1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

QUALIFIED RETIREMENT PLAN CONTRIBUTION CREDIT

SC SCH.TC-29
(Rev. 10/10/17)
3409

20 ______

Name As Shown On Tax Return | SSN

Please read the following before completing this form to determine if you are eligible to claim this credit.

The qualified retirement plan contribution credit is available only if a taxpayer lived in one or more other states that taxed contributions into qualified retirement plans at the time they were made. The taxpayer must be vested in the other state's retirement plan at the time of residing in the other state. Qualified retirement plans are retirement plans defined in I.R.C. 401, 403, 408 and 457, and all public employee retirement plans of the federal, state and local governments, including military retirement.

The credit is claimed each year in an amount based on the taxpayer's life expectancy at the time the taxpayer first claims the South Carolina retirement income deduction. The life expectancy table is available in Appendix B of Publication 590-B available at **www.irs.gov.**

The total credit is limited to the amount of contributions taxed each year multiplied by 7% (South Carolina's highest marginal rate for individual income tax).

1. Total qualified retirement plan contributions taxed by another state. . . . . 1. $ ______
2. Multiply line 1 by 7%. . . . . 2. $ ______
3. Total taxes paid to another state on contributions listed on line 1. . . . . 3. $ ______
4. Enter the lesser of lines 2 and 3. . . . . 4. $ ______
5. Life expectancy from Appendix B of Publication 590-B based on age at the time the SC retirement deduction is first claimed. . . . . 5. ______ years
6. Divide line 3 by line 5. (This is your annual credit.) Enter here and on the appropriate line of SC1040TC, but the total credit may not exceed the amount on line 4. . . . . 6. $ ______

Example: John Doe moved into South Carolina. He resided in State Y for four years. State Y taxed his IRA contributions for each of those years, even though they were exempt on his federal returns.

His W-2s for four years while a resident in State Y show the following amounts:

Tax Year	IRS Taxed	State Y Taxed	Difference	State Y Tax Rate	State Y Tax Paid
1	$45,000	$49,000	$4,000	2%	$80
2	$48,000	$53,000	$5,000	2.2%	$110
3	$51,000	$57,000	$6,000	2.4%	$144
4	$54,000	$61,000	$7,000	2.6%	$182
Total:			$22,000		$516

Mr. Doe paid a total tax of $516 to State Y on his retirement contributions.

He is entitled to a credit based on his life expectancy at the time he first claims a retirement deduction. According to Appendix B of Publication 590-B, the life expectancy of someone his age is 32.3 years.

The credit equals $516 (total tax paid to State Y) divided by 32.3 (life expectancy when he first claims the retirement deduction), rounded off to the nearest whole dollar. The amount of his annual retirement contribution credit is $16.00.

1. Total qualified retirement plan contributions taxed by another state. . . . . 1. $ 22,000
2. Multiply line 1 by 7%. . . . . 2. $ 1,540
3. Total taxes paid to another state on contributions listed on line 1. . . . . 3. $ 516
4. Enter the lesser of lines 2 and 3. . . . . 4. $ 516
5. Life expectancy from Appendix B of Publication 590 based on age at the time the SC retirement deduction is first claimed. . . . . 5. 32.3 years
6. Divide line 3 by line 5. (This is your annual credit.) Enter here and on the appropriate line of SC1040TC, but the total credit may not exceed the amount on line 4. . . . . 6. $ 16

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

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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.