**South Carolina General Assembly**

120th Session, 2013-2014

**S. 901**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Shealy, Grooms, Bryant, Davis, Turner, Bright, Campbell and Young

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Introduced in the Senate on January 14, 2014

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

Summary: Income tax

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/17/2013 Senate Prefiled

12/17/2013 Senate Referred to Committee on **Finance**

1/14/2014 Senate Introduced and read first time ([Senate Journal‑page 66](file:///H:\SJ%20Archive\2014\01-14-14.docx))

1/14/2014 Senate Referred to Committee on **Finance** ([Senate Journal‑page 66](file:///H:\SJ%20Archive\2014\01-14-14.docx))

**VERSIONS OF THIS BILL**

[12/17/2013](file:///p:\pprever\2013-14\901_20131217.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑6‑517 SO AS TO REPLACE THE INCOME TAX IMPOSED ON THE TAXABLE INCOME OF INDIVIDUALS, ESTATES, TRUSTS, AND CERTAIN OTHER ENTITIES IN TAX YEARS BEGINNING AFTER 2013 BY REDUCING THE RATE OF TAXATION BY 1.4 PERCENT EACH YEAR UNTIL THE TAX RATE FOR ALL BRACKETS IS ZERO PERCENT.

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 12‑6‑517. (A) Notwithstanding Section 12‑6‑510, for taxable years beginning after 2013, 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 Tax Plus Rate Of Excess Over

$0 $2,880 $0 0% $0

$2,880 $5,760 $0 1.6% $2,880

$5,760 $8,640 $46 2.6% $5,760

$8,640 $11,520 $121 3.6% $8,640

$11,520 $14,400 $225 4.6% $11,520

$14,400 $357 5.6% $14,400

(B) For tax years beginning after 2014, the rate of tax imposed pursuant to this section on all of the brackets of South Carolina taxable income is reduced by 1.4 percent each year until the rate of tax in all of the brackets has been reduced to zero percent.

(C) The department may prescribe tax tables consistent with the rates set pursuant to subsection (A). The department shall cumulatively adjust these brackets in the same manner as provided in Section 12‑6‑520.”

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

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