



STATE OF SOUTH CAROLINA  
DEPARTMENT OF REVENUE  
**NEW JOBS CREDIT**  
(ATTACH TO RETURN)

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING DURING EACH MONTH

COUNTY _____	YR _____	YR _____	YR _____	YR _____	YR _____	20 _____	20 _____
MONTH	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1 _____	_____	_____	_____	_____	_____	_____	_____
2 _____	_____	_____	_____	_____	_____	_____	_____
3 _____	_____	_____	_____	_____	_____	_____	_____
4 _____	_____	_____	_____	_____	_____	_____	_____
5 _____	_____	_____	_____	_____	_____	_____	_____
6 _____	_____	_____	_____	_____	_____	_____	_____
7 _____	_____	_____	_____	_____	_____	_____	_____
8 _____	_____	_____	_____	_____	_____	_____	_____
9 _____	_____	_____	_____	_____	_____	_____	_____
10 _____	_____	_____	_____	_____	_____	_____	_____
11 _____	_____	_____	_____	_____	_____	_____	_____
12 _____	_____	_____	_____	_____	_____	_____	_____

LINE 1: TOTAL EMPLOYEES \_\_\_\_\_

LINE 2: DIVIDED BY: NUMBER OF MONTHS IN OPERATION \_\_\_\_\_

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LINE 3: MONTHLY AVERAGE OF FULL TIME EMPLOYEES \_\_\_\_\_

LINE 4: LESS: PREVIOUS YEAR AVERAGE \_\_\_\_\_

LINE 5: AVERAGE INCREASE IN FULL TIME EMPLOYEES \_\_\_\_\_

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
LINE 6: YEAR 1 INCREASE _____	_____	_____	_____	_____	_____
LINE 7: YEAR 2 INCREASE _____	_____	_____	_____	_____	_____
LINE 8: YEAR 3 INCREASE _____	_____	_____	_____	_____	_____
LINE 9: YEAR 4 INCREASE _____	_____	_____	_____	_____	_____
LINE 10: YEAR 5 INCREASE _____	_____	_____	_____	_____	_____
LINE 11: YEAR 6 INCREASE _____	_____	_____	_____	_____	_____

LINE 12: NUMBER OF NEW JOBS FOR CREDIT (add lines 6 through 11) \_\_\_\_\_

**STOP** if you have fewer than 10 full time jobs or full time job equivalents for the tax year. 10 is the minimum necessary for most types of qualifying businesses.

LINE 13: AMOUNT OF CREDIT PER EMPLOYEE \_\_\_\_\_

LINE 14: ELIGIBLE CREDIT (multiply line 12 by line 13) \_\_\_\_\_

LINE 15: UNUSED NEW JOBS CREDIT CARRYOVER \_\_\_\_\_

LINE 16: TOTAL ELIGIBLE CREDIT (add lines 14 and 15) \_\_\_\_\_

LINE 17: TAX LIABILITY (from appropriate line of tax return) \_\_\_\_\_

LINE 18: TENTATIVE CREDIT (50% line 17) \_\_\_\_\_

LINE 19: ENTER the lesser of line 16 or 18 \_\_\_\_\_

# GENERAL INSTRUCTIONS

Resources available on our website [dor.sc.gov](http://dor.sc.gov):

- **Advisory Opinions** at Tax Professionals > Law and Policy > Find an Advisory Opinion > Select Tax Category > Income Taxes. Scroll down to the heading "Job Tax Credit" including:
  - SC Revenue Ruling #99-5, a comprehensive question and answer advisory opinion about the 1996 version of the credit
  - SC Revenue Ruling #05-5 defining "expansion"
  - Information Letters containing county designations for each year
- **South Carolina Tax Incentives for Economic Development**, which is updated annually, at Tax Professionals > Law and Policy > Policy Manuals and Resources.

## Who may claim

Qualifying taxpayers include those that operate:

- manufacturing, tourism, processing, agricultural packaging, warehousing, distribution, research and development facilities; corporate offices, qualifying service-related facilities, agribusiness operations, extraordinary retail establishments, qualifying technology intensive facilities, and banks; and
- retail facilities and service-related industries located in counties designated as Tier IV.

Credits can be claimed for five (5) years beginning in Year 2 after the creation of each new full-time job. Credits are not allowed for a tax year in which the new full-time job increase falls below the minimum level of required new full-time jobs. In most cases the required number of new full-time jobs is 10.

## Special requirements for hotels, motels, and certain "qualifying service-related facilities"

The number of jobs that must be created at a hotel or motel is 20 or more.

Certain "qualifying service-related facilities" must create at least:

- 175 jobs at a single location; or
- 150 jobs at a single location comprised of a building or portion of a building that has been vacant for at least 12 consecutive months prior to the taxpayer's investment; or
- 100 jobs at a single location and the jobs have an average cash compensation level of more than 1.5 times the state or county per capita income, whichever is lower; or
- 50 jobs at a single location and the jobs have an average cash compensation level of more than 2 times the state or county per capita income, whichever is lower; or
- 25 jobs at a single location and the jobs have an average cash compensation level of more than 2.5 times the state or county per capita income, whichever is lower.

These special requirements do not apply to:

- "service-related industries" located in Tier IV counties; or
- healthcare-related facilities in NAICS Manual Section 62: subsectors 621 (ambulatory health care), 622 (hospitals), and 623 (residential care facilities).

**NOTE:** Businesses engaged in legal, accounting, banking, or investment services or retail sales are not "qualifying service-related facilities."

Credits may be claimed against corporate or individual income tax, bank tax, or insurance premium tax.

## Amount of credit

**NOTE:** For new, full time jobs created in tax years that begin in 2011 or later, where the job tax credit was **first earned on or after January 1, 2011**, the amount of the credit is **\$8,000 in Tier IV** counties, **\$4,250 in Tier III** counties, **\$2,750 in Tier II** counties, and **\$1,500 in Tier I**. The Department of Revenue issues annual designations of counties in the form of Information Letters.

**NOTE:** For increases in new, full time jobs where the job tax credit was **first earned before January 1, 2011**, the amount of the credit is **\$8,000 in distressed** counties, **\$4,500 in least developed** counties, **\$3,500 in underdeveloped** counties, **\$2,500 in moderately developed** counties, and **\$1,500 in developed** counties.

An employer may qualify for an additional \$1,000 credit for each new full time job created in a **business or industrial park jointly established and developed by a group of counties.**

For tax years beginning after May 28, 2002, an employer may qualify for an additional \$1,000 credit for each new full time job created on property **where a response action has been completed pursuant to a nonresponsible party voluntary cleanup contract** pursuant to the Brownfields Voluntary Cleanup Program. **Responsible parties may not claim this additional \$1,000 credit.**

The maximum aggregate credit of job tax credits (TC-4, TC-4SA, and TC-4SB) and employer tax credits (TC-12 and TC-12A) that may be claimed in any tax year for a single employee is \$5,500, but this limit does not apply to Tier IV counties.

### **Number of qualifying jobs**

The number of new and additional new full-time jobs is determined by comparing the monthly average number of full-time employees subject to South Carolina income tax withholding in the applicable county for the tax year with the monthly average in the prior tax year. To calculate the monthly average number of full-time employees in the first year of operation in this State, a taxpayer may use the actual months in operation or a full 12-month period. If a taxpayer's business is in operation for less than 12 months in a year, the number of new and additional new full-time jobs is determined using the monthly average for the months the business is in operation.

After qualifying for this credit, the taxpayer may obtain credit for additional new full-time jobs created in Years 2 through 6 for up to five years each, beginning with the tax year after the job is created. A taxpayer may claim credit only for job levels maintained in the tax year that the credit is claimed. Credits are not allowed for a tax year in which the new full-time job increase falls below the minimum level of required new full-time jobs. In most cases the required number of new full-time jobs is 10.

### **Credit transfer**

A taxpayer merger, consolidation or reorganization, where tax attributes survive, does not create new eligibility in the succeeding taxpayer. Unused job tax credits may be transferred and continued by the succeeding taxpayer subject to the limitations of Section 126- 3320. When one taxpayer transfers all or substantially all of the assets of its trade or business or operating division to a second taxpayer, the first taxpayer may assign its related right to credit to the second taxpayer, as long as the required number of new jobs for that amount of credit is maintained.

### **Flow-through**

A partnership, S corporation or limited liability company (LLC) taxed as a partnership or S corporation may pass through the credit earned to each shareholder, partner or member. The credit earned by an S corporation owing corporate level income tax must be used first at the entity level. Only the remaining credit passes through to each shareholder.

The allocation of credit to a shareholder, partner or member must equal the percentage of shareholder's stock or partner's or member's interest for the tax year multiplied by the amount of the credit earned by the entity. The entity earning the credit may not carry over credit that passes through to its shareholders, partners, or members.

### **Amount used**

The amount of credit used in a year may not exceed 50% of the taxpayer's South Carolina income tax, bank tax, or insurance premium tax liability. For credit earned by and flowing through a partnership, S corporation or LLC taxed as a partnership or S corporation, the credit may not exceed 50% of the shareholder's, partner's, or member's corporate or individual income tax or bank tax liability.

### **Carryforward**

Unused credits may be carried forward for 15 years. Credits carried forward must be used in the order claimed. Credits earned by and flowing through a partnership, S corporation or LLC taxed as a partnership or S corporation may be carried forward by partner, shareholder or member for 15 years from the close of the tax year in which the credit is earned by the

S corporation, partnership, or LLC. Taxpayers claiming this credit and a corporate tax moratorium may carry forward unused amounts until after the moratorium period expires.

## Definitions

- **"Taxpayer"** means a sole proprietor, partnership, corporation of any classification, LLC, or association taxable as a business entity that is subject to South Carolina corporate or individual income tax, bank tax, or insurance premium tax.
- **"New job"** means a job created in this State at the time a new facility or an expansion is initially staffed. A new job does not include a job transferred from one site to another site by the taxpayer or a related person, unless the job is transferred to a county where a federal facility has reduced its permanent employment by 3,000 or more jobs after December 31, 1990. Also included are jobs reinstated when the employer has rebuilt the facility after (a) more than 50% of it was destroyed by accidental fire, natural disaster, or act of God; or (b) an involuntary conversion took place through condemnation or exercise of eminent domain by the federal government or South Carolina or any of its political subdivisions, including a legally binding agreement for the purchase of the employer's facility under threat of exercise of eminent domain. The year of reinstatement is the year of creation of a reinstated job. All reinstated jobs qualify for this credit. No comparison is required between the number of full-time jobs in the tax year and the number of full-time jobs in the corresponding period of the prior tax year.
- **"Full-time"** means a job requiring a minimum of 35 hours of an employee's time each week for the entire normal year of company operations or a job requiring a minimum of 35 hours of an employee's time each week for a year in which the employee was hired initially for or transferred to the South Carolina facility. Two (2) half-time jobs are considered one (1) full-time job. A "half-time job" is a job requiring a minimum of 20 hours of an employee's time each week for the entire normal year of the company's operations or a job requiring a minimum of 20 hours of an employee's time each week for a year in which the employee was hired initially for or transferred to the South Carolina facility. For agricultural packaging and agribusiness operations, seasonal workers may be considered a full-time employee; however, a seasonal employee only counts as a fraction of a full-time worker, with the numerator being the number of hours worked a week multiplied by the number of weeks worked, and the denominator being the number one thousand eight hundred twenty.
- **"Manufacturing facility"** means an establishment where tangible personal property is produced or assembled.
- **"Processing facility"** means an establishment that prepares, treats, or converts tangible personal property into finished goods or another form of tangible personal property. It can be a business engaged in processing agricultural, aquacultural, or maricultural products and specifically includes meat, poultry, and any other variety of food processing operations. It cannot be an establishment where retail sales of tangible personal property are made to retail customers.
- **"Warehousing facility"** means an establishment where tangible personal property is stored. It cannot be an establishment where retail sales of tangible personal property are made to retail customers.
- **"Distribution facility"** means an establishment where shipments of tangible personal property are processed for delivery to customers. It cannot be an establishment where retail sales of tangible personal property are made to retail customers on more than 12 days a year except for a facility which processes customer sales orders by mail, telephone, or electronic means, if the facility also processes shipments of tangible personal property to customers and if at least 75% of the dollar amount of goods sold through the facility are sold to customers outside of South Carolina. The limitation does not include retail sales made inside the facility to employees working at the facility.
- **"Research and development facility"** means an establishment engaged in laboratory, scientific, or experimental testing and development related to new products, new uses for existing products, or improving existing products. It cannot be an establishment engaged in efficiency surveys, management studies, consumer surveys, economic surveys, advertising, promotion, banking, or research in connection with literary, historical, or similar projects.
- **"Corporate office facility"** means a corporate headquarters that meets the definition of a "corporate headquarters" contained in Section 12-6-3410(J)(1). Corporate offices include general contractors licensed by the S.C. Department of Labor, Licensing and Regulation, even if not a regional or national headquarters.

- "Tourism facility" means an establishment used for a theme park, an amusement park, a historical, educational, or trade museum, a botanical garden, a cultural center, a theater, a motion picture production studio, a convention center, an arena, an auditorium, or a spectator or participatory sports facility. It can be a similar establishment where entertainment, education, or recreation is provided to the general public. It can also be a new hotel and motel construction site if the number of new jobs created by the new hotel or motel will be 20 or more. It does not include any portion of an establishment where retail merchandise or retail services are sold directly to retail customers.

- **"Qualifying service-related facility"** means:

- a. an establishment engaged in an activity or activities listed under the North American Industry Classification System Manual (NAICS) Section 62: subsectors 621 (ambulatory health care), 622 (hospitals), and 623 (residential care facilities), or Sector 4881, subsector 488190; or subsector 488190 (Support Activities for Air Transportation); or
- b. a business, other than a business engaged in legal, accounting, banking, or investment services (including NAICS Section 65 management of companies and enterprises) or retail sales, which has a net increase of at least:
  1. 175 jobs at a single location;
  2. 150 jobs at a single location comprised of a building or portion of a building that has been vacant for at least 12 consecutive months prior to the taxpayer's investment;
  3. 100 jobs at a single location and the jobs have an average cash compensation level of more than one and one-half (1.5x) times the lower of state per capita income or per capita income in the county where the jobs are located;
  4. 50 jobs at a single location and the jobs have an average cash compensation level of more than twice (2x) the lower of state per capita income or per capita income in the county where the jobs are located; or
  5. 25 jobs at a single location and the jobs have an average cash compensation level of more than two and one-half (2.5x) times the lower of state per capita income or per capita income in the county where the jobs are located.A taxpayer must use the most recent per capita income data available as of the end of the tax year in which the jobs are filled.

- **"Technology intensive facility"** means a facility at which a firm engages in the design, development, and introduction of new products or innovative manufacturing processes, or both, through the systematic application of scientific and technical knowledge. It can be any of these NAICS Codes: 5114 database and directory publishers, 5112 software publishers, 54151 computer systems design and related services, 541511 custom computer programming services, 541512 computer systems design services, 541711 (2007 NAICS) research and development in biotechnology; 541712 (2007 NAICS) research and development in physical, engineering, and life sciences; 518210 data processing, hosting, and related services, 9271 space research and technology; or a facility primarily used for one or more activities listed under NAICS Code 51811 (2002) (internet service providers and web search portals).

- **"Extraordinary retail establishment"** means a single store located in South Carolina within two miles of an interstate highway or in a county with at least 3,500,000 visitors a year. It must be a destination retail establishment with at least 2,000,000 visitors a year, and with at least 35% of them traveling at least 50 miles to the establishment. It must have a capital investment of at least \$25,000,000 including land, buildings and site preparation costs. It must have one or more hotels built to service the establishment within three years of occupancy. It must have a certificate of occupancy after July 1, 2006. The Department of Parks, Recreation and Tourism determines and annually certifies who qualifies as an extraordinary retail establishment and its judgment is conclusive.

## LINE INSTRUCTIONS

**Year 1** is the taxable year of new jobs increase and prior year is the preceding taxable year.

**Line 1:** Total employees is the total of full time employees subject to South Carolina withholding in the applicable county at the end of each month of the taxable year.

**Line 2:** Number of months of operation in each taxable year.

**Line 3:** Monthly average (Line 1 divided by Line 2). Round down to the nearest whole number.

**Line 4:** Enter the monthly average of full time employees from the preceding year column of Line 3.

**Line 5:** Subtract Line 4 from Line 3. Enter an average decrease as a negative number.

**Lines 6 through 11**

**CAUTION:** No credit is allowed for the current year or any subsequent year that the net employment increase falls below the minimum level. If the number of jobs reported on Line 3 for any year does not exceed the number of jobs reported in the "Prior Year" column of Line 3 by the required minimum, then no credit is allowed. (The amounts entered on Line 6 through 11 for that "year" column must be 0.)

**Line 6** a. If Line 5 "Year 1" and Line 5 "Year 2" both indicate job increases, enter the amount from Line 5 "Year 1" in all columns of Line 6. **See Example #1.**

b. If Line 5 "Year 1" shows a job increase and Line 5 "Year 2" shows a decrease, combine the "Year 1" increase and the "Year 2" decrease and enter the amount in all columns of Line 6. **See Example #2.** See above **CAUTION** if the job increase falls below the minimum required.

**Line 7** a. If line 5 "Year 1", "Year 2" and "Year 3" all show job increases, enter the Line 5 "Year 2" increase in all columns of Line 7. **See Example #3.**

b. If Line 5 "Year 1" and "Year 2" both show job increases and Line 5 "Year 3" shows a decrease, combine the Line 5 "Year 2" increase and the "Year 3" decrease and enter the amount (positive or negative) in all columns of Line 7. **See Example #4.**

c. If Line 5 "Year 1" shows a job increase, Line 5 "Year 2" shows a decrease and Line 5 "Year 3" shows an increase, enter zero in all columns of Line 7. **See Example #5.**

d. If Line 5 "Year 1" shows a job increase and Line 5 "Year 2" and "Year 3" both show a decrease, enter Line 5 "Year 3" decrease amount as a negative number in all columns of Line 7. **See Example #6.**

#### **Lines 8 through 10**

**Continue using directions and examples for lines 6 and 7 generally, with the following added instructions:**

a. Fluctuations (job increases of less than the minimum amount) cannot be included unless maintained during the year following the increase;

b. If job decreases occur, the jobs available for the credit cannot be more than the amount by which the current year number of jobs exceeds the "prior year" (year preceding "Year 1") number of jobs;

c. A job increase following a job decrease must be maintained for a year to qualify for the credit; and

d. If job increases of the minimum amount or more occur, a new Form TC-4 can be used. For fluctuations of less than the minimum amount see the above examples.

**Line 11** - The Year 6 increase is not eligible for credit until Year 7. To continue beyond Year 6, use a spreadsheet or back up each column by one from the previous year.

**Line 12** - Include totals of lines 6 through 10.

**Line 13** - Use the county designation in effect at the time new jobs are created unless a form SC616 is on file at the Department of Revenue "locking in" a different designation. The distressed county designation is only for tax years beginning after June 18, 2002. Claim any additional \$1,000 credit, for business or industrial parks or brownfields projects, on line 13.

**Lines 17 through 19** - Pass through of the credit is allowed by a qualifying S-corporation, partnership, or LLC taxed as a partnership or as a S-corporation. The credit is limited to 50% of the shareholder's, partner's or member's income tax liability or married couple's income tax liability.

Example #1

	PRIOR YEAR	YEAR 1	YEAR 2				
LINE 3:	MONTHLY AVERAGE OF FULL TIME EMPLOYEES	10	30	32			
LINE 4:	LESS: PREVIOUS YEAR AVERAGE		10	30			
LINE 5:	AVERAGE INCREASE IN FULL TIME EMPLOYEES		20	2			
COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT							
			YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
LINE 6:	YEAR 1 INCREASE		20	20	20	20	20
LINE 7:	YEAR 2 INCREASE						
LINE 8:	YEAR 3 INCREASE						
LINE 9:	YEAR 4 INCREASE						
LINE 10:	YEAR 5 INCREASE						
LINE 11:	YEAR 6 INCREASE						
LINE 12:	NUMBER OF NEW JOBS FOR CREDIT		20				

Example #2

	PRIOR YEAR	YEAR 1	YEAR 2				
LINE 3:	MONTHLY AVERAGE OF FULL TIME EMPLOYEES	10	30	28			
LINE 4:	LESS: PREVIOUS YEAR AVERAGE		10	30			
LINE 5:	AVERAGE INCREASE IN FULL TIME EMPLOYEES		20	< 2 >			
COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT							
			YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
LINE 6:	YEAR 1 INCREASE		18	18	18	18	18
LINE 7:	YEAR 2 INCREASE						
LINE 8:	YEAR 3 INCREASE						
LINE 9:	YEAR 4 INCREASE						
LINE 10:	YEAR 5 INCREASE						
LINE 11:	YEAR 6 INCREASE						
LINE 12:	NUMBER OF NEW JOBS FOR CREDIT		18				

Example #3

	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3			
LINE 3:	MONTHLY AVERAGE OF FULL TIME EMPLOYEES	10	30	32	36		
LINE 4:	LESS: PREVIOUS YEAR AVERAGE		10	30	32		
LINE 5:	AVERAGE INCREASE IN FULL TIME EMPLOYEES		20	2	4		
COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT							
			YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
LINE 6:	YEAR 1 INCREASE		20	20	20	20	20
LINE 7:	YEAR 2 INCREASE			2	2	2	2
LINE 8:	YEAR 3 INCREASE						
LINE 9:	YEAR 4 INCREASE						
LINE 10:	YEAR 5 INCREASE						
LINE 11:	YEAR 6 INCREASE						
LINE 12:	NUMBER OF NEW JOBS FOR CREDIT		20	22			

Example #4

	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3			
LINE 3:	MONTHLY AVERAGE OF FULL TIME EMPLOYEES	10	30	32	28		
LINE 4:	LESS: PREVIOUS YEAR AVERAGE		10	30	32		
LINE 5:	AVERAGE INCREASE IN FULL TIME EMPLOYEES		20	2	< 4 >		
COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT							
		YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	
LINE 6:	YEAR 1 INCREASE	20	20	20	20	20	
LINE 7:	YEAR 2 INCREASE		< 2 >	< 2 >	< 2 >	< 2 >	
LINE 8:	YEAR 3 INCREASE						
LINE 9:	YEAR 4 INCREASE						
LINE 10:	YEAR 5 INCREASE						
LINE 11:	YEAR 6 INCREASE						
LINE 12:	NUMBER OF NEW JOBS FOR CREDIT		20	18			

Example #5

	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3			
LINE 3:	MONTHLY AVERAGE OF FULL TIME EMPLOYEES	10	30	28	32		
LINE 4:	LESS: PREVIOUS YEAR AVERAGE		10	30	28		
LINE 5:	AVERAGE INCREASE IN FULL TIME EMPLOYEES		20	< 2 >	4		
COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT							
		YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	
LINE 6:	YEAR 1 INCREASE	18	18	18	18	18	
LINE 7:	YEAR 2 INCREASE		0	0	0	0	
LINE 8:	YEAR 3 INCREASE						
LINE 9:	YEAR 4 INCREASE						
LINE 10:	YEAR 5 INCREASE						
LINE 11:	YEAR 6 INCREASE						
LINE 12:	NUMBER OF NEW JOBS FOR CREDIT		18	18			

Example #6

	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3			
LINE 3:	MONTHLY AVERAGE OF FULL TIME EMPLOYEES	10	30	28	24		
LINE 4:	LESS: PREVIOUS YEAR AVERAGE		10	30	28		
LINE 5:	AVERAGE INCREASE IN FULL TIME EMPLOYEES		20	< 2 >	< 4 >		
COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT							
		YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	
LINE 6:	YEAR 1 INCREASE	18	18	18	18	18	
LINE 7:	YEAR 2 INCREASE		< 4 >	< 4 >	< 4 >	< 4 >	
LINE 8:	YEAR 3 INCREASE						
LINE 9:	YEAR 4 INCREASE						
LINE 10:	YEAR 5 INCREASE						
LINE 11:	YEAR 6 INCREASE						
LINE 12:	NUMBER OF NEW JOBS FOR CREDIT		18	14			



Example #7

	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3			
LINE 3:	MONTHLY AVERAGE OF FULL TIME EMPLOYEES	10	30	28	14		
LINE 4:	LESS: PREVIOUS YEAR AVERAGE		10	30	28		
LINE 5:	AVERAGE INCREASE IN FULL TIME EMPLOYEES		20	< 2 >	<14>		
COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT							
		YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	
LINE 6:	YEAR 1 INCREASE	18	18	18	18	18	
LINE 7:	YEAR 2 INCREASE		<14>	<14>	<14>	<14>	
LINE 8:	YEAR 3 INCREASE						
LINE 9:	YEAR 4 INCREASE						
LINE 10:	YEAR 5 INCREASE						
LINE 11:	YEAR 6 INCREASE						
LINE 12:	NUMBER OF NEW JOBS FOR CREDIT		18	0*			

\* **EXPLANATION:** Most types of qualifying businesses must create 10 or more full-time jobs of full time job equivalents for the tax year in order to qualify for the job tax credit.

**Exceptions**

- New hotels or motels must create 20 or more new full-time jobs.
- Certain qualifying service-related facilities located in a Tier 1, II or III, underdeveloped, moderately developed, or developed county must create 30 to 250 jobs depending on the average cash compensation paid to its employees. (NOTE: The requirement is 10 or more new full-time jobs if the taxpayer is either (a) a service-related in industry in a Tier IV, distressed or least developed county, or (b) a healthcare-related qualifying service-related facility under the North American Industry Classification System Manual (NAICS), Section 62: subsectors 621, 622 or 623.)

**NOTE:** If filing a paper return, attach to your Income Tax Return. If filing electronically, keep a copy with your tax records.

**Social Security Privacy Act Disclosure**

It is mandatory that you provide your social security number on this tax form if you are an individual taking this credit. 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.