tables consistent with the rates set pursuant to subsection (A).

(C) Notwithstanding subsection (A), a taxpayer with a South Carolina taxable income of $9,520 or less is not subject to the provisions of this section, but rather is subject to the rates and brackets imposed pursuant to Sections 12‑6‑510 and 12-6-515 until the highest income qualifying for the zero percent tax bracket pursuant to this section has attained $9,520.

(D) The provisions of Sections 12-6-510, as indexed in accordance with Section 12-6-520, and Section 12-6-515 remain in effect until the highest income qualifying for the zero percent tax bracket pursuant to this section reaches $9,520.”

SECTION 2. This act takes effect upon approval by the Governor.

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