**A** **BILL**

TO AMEND SECTION 12‑6‑3385, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO REFUNDABLE STATE INDIVIDUAL INCOME TAX CREDIT DEFINITIONS, SO AS TO REVISE THE DEFINITION OF “STUDENT” TO INCLUDE PALMETTO FELLOWS AND LIFE SCHOLARSHIP RECIPIENTS.

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

SECTION 1. Section 12‑6‑3385(B) of the 1976 Code is amended to read:

“(B) As used in this section:

(1) ‘Institution of higher learning’ means a South Carolina public institution defined in Section 59‑103‑5 and an independent institution as defined in Section 59‑113‑50.

(2) A ‘designated institution’ means a public or independent bachelor’s level institution chartered before 1962 whose major campus and headquarters are located within South Carolina; or an independent bachelor’s level institution which has attained 501(c)(3) tax status and is accredited by the Southern Association of Colleges and Secondary Schools or the New England Association of Colleges and Schools; or a public or independent two‑year institution which has attained 501(c)(3) tax status. Institutions whose sole purpose is religious or theological training, or the granting of professional degrees do not meet the definition of “institution of higher learning” or “designated institution” as defined in this section.

(3) ‘Student’ means an individual enrolled in an institution of higher learning:

(a) eligible for in‑state tuition and fees as determined pursuant to Chapter 112, ~~of~~ Title 59 and applicable regulations;

(b) who at the end of the taxable year for which the credit is claimed has completed at least thirty credit hours each year, or its equivalent, as determined by the Commission on Higher Education, and who is admitted, enrolled, and classified as a degree seeking undergraduate or enrolled in a certificate or diploma program of at least one year;

(c) who, within twelve months before enrolling:

(i) graduated from a high school in this State;

(ii) successfully completed a high school home school program in this State in the manner required by law; or

(iii) graduated from a preparatory high school outside this State while a dependent of a parent or guardian who is a legal resident of this State and has custody of the dependent;

(d) not in default on a Federal Title IV or State of South Carolina educational loan, nor who owes a refund on a Federal Title IV or a State of South Carolina student financial aid program;

(e) who has not been adjudicated delinquent or been convicted or pled guilty or nolo contendere to any felonies or any alcohol or drug related offenses under the laws of this State, any other state or comparable jurisdiction, or the United States; except that a student who has been adjudicated delinquent or has been convicted or pled guilty or nolo contendere to an alcohol or drug related misdemeanor offense is ineligible only for the taxable year in which the adjudication, conviction, or plea occurred;

(f) who is in good standing at the institution attended~~;~~

~~(g)~~ ~~who is not a Palmetto Fellowship recipient;~~

~~(h)~~ ~~who is not a LIFE Scholarship recipient~~.

(4) ‘Tuition’ means the amount charged, including required fees, necessary for enrollment. Higher education tuition at an independent institution means the average tuition at the four‑year public institutions of higher learning as defined in Section 59‑103‑15(B)(2), but not more than the actual tuition charged. Before calculating the credit, there must be deducted from tuition any amounts received toward its payment by any other scholarship grants.”

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

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