**A** **BILL**

TO AMEND SECTION 12‑6‑530, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CORPORATE INCOME TAX, SO AS TO ELIMINATE THE CORPORATE INCOME TAX OVER A FOUR YEAR PERIOD.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 12‑6‑530 of the 1976 Code is amended to read:

“Section 12‑6‑530. (A) An income tax is imposed annually at the rate of five percent on the South Carolina taxable income of every corporation, other than those described in Sections 12‑6‑540 and 12‑6‑550, and any other entity taxed using the rates of a corporation for federal income tax purposes, transacting, conducting, or doing business within this State or having income within this State, regardless of whether these activities are carried on in intrastate, interstate, or foreign commerce. The terms ‘transacting’, ‘conducting’, and ‘doing business’ include transacting or engaging in any activity for the purpose of financial profit or gain.

(B) Notwithstanding subsection (A), the rate of the income tax imposed pursuant to this section equals:

Taxable Year Beginning in Rate of Tax

2012 3.75 percent

2013 2.5 percent

2014 1.25 percent

(C) This section is repealed for all tax years beginning after 2014.”

SECTION 2. This act takes effect upon approval by the Governor.

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