**South Carolina General Assembly**

125th Session, 2023-2024

**S. 694**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Talley

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Introduced in the Senate on March 29, 2023

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

Summary: Qualified Recycling

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 3/29/2023 Senate Introduced and read first time (Senate Journal‑page 5)

 3/29/2023 Senate Referred to Committee on **Finance** (Senate Journal‑page 5)

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**VERSIONS OF THIS BILL**

[03/29/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/694_20230329.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 12‑6‑3460, RELATING TO DEFINITIONS FOR THE SOUTH CAROLINA INCOME TAX ACT, SO AS TO PROVIDE THAT THE MINIMUM LEVEL OF INVESTMENT FOR A QUALIFIED RECYCLING FACILITY MUST BE AT LEAST ONE HUNDRED MILLION DOLLARS AND TO PROVIDE THAT BATTERIES, SOLAR PANELS, TURBINES, AND RELATED STRUCTURES MAY BE DEFINED AS POSTCONSUMER WASTE MATERIAL; AND BY AMENDING SECTION 12‑6‑3360, RELATING TO JOB TAX CREDITS SO AS TO INCENTIVIZE ELIGIBLE BUSINESSES TO CONDUCT BUSINESS IN OR EXPAND TO THIS STATE FOR THE PURPOSE OF PRODUCTION OF VARIOUS TECHNOLOGIES.

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

SECTION 1. Section 12‑6‑3460(A) of the S.C. Code is amended to read:

 (A) As used in this section:

 (1) “Investment” means the total cost of acquisition, construction, erection, and installation of all real and personal property, whether owned or leased including, but not limited to, all realty, improvements, leasehold improvements, buildings, machinery, and office equipment, which is at any time incorporated into or associated with a qualified recycling facility.

 (2) “Recycling property” means all real and personal property, whether owned or leased including, but not limited to, all realty, improvements, leasehold improvements, buildings, machinery, and office equipment, incorporated into or associated with a qualified recycling facility.

 (3) “Qualified recycling facility” means a facility certified as a qualified recycling facility by a duly authorized representative of the department which includes all real and personal property incorporated into or associated with the facility located or to be located within this State that will be used by the taxpayer to manufacture or fabricate products for sale composed of at least fifty percent postconsumer waste material by weight or by volume. The minimum level of investment for a qualified recycling facility must be at least three one hundred million dollars incurred by the end of the fifth calendar year after the year in which the taxpayer begins construction or operation of the facility.

 (4) “Postconsumer waste material” means any product generated by a business or consumer which has served its intended end use and which has been separated from the solid waste stream for the purpose of recycling and includes, but is not limited to, scrap metal and iron, and used plastics, paper, glass, batteries, solar panels, turbines, and related structures, and rubber.

SECTION 2. Section 12‑6‑3360 of the S.C. Code is amended by adding:

 (Q)(1) Notwithstanding any other provision of law, to recruit an eligible business to this State or to expand in this State, and subject to approval by the Joint Bond Review Committee, the Secretary of Commerce is authorized to allow an eligible business to sell, exchange, or otherwise transfer tax credits earned pursuant to this section. A tax credit or increment of a tax credit may be transferred only once. The credit may be transferred to any taxpayer. A taxpayer to whom a credit has been transferred may use the credit for the taxable year in which the transfer occurred and unused amounts may be carried forward to succeeding taxable years, but the transferred credit may not be used more than ten years after it was originally earned. Regarding the sale or exchange of a credit allowed under this section, general income tax principles apply for purposes of the state income tax.

 (2) For purposes of this section, an eligible business is a business that is:

 (a) headquartered in this State; or

 (b) whose primary business is in:

 (i) research and development;

 (ii) the production of microchips, semiconductors, or circuit boards and other electronic components;

 (iii) the production of pharmaceuticals, including active pharmaceutical ingredients;

 (iv) advanced manufacturing;

 (v) life sciences; or

 (vi) new, emerging, or high technologies.

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

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