**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑6‑3685 SO AS TO PROVIDE FOR A CREDIT AGAINST THE STATE INCOME TAX UP TO TWO THOUSAND DOLLARS FOR CLOSING COSTS INCURRED IN CONNECTION WITH A PURCHASE MONEY RESIDENTIAL OR COMMERCIAL MORTGAGE OR THE REFINANCING OF A RESIDENTIAL OR COMMERCIAL MORTGAGE, AND TO DEFINE “CLOSING COSTS”.

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

SECTION 1. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑3685. A taxpayer is allowed a credit against the state income tax imposed pursuant to this chapter for costs incurred, up to two thousand dollars annually, in connection with the closing of a residential or commercial real estate purchase money mortgage or refinancing of a residential or commercial real estate loan. ‘Closing costs’ for purposes of claiming this credit are as defined in Section 37‑3‑202 and apply to both residential and commercial transactions.”

SECTION 2. This act takes effect upon approval by the Governor and applies to taxable years beginning after 2012.

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