



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

**SC SCH. TC 4**

(Rev. 9/14/06)  
3117

SS or FED. EI Number

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 \_\_\_\_\_

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) \_\_\_\_\_  
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 \_\_\_\_\_

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## NEW INFORMATION

For taxable years beginning in or after January 1, 2006, a taxpayer that increases employment by at least 10 full-time jobs is eligible for the full credit without having to have 100 full-time employees.

Effective June 6, 2006, the job tax credit can be claimed against bank tax, but a bank cannot qualify as either a "research and development facility" or a "qualifying service related facility".

Effective June 6, 2006, an Internet Service Provider or a Web Search Portal can qualify as a "technology intensive facility".

Effective June 14, 2006, an "extraordinary retail establishment" is eligible for the job tax credit. An extraordinary retail establishment is a single store located in a county with at least 3,500,000 visitors a year, and it must be a destination retail establishment which attracts at least 2,000,000 visitors a year with at least 35% of those visitors traveling at least 50 miles to the establishment. The extraordinary retail establishment must have a capital investment of at least \$25,000,000 including land, buildings and site prep, and one or more hotels must be built to service the establishments with three years of occupancy. Only establishments which receive a certificate of occupancy after July 1, 2006 qualify. The Department of Parks, Recreation and Tourism (PRT) shall determine and annually certify whether a retail establishment meets these criteria and its judgment is conclusive. The extraordinary retail establishment annually must collect and remit at least \$2,000,000 in sales taxes but is not required to collect or remit admission taxes. PRT may designate no more than four extraordinary retail establishments.

Effective June 14, 2006, the 12-day and 75% limitation on "distribution facility" is not affected by retail sales made inside the facility to employees working at the facility.

Effective June 14, 2006, a "qualifying service related facility" can be determined in relation to state per capita income instead of county per capita income.

Effective for tax years beginning after December 31, 2006, a "corporate office" includes contractors licensed by the S.C. Department of Labor, Licensing and Regulation.

## REMINDERS

Please read SC Revenue Ruling 99-5 and any subsequent Revenue Rulings before completing this form. (Go to our website: [www.sctax.org](http://www.sctax.org), click on "Law and Policy: Dept. Advisory Opinions > Index > INCOME", and scroll down to the heading "Jobs Tax Credit".) 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. The Department of Revenue issues annual designations of counties in the form of Revenue Information Bulletins or Information Letters.

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.

## GENERAL 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.

Example #1

	PRIOR YEAR	YEAR 1	YEAR 2				
LINE 3: MONTHLY AVERAGE OF FULLTIME 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 FULLTIME 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					

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.**

- 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.**

Example #3

	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3			
LINE 3: MONTHLY AVERAGE OF FULLTIME 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 FULLTIME 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 FULLTIME 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 FULLTIME 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				

Lines 8 through 11

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.

**ADDITIONAL INSTRUCTIONS**

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.

**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.