**South Carolina General Assembly**

121st Session, 2015-2016

**S. 33**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Bryant, Grooms and Davis

Document Path: l:\s-res\lb\047tax .ls.lb.docx

Companion/Similar bill(s): 42, 161, 3147

Introduced in the Senate on January 13, 2015

Currently residing in the Senate Committee on **Finance**

Summary: S.C. Taxable Income for Individuals

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/3/2014 Senate Prefiled

12/3/2014 Senate Referred to Committee on **Finance**

1/13/2015 Senate Introduced and read first time ([Senate Journal‑page 50](file:///h:\SJ%20Archive\2015\01-13-15.docx))

1/13/2015 Senate Referred to Committee on **Finance** ([Senate Journal‑page 50](file:///h:\SJ%20Archive\2015\01-13-15.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=33&session=121&summary=B) at the website

**VERSIONS OF THIS BILL**

[12/3/2014](file:///p:\pprever\2015-16\33_20141203.docx)

**A** **BILL**

TO AMEND SECTION 12‑6‑1140 OF THE 1976 CODE, RELATING TO DEDUCTIONS FROM SOUTH CAROLINA TAXABLE INCOME OF INDIVIDUALS FOR THE PURPOSES OF THE SOUTH CAROLINA INCOME TAX ACT, SO AS TO ALLOW THE DEDUCTION OF RETIREMENT BENEFITS ATTRIBUTABLE TO SERVICE ON ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES; AND TO AMEND SECTION 12‑6‑1170 OF THE 1976 CODE, RELATING TO THE RETIREMENT INCOME DEDUCTION, SO AS TO CONFORM THIS DEDUCTION TO THE MILITARY RETIREMENT DEDUCTION ALLOWED BY THIS ACT.

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

SECTION 1. This act may be cited as the “South Carolina Giving Back to Our Veterans Act”.

SECTION 2. Section 12‑6‑1140 of the 1976 Code is amended by adding:

“(12) for taxable years beginning after 2016, military retirement benefits attributable to service on active duty in the armed forces of the United States.”

SECTION 3. Section 12‑6‑1170(A)(2) of the 1976 Code is amended to read:

“(2) The term ‘retirement income’, as used in this subsection, means the total of all otherwise taxable income not subject to a penalty for premature distribution received by the taxpayer or the taxpayer’s surviving spouse in a taxable year from qualified retirement plans which include those plans defined in Internal Revenue Code Sections 401, 403, 408, and 457, and all public employee retirement plans of the federal, state, and local governments, including military retirement. After taxable year 2016, military retirement is not included as retirement income for purposes of the deduction allowed by this section.”

SECTION 4. In addition to amounts allowed as a deduction pursuant to Section 12‑6‑1170 of the 1976 Code, there is allowed as a deduction from South Carolina taxable income of individuals for purposes of the South Carolina Income Tax Act a portion of otherwise taxable military retirement benefits attributable to service on active duty in the armed forces of the United States according to the following schedule:

Taxable Year Deduction Percentage

2016 33.33 percent

2017 66.67 percent.

SECTION 5. This act takes effect upon approval by the Governor and applies for taxable years beginning after 2015.

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