



**CREDIT FOR A CERTIFIED HISTORIC STRUCTURE
PLACED IN SERVICE AFTER JUNE 30, 2003**

Attach to your Income Tax Return

20_____

Name As Shown On Tax Return

SS No. or Fed. EI No.

1. Enter the amount of qualified rehabilitation expenditures under IRC Section 47 made to a property located in SC, placed in service during this tax year.
2. Enter 10% of the amount on line 1. This is the credit amount earned in the current year.....
3. Enter 20% of line 2 if the property was placed in service during this tax year; OR enter the installment amount from line 3 of a previous year's TC-21 if the property was placed in service before this year. This is your annual installment amount.....
4. Enter the amount carried forward from previous tax years.
5. Add lines 3 and 4. Enter this amount on the appropriate tax credit schedule.....
6. Enter your current year tax liability.....
7. Enter the lesser of lines 5 and 6.....
8. Subtract line 7 from line 5. This is your credit carryover to future years.....

INSTRUCTIONS

The certified historic structure credit is available against income tax or corporate license tax for "qualified rehabilitation expenditures" to a "certified historic structure," as those terms are defined in IRC Section 47 and applicable treasury regulations. The credit is available if the expenditures are incurred in taxable years beginning after 2002 and if the property is placed in service after June 30, 2003. A rehabilitation project must meet all requirements for the federal 20% income tax credit under IRC Section 47.

For a period of up to five years, additional work done by the taxpayer must be consistent with the Secretary of the Interior's Standards for Rehabilitation. The State Historic Preservation Officer may review additional work and has the right to inspect. Additional work that the State Historic Preservation Officer deems inconsistent with the Standards for Rehabilitation will result in forfeiture of any unused credit amount, including any amounts carried forward.

The taxpayer may appeal to the State Review Board to review any determination by the State Historic Preservation Officer.

Complete a **separate TC-21 for each rehabilitated property**. Attach a copy of the appropriate federal forms showing the amount of federal rehabilitation expenditures claimed.

Complete TC-22 if claiming a credit for rehabilitation expenses for a certified historic residential structure.

LINE 1: Enter the amount of rehabilitation expenditures that qualify under IRC Section 47, made to a certified historic structure located in South Carolina, placed in service during this tax year.

LINE 2: The SC credit amount is 10% of the amount qualifying under IRC Section 47.

LINE 3: The credit is claimed in equal installments over a 5-year period beginning with the tax year that the property is placed in service. Enter 20% of line 2 on line 3. If the property was placed in service in a prior year, enter the amount from line 3 of last year's TC-21.

LINE 4: Annual installments that exceed a taxpayer's tax liability can be carried forward for five consecutive years.

LINE 5: The total available credit is the amount of this year's annual installment plus any amount carried forward from prior years.

LINE 6: The allowable credit cannot exceed this year's tax liability.

LINE 7: The allowable credit is the lesser of the available credit and this year's tax liability.

LINE 8: The amount of available credit you are unable to use this tax year is the amount you are allowed to carry forward for five consecutive years.

NOTE: When earned by an 'S' corporation owing corporate level income tax, the credit must be used first at the entity level. Any remaining credit passes through to each shareholder in a percentage equal to each shareholder's percentage of stock ownership.

For tax years beginning after 2004, when earned by a general partnership, limited partnership, limited liability company or any other entity taxed as a partnership pursuant to Subchapter K of the Internal Revenue Code, the credit must be passed-through to its partners and may be allocated among any of its partners. In a manner agreed to by the partners, an allocation of the entire credit to one partner is allowable.

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 117-201 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.

The Family Privacy Protection Act

Under the Family Privacy Protection Act, the collection of personal information from citizens by the Department of Revenue is limited to the information necessary for the Department to fulfill its statutory duties. In most instances, once this information is collected by the Department, 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.