**A** **BILL**

TO AMEND ARTICLE 25, CHAPTER 6, TITLE 12 OF THE 1976 CODE, RELATING TO INCOME TAX CREDITS, BY ADDING SECTION 12-6-3785, TO PROVIDE THAT A TAXPAYER WITH A MOTOR VEHICLE REGISTERED IN THIS STATE IS ALLOWED A REFUNDABLE CREDIT AGAINST THE INCOME TAXES IMPOSED PURSUANT TO CHAPTER 6, TITLE 12 OF THE 1976 CODE IN AN AMOUNT UP TO ONE HUNDRED FIFTY PERCENT OF THE TAXPAYER’S EXPENDITURES ON VEHICLE MAINTENANCE DURING THE APPROPRIATE TAX YEAR.

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 12-6-3785. A taxpayer with a motor vehicle registered in this State is allowed a refundable credit against the income taxes imposed pursuant to this chapter in an amount up to one hundred fifty percent of the taxpayer’s expenditures on vehicle maintenance during the appropriate tax year, subject to other limitations contained in this section. To claim the credit contained in this section, a taxpayer must provide an itemized list of the vehicle maintenance expenditures incurred during the tax year on a form prescribed by the Department of Revenue. The total amount claimed per vehicle cannot exceed one hundred fifty percent of the average motor fuel user fee incurred by all motor vehicles as a result of increases in the motor fuel user fee pursuant to Section 12-28-310( ). For the purposes of this section, ‘vehicle maintenance’ includes, but is not limited to, costs incurred for new tires, oil changes, regular vehicle maintenance, and the like.”

SECTION 2. Beginning in tax year 2017, and for each tax year thereafter, the Department of Revenue shall calculate the amount of the credit that may be claimed.

SECTION 3. This act takes effect upon approval by the Governor and applies to tax years after tax year 2016.

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