

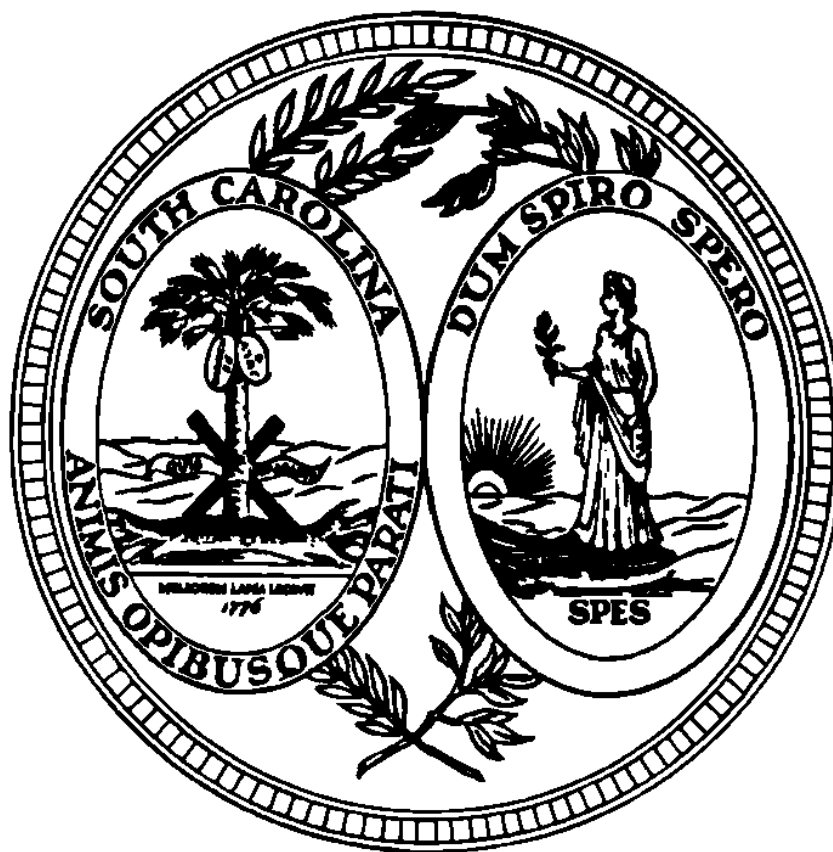
STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

www.sctax.org

INSTRUCTIONS AND FORMS FOR

2008

DECLARATION OF ESTIMATED TAX
FOR INDIVIDUALS



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FORM SC1040ES

(Rev. 12/3/07)

**STATE OF SOUTH CAROLINA
INDIVIDUAL DECLARATION OF ESTIMATED TAX
INSTRUCTION AND WORKSHEET**

The enclosed declaration payment-vouchers are provided to file and pay your declaration of estimated tax. **Quarterly billings will not be made.** The payment-voucher must be attached to your payment for proper posting of the amount paid.

A WHO MUST FILE A DECLARATION: Every individual must file a declaration of estimated tax for 2008 if the expected total amount of tax owed when the income tax return is filed will be \$100.00 or more. Exceptions for filing a declaration are:

- (1) **Farmers and Commercial Fishermen** whose gross income from farming or fishing for 2007 or 2008 is at least two-thirds (66.67%) of the total gross income from all sources. These taxpayers may choose to pay all their estimated tax by January 15, 2009 or to file their 2008 SC1040 and pay the total tax due by March 2, 2009 instead of making four quarterly installments.
- (2) **Any Individual** whose prior year tax liability was zero (0) for a full 12 months.
- (3) **Any nonresident taxpayer** doing business in South Carolina on a contract basis when the contract exceeds ten thousand dollars (\$10,000) and the tax is withheld at the rate of two (2%) percent from each contract payment.

NOTE: You may be able to avoid making estimated tax payments by asking your employer to withhold more state tax from your earnings, if applicable. To increase your state withholding, file a new withholding exemption certificate W-4 with your employer. Retirees may make changes to their withholding through their pension provider.

B WHEN TO FILE YOUR ESTIMATED TAX: An individual taxpayer on the calendar year period will generally file a declaration of estimated tax voucher on April 15, 2008, June 16, 2008, September 15, 2008 and January 15, 2009. (FOUR EQUAL AMOUNTS)

(1) Other declaration filing dates if not required to file on April 15.

If the requirement is met after:
April 1 and before June 1
June 1 and before September 1
September 1

Filing date is:
June 16, 2008
September 15, 2008
January 15, 2009

(2) Fiscal Year taxpayers must file their declaration of estimated tax vouchers on the 15th day of the 4th, 6th, and 9th months of the fiscal year and the first month of the following fiscal year.

C PAYMENT OF ESTIMATED TAX: Pay your estimated tax in four equal amounts on the required filing dates attached to the corresponding voucher; however, you may pay all of your estimated tax on April 15, when the first installment is due. Instead of making your last payment of estimated tax on January 15 (Voucher Number 4), you may file your completed income tax return by February 2 and pay in full the balance of all income tax owed. **Any overpayment of estimated tax claimed on your individual income tax return may be either refunded or credited to the next year.**

D JOINT VS. SINGLE DECLARATION: A husband and wife who are living together may file a joint declaration; however, there are exceptions that require a single or separate declaration. These exceptions are: (1) married taxpayers with different taxable years and (2) married taxpayers who wish to retain their own identity by using different last names.

NOTE: If you file a joint SC1040ES and file separate individual income tax returns you may experience delays in processing.

E DECLARATION ADJUSTMENT: If you find that the estimated tax is substantially increased or decreased as a result of (1) a change in income, (2) a change in exemptions or (3) a change in the income tax withholding, the adjusted declaration should be filed on or before the next filing date. A special form for adjusting your declaration will not be needed. Therefore you must use the regular declaration voucher for the filing period.

F PENALTY FOR FAILURE TO FILE AND PAY ESTIMATED TAX: You may be charged a penalty for not paying enough estimated tax, or for not making the payments on time in the required amount. The penalty does not apply if each required payment is timely and the total tax paid is at least 90% of the total tax due. No penalty will be due for underpayments attributable to personal service income earned in another state on which income tax withholding due to the other state was withheld. **Most taxpayers filing a declaration may also avoid penalty by paying 100% of the tax shown to be due on the return filed for the preceding taxable year.** You must have filed a South Carolina return for the preceding tax year and it must have been for a full 12-month year. However, the 100% rule is modified to be 110% of last year's tax liability for an individual with an adjusted gross income of more than \$150,000 as shown on the return for the preceding tax year. (To compute adjusted gross income use federal guidelines and make South Carolina adjustments.) Use SC2210 to compute the penalty.


G HOW TO USE THE PAYMENT-VOUCHER: The preprinted payment-voucher has the taxpayer's name, address and Social Security number as shown in the files of the SC Department of Revenue. If anything is incorrect, TYPE OR PRINT your corrections.

- (1) If you do not have a preprinted payment-voucher, enter your name, address and Social Security number in the space provided.
- (2) Enter the amount shown on line 11 of the worksheet on the Amount of Payment line. If no payment amount is due, no SC1040ES needs to be filed.
- (3) Tear off at the perforation.
- (4) Attach your check or money order, made payable to the South Carolina Department of Revenue, to the payment-voucher.

Mail the payment-voucher and remittance to the SC Department of Revenue, Estimated Tax, Columbia, SC 29214-0005. Use the preaddressed labels that came with your payment-voucher. **VERY IMPORTANT -- Fill in the Record of Estimated Tax Payments so you will have a record of all payments made. The Department will not mail you a statement showing the amount of estimated tax paid during the year.**

Darken or X the circle in the composite filer box if this payment will be claimed on a composite return filed for nonresident partners/shareholders of a partnership/corporation.

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1350		2008	SC DEPARTMENT OF REVENUE INDIVIDUAL DECLARATION OF ESTIMATED TAX	SC1040ES (Rev. 12/3/07) 3080
Your Social Security Number	Spouse's Social Security Number (if joint)	Composite Filer	<input type="radio"/>	Due April 15, 2008 Payment Voucher Quarter 1
Name and Address (include spouse's name if joint)				PAYMENT AMOUNT 14-0806
				Office Use Only

Mail this form with check or money order (include Social Security Number) payable to: **SC Department of Revenue, Estimated Tax, Columbia SC 29214-0005**

30801021

INSTRUCTIONS FOR ADJUSTING YOUR DECLARATION

1. Recalculate the Estimated Tax Worksheet using the corrected amounts of income, deductions and exemptions from your federal information.
2. Fill out the Adjusted Declaration Schedule to determine the amount to be paid.
3. Refer to the payment-voucher for the filing period and insert the adjusted amount of payment.
4. Tear off payment-voucher at the perforation and mail with your payment.

2008 ADJUSTED DECLARATION SCHEDULE (Use if the estimated tax changes after you file your declaration.)			
1. Adjusted estimated tax enter here	1.		
2. Less (A) Amount of 2007 overpayment elected for credit to 2008	2A.		
(B) Estimated tax payments to date	2B.		
(C) Total of lines 2(A) and (B)	2C.		
3. Unpaid balance (subtract line 2(C) from line 1)	3.		
4. Amount to be paid (line 3 divided by number of remaining filing dates) Enter here and on payment-voucher under Amount of Payment	4.		

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.

1350



2008

SC DEPARTMENT OF REVENUE
INDIVIDUAL DECLARATION OF ESTIMATED TAX

SC1040ES
(Rev. 12/3/07)
3080

Your Social Security Number

Spouse's Social Security Number (if joint)

Composite Filer

Due June 16, 2008
Payment Voucher Quarter

2

Name and Address (include spouse's name if joint)

PAYMENT
AMOUNT
14-0806

Payment amount input box

Office Use Only

Mail this form with check or money order (include Social Security Number) payable to: SC Department of Revenue, Estimated Tax, Columbia SC 29214-0005

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2008

SC DEPARTMENT OF REVENUE
INDIVIDUAL DECLARATION OF ESTIMATED TAX

SC1040ES
(Rev. 12/3/07)
3080

Your Social Security Number

Spouse's Social Security Number (if joint)

Composite Filer

Due September 15, 2008
Payment Voucher Quarter

3

Name and Address (include spouse's name if joint)

PAYMENT
AMOUNT
14-0806

Payment amount input box

Office Use Only

Mail this form with check or money order (include Social Security Number) payable to: SC Department of Revenue, Estimated Tax, Columbia SC 29214-0005

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2008

SC DEPARTMENT OF REVENUE
INDIVIDUAL DECLARATION OF ESTIMATED TAX

SC1040ES
(Rev. 12/3/07)
3080

Your Social Security Number

Spouse's Social Security Number (if joint)

Composite Filer

Due January 15, 2009
Payment Voucher Quarter

4

Name and Address (include spouse's name if joint)

PAYMENT
AMOUNT
14-0806

Payment amount input box

Office Use Only

Mail this form with check or money order (include Social Security Number) payable to: SC Department of Revenue, Estimated Tax, Columbia SC 29214-0005

30801021

WORKSHEET AND RECORD OF ESTIMATED TAX PAYMENT

HOW TO COMPUTE YOUR ESTIMATED TAX (Nonresident - see special instructions below.)

Below is your Estimated Tax Worksheet with the tax computation schedule for computing estimated tax. Use your 2007 income tax return as a guide for figuring the estimated tax.

NONRESIDENT - SPECIAL INSTRUCTIONS

Use the 2007 SC1040 and Schedule NR as a basis for determining the **modified South Carolina taxable income** subject to an estimated tax. Enter the modified South Carolina taxable income on line 3.

2008 ESTIMATED TAX WORKSHEET

1. Enter amount of your federal taxable income from your 2008 federal Form 1040ES, line 5 1. \$ _____
 2. South Carolina state adjustments (plus or minus) 2. \$ _____
 3. South Carolina taxable income (line 1 plus or minus line 2) 3. \$ _____
 4. Tax (Figure the tax on line 3 by using the Tax Computation Schedule in these instructions.) 4. \$ _____
 5. Enter any additional tax (SC4972 and/or I-335). 5. \$ _____
 6. Add lines 4 and 5 6. \$ _____
 7. Credits (Child and Dependent Care credit, Tax credit to other states, Two Wage Earner credit, Water Resources, etc) 7. \$ _____
 8. Subtract line 7 from line 6 8. \$ _____
 9. State income tax withheld and estimated to be withheld (including income tax withholding on pension, annuities, etc.) during the entire year 2008 9. \$ _____
 10. Balance estimated Tax (Subtract line 9 from line 8.) If \$100.00 or more, complete and file the payment-voucher along with your payment; if less, no payment is required at this time. 10. \$ _____
- Caution: You are required to prepay at least 90% of your tax liability each year. If you prepay less than 90% of your actual tax liability, you may be subject to a penalty. See Section F of the instructions for penalty information.
If you are unsure of your estimate, you may want to pay more than 90% of the amount you have estimated.
11. If the first payment you are required to file is:
- | | | |
|---|---|--|
| <p>Due April 15, 2008, enter 1/4
 Due June 16, 2008, enter 1/2
 Due September 15, 2008, enter 3/4
 Due January 15, 2009, enter amount</p> | } | <p>of line 10 (less any 2007 overpayment applied to 2008 estimated tax). Enter here and on your payment-voucher 11. \$ _____</p> |
|---|---|--|

2008 Tax Computation Schedule for South Carolina Residents and Nonresidents

TAX COMPUTATION SCHEDULE	Example of computation																																																				
<p>If the amount on line 3 of worksheet is: Compute the tax as follows:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 15%;"></td> <td style="width: 15%; text-align: center;">BUT NOT</td> <td style="width: 15%;"></td> <td style="width: 55%;"></td> </tr> <tr> <td style="text-align: center;">OVER --</td> <td style="text-align: center;">OVER--</td> <td style="text-align: center;">--0--</td> <td></td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$2,670</td> <td style="text-align: center;">0%</td> <td>Times the amount</td> </tr> <tr> <td style="text-align: center;">2,670</td> <td style="text-align: center;">5,340</td> <td style="text-align: center;">3%</td> <td>Times the amount less \$ 80</td> </tr> <tr> <td style="text-align: center;">5,340</td> <td style="text-align: center;">8,010</td> <td style="text-align: center;">4%</td> <td>Times the amount less \$ 133</td> </tr> <tr> <td style="text-align: center;">8,010</td> <td style="text-align: center;">10,680</td> <td style="text-align: center;">5%</td> <td>Times the amount less \$ 214</td> </tr> <tr> <td style="text-align: center;">10,680</td> <td style="text-align: center;">13,350</td> <td style="text-align: center;">6%</td> <td>Times the amount less \$ 320</td> </tr> <tr> <td style="text-align: center;">13,350+</td> <td style="text-align: center;">or more</td> <td style="text-align: center;">7%</td> <td>Times the amount less \$ 454</td> </tr> </table>		BUT NOT			OVER --	OVER--	--0--		\$0	\$2,670	0%	Times the amount	2,670	5,340	3%	Times the amount less \$ 80	5,340	8,010	4%	Times the amount less \$ 133	8,010	10,680	5%	Times the amount less \$ 214	10,680	13,350	6%	Times the amount less \$ 320	13,350+	or more	7%	Times the amount less \$ 454	<p>South Carolina income subject to tax on line 3 of worksheet is \$15,240. The tax is calculated as follows:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 15%;"></td> <td style="width: 15%; text-align: right;">\$15,240 income from line 3 of worksheet</td> <td style="width: 15%;"></td> <td style="width: 55%;"></td> </tr> <tr> <td style="text-align: center;">X</td> <td style="text-align: right;">.07 percent from tax computation schedule</td> <td style="text-align: center;">-</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">1,067 (1,066.80 rounded to the nearest whole dollar)</td> <td style="text-align: center;">-</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">454 subtract amount from tax computation schedule</td> <td style="text-align: center;">-</td> <td></td> </tr> <tr> <td style="text-align: center;">\$</td> <td style="text-align: right;">613</td> <td></td> <td></td> </tr> </table> <p>\$613 is the amount of tax to be entered on line 4 of worksheet</p>		\$15,240 income from line 3 of worksheet			X	.07 percent from tax computation schedule	-			1,067 (1,066.80 rounded to the nearest whole dollar)	-			454 subtract amount from tax computation schedule	-		\$	613		
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RECORD OF ESTIMATED TAX PAYMENT

	Overpayment Credit on 2007 Return	Voucher 1	Voucher 2	Voucher 3	Voucher 4	Total All Columns
Date						
Amount						▶