

State of South Carolina
Department of Revenue



HENRY D. MCMASTER
Governor

W. HARTLEY POWELL
Director

300A OUTLET POINTE BOULEVARD
POST OFFICE BOX 125
COLUMBIA, SOUTH CAROLINA 29214
Telephone: (803) 898-5040
Facsimile : (803) 896-0023
Director@dor.sc.gov

March 14, 2022

The Honorable Henry McMaster
Governor of South Carolina
1110 Gervais Street
Columbia, SC 29201

The Honorable Harvey S. Peeler, Jr.
Chairman, Senate Finance Committee
111 Gressette Building
Columbia, South Carolina 29201

The Honorable G. Murrell Smith, Jr.
Chairman, House Ways and Means Committee
525 Blatt Building
Columbia, SC 29201

RE: Clinical Rotation Tax Credit Report – Tax Year 2020

Gentlemen,

Pursuant to the reporting requirements set forth in South Carolina Code of Laws §12-6-3800(F), please find attached an annual report outlining the number of taxpayers claiming the Preceptor Tax Credit, the total allowable amount of credits, and the number of hours that the recipient taxpayers served as preceptors.

Should you require additional information regarding this report, please contact my office.

Yours very truly,

A handwritten signature in blue ink that reads "W. Hartley Powell". The signature is written in a cursive style and is positioned above the printed name and title.

W. Hartley Powell
Director



Preceptor Tax Credit Report

SOUTH CAROLINA DEPARTMENT OF REVENUE

MARCH 2022

Preceptor Credit (S.C. Code § 12-6-3800)

Pursuant to Act 45 of 2019, for tax years 2020 through 2025, an Individual Income Tax Credit is available for eligible physicians, advanced practice registered nurses, or physician assistants who serve as preceptors for qualifying clinical rotations required by a medical school, physician assistant program, or advanced practice nursing program.

The preceptor credit is earned in the tax year the rotation is served. Fifty percent of the credit can be taken in the year it is earned and fifty percent in the following tax year. The total credit amount that can be claimed is limited to fifty percent of the taxpayer's tax liability after all other credits are applied. Unused credits can be carried forward for up to 10 years after the year it is earned.

If a taxpayer earns the maximum credit and serves additional rotations that would qualify for the credit, the taxpayer may claim a deduction equal to the amount that the credit would have been for the additional rotations. Fifty percent of the total deduction can be claimed in the tax year it is earned and fifty percent in the following tax year. The deduction may be earned for up to six additional rotations.

The tax credit and deduction can be claimed by completing the TC-62.

Tax Year 2020 Preceptor Returns, Hours & Rotations

	Returns	Hours	Rotations
Physician	59	15,932	414
Physician Assistant	8	4,341	49
Advanced Practice Registered Nurse	33	17,527	130
Total	100	37,800	593

Tax Year 2020 Preceptor Credits

	Earned	Used	Carryforward
Physician	\$40,100	\$19,850	\$20,250
Physician Assistant	\$4,500	\$1,950	\$2,550
Advanced Practice Registered Nurse	\$15,200	\$7,750	\$7,450
Total	\$59,800	\$29,550	\$30,250

Tax Year 2020 Preceptor Deductions

	Earned	Used	Carryforward
Physician	\$25,000	\$12,500	\$12,500
Physician Assistant	\$2,850	\$1,425	\$1,425
Advanced Practice Registered Nurse	\$2,700	\$1,350	\$1,350
Total	\$30,550	\$15,275	\$15,275