**South Carolina General Assembly**

126th Session, 2025-2026

**H. 4134**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Robbins, B. Newton, Dillard and Weeks

Companion/Similar bill(s): 452

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Introduced in the House on March 5, 2025

Introduced in the Senate on April 23, 2025

Last Amended on April 22, 2025

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

Summary: High Growth Small Business Job Creation Act extension

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 3/5/2025 House Introduced and read first time (House Journal‑page 37)

 3/5/2025 House Referred to Committee on **Ways and Means** (House Journal‑page 37)

 4/1/2025 House Member(s) request name added as sponsor: Dillard

 4/3/2025 House Member(s) request name added as sponsor: Weeks

 4/9/2025 House Committee report: Favorable with amendment **Ways and Means**

 4/14/2025 Scrivener's error corrected

 4/22/2025 House Amended (House Journal‑page 24)

 4/22/2025 House Read second time (House Journal‑page 24)

 4/22/2025 House Roll call Yeas-90 Nays-19 (House Journal‑page 28)

 4/23/2025 House Read third time and sent to Senate (House Journal‑page 8)

 4/23/2025 Scrivener's error corrected

 4/23/2025 Senate Introduced and read first time (Senate Journal‑page 10)

 4/23/2025 Senate Referred to Committee on **Finance** (Senate Journal‑page 10)

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=4134&session=126&summary=B)  at the website

**VERSIONS OF THIS BILL**

[03/05/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/4134_20250305.docx)

[04/09/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/4134_20250409.docx)

[04/14/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/4134_20250414.docx)

[04/22/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/4134_20250422.docx)

Indicates Matter Stricken

Indicates New Matter

Amended

April 22, 2025

H. 4134

Introduced by Reps. Robbins, B. Newton, Dillard and Weeks

S. Printed 4/22/25--H. [SEC 4/23/2025 4:25 PM]

Read the first time March 5, 2025

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A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING ACT 80 OF 2013, RELATING TO THE “HIGH GROWTH SMALL BUSINESS JOB CREATION ACT,” SO AS TO AUTHORIZE THE EXTENSION FOR AN ADDITIONAL TEN YEARS; AND BY AMENDING SECTION 11‑44‑10, RELATING TO THE CITATION OF THE ACT, SO AS TO RENAME THE ACT THE “HIGH GROWTH SMALL BUSINESS JOB CREATION ACT OF 2013 - ANGEL INVESTOR TAX CREDIT ACT.”

 Amend Title To Conform

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

SECTION 1. Section 1.B. of Act 80 of 2013, as last amended by Act 138 of 2020, is amended further to read:

B. The provisions of Chapter 44, Title 11, contained in this act are repealed on December 31, 20252035. Any carry forward credits shall continue to be allowed until the ten-year time period in Section 11‑44‑40(B) is completed.

SECTION 2. Section 11-44-10 of the S.C. Code is amended to read:

 Section 11-44-10. This chapter may be cited as the “High Growth Small Business Job Creation Act of 2013 - Angel Investor Tax Credit Act.”

SECTION 3. Section 11-44-30 of the S.C. Code is amended to read:

 Section 11-44-30. For purposes of this chapter:

 (1) “Angel investor” means an accredited investor as defined by the United States Securities and Exchange Commission, who is:

 (a) an individual person who is a resident of this State or a nonresident who is subject to taxes imposed by Chapter 6, Title 12; or

 (b) a pass-through entity which is formed for investment purposes, has no business operations, does not have committed capital under management exceeding five million dollars, and is not capitalized with funds raised or pooled through private placement memoranda directed to institutional investors. A venture capital fund or commodity fund with institutional investors or a hedge fund does not qualify as an angel investor.

 (2) “Department” means the South Carolina Department of Revenue.

 (2)(3) “Headquarters” means the facility or portion of a facility where corporate staff employees are physically employed, and where the majority of the company's or company business unit's financial, personnel, legal, planning, information technology, or other headquarters-related functions are handled.

 (3)(4) “Net income tax liability” means South Carolina state income tax liability reduced by all other credits allowed under Titles 11, 12, and 48.

 (4)(5) “Pass-through entity” means a partnership, an S-corporation, or a limited liability company taxed as a partnership.

 (5)(6) “Qualified business” means a registered business that:

 (a) is either a corporation, limited liability company, or a general or limited partnership located in this State and has its headquarters located in this State at the time the investment was made and has maintained these headquarters for the entire time the qualified business benefitted from the tax credit provided for pursuant to this section. A business that is either a corporation, limited liability company, or limited partnership must be on file with the South Carolina Secretary of State and in good standing for the duration of its registration as a qualified business;

 (b) was organized no more than five years before the qualified investment was made;

 (c) employs twenty-five or fewer people in this State at the time it is registered as a qualified business;

 (d) has had in any complete fiscal year before registration gross income as determined in accordance with the Internal Revenue Code of two million dollars or less on a consolidated basis;

 (e) is primarily engaged in manufacturing, processing, warehousing, wholesaling, software development, information technology services, research and development, or a business providing services set forth in Section 12-6-3360(M)(13), other than those described in subitem (f); and

 (f) does not engage substantially in:

 (i) retail sales;

 (ii) real estate or construction;

 (iii) professional services;

 (iv) gambling;

 (v) natural resource extraction;

 (vi) financial brokerage, investment activities, or insurance;

 (vii) entertainment, amusement, recreation, or athletic or fitness activity for which an admission or fee is charged.

 A business is substantially engaged in one of the activities defined in subitem (f) if its gross revenue from an activity exceeds twenty-five percent of its gross revenues in a fiscal year or it is established pursuant to its articles of incorporation, articles of organization, operating agreement, or similar organizational documents to engage as one of its primary purposes such activity.

 (6)(7) “Qualified investment” means an investment by an angel investor of cash in a qualified business for common or preferred stock or an equity interest or a purchase for cash of subordinated debt in a qualified business. Investment of common or preferred stock or an equity interest or purchase of subordinated debt does not qualify as a qualified investment if a broker fee or commission or a similar remuneration is paid or given directly or indirectly for soliciting an investment or a purchase.

 (7)(8) “Registered” or “registration” means that a business has been certified by the Secretary department as a qualified business at the time of application to the Secretarydepartment.

 (8) “Secretary” means the Secretary of State.

SECTION 4. Section 11-44-60 of the S.C. Code is amended to read:

 Section 11-44-60. (A) A qualified business shall register with the Secretary department for purposes of this chapter. Approval of this registration constitutes certification by the Secretary department for twelve months after being issued. A business is permitted to renew its registration with the Secretary department so long as, at the time of renewal, the business remains a qualified business. Upon approval of a qualified business’ registration, the department shall transmit a copy of the certification of registration to the South Carolina Secretary of State. The Secretary of State shall then publish an electronic copy of the certification of registration on its website.

 (B) If the Secretary department finds that any information contained in an application of a business for registration under this chapter is false, the Secretary department shall revoke the registration of the business. The Secretary department shall not revoke the registration of a business only because it ceases business operations for an indefinite period of time, as long as the business renews its registration. Upon revocation of a qualified business’ registration, the department shall transmit a copy of the revocation of registration to the South Carolina Secretary of State. The Secretary of State shall then publish an electronic copy of the revocation of registration on its website.

 (C) A registration as a qualified business may not be sold or otherwise transferred, except that, if a qualified business enters into a merger, conversion, consolidation, or other similar transaction with another business and the surviving company would otherwise meet the criteria for being a qualified business, the surviving company retains the registration for the twelve-month registration period without further application to the Secretarydepartment. In this case, the qualified business shall provide the Secretary department with written notice of the merger, conversion, consolidation, or similar transaction and other information as required by the Secretarydepartment.

 (D) By January thirty-first each year, the Secretary department shall report to the House Ways and Means Committee, the Senate Finance Committee, and the Governor, a list of the businesses that have registered with the Secretary department as a qualified business. The report must include, by county, the name and address of each business, the location of its headquarters, a description of the type of business in which it engages, the amount of capital it has raised including the amount of qualified investment as defined by this chapter, the number of full-time, part-time, and temporary jobs created by the business during the period covered by the report, and the average wages paid by these jobs. An aggregated statewide report containing the number of businesses, the amount of capital raised by the businesses including the amount of qualified investment as defined by this chapter, the number of full-time, part-time and temporary jobs created by the businesses, and the average wages paid by these jobs also must be made available in a conspicuous place on the Secretary's department’s website. The report must be updated annually.

SECTION 5. Chapter 44, Title 11 is retitled the “High Growth Small Business Job Creation Act ‑ Angel Investor Tax Credit Act.”

SECTION 6. This act takes effect upon approval by the Governor.

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