**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑6‑3775 SO AS TO ENACT THE “LIVABLE HOMES TAX CREDIT ACT”, 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, AND TO PROVIDE CERTAIN DESIGN ELEMENT REQUIREMENTS AND ELIGIBLE COSTS.

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 1976 Code is amended by adding:

“Section 12‑6‑3775. (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 so reused at another location are not considered to be sensory modifications for the purposes of this section.

(B)(1) An individual who purchases a new 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.

(2) An individual who retrofits an existing residence is allowed an income tax credit if the purpose of the retrofitting is to improve accessibility and provide universal visitability. The credit equals ten thousand dollars, but not to exceed the cost incurred by the taxpayer.

(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) The department may not issue multiple tax credits relating to transactions or dealings between affiliated entities for the same retrofitting, renovation, or construction project. The department may not issue a tax credit more than once to the same or different individuals relating to the same retrofitting, renovation, or construction project.

(G) 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, 2019.

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