**South Carolina General Assembly**

125th Session, 2023-2024

**S. 526**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Goldfinch, Rankin, Young, Talley, Davis and Gambrell

Companion/Similar bill(s): 4065

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Introduced in the Senate on February 9, 2023

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

Summary: Livable Homes Tax Credit

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/9/2023 Senate Introduced and read first time ([Senate Journal‑page 11](h:\sj\20230209.docx))

2/9/2023 Senate Referred to Committee on **Finance** ([Senate Journal‑page 11](h:\sj\20230209.docx))

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=526&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[02/09/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/526_20230209.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ENACTING THE “LIVABLE HOMES TAX CREDIT ACT”; AND BY ADDING SECTION 12‑6‑3810 SO AS TO PROVIDE FOR AN INDIVIDUAL INCOME TAX CREDIT TO AN INDIVIDUAL WHO PURCHASES A NEW RESIDENCE OR RETROFITS AN EXISTING RESIDENCE, PROVIDED THAT THE NEW RESIDENCE OR THE RETROFITTING OF THE EXISTING RESIDENCE IS DESIGNED TO IMPROVE ACCESSIBILITY, TO PROVIDE A CUMULATIVE TOTAL FOR WHICH THE CREDIT MAY NOT EXCEED, TO PROVIDE CERTAIN DESIGN ELEMENT REQUIREMENTS AND ELIGIBLE COSTS, AND TO PROVIDE A MAXIMUM AMOUNT OF TAX CREDITS THAT MAY BE GRANTED IN EACH INCOME TAX YEAR.

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

SECTION 1. This act may be cited as the “Livable Homes Tax Credit Act”.

SECTION 2. Article 25, Chapter 6, Title 12 of the S.C. Code is amended by adding:

Section 12‑6‑3810. (A) For purposes of this section:

(1) “Purchase of a new residence” means a transaction involving the first sale of a residence or dwelling. This includes newly constructed units and residential units created through the adaptive reuse of buildings previously used for nonresidential uses.

(2) “Sensory modifications” means alarms, appliances, and controls designed to assist sensory disabled persons that are structurally integrated into the residential unit including, but not limited to, built‑in appliances. Accommodations or features that can be removed and reinstalled in another residential unit and reused at another location are not considered to be sensory modifications for the purposes of this section.

(B) An individual who purchases a new residence or retrofits or hires a licensed contractor, as defined in Section 40‑11‑20, to retrofit an existing residence, that is designed to improve accessibility and provide universal visitability is allowed an income tax credit equal to ten thousand dollars, but not to exceed the value added by the design.

(C) The credit is earned in the year in which the individual purchases or retrofits the residence. The amount of credit taken by an individual pursuant to this section may not exceed the individual’s income tax liability for the taxable year. A credit claimed pursuant to this section but not used in a taxable year may be carried forward for ten years from the taxable year in which the credit is earned by the individual.

(D) New residences must have the following design elements to qualify:

(1) universal visitability with at least one zero‑step entrance allowing access into the residence; an accessible bathroom on the same floor as the zero‑step entrance; doors with at least thirty‑two inches of clear width; and hallways or passages of at least thirty‑six inches of clear width to the accessible bathroom and eating area;

(2) an accessible route to at least one zero‑step entrance allowing access into the residence with at least two of the following features:

(a) accessible light switches, electrical outlets, and environmental controls;

(b) an accessible bathroom on the main floor; or

(c) accessible and useable kitchen facilities; or

(3) homes that carry the Certified Universal Living home certification, or any other third‑party verified certification that includes all items listed in items (1) and (2). Proof of certification must be provided by the homeowner to the department.

(E) Eligible costs for the retrofitting of an existing residential unit may include modifications that become a permanent part of the structure and provide:

(1) accessible route to a zero‑step entrance into the residence;

(2) zero‑step entrance into the residence;

(3) doors with at least thirty‑two inches of clear width;

(4) hallways and passages with at least thirty‑six inches of clear width;

(5) accessible light switches, electrical outlets, and environmental controls;

(6) accessible bathroom;

(7) accessible and useable kitchen facilities;

(8) chair lifts;

(9) sensory modifications; and

(10) elevators.

(F) Eligible taxpayers shall apply for the credit by making application to the department. The department shall issue a certification for an approved application to the taxpayer. The credit must be claimed by means of a form prescribed by the department containing that information required by the department for the accurate and efficient administration of this credit. The taxpayer shall attach the certification to the applicable income tax return. The total amount of tax credits granted pursuant to this section for any income year may not exceed one million dollars.

(G) The department shall track all credit certifications issued pursuant to this section in each income tax year. When the amount of credit certificates issued equals one million dollars in the income tax year, the department shall cease issuing credit certificates in that year. Until the one million dollar limit is reached, the certificates must be issued in the order of request.

(H) A credit granted to a partnership, limited liability company, or electing small business corporation is allocated to the individual partners, members, or shareholders, respectively, in proportion to their ownership or interest in the business entities.

SECTION 3. This act takes effect upon approval of the Governor and applies for purchases or retrofits made after July 1, 2023.

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