



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
RESIDENTIAL RETROFIT CREDIT

Name SSN

Part I Credit Computation for Residential Retrofit Expenses

1. Qualifying expenses (see instructions) 1. \$
2. Maximum credit amount (multiply line 1 by 25%) 2. \$
3. Credit limit 3. \$ 1,000
4. Enter the lesser of line 2 and line 3 4. \$

Part II Credit Computation for Sales and Use Taxes

5. Purchase price of tangible personal property included in line 1. 5. \$
6. Maximum credit amount (multiply line 5 by 6%) 6. \$
7. South Carolina Sales and/or Use Tax paid on property included in line 5. 7. \$
8. Enter lesser of line 6 and line 7 8. \$
9. Credit limit 9. \$ 1,500
10. Enter the lesser of line 8 and line 9 10. \$

Combined Credits

11. Add line 4 and line 10 11. \$

INSTRUCTIONS

An individual taxpayer is allowed an Individual Income Tax credit for expenses paid to retrofit the taxpayer's legal residence to make it more resistant to hurricane, floodwater, or other catastrophic windstorm damage as defined by the Director of Insurance or his designee. The allowable credit is the lesser of 25% of the amount paid or \$1,000.

An individual taxpayer is also allowed an Individual Income Tax credit for South Carolina Sales or Use Taxes paid on purchases of tangible personal property that qualify for the residential retrofit credit. The allowable credit is the lesser of 6% of the purchase price of tangible personal property qualifying for residential retrofit credit or \$1,500.

The cost of items purchased with grant funds awarded by the South Carolina Hurricane Damage Mitigation Program are not eligible for either credit unless the grant funds are included in the income of the taxpayer.

Regulation 69-75 defines "fortification measures" and incorporates the standards contained in the South Carolina Safe Home Resource Document for Mitigation Techniques, available at doi.sc.gov. The Department of Insurance will review and update the manual to comply with changes in building code standards, mitigation measures, or other applicable provisions of law.

All products are required to have an ICC Evaluation Services Legacy Report or other appropriate test reports acceptable to the local building officials for the intended use. All products may not qualify in all areas. You must use products and installation procedures deemed acceptable by the local building officials.

An individual taxpayer claiming the credit must keep records of the fortification measures implemented and the costs incurred, and must provide these records when requested by the SCDOR. Acceptable records include: (1) a written certification (or report that includes a certification) from a licensed professional with expertise in construction techniques, building design, property inspection, or appraisal (such as an architect, appraiser, building inspector, or contractor) that the fortification measure has been implemented in accordance with applicable standards; or (2) an affidavit from the individual taxpayer certifying that the fortification measures have been implemented. Copies of the applicable receipts must be included with the certification, report, or affidavit.

Find more information at doi.sc.gov.

PART I - Credit Computation for Residential Retrofit Expenses

Line 1: Qualifying expenses include what you paid to retrofit your legal residence in South Carolina to make it more resistant to loss due to hurricane, rising floodwater, or other catastrophic windstorm event. Include only costs associated with fortification measures that increase the residence's resistance to hurricane, rising floodwater, or catastrophic windstorm event damage. Do not include the cost of ordinary repair or replacement of existing items. Do not include the cost of items purchased with grant funds from the South Carolina Hurricane Damage Mitigation Program unless those funds are included in your income.

Line 2: The credit is limited to 25% of qualifying expenses.

Line 3: The credit cannot exceed \$1,000.

PART II - Credit Computation for Sales and Use Taxes

Line 5: Enter the purchase price of tangible personal property included in qualifying expenses in line 1.

Line 6: The credit for Sales and Use Taxes is limited to 6% of the purchase price of qualifying tangible personal property.

Line 7: The credit is limited to actual Sales or Use Taxes paid.

Line 9: The credit cannot exceed \$1,500.

If you file by paper, attach to your Income Tax return. If you file electronically, keep a copy with your tax records.

Social Security Privacy Act Disclosure

It is mandatory that you provide your Social Security Number on this tax form if you are an individual taxpayer. 42 U.S.C. 405(c)(2)(C)(i) permits a state to use an individual's Social Security Number as means of identification in administration of any tax. SC Regulation 117-201 mandates that any person required to make a return to the SCDOR must provide identifying numbers, as prescribed, for securing proper identification. Your Social Security Number is used for identification purposes.

The Family Privacy Protection Act

Under the Family Privacy Protection Act, the collection of personal information from citizens by the SCDOR is limited to the information necessary for the SCDOR to fulfill its statutory duties. In most instances, once this information is collected by the SCDOR, it is protected by law from public disclosure. In those situations where public disclosure is not prohibited, the Family Privacy Protection Act prevents such information from being used by third parties for commercial solicitation purposes.