**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑6‑3675 SO AS TO ALLOW A NONREFUNDABLE CREDIT AGAINST THE SOUTH CAROLINA INCOME TAX LIABILITY OF AN INDIVIDUAL FOR A PORTION OF THE EXPENSES INCURRED BY TAXPAYER MATERIALS USED IN CONSTRUCTING OR INSTALLING A “SAFE ROOM” IN A RESIDENTIAL STRUCTURE LOCATED IN THIS STATE, TO ALLOW UNUSED CREDIT TO BE CARRIED FORWARD FOR THE FIVE SUCCEEDING TAXABLE YEARS, AND TO DEFINE “SAFE ROOM” AND “RESIDENTIAL STRUCTURE”.

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

SECTION 1. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12-6-3675. There is allowed as a nonrefundable credit against the South Carolina income tax liability of an individual an amount equal to seven percent of the cost of materials incurred by the taxpayer in a taxable year used solely and directly in the construction or installation of a safe room in a residential structure. This credit includes the cost of a modular safe room component installed in a residential structure. For purposes of this section:

(1) ‘Safe room’ means a defined, enclosed, and securable room built or installed in a residential structure for the specific purpose of providing protection for occupants from storms, other natural disasters, or home invasions, or any combination of these.

(2) ‘Residential structure means a residence located on and permanently attached to real property located in this State, which if acquired by the taxpayer with the proceeds of a purchase money mortgage, the interest could be deducted as a personal expense on Schedule A of the taxpayer’s federal individual income tax return.

If the credit allowed pursuant to this section exceeds the taxpayer’s liability for the taxable year, the unused portion of the credit may be carried forward and used against the taxpayer’s liability for the five succeeding taxable years.”

SECTION 2. This act takes effect upon approval by the Governor and applies for safe room costs incurred after 2013.

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