



STATE OF SOUTH CAROLINA
BANK TAX RETURN

Return is due on or before the 15th day of the 3rd month following the close of the taxable year.

Mail this return to:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC 1101 B
(Rev 8/10/04) 3089

TAXPAYER ID INFORMATION

SC FILE #

ACCORDING TO OR MEASURED BY ENTIRE NET INCOME FOR THE PERIOD ENDING _____

FED EI #

Change of Address

A COMPLETE COPY OF FEDERAL RETURN MUST BE ATTACHED TO THIS RETURN.

If Final Return, Indicate Whether: Merged
Reorganized Dissolved Withdrawn

County or Counties in SC Where Property is Located:

14-0101

Street	City	State
Audit Location:		
Audit Contact:		Telephone Number:
Date organized _____ Under the laws of _____		
Books are in care of _____ Located at _____		
If not incorporated in SC, enter date qualified to do business in SC. _____		

COMPUTATION OF BANK TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120 S Corporations, see General Information in instructions.	▶	1. _____
2. Net Adjustment from line 19, Schedule A and B		2. _____
3. Total Net Income As Reconciled (line 1 plus or minus line 2)		3. _____
4. If Multi-state Bank, enter amount from line 6, Schedule D; otherwise enter amount from line 3	▶	4. _____
* Line 4 Must Be Completed By All Taxpayers.		
5. Tax (multiply line 4 by .045 (4.5%))		5. _____
6. Less: (a) Palmetto Seed Capital Credit _____ (b) Child Care Program Credit _____ (c) Venture Capital Investment Credit _____		6. _____
7. Balance of Tax (line 5 less line 6)		7. _____
8. Payments: (a) Paid by Declaration _____ (b) Paid with Tentative Return _____		8. _____
9. Balance of Tax Due (line 7 less line 8)	▶	9. _____
10. Penalty for Underpayment of Estimated Tax (See instructions)		10. _____
11. Total Tax and Penalty Due (add lines 9 and 10)		BALANCE DUE 11. _____
12. Overpayment (line 8 less line 7) _____ To be applied as follows:		
(a) Estimated tax	▶	_____
		(b) Refunded
	▶	_____

I, the undersigned, a principal officer of the bank for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

Please Sign Here	▶ _____ Signature of officer	_____ Date	▶ _____ Title	
	I authorize the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes <input type="checkbox"/> No <input type="checkbox"/>			
Paid Preparer's Use Only	Preparer Printed Name	Check if self-employed <input type="checkbox"/>	Preparer telephone number	
	Preparer signature		EI #	▶ _____
			ZIP Code	▶ _____
	Firm's name (or yours if self-employed) and address		▶ _____	

SCHEDULE A AND B ADDITIONS TO FEDERAL TAXABLE INCOME

Income recorded on books but not included in federal taxable income

- 1. Interest on State and Local Obligations 1. _____
- 2. _____ 2. _____
- 3. _____ 3. _____
- 4. Other items (attach schedule) 4. _____

Deductions on the federal return but not charged against book income

- 5. Federal net operating loss deduction 5. _____
- 6. _____ 6. _____
- 7. _____ 7. _____
- 8. _____ 8. _____
- 9. Total Additions (add lines 1 through 8) 9. _____

DEDUCTIONS FROM FEDERAL TAXABLE INCOME

Income subject to federal income tax but not recorded on the books.

- 10. _____ 10. _____
- 11. _____ 11. _____
- 12. _____ 12. _____
- 13. _____ 13. _____

Expenses recorded on the books but not deducted on the federal return.

- 14. Federal Income Tax 14. _____
- 15. _____ 15. _____
- 16. _____ 16. _____
- 17. _____ 17. _____

18. Total Deductions (add lines 10 through 17) 18. _____

19. Net Adjustment (line 9 less line 18) Also enter on line 2, Page 1, SC1101 B 19. _____

SCHEDULES C, D, AND E ARE TO BE COMPLETED BY MULTI-STATE BANKS

SCHEDULE C INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct. to SC and Other States 3	Net Amounts Allocated Directly to SC 4
1. Interest not connected with business				
2. Dividends received				
3. Rents				
4. Gains/losses on real property				
5. Gains/losses on intangible pers. prop.				
6. Investment income directly allocated				
7. TOTAL INCOME DIRECTLY ALLOCATED				
8. INCOME DIRECTLY ALLOCATED TO SC				

SCHEDULE D COMPUTATION OF TAXABLE INCOME FOR BANKS CLAIMING MULTI-STATE OPERATIONS

- 1. Total net income as reconciled. Enter amount from line 3, Page 1 1.
- 2. Less: Income subject to direct allocation to SC and other states from Schedule C, line 7 2.
- 3. Total net income subject to apportionment (line 1 less line 2) 3.
- 4. Multiply amount on line 3 by the ratio from Schedule E and enter result here 4.
- 5. Add: Income subject to direct allocation to SC from Schedule C, line 8 5.
- 6. Total SC Net Income (sum of lines 4 and 5 above) also enter on line 4, Page 1 6.

SCHEDULE E COMPUTATION OF GROSS RECEIPTS RATIO

	1. In SC	2. Total Everywhere	3. Ratio
1. Total Gross Receipts			
2. Less: Exclusion	< >	< >	
3. Gross Receipts (for ratio)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

Instructions for SC1101 B

WHAT'S NEW

The Palmetto Seed Capital Credit, as claimed on TC - 7, is repealed once fund investments have been liquidated. The Venture Capital Investment fund is being established. There is no credit form. The fund will issue tax credit certificates. The credits from the certificates may be used to offset the lenders' state bank tax or premium tax liability in the event the fund does not meet its obligation to repay the lender. These credits may be carried forward without limitation and are not refundable. The effective date of this act is March 17, 2004.

GENERAL INFORMATION - Banks **cannot elect S Corporation status** for SC bank tax purposes. For federal S corporations, prepare and attach a pro forma Federal Form 1120 and enter the taxable income on line 1.

For the purpose of allocation and apportionment, all of the provisions of Chapter 6, Title 12 that may be appropriate or applicable have been adopted for banks.

Audit Location includes a block for Audit Contact Information.

TAXPAYER ID INFORMATION - If preprinted name and address is not included on form, please enter them.

When to File: The return must be filed by the fifteenth day of the third month after the tax year end.

Request for Extension to File:

- If any bank tax is anticipated to be due, the taxpayer must make payment with SC1120-T by original due date.
- If no bank tax is anticipated to be due and the taxpayer has requested a federal extension, then the federal extension will be accepted as a SC extension if the bank return is received within the time as extended by the Internal Revenue Service.
- A savings bank is a savings and loan, not a bank.
- A copy of the federal or SC extension(s) must be attached to the return when filed.
- There is no extension for payment of bank tax. Any bank tax due must be paid by the prescribed due date to avoid the assessment of late penalties and interest.

Who must File: Any person engaged in a banking business in SC, except cash depositories.

Where to File: South Carolina Department of Revenue, Corporation Return, Columbia, SC 29214-0100.

Accounting: The accounting method must be the same as the method used for federal income tax purposes. If a change in accounting is approved or changed by the Internal Revenue Service, the taxpayer must provide the SC Department of Revenue with a copy of the written permission received from the Internal Revenue Service.

Declaration of Estimated Tax: A bank must file a Declaration of Estimated Tax with the SC Department of Revenue on or before the fifteenth day of the fourth month of the taxable year, **if the amount of estimated tax is one hundred dollars or more.** The Declaration of Estimated Tax must be calculated on SC1120-CDP. One hundred percent of the tax liability shown to be due on the SC1120-CDP must be paid when filing the declaration or in four equal installments on the fifteenth day of the fourth, sixth, ninth and twelfth month of the taxable year. A bank may avoid the penalty for Underpayment of Declaration by making each payment on time and if the total tax paid is at least the same as the total tax due, pursuant to the requirements for federal estimated income tax in Internal Revenue Code Section 6655. See SC2220 for computation of the penalty.

Tax Imposed: A tax is imposed upon every bank engaged in business in the state which shall be levied, collected, and paid annually with respect to the entire net income of the taxpayer doing a banking business within the state or from the sales or rentals of property within this state, computed at the rate of four and one-half percent of the entire net income of such bank or taxpayer.

Line by Line Instructions

Line 1 Enter the taxable income as shown on the federal tax return, Form 1120 or Form 1120A. **The federal return and all supporting schedules must be attached.**

Line 2 Net Adjustment - see Schedules A and B.

Additions to federal taxable income include all income items which are recorded on the books but are not included in federal taxable income. Examples:

- (1) Interest on state and local obligations.
- (2) Accretion of bond discount.

Additions to federal taxable income also include all expenses deducted on the federal return which are not charged against book income. Examples:

- (1) Federal bad debt deduction.
- (2) Federal depreciation in excess of book.
- (3) Federal net operating loss deduction. (Banks are not allowed a net operating loss deduction.)

Deductions from federal taxable income include all income items subject to tax on the federal return that have not been included in book income. Examples:

- (1) Tax over book sale income.
- (2) Tax over book securities income.

Deductions from federal taxable income also include all expenses that have been recorded on the books but which have not been deducted on the federal return. Examples:

- (1) Nondeductible travel and entertainment expense.
- (2) Nondeductible amortization.

Line 4 - ALLOCATION AND APPORTIONMENT Generally the taxable income related to the business of a multistate bank is apportioned to SC using the gross receipts method of Code Section 12-6-2290. Gains and losses from real property less related expenses are allocated to the state where the real property is located. Dividends, less related expenses, are allocated to the state of a bank's principal place of business.

Line 6 Attach SC1120TC along with the TC-7 and/or TC-9 as appropriate. If claiming Venture Capital Investment Credit, the fund will issue a tax credit certificate. Please attach a copy of the certificate. **The credits claimed cannot exceed your tax liability.**

Line 10 - UNDERPAYMENT OF ESTIMATED TAX If the bank underpaid it's estimated tax, complete SC2220 and attach it to the return. If the bank owes a penalty, show the amount in the space provided. If the bank is due a refund, subtract the penalty amount from the overpayment shown on line 12. SC2220 is available upon request or visit our website: www.sctax.org