



STATE OF SOUTH CAROLINA  
DEPARTMENT OF REVENUE

**RESEARCH AND DEVELOPMENT CREDIT**

Attach to your Income Tax Return

**SC SCH. TC-18**

(8/21/01)  
3368

**20**\_\_\_\_\_

Name As Shown On Tax Return

SS No. or Fed. EI No.

1. Qualified expenditures for research and development made in South Carolina. . . . . \$ \_\_\_\_\_
2. 5% (Credit Rate) . . . . . x \_\_\_\_\_ .05
3. Research and Development Credit (Line 1 x Line 2) . . . . . \_\_\_\_\_
4. Research and Development Credit carry-overs from previous years (attach schedule) . . . . . \_\_\_\_\_
5. Total Research and Development Credit before limitations (Line 3 + Line 4). . . . . \_\_\_\_\_
6. Remaining Tax Liability (after other credits but before taking  
Research and Development Credit). \_\_\_\_\_  
50% limitation x \_\_\_\_\_ .50  
Research and Development Credit Limitation . . . . . \_\_\_\_\_
7. Enter the lesser of line 5 or line 6. This is your allowable Research and Development Credit.  
Enter this amount on the appropriate tax credit schedule. . . . . \$ \_\_\_\_\_
8. Carry-over to future years (Line 5 - Line 7). . . . . \$ \_\_\_\_\_

**GENERAL INSTRUCTIONS**

A credit is allowed against the South Carolina corporate income tax of section 12-6-530 or the license fee of section 12-20-50 for corporations claiming a research and development tax credit (pursuant to Section 41 of the Internal Revenue Code) on their Federal Corporate tax return. The credit is 5% of the Corporation's qualified research expenses (as defined by Internal Revenue Code Section 41(b)) for the taxable year which are made in South Carolina.

The research and development credit taken in any one taxable year may not exceed fifty percent of the taxpayer's remaining tax liability after all other credits have been applied. Any unused credit may be carried over to the immediately succeeding taxable year, except that the credit carry-over may not be used for a taxable year that begins on or after ten years from the date of the qualified expenditure. Credit is effective for tax years beginning after June 30, 2001. For more information see South Carolina Code Section 12-6-3415.

**Social Security Privacy Act Disclosure**

It is mandatory that you provide your social security number on this tax form if you are an individual taking this credit. 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 117-1 mandates that any person required to make a return to the SC Department of Revenue shall provide identifying numbers, as prescribed, for securing proper identification. Your social security number is used for identification purposes.