

Session 116 - (2005-2006)

S*1283 (Rat #0306, Act #0282 of 2006) General Bill, By Leatherman and Peeler

Summary: Small business income tax

AN ACT TO AMEND SECTION 12-6-545, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE APPLICATION OF THE REDUCED STATE MARGINAL INDIVIDUAL INCOME TAX RATE TO THE ACTIVE TRADE OR BUSINESS INCOME OF A PASS-THROUGH BUSINESS, SO AS TO MAKE THIS APPLICATION OPTIONAL AT THE ANNUAL ELECTION OF THE TAXPAYER, TO REVISE DEFINITIONS FOR THIS APPLICATION, TO REVISE THE METHOD OF DEDUCTING ACTIVE TRADE OR BUSINESS LOSS WHEN SUCH LOSS EXCEEDS ACTIVE TRADE OR BUSINESS INCOME; TO PROVIDE A "SAFE HARBOR" AMOUNT IN DETERMINING THE NONPERSONAL SERVICE PORTION OF ACTIVE TRADE OR BUSINESS INCOME OF A TAXPAYER IN ONE OR MORE PASS-THROUGH BUSINESSES WITH TOTAL GROSS INCOME OF LESS THAN ONE MILLION DOLLARS AND TAXABLE INCOME OF LESS THAN ONE HUNDRED THOUSAND DOLLARS, AND TO AUTHORIZE THE DEPARTMENT OF REVENUE TO PROVIDE OTHER METHODS OF DETERMINING INCOME DEEMED UNRELATED TO PERSONAL SERVICES. - ratified title

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| 03/28/06 | Senate | Introduced and read first time SJ-5 |
| 03/28/06 | Senate | Referred to Committee on Finance SJ-5 |
| 03/31/06 | Senate | Referred to Subcommittee: O'Dell (ch), Peeler, Reese, Short, Fair, Verdin |
| 04/05/06 | Senate | Committee report: Favorable with amendment Finance SJ-21 |
| 04/06/06 | Senate | Amended SJ-28 |
| 04/06/06 | Senate | Read second time SJ-28 |
| 04/11/06 | Senate | Read third time and sent to House SJ-24 |
| 04/13/06 | House | Introduced and read first time HJ-15 |
| 04/13/06 | House | Referred to Committee on Ways and Means HJ-15 |
| 05/04/06 | House | Recalled from Committee on Ways and Means HJ-112 |
| 05/10/06 | House | Debate adjourned until Thursday, May 11, 2006 HJ-105 |
| 05/11/06 | House | Read second time HJ-17 |
| 05/11/06 | House | Unanimous consent for third reading on next legislative day HJ-18 |
| 05/12/06 | House | Read third time and enrolled HJ-1 |
| 05/18/06 | | Ratified R 306 |
| 05/23/06 | | Signed By Governor |
| 05/25/06 | | Copies available |
| 05/25/06 | | Effective date See Act for Effective Date |
| 06/08/06 | | Act No. 282 |