

Session 119 - (2011-2012)

S 0142 General Bill, By Campsen and Rose

Summary: S.C. Business Tax Elimination Act

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE "SOUTH CAROLINA BUSINESS TAX ELIMINATION ACT" BY ADDING SECTION 12-6-547 SO AS TO ALLOW THE OWNER OF A PASS-THROUGH BUSINESS ELIGIBLE FOR THE REDUCED FIVE PERCENT TAX RATE ON ACTIVE TRADE OR BUSINESS INCOME TO DEFER TAXES OTHERWISE DUE ON RETAINED ACTIVE TRADE OR BUSINESS INCOME UNTIL THE RETAINED INCOME IS DISTRIBUTED AT WHICH TIME THE TAX RATE APPLIED IS SEVEN PERCENT, TO PROVIDE THAT THE AMOUNT OF THE DEFERRAL IS THE DIFFERENCE BETWEEN THE CORPORATE INCOME TAX RATE FOR THE YEAR AND SEVEN PERCENT WITH THE CURRENT TAX PAID ALLOWED AS A CREDIT AGAINST THE TAX DUE AT DISTRIBUTION AND PROVIDE DEFINITIONS AND LIMITATIONS; AND TO AMEND SECTION 12-6-530, RELATING TO THE IMPOSITION OF THE CORPORATE INCOME TAX, SO AS TO REDUCE THE FIVE PERCENT RATE IN ANNUAL INCREMENTS OF ONE-HALF OF ONE PERCENT UNTIL THE TAX IS PHASED OUT AFTER TAXABLE YEAR 2021.

12/01/10 Senate Prefiled

12/01/10 Senate Referred to Committee on Finance

01/11/11 Senate Introduced and read first time (Senate Journal-page 70)

01/11/11 Senate Referred to Committee on Finance (Senate Journal-page 70)