

Session 116 - (2005-2006)

S 0338 General Bill, By Setzler

Summary: CAP Bill; Jobs Creation Act

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 63 TO TITLE 12 SO AS TO ENACT THE 2005 JOBS CREATION ACT, PROVIDING FOR A CREDIT OF UP TO TWENTY-FIVE PERCENT AGAINST THE STATE INCOME TAX THE AMOUNT INVESTED BY AN INVESTOR IN THE EQUITY, NEAR-EQUITY, OR SEED CAPITAL OF A QUALIFIED BUSINESS, TO DEFINE "QUALIFIED BUSINESS" AND PROVIDE THAT THE COORDINATING COUNCIL OF THE DEPARTMENT OF COMMERCE HAS SOLE DISCRETION TO MAKE DETERMINATIONS OF "QUALIFIED BUSINESS", TO PROVIDE PROCEDURES FOR CLAIMING THE CREDIT INCLUDING ANNUAL REGISTRATION AND FEE PAYMENTS, TO REQUIRE THAT APPLICATIONS INCLUDE INFORMATION AS TO THE APPLICANT'S STATUS AS A SOCIALLY AND ECONOMICALLY DISADVANTAGED BUSINESS, TO PROVIDE FOR REVOCATION OF THE CREDIT AND RECAPTURE OF THE TAX OTHERWISE DUE, AND TO PROVIDE FOR THE RESERVATION OF TWO MILLION DOLLARS OF THE CREDIT CAP FOR CERTAIN CITED RESEARCH AND DEVELOPMENT PROJECTS; BY ADDING ARTICLE 10 TO CHAPTER 37 OF TITLE 33 SO AS TO ESTABLISH A CAPITAL ACCESS PROGRAM PROVIDING FOR FLEXIBILITY IN THE MAKING OF LOANS BY FINANCIAL INSTITUTIONS TO SMALL BUSINESSES WHO FAIL TO QUALIFY FOR CONVENTIONAL OR OTHER GUARANTEED OR ASSISTED FINANCING, AND TO PROVIDE FOR FUNDING OF A LOAN LOSS RESERVE TO REPAY PARTICIPATING FINANCIAL INSTITUTIONS WHO SUFFER A LOSS ON A LOAN, ADMINISTRATION OF THE PROGRAM BY BUSINESS DEVELOPMENT CORPORATION OF SOUTH CAROLINA, GUIDELINES FOR SELECTING LOAN RECIPIENTS, RECORDKEEPING AND REPORTING, AND DISTRIBUTION OF RESERVE FUNDS UPON TERMINATION OF INSTITUTIONAL PARTICIPATION OR THE CAPITAL ACCESS PROGRAM ITSELF; TO AMEND SECTION 33-37-460, AS AMENDED, RELATING TO LIMITATIONS ON A LOAN TO A CORPORATION BY A MEMBER, SO AS TO PROVIDE FOR REFERENCE TO THE LOAN CALL AGREEMENT AND TO DISALLOW A LOAN WHICH RESULTS IN OBLIGATIONS THAT EXCEED TEN TIMES THE GREATER OF THE NET WORTH OF THE CORPORATION OR THE AMOUNT PAID IN ON OUTSTANDING CAPITAL STOCK; TO AMEND SECTION 33-37-465, RELATING TO A SHORT-TERM LOAN TO A CORPORATION BY A MEMBER, SO AS TO PROVIDE THAT THE LIMITATIONS AND RESTRICTIONS DO NOT APPLY TO A SHORT-TERM LOAN; BY ADDING SECTION 12-6-60 SO AS TO PROVIDE FOR DETERMINATION OF A NEXUS WITH THIS STATE FOR PURPOSES OF INCOME TAX AND CORPORATE LICENSE FEE IN CONNECTION WITH A DISTRIBUTION FACILITY AND TO DEFINE "DISTRIBUTION FACILITY"; BY ADDING SECTION 12-36-2690 SO AS TO PROVIDE FOR DETERMINATION OF A NEXUS WITH THIS STATE FOR SALES AND USE TAX PURPOSES IN CONNECTION WITH A DISTRIBUTION FACILITY AND TO DEFINE "DISTRIBUTION FACILITY"; TO AMEND CHAPTER 62 OF TITLE 12, RELATING TO THE SOUTH CAROLINA MOTION PICTURE INCENTIVE ACT, SO AS TO INCLUDE AN EXEMPTION FROM LOCAL, AS WELL AS STATE, SALES AND USE TAXES, TO DEFINE "EMPLOYEE" FOR PURPOSES OF A FIVE PERCENT REBATE ON ALL TAXABLE WAGES PAID IN CONNECTION WITH AN EMPLOYEE'S WORK ON A MOTION PICTURE AND TO PROVIDE PROCEDURES FOR CLAIMING THE REBATE, TO ALLOW UP TO SEVEN PERCENT OF THE GENERAL FUND PORTION OF ADMISSIONS TAX COLLECTED BY THE STATE AND FUNDED TO THE DEPARTMENT OF COMMERCE TO BE USED EXCLUSIVELY FOR MARKETING AND SPECIAL EVENTS, AND THAT THE DEPARTMENT OF COMMERCE REPORT ANNUALLY TO THE COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT ON USE OF ALL ITS FUNDS IN A PUBLIC REPORT, ACCESSIBLE ON ITS WEBSITE, AND TO PROVIDE FOR A STATE AGENCY OR POLITICAL SUBDIVISION TO RECOUP COSTS AND CERTAIN FEES IN CONNECTION WITH A MOTION PICTURE PRODUCTION COMPANY; TO AMEND SECTION 12-36-920, AS AMENDED, RELATING TO SALES TAX ON GROSS PROCEEDS FROM RENTALS ON LODGINGS, SO AS TO DELETE A REBATE TO A MOTION PICTURE PRODUCTION COMPANY FOR SALES TAX PAID ON ACCOMMODATIONS; TO AMEND SECTION 1-30-25, AS AMENDED, RELATING TO THE DEPARTMENT OF COMMERCE, SO AS TO DELETE A REFERENCE TO THE STATE DEVELOPMENT BOARD; TO AMEND SECTION 12-36-2120, AS AMENDED, RELATING TO EXEMPTIONS FROM THE STATE SALES AND USE TAX, SO AS TO DELETE THE EXEMPTION FOR THE PROCEEDS OF SALES MADE TO A MOTION PICTURE COMPANY; TO AMEND SECTION 12-6-3360, AS AMENDED, RELATING TO THE JOBS TAX CREDIT, SO AS TO ALLOW THE CREDIT TO AN EMPLOYER WHO INCREASES EMPLOYMENT BY FIVE, INSTEAD OF TEN, NEW FULL-TIME JOBS; TO PROVIDE FOR A FIVE-YEAR SUNSET PROVISION FOR TAX INCENTIVES ENACTED BY THIS ACT; AND TO PROVIDE VARIOUS EFFECTIVE DATES FOR THE VARIOUS PROVISIONS.

01/26/05 Senate Introduced and read first time SJ-8

01/26/05 Senate Referred to Committee on Finance SJ-8