**South Carolina General Assembly**

125th Session, 2023-2024

**H. 5044**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. T.A. Morgan, White, S. Jones, Pace, Cromer, Beach, Magnuson, May, Trantham, McCabe and Harris

Companion/Similar bill(s): 3526

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Introduced in the House on February 6, 2024

Currently residing in the House Committee on **Ways and Means**

Summary: Elimination of individual income tax

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/6/2024 House Introduced and read first time ([House Journal‑page 8](h:\hj\20240206.docx))

2/6/2024 House Referred to Committee on **Ways and Means** ([House Journal‑page 8](h:\hj\20240206.docx))

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=5044&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[02/06/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/5044_20240206.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 12‑6‑511 SO AS TO REDUCE ALL THE INCOME TAX RATES ON INDIVIDUALS, ESTATES, AND TRUSTS BY ONE PERCENT EACH YEAR UNTIL THE RATE ACROSS ALL BRACKETS EQUALS ZERO PERCENT; BY REPEALING SECTION 12‑6‑510 RELATING TO TAX RATES FOR INDIVIDUALS, ESTATES, AND TRUSTS; BY REPEALING SECTION 12‑6‑515 RELATING TO INCOME TAX BRACKETS; BY REPEALING SECTION 12‑6‑520 RELATING TO ANNUAL ADJUSTMENTS TO INCOME TAX BRACKETS; AND BY REPEALING SECTION 12‑6‑545 RELATING TO INCOME TAX RATES FOR PASS‑THROUGH TRADE AND BUSINESS INCOME.

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

SECTION 1. Article 5, Chapter 6, Title 12 of the S.C. Code is amended by adding:

Section 12‑6‑511. Notwithstanding Section 12‑6‑510 or any other provision of law, for tax years beginning after 2023, the rate of tax imposed on the South Carolina taxable income of individuals, estates, and trusts must be reduced by one percent each year until the tax rate equals zero percent across all income tax brackets. Each year the tax rate is reduced, the tax bracket to which that reduced tax rate applies must be the tax bracket immediately below the tax bracket to which that reduced rate applied in the previous year. Each year the top marginal rate is reduced, the bracket to which the top marginal rate applied to in the previous year is eliminated. Any provision of law that requires the imposition or imposition‑related requirements, such as filings and withholdings, are no longer effective once the tax rate equals zero percent across all income tax brackets.

SECTION 2. Upon Section 12‑6‑511 being fully phased‑in, Sections 12‑6‑510, 12‑6‑515, 12‑6‑520, and 12‑6‑545 of the S.C. Code are repealed.

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

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