



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT**

WWW.RFA.SC.GOV • (803)734-3793

This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: H. 3368 Amended by the House of Representatives on March 10, 2026
Subject: Income Tax on Overtime Pay
Requestor: Senate Finance
RFA Analyst(s): Jolliff
Impact Date: March 31, 2026

Fiscal Impact Summary

The bill as amended will update South Carolina’s conformity to the Internal Revenue Code (IRC) through December 31, 2025.

The bill will have a minimal expenditure impact for the Department of Revenue (DOR) as the updates will be accomplished with existing staff and resources.

Research by DOR identified one federal tax law enacted by Congress that impacts South Carolina’s conformity through December 31, 2025:

- H.R. 1 of 2025 (Public Law 119-21), the One Big Beautiful Bill Act (OBBBA)

Please note, beginning with tax year 2026, this analysis is based on the state’s new income tax structure as enacted by H. 4216 of 2026, which changes the starting point for state individual income tax from federal taxable income to federal adjusted gross income (AGI). As such, the impact of conforming with the OBBBA beginning in tax year 2026 differs from our original analysis due to these tax law changes.

The table below provides the estimated total General Fund revenue impact by fiscal year of updating conformity following the enactment of H. 4216. Additional details of the provisions are listed in the Explanation of Provisions and in Table 1. Further, there are several provisions that are expected to impact South Carolina regardless of conformity because federal law determines how these provisions are implemented, and the impact cannot be avoided. Essentially, federal law will dictate taxpayer behavior, and the change in revenue resulting from these provisions will occur regardless of whether South Carolina adopts the bill to extend conformity. These provisions are provided in Table 2 for reference and will be accounted for by the Board of Economic Advisors (BEA) in the revenue forecast.

Estimated General Fund Revenue Impact of H. 3368 – (\$ in Millions)

Tax Type	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Individual Income	(\$240.0)	(\$1.1)	(\$0.6)	(\$1.6)
Corporate Income	(\$48.5)	(\$5.1)	(\$1.3)	\$1.3
Total	(\$288.5)	(\$6.2)	(\$1.9)	(\$0.3)

Based on typical timing for the passage of legislation, we anticipate that decisions on conformity will occur late in FY 2025-26. As such, we anticipate that taxpayers will adjust their tax filings for provisions impacting tax year 2025 through filing extensions or amended returns and that these provisions will not affect revenue collections until FY 2026-27. As such, the impact in FY 2026-27 includes the effects of both tax year 2025 and tax year 2026. If conforming legislation is adopted early, the timing of the impact may be adjusted accordingly.

Explanation of Fiscal Impact

Amended by the House of Representatives on March 10, 2026

State Expenditure

The bill as amended will update South Carolina's conformity to the IRC through December 31, 2025. The bill will have a minimal expenditure impact for DOR as the updates will be accomplished with existing staff and resources. The expenditure impact of H. 4216 is addressed separately in the fiscal impact for that bill.

State Revenue

The bill as amended will update South Carolina's conformity to the IRC through December 31, 2025. Research by DOR identified one federal tax law enacted by Congress that impacts South Carolina's conformity through December 31, 2025:

- H.R. 1 of 2025 (Public Law 119-21), the OBBBA

Please note, beginning with tax year 2026, this analysis is based on the state's new income tax structure as enacted by H. 4216, which changes the starting point for state individual income tax from federal taxable income to federal AGI. H. 4216 imposes a tax rate of 1.99 percent on taxable income up to \$30,000 and 5.21 percent on \$30,000 and over, eliminates the federal standard and itemized deductions, and allows taxpayers with lower federal AGI to claim a new South Carolina income adjusted deduction. As such, the impact of conforming with the OBBBA beginning in tax year 2026 differs from our original analysis due to these tax law changes.

To estimate the impact of conforming to the OBBBA changes, Revenue and Fiscal Affairs (RFA) utilized U.S. estimates by the Joint Committee on Taxation and the Congressional Budget Office and adjusted those estimates to project the impact of adopting these federal provisions on South Carolina. Further, RFA made additional adjustments to refine these estimates with respect to South Carolina. Our analysis incorporates the latest growth assumptions and income tax return data for tax year 2024 and feedback provided by the SC Association of CPAs.

The provisions affecting South Carolina are listed in Table 1 with adjustments to remove the impact of those provisions that will no longer impact state income taxes beginning in 2026 following the enactment of H. 4216 since state income taxes will start with federal AGI instead of federal taxable income. Details of the provisions in Table 1 impacting more than +/- 0.5 percent of total income tax revenue (+/- \$7 million) are included following the impact under Explanation of Provisions. We also updated the estimates to account for the tax rates included in H. 4216 beginning in tax year 2026.

Further, there are several provisions that we believe will impact South Carolina regardless of conformity because federal law determines how these provisions are implemented, and the impact cannot be avoided. Essentially, federal law will dictate taxpayer behavior, and the change in revenue resulting from these provisions will occur regardless of whether South Carolina adopts the bill to extend conformity. These provisions are provided in Table 2 for reference and will be accounted for by the BEA in the revenue forecast.

Please note also, the OBBBA includes a charitable deduction allowance up to \$1,000 (\$2,000 for married filing jointly) for taxpayers who do not itemize beginning in tax year 2026. SC did not adopt IRC §170(p) specifically for 2021 in Act 87 of 2021. We understand the year reference should be updated to continue to non-conform. As this proposal does not update that reference, the impact of this provision is included in Table 1.

Based on typical timing for the passage of legislation, we anticipate that decisions on conformity will occur late in FY 2025-26. As such, we anticipate that taxpayers will adjust their tax filings for provisions impacting tax year 2025 through filing extensions or amended returns and that these provisions will not affect revenue collections until FY 2026-27. As such, the impact in FY 2026-27 includes the effects of both tax year 2025 and tax year 2026.

The table below provides the estimated total General Fund impact by fiscal year of conformity with the provisions included in the OBBBA as listed in Table 1. The impact of provisions in Table 2 that will impact South Carolina regardless of conformity as outlined above is not included in the table below and will be accounted for by the BEA.

Estimated General Fund Impact of H. 3368 – (\$ in Millions)

Tax Type	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Individual Income	(\$240.0)	(\$1.1)	(\$0.6)	(\$1.6)
Corporate Income	(\$48.5)	(\$5.1)	(\$1.3)	\$1.3
Total	(\$288.5)	(\$6.2)	(\$1.9)	(\$0.3)

(Continued on next page)

Explanation of Provisions

The explanations of provisions below are for those provisions with a significant impact on revenue of more than +/- 0.5 percent of total income tax revenue (+/- \$7 million). Line numbers refer to the Line No. column on Table 1. Table 2 does not have any provisions with a significant impact. Provisions that affect federal AGI for individuals are noted on the tables.

EFFECTIVE IN TAX YEAR 2025

INDIVIDUALS

Line 2. Temporary senior deduction: Effective for tax year 2025 through 2028, individuals who are age 65 and older may claim an additional deduction of \$6,000. This new deduction is in addition to the current additional standard deduction for seniors under existing law. The \$6,000 senior deduction is per eligible individual (i.e., \$12,000 total for a married couple where both spouses qualify). Deduction phases out for taxpayers with modified AGI over \$75,000 (\$150,000 for joint filers).

Line 3. Increase to standard deduction: The OBBBA makes three main changes to the standard deduction: (1) the temporary increases to the standard deduction as enacted under the Tax Cuts and Jobs Act of 2017 (TCJA) that were to expire after 2025 are made permanent, (2) the 2025 deduction amount is further increased as shown below, and (3) the inflation indexing of the standard deduction is changed by adding one additional year of inflation starting in tax year 2026.

For tax year 2025, the federal standard deduction is increased to the following amounts:
\$15,750 (up from \$15,000) for single or married filing separately
\$31,500 (up from \$30,000) for married filing jointly or a qualifying surviving spouse
\$23,625 (up from \$22,500) for head of household

Line 4. Temporary increase to limitation on deduction for state and local taxes: Taxpayers who itemize their deductions are allowed to deduct certain state and local taxes, known as the SALT deduction. The SALT cap is increased from \$10,000 to \$40,000 for 2025. The increased SALT cap is subject to a phasedown for taxpayers with modified AGI above \$500,000 for 2025. Taxpayers who are fully phased down will be capped at \$10,000. The cap and income threshold are increased by 1 percent each year beginning in tax year 2026. The changes are effective for tax year 2025 through 2029. Beginning in 2030, the cap will revert to \$10,000 for all taxpayers.

Line 5. No tax on overtime: Effective for tax year 2025 through 2028, individuals who receive qualified overtime compensation may deduct the pay that exceeds their regular rate of pay – such as the “half” portion of “time-and-a-half” compensation - that is required by the Fair Labor Standards Act (FLSA) and that is reported on a Form W-2, Form 1099, or other specified statement furnished to the individual. Maximum annual deduction is \$12,500 (\$25,000 for joint filers). Deduction phases out for taxpayers with modified AGI over \$150,000 (\$300,000 for joint filers). Deduction is available for both itemizing and non-itemizing taxpayers.

Line 6. No tax on tips: Effective for 2025 through 2028, employees and self-employed individuals may deduct qualified tips received in occupations that are listed by the IRS as customarily and regularly receiving. Maximum annual deduction is \$25,000; for self-employed, deduction may not exceed individual's net income (without regard to this deduction) from the trade or business in which the tips were earned. Deduction phases out for taxpayers with modified AGI over \$150,000 (\$300,000 for joint filers). Deduction is available for both itemizing and non-itemizing taxpayers.

Line 7. No tax on car loan interest: Effective for tax year 2025 through 2028, individuals may deduct interest paid on a loan used to purchase a qualified vehicle, provided the vehicle is purchased for personal use and meets other eligibility criteria. Maximum annual deduction is \$10,000. Deduction phases out for taxpayers with modified AGI over \$100,000 (\$200,000 for joint filers). Deduction is available for both itemizing and non-itemizing taxpayers.

BUSINESSES (PASS-THROUGH ENTITIES OR CORPORATIONS)

Line 10. Full expensing of domestic research and experimental expenditures: Beginning in tax year 2025, taxpayers are allowed to immediately deduct domestic research and experimental (R&E) expenditures. Beginning with tax year 2022, the TCJA required taxpayers to capitalize and amortize all R&E expenditures. Under the new rules, taxpayers can fully expense domestic R&E costs in the year incurred beginning in tax year 2025. In addition to now allowing full expensing, transition rules are provided permitting certain taxpayers to deduct unamortized domestic R&E expenditures paid or incurred in 2022 through 2024 by filing for a change in accounting method.

Line 11. Increased dollar limitations for expensing of certain depreciable business assets: IRC §179 allows a deduction for taxpayers who elect to expense a specified amount of the cost of qualifying property purchased for use in a business. This deduction applies to tangible property, such as machinery and equipment purchased for use in a trade or business. Eligible property includes qualified real property and certain property used to furnish lodging. Qualified real property includes improvements to roofs, HVAC, fire alarm systems, and security systems to nonresidential real property. Beginning in 2025, the maximum expensing under IRC §179 is increased from \$1.22 million to \$2.5 million, and the investment limitation is increased from \$3.05 million to \$4 million. Amounts are indexed for inflation beginning after 2025.

OTHER ISSUES

The opportunity zone program, which would have expired for investments after December 31, 2026, is permanently extended. The OBBBA makes certain changes to the determination of qualifying areas and reporting requirements, which are not expected to materially change the impact. As this is an extension of a program currently in the revenue base, there is no additional impact. (See Line 40. Permanent renewal and enhancement of opportunity zones)

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director

H. 3368 AS AMENDED BY THE HOUSE OF REPRESENTATIVES ON MARCH 10, 2026 - TABLE 1 - PROVISIONS BY TAX YEAR AND TYPE

Provisions that will not affect SC under H. 4216 are shown with strikethrough. Figures are updated for tax rates in H. 4216 as enacted.

(Amounts are in millions of dollars)

Line No.	Provision	§IRC	Tax Type	Affects Fed. AGI (Y/N) [1]	Effective	Amount by Tax Year					Impact by Fiscal Year			
						Tax Year 2025	Tax Year 2026	Tax Year 2027	Tax Year 2028	Tax Year 2029	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	2025 - Individual Provisions													
2	Temporary senior deduction (\$6,000) [2]	§151(c) and (d)(5)	I	N	2025	(\$62.7)	(\$63.8)	(\$64.9)	(\$66.0)	\$0	(\$62.7)	\$0	\$0	\$0
3	Increase to standard deduction (S: \$750, MFJ: \$1,500, HOH: \$1,125) [2]	§63(c)(7)	I	N	2025	(\$80.8)	(\$82.2)	(\$83.6)	(\$85.0)	(\$86.5)	(\$80.8)	\$0	\$0	\$0
4	Temporary increase to limitation on deduction for state and local taxes (exp 12/31/29) [2]	§164(b)(6)	I	N	2025	(\$2.7)	(\$2.7)	(\$2.7)	(\$2.8)	(\$2.8)	(\$2.7)	\$0	\$0	\$0
5	No tax on overtime (exp 12/31/28)	§225	I	N	2025	(\$47.1)	(\$49.2)	(\$51.7)	(\$54.3)	\$0	(\$47.1)	\$0	\$0	\$0
6	No tax on tips (exp 12/31/28)	§224	I	N	2025	(\$18.2)	(\$18.4)	(\$19.4)	(\$20.5)	\$0	(\$18.2)	\$0	\$0	\$0
7	No tax on car loan interest (exp 12/31/28)	§163(h)(4)	I	N	2025	(\$13.0)	(\$19.4)	(\$23.8)	(\$29.3)	\$0	(\$13.0)	\$0	\$0	\$0
8	2025 - Business Provisions													
9	Treatment of payments from partnerships to partners for property or services	§707(a)(2)	I	n/a	2025	\$2.2	\$3.2	\$2.7	\$2.2	\$1.6	\$5.4	\$2.7	\$2.2	\$1.6
10	Full expensing of domestic research and experimental expenditures	§174	B	n/a	2025	(\$50.4)	(\$11.8)	(\$8.0)	(\$4.3)	(\$1.8)	(\$62.2)	(\$8.0)	(\$4.3)	(\$1.8)
11	Increased dollar limitations for expensing of certain depreciable business assets	§179(b)	B	Y	2025	(\$6.1)	(\$5.1)	(\$4.3)	(\$3.6)	(\$3.0)	(\$11.2)	(\$4.3)	(\$3.6)	(\$3.0)
12	Termination of cost recovery for energy property	§168(e)(3)(B)(vi)	B	n/a	2025	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.1	\$0.1	\$0.1
13	Spaceports are treated like airports under exempt facility bond rules	§142	B	n/a	2025	Negligible	Negligible	Negligible	Negligible	Negligible	\$0	\$0	\$0	\$0
14	2026 - Individual Provisions													
15	Deduction for charitable contributions for individuals who do not itemize [3]	§170(p) (see Notes)	I	N	2026	\$0	(\$18.7)	(\$19.6)	(\$20.4)	(\$21.6)	\$0	\$0	\$0	\$0
16	Extension and modification of limitation on deduction for qualified residence interest	§163(h)(3)(F)	I	N	2026	\$0	(\$0.6)	(\$0.6)	(\$0.6)	(\$0.5)	\$0	\$0	\$0	\$0
17	Extension and modification of limitation on casualty loss deduction	§165(h)(5)	I	N	2026	\$0	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	\$0	\$0	\$0	\$0
18	Termination of miscellaneous itemized deductions other than educator expenses	§67(g)	I	N	2026	\$0	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	\$0	\$0	\$0	\$0
19	Adjustment of charitable deduction for certain expenses incurred in support of native Alaskan subsistence whaling	§170(n)	I	N	2026	\$0	Negligible	Negligible	Negligible	Negligible	\$0	\$0	\$0	\$0
20	Extension and modification of limitation on wagering losses	§165(d)	I	N	2026	\$0	\$0.3	\$0.3	\$0.3	\$0.3	\$0	\$0	\$0	\$0
21	0.5 percent floor on deduction of charitable contributions made by individuals	§170(b)(1)	I	N	2026	\$0	\$8.7	\$8.9	\$9.1	\$9.3	\$0	\$0	\$0	\$0
22	Exclusion for employer payments of student loans	§127	I	Y	2026	\$0	(\$2.0)	(\$2.2)	(\$2.3)	(\$2.5)	(\$2.0)	(\$2.2)	(\$2.3)	(\$2.5)
23	Enhancement of the dependent care assistance program	§129(a)	I	Y	2026	\$0	(\$1.1)	(\$1.2)	(\$1.3)	(\$1.4)	(\$1.1)	(\$1.2)	(\$1.3)	(\$1.4)
24	Qualified transportation fringe benefits – qualified bicycle commuting reimbursement	§§132(f)(8)	I	Y	2026	\$0	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)

Line No.	Provision	§IRC	Tax Type	Affects Fed. AGI (Y/N) [1]	Effective	Tax Year 2025	Tax Year 2026	Tax Year 2027	Tax Year 2028	Tax Year 2029	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
25	Extension and modification of limitation on deduction and exclusion for moving expenses	§132(g)(2), §217(k)	I	Y	2026	\$0	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)
26	Treatment of certain individuals performing services in Sinai Peninsula of Egypt	§112	I	Y	2026	\$0	Negligible	Negligible	Negligible	Negligible	\$0	\$0	\$0	\$0
27	Extension and modification of exclusion from gross income of student loans discharged on account of death or disability	§108(f)(5)	I	Y	2026	\$0	Negligible	Negligible	Negligible	Negligible	\$0	\$0	\$0	\$0
28	Exceptions from limitations on deduction for business meals	§274(o)	I	Y	2026	\$0	\$6.5	\$6.7	\$7.0	\$7.2	\$6.5	\$6.7	\$7.0	\$7.2
29	Trump accounts and contribution pilot program	§530A	I	n/a	2026	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	2026 - Business Provisions													
31	Treatment of capital gains from the sale of certain farmland property	§1062	B	n/a	2026	\$0	(\$2.8)	(\$1.8)	(\$0.9)	(\$0.2)	(\$2.8)	(\$1.8)	(\$0.9)	(\$0.2)
32	Exception to percentage of completion method of accounting for certain residential construction contracts	§460(e)	B	n/a	2026	\$0	(\$0.8)	(\$0.5)	(\$0.3)	(\$0.2)	(\$0.8)	(\$0.5)	(\$0.3)	(\$0.2)
33	Restoration of taxable REIT subsidiary asset test	§856(c)(4)(B)(ii)	I	n/a	2026	\$0	(\$0.3)	(\$0.3)	(\$0.4)	(\$0.5)	(\$0.3)	(\$0.3)	(\$0.4)	(\$0.5)
34	Treatment of certain qualified sound recording productions	§181	B	n/a	2026	\$0	(\$0.2)	(\$0.2)	\$0.2	\$0.3	(\$0.2)	(\$0.2)	\$0.2	\$0.3
35	Termination of energy efficient commercial buildings deduction	§179D	B	n/a	2026	\$0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
36	Expansion of qualified small business stock gain exclusion	§1202	I	Y	2026	\$0	\$0.1	\$0.0	(\$0.2)	(\$1.5)	\$0.1	\$0.0	(\$0.2)	(\$1.5)
37	Modification and extension of limitation on excess business losses of noncorporate taxpayers	§461(l)	I	n/a	2026	\$0	\$0.2	\$0.1	\$0.1	\$0.1	\$0.2	\$0.1	\$0.1	\$0.1
38	Excessive employee remuneration from controlled group members and allocation of deduction	§162(m)	B	n/a	2026	\$0	\$2.2	\$2.5	\$2.6	\$2.7	\$2.2	\$2.5	\$2.6	\$2.7
39	1 percent floor on deduction of charitable contributions made by corporations	§170(b)(2)(A)	C	n/a	2026	\$0	\$2.8	\$3.2	\$2.9	\$2.7	\$2.8	\$3.2	\$2.9	\$2.7
40	Permanent renewal and enhancement of opportunity zones	§1400Z	B	n/a	2026	\$0	*	*	*	*	*	*	*	*
41	2027 - Individual Provisions													
42	Income exclusion for education expenses paid by a scholarship granting organization	§139K	I	Y	2027	\$0	\$0	(\$2.6)	(\$3.0)	(\$3.4)	\$0	(\$2.6)	(\$3.0)	(\$3.4)

Line No.	Provision	§IRC	Tax Type	Affects Fed. AGI (Y/N) [1]	Effective	Tax Year 2025	Tax Year 2026	Tax Year 2027	Tax Year 2028	Tax Year 2029	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	
43	Other Tax Types														
44	Nonprofit Community Development Activities in Remote Native Villages	Subchapter F, Chapter 1, Exempt Organizations	NP	n/a	2025	Negligible	Negligible	Negligible	Negligible	Negligible	\$0	\$0	\$0	\$0	
45	Exclusion of interest on loans secured by rural or agricultural real property	§139L	S&L	n/a	2025	Negligible	Negligible	Negligible	Negligible	Negligible	\$0	\$0	\$0	\$0	
46															
47	Total Individual (includes portion of business provisions)					(\$240.1)	\$0.1	(\$1.1)	(\$0.6)	(\$1.6)	(\$240.0)	(\$1.1)	(\$0.6)	(\$1.6)	
48	Total Corporate (includes portion of business provisions)					(\$38.6)	(\$9.9)	(\$5.1)	(\$1.3)	\$1.3	(\$48.5)	(\$5.1)	(\$1.3)	\$1.3	
49	Total					(\$278.7)	(\$9.8)	(\$6.2)	(\$1.9)	(\$0.3)	(\$288.5)	(\$6.2)	(\$1.9)	(\$0.3)	

Notes:

n/a - See note [1]

Negligible - impact of provision is immaterial

* - Provision extends existing program in current revenue base; no additional impact

Internal revenue code section references provided by SC Department of Revenue

[1] - Federal AGI column only applies to individuals; does not address businesses (pass-through or corporate)

[2] - Impact is an allocation of the net impact of all three provisions- each provision would have a higher impact separately

[3] - SC did not adopt IRC 170(p) for 2021. Year reference would need to be updated to avoid the impact.

Tax Types:

B- Both individual and corporate income tax

C - Corporate income tax

I - Individual income tax

NP - Nonprofits

S&L - Savings and loan tax

H. 3368 AS AMENDED BY THE HOUSE OF REPRESENTATIVES ON MARCH 10, 2026 - TABLE 2 - PROVISIONS BY TAX YEAR AND TYPE - (Impact will occur regardless of conformity)

Provisions that will not affect SC under H. 4216 are shown with strikethrough. Figures are updated for tax rates in H. 4216 as enacted.

(Amounts are in millions of dollars)

Line No.	Provision	§IRC	Tax Type	Affects Fed. AGI (Y/N) [1]	Effective	Amount by Tax Year					Impact by Fiscal Year			
						Tax Year 2025	Tax Year 2026	Tax Year 2027	Tax Year 2028	Tax Year 2029	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Allowance of bronze and catastrophic plans in connection with health savings accounts	§223	I	n/a	2025/26	(\$0.3)	(\$0.6)	(\$0.7)	(\$0.9)	(\$0.9)	(\$0.9)	(\$0.7)	(\$0.9)	(\$0.9)
2	Permanent extension of safe harbor for absence of deductible for telehealth services	§223	I	n/a	2025/26	(\$0.3)	(\$0.6)	(\$0.8)	(\$1.0)	(\$1.1)	(\$0.9)	(\$0.8)	(\$1.0)	(\$1.1)
3	Treatment of direct primary care service arrangements	§223	I	n/a	2025/26	(\$0.2)	(\$0.3)	(\$0.5)	(\$0.6)	(\$0.7)	(\$0.6)	(\$0.5)	(\$0.6)	(\$0.7)
4	Certain postsecondary credentialing expenses treated as qualified higher education expenses for purposes of 529 accounts (impact included in line 5 below)	§529	I	n/a	2026	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Additional expenses treated as qualified higher education expenses of purposes of 529 accounts	§529	I	n/a	2026	\$0	(\$0.1)	(\$0.1)	(\$0.2)	(\$0.2)	(\$0.1)	(\$0.1)	(\$0.2)	(\$0.2)
6	Rollovers from 529 plans to qualified 529A plans (ABLE Plans)	§529(e)(3)	I	n/a	2026	\$0	Negligible	Negligible	Negligible	Negligible	\$0	\$0	\$0	\$0
7	Extension and enhancement of increased limitation on contributions to ABLE accounts	§529A	I	n/a	2026	\$0	Negligible	Negligible	Negligible	Negligible	\$0	\$0	\$0	\$0
8	Income from hydrogen storage, carbon capture, advanced nuclear, hydropower, and geothermal energy added to qualifying income of certain publicly traded partnerships	§7704(d)(1)(E)	I	n/a	2026	\$0	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)
9														
10	Total Individual (includes portion of business provisions)					(\$0.8)	(\$1.6)	(\$2.2)	(\$2.6)	(\$2.8)	(\$2.4)	(\$2.2)	(\$2.6)	(\$2.8)
11	Total Corporate (includes portion of business provisions)					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Total					(\$0.8)	(\$1.6)	(\$2.2)	(\$2.6)	(\$2.8)	(\$2.4)	(\$2.2)	(\$2.6)	(\$2.8)

Notes:

n/a - See note [1]

Negligible - impact of provision is immaterial

Internal revenue code section references provided by SC Department of Revenue

[1] - Federal AGI column only applies to individuals; does not address businesses (pass-through or corporate)

Tax Types:

B- Both individual and corporate income tax

C - Corporate income tax

I- Individual income tax

NP - Nonprofits

S&L - Savings and loan tax