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COMMITTEE AMENDMENT ADOPTED

April 7, 2016

**S. 1073**

Introduced by Senators Setzler and Alexander

S. Printed 4/7/16--S.

Read the first time February 10, 2016.

**A** **BILL**

TO AMEND SECTION 12‑6‑40, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE APPLICATION OF THE INTERNAL REVENUE CODE TO STATE INCOME TAX LAWS, SO AS TO UPDATE THE REFERENCE TO THE INTERNAL REVENUE CODE TO THE YEAR 2015 AND TO PROVIDE THAT IF THE INTERNAL REVENUE CODE SECTIONS ADOPTED BY THIS STATE ARE EXTENDED, THEN THESE SECTIONS ALSO ARE EXTENDED FOR SOUTH CAROLINA INCOME TAX PURPOSES.

Amend Title To Conform

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

SECTION 1. Section 12‑6‑40(A)(1)(a) and (c) of the 1976 Code, as last amended by Act 5 of 2015, is further amended to read:

“(a) Except as otherwise provided, ‘Internal Revenue Code’ means the Internal Revenue Code of 1986, as amended through December 31, ~~2014~~ 2015, and includes the effective date provisions contained in it.

(c) If Internal Revenue Code sections adopted by this State which expired or portions thereof expired on December 31, ~~2014~~ 2015, are extended, but otherwise not amended, by congressional enactment during ~~2015~~ 2016, these sections or portions thereof also are extended for South Carolina income tax purposes in the same manner that they are extended for federal income tax purposes.”

SECTION 2. A. Section 12-6-4970(B) of the 1976 Code is amended to read:

“(B)(1) Returns of ‘S’ corporations and partnerships must be filed on or before the fifteenth day of the third month following the taxable year.

(2) Returns for foreign corporations that do not maintain an office or place of business in the United States must be filed on or before the fifteenth day of the sixth month following the taxable year.”

B. Section 12-8-590(C) of the 1976 Code is amended to read:

“(C) Partnerships are required to withhold income taxes at a rate of five percent on a nonresident partner’s share of South Carolina taxable income of the partnership, whether distributed or undistributed, and pay the withheld amount to the department in the manner prescribed by the department. ~~For a taxable year beginning after 1991,~~ The partnership shall make a return and pay over the withheld funds on or before the fifteenth day of the ~~fourth~~ third month following the close of its tax year. Taxes withheld in the name of the nonresident partner must be used as credit against taxes due at the time the nonresident files income taxes for the taxable year.”

C. Section 12-13-80 of the 1976 Code is amended to read:

“Section 12-13-80. Returns with respect to the income tax herein imposed shall be in such form as the department may prescribe. Returns shall be filed with the department on or before the fifteenth day of the ~~third~~ fourth month following the close of the accounting period of the association.”

D. Section 12-20-20(B) of the 1976 Code is amended to read:

“(B) Unless otherwise provided, corporations shall file an annual report on or before the fifteenth day of the ~~third~~ fourth month following the close of the taxable year.”

E. This SECTION takes effect upon approval by the Governor and first applies to tax years beginning after 2015.

SECTION 3. This act takes effect upon approval by the Governor.

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