



STATE OF SOUTH CAROLINA SAVINGS AND LOAN ASSOCIATION 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 SC 1104 Corporation Return (Rev. 9/12/07) 3090 Columbia, SC 29214-0100

TAXPAYER ID INFORMATION

SC FILE #

INCOME TAX PERIOD ENDING

FED EI #

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If Final Return, Indicate Whether: Merged Reorganized Dissolved Withdrawn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:

14-0201

Change of Address Amended

Street

City

State

Audit Location:

Audit Contact:

Telephone Number:

Date of incorporation Under the laws of Date operation commenced Does Association have Federal insurance on savings accounts? If so, give date certificate of insurance issued. If Association dissolved or quit business, give date. Has Charter been cancelled? Give date Was the name of the Association changed during the year? Give old name The Association's books are in care of Located at

COMPUTATION OF SAVINGS AND LOAN ASSOCIATION TAX LIABILITY

- 1. Federal Taxable Income Per Federal Form 1120 S Corporations, see General Information in instructions. 2. Net Adjustment from line 12, Schedule A and B 3. Total Net Income As Reconciled (line 1 plus or minus line 2) 4. If Multi-state Association, enter amount from line 6, Schedule D; otherwise, enter amount from line 3. 5. LESS: South Carolina net operating loss carryover, if applicable. 6. South Carolina Net Income subject to tax (line 4 less line 5) 7. Tax: Multiply line 6 by .06 (6.0%). 8. Non Refundable Credits Taken This year from SC 1120-TC. 9. Balance of Tax (line 7 less line 8). Enter the difference but not less than zero 10. Payments: (a) Tax withheld (see instructions) (b) Paid by Declaration (c) Paid with Tentative Return 11. Total Payments (add lines 10(a) through 10(c)) 12. Balance of Tax Due (line 9 less line 11) 13. Interest Due Penalty Due (See penalty and interest instructions) Enter Total. 14. TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13) BALANCE DUE 15. Overpayment (line 11 less line 9) To be applied as follows: (a) Estimated Tax (b) REFUNDED

I, the undersigned, a principal officer of the association 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.

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 No Preparer Printed Name Check if self-employed 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**

- 1. Taxes on or Measured By Income ..... 1. \_\_\_\_\_
- 2. \_\_\_\_\_ 2. \_\_\_\_\_
- 3. \_\_\_\_\_ 3. \_\_\_\_\_
- 4. \_\_\_\_\_ 4. \_\_\_\_\_
- 5. Other Additions (attach schedule) ..... 5. \_\_\_\_\_
- 6. Total Additions (add lines 1 through 5) ..... 6. \_\_\_\_\_

**DEDUCTIONS FROM FEDERAL TAXABLE INCOME**

- 7. Additions to Reserves ..... 7. \_\_\_\_\_
- 8. \_\_\_\_\_ 8. \_\_\_\_\_
- 9. \_\_\_\_\_ 9. \_\_\_\_\_
- 10. Other Deductions (attach schedule) ..... 10. \_\_\_\_\_
- 11. Total Deductions (add lines 7 through 10) ..... 11. \_\_\_\_\_
- 12. Net Adjustment (line 6 less line 11) Also enter on line 2, Page 1, SC1104. .... 12. \_\_\_\_\_

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

**See Instructions for 'C' Corporations**

**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 ASSOCIATIONS 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)			%

## GENERAL INSTRUCTIONS for SC1104 (Rev. 9/12/07)

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

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.

**WHO MUST FILE FORM SC1104:** Every savings and loan association located or doing business within SC.

**WHERE TO FILE:** SC Department of Revenue, Corporation Return, Columbia, SC 29214-0100.

**WHEN TO FILE:** SC1104 must be filed by the 15th day of the 3rd month after the tax year end.

### REQUEST FOR EXTENSION TO FILE:

- If any tax is anticipated to be due, the taxpayer must make payment with SC1120-T by original due date.
- If no 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 return is received within the time as extended by the Internal Revenue Service.
- A copy of the federal or SC extension(s) must be attached to the return when filed.
- There is no extension for payment of tax. Any tax due must be paid by the prescribed due date to avoid the assessment of late penalties and interest.

**DECLARATION OF ESTIMATED TAX: An association 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 months of the taxable year. An association 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.

**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.

**BAD DEBT RESERVE:** The bad debt deduction allowable for SC income tax purposes is the amount determined under the Internal Revenue Code as amended through December 31, 1986.

Note: Any amount set aside as a bad debt reserve prior to 1986 under South Carolina's prior law may not be included in SC taxable income as a result of the change in method in which the bad debt reserve is computed.

### 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 Schedule A and B

Some of the additions to federal net income are:

- (A) State and local income taxes or state and local franchise taxes measured by net income, or any income taxes, or any taxes measured by or with respect to net income.
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- (B) Any taxpayer who is reporting income or deducting expenses over a time period as a result of a change of accounting method or accounting year, shall continue to report income or deduct expenses in the manner provided in the Internal Revenue Code and approved by the Internal Revenue Service. At the expiration of the authorized adjustment period, the balance of the income or expense must be reported or deducted in the same manner and amount for SC income tax purposes until all of the income or expenses have been fully reported or deducted.
- (C) If a taxpayer's method of accounting is changed any additional income or reduction which results from adjustments determined to be necessary solely by reason of the change must be included in income or deducted from income as provided in the Internal Revenue Code. If a corporation has different SC and federal amounts of an item or prepaid income or deferred expense or other similar balance sheet item as of January 1, 1985, the taxpayer is entitled, at his option, to make an application to the SC Department of Revenue for a change in accounting method and shall include in the change of accounting method all items in paragraph (1) of this subsection whether resulting in an increase or decrease in the transitional adjustment.
- (1) items subject to adjustment are only those which:
- (a) Have been treated differently in determining amounts subject to tax under SC and federal income tax laws which were applicable in the period prior to January 1, 1985;
  - (b) Have been an element in determining SC income subject to tax in periods with respect to which SC income tax was paid;
  - (c) Except for the required change in reporting income, would have produced in a subsequent taxable period an adjustment to income subject to tax on account of the differences in federal and SC tax reporting.
- (2) Items subject to adjustment may consist of deductions taken or not taken in prior years, or amounts of income required to be included or excluded in such years, but the items must be disregarded to the extent it can be shown that the prior treatment of the items had no actual effect on the amount of SC income tax paid. In making the showing, no items other than the items subject to this transitional adjustment may be considered.
- (3) The net income reportable or net deduction allowable under the subsection must be reported or deducted in equal amounts of one tenth each over the first ten taxable periods ending after the approval of a change of accounting methods, except that if the net income or deduction is less than twenty-five thousand dollars:
- (a) The income is reportable in full in the first taxable period ending after the approval of the change; or the income is deductible in the first taxable period after the approval of the change to the extent of the taxpayer's taxable income and to each taxable period thereafter to the extent not previously taken in the earliest successive taxable period.

Some of the Deductions from Federal Net Income are:

- (A) **Associations are exempt from the tax during the first three years of their operation.**
- (B) Reduction in basis of depreciable property as required by Section 48(q) of the Internal Revenue Code.
- (C) If, as of January 1, 1985, a taxpayer is deducting the **cost of personal property** placed in service prior to 1985, as provided in Internal Revenue Code Section 168, the taxpayer is allowed, for SC purposes, a similar annual deduction. At the expiration of the deductions, for federal tax purposes, the balance of the deductible cost has been deducted, for SC income tax purposes, at the rate of fifty percent a year, until the entire deductible cost has been deducted. In no event may the deduction authorized by this subsection exceed the depreciable basis of the assets.
- (D) If, as of January 1, 1985, a taxpayer is deducting the **cost of improvements to real property** paid or incurred prior to 1985 the balance of the deductible cost may be deducted, for SC income tax purposes, at the rate of twenty percent a year, until the entire deductible cost of the improvements has been deducted. In no event may the deduction authorized by this section exceed the depreciable basis of the assets.

#### **LINE 4**

Must be completed by all taxpayers.

#### **LINE 5**

After adding the federal NOL to federal taxable income in Schedule A, the South Carolina NOL is subtracted on Line 5.

#### **LINE 8**

Attach SC1120-TC and applicable tax credit schedules. Savings and Loans may qualify for the Credit for Child Care program and the Venture Capital Credit. The credits claimed cannot exceed your tax liability.

#### **LINE 13 - PENALTY FOR UNDERPAYMENT OF ESTIMATED TAX**

If the association underpaid it's estimated tax, complete SC2220 and attach it to the return. If the association owes a penalty, show the amount in the space provided. If the association is due a refund, subtract the penalty amount from the overpayment shown on line 15. SC2220 is available upon request or visit our website: [www.sctax.org](http://www.sctax.org).

**For additional information refer to SC1120 instructions.**