



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
**HEALTH INSURANCE
POOL CREDIT**
Attach to your Income Tax Return

Name As Shown On Tax Return

SS No. or Fed. EI No.

1. Premiums paid this year for replacement health insurance coverage.	1. \$	_____
2. Multiply line 1 by 50% (.50). Do not exceed \$3,000 for each qualifying person covered	2. \$	_____
3. Schedule NR filers only, enter percentage from Schedule NR, line 43.	3. \$	_____
4. Multiply Line 2 by Line 3. If Line 3 does not apply, enter amount from Line 2.	4. \$	_____
5. Enter current year's tax liability.	5. \$	_____
6. Enter the smaller of line 4 or 5. This is your total credit.	6. \$	_____

Information and Instructions

General Instructions:

For taxable years beginning after 2004, a nonrefundable credit covers replacement health insurance coverage.

In order to qualify:

- You must be an individual taxpayer
- who held a health insurance policy covering you, your spouse and/or a person you were eligible to claim as a dependent on your federal income tax return
- from an insurance company that has withdrawn from writing health insurance policies in South Carolina.

Also:

- As a result of seeking replacement coverage,
- you must have been assigned to the South Carolina Health Insurance Pool,
- and you must have received a replacement insurance policy
- having substantially the same coverage,
- but with a higher premium than the former policy.

The credit amount is 50% of the premium costs you pay during the taxable year for health insurance coverage as defined in Section 38-74-10(5). The credit may not exceed \$3,000 for each qualifying person covered. A qualifying person is the taxpayer, the taxpayer's spouse or a person the taxpayer was eligible to claim as a dependent on his federal income tax return. Nonresidents must multiply the credit by the percentage shown on line 43 of Schedule NR.

The credit is not allowed for premiums deducted or excluded on the South Carolina or federal income tax return.

The credit may not be carried forward.

Social Security Privacy Act Disclosure

It is mandatory that you provide your social security number on this tax form if you are an individual taxpayer. 42 U.S.C. 405(C.) (2)(C.) (I) permits a state to use an individual's social security number as means of identification in administration of any tax. SC Regulation 117-201 mandates that any person required to make a return to the SC Department of Revenue shall provide identifying numbers, as prescribed, for securing proper identification. Your social security number is used for identification purposes.

The Family Privacy Protection Act

Under the Family Privacy Protection Act, the collection of personal information from citizens by the Department of Revenue is limited to the information necessary for the Department to fulfill its statutory duties. In most instances, once this information is collected by the Department, it is protected by law from public disclosure. In those situations where public disclosure is not prohibited, the Family Privacy Protection Act prevents such information from being used by third parties for commercial solicitation purposes.