**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE “RENT RELIEF ACT” BY ADDING SECTION 12‑6‑3785 SO AS TO ALLOW A REFUNDABLE INDIVIDUAL INCOME TAX CREDIT FOR CERTAIN INDIVIDUALS WHO HAVE PAID MORE THAN THIRTY PERCENT OF THEIR ADJUSTED GROSS INCOME ON RENT IN THE TAXABLE YEAR, AND TO ESTABLISH THE METHOD IN WHICH THE CREDIT AMOUNT IS DETERMINED.

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

SECTION 1. This Act may be cited as the “Rent Relief Act”.

SECTION 2. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑3785. (A) There is allowed a refundable income tax credit for any resident individual who has an adjusted gross income of less than $35,000 who has paid more than thirty percent of the individual’s adjusted gross income on rent for the individual’s principal residence, within the meaning of Section 121 of the Internal Revenue Code. The amount of the credit is equal to the difference between the amount paid on rent in the year for which the credit is claimed and thirty percent of the individual’s adjusted gross income in the applicable tax year, but not to exceed $3,600 in a taxable year.

(B) The Department of Revenue may promulgate regulations and adopt rules necessary to implement the credit allowed by this section, including, but not limited to, provisions necessary to account for a part‑year resident and the documentation necessary to prove amounts paid for rent.

(C) For purposes of this section, rent includes any amount paid for utilities of a type taken into account for purposes of determining the utility allowance under Section 42(g)(2)(B)(ii) of the Internal Revenue Code.”

SECTION 3. This act takes effect upon approval by the Governor and applies for tax years and rent paid after 2018.

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