

INSTRUCTIONS FOR I-319 (TUITION TAX CREDIT) (Rev. 8/8/13)

Qualifying Colleges and Universities

4-Year Public Institutions (Credit - 25% of tuition paid, not to exceed \$850 per tax year)

The Citadel, Clemson University, Coastal Carolina University, College of Charleston, Francis Marion University, Lander University, Medical University of SC, South Carolina State University, University of South Carolina, USC Aiken, USC Beaufort, USC Upstate, Winthrop University

4-Year Independent Institutions (Credit - 25% of tuition paid, not to exceed \$850 per tax year)

Allen University, Anderson University, Benedict College, Bob Jones University, Charleston Southern University, Claflin University, Coker College, Columbia College, Columbia International University, Converse College, Erskine College, Furman University, Limestone College, Morris College, Newberry College, North Greenville University, Presbyterian College, Southern Wesleyan University, Voorhees College, Wofford College

* **Qualifying tuition is limited to \$10,467 per school year.**

2-Year Institutions (Credit - 25% of tuition not to exceed \$350 per tax year)

Aiken Technical College, Central Carolina Technical College, Denmark Technical College, Florence-Darlington Technical College, Greenville Technical College, Horry-Georgetown Technical College, Midlands Technical College, Northeastern Technical College, Orangeburg-Calhoun Technical College, Piedmont Technical College, Spartanburg Methodist College, Spartanburg Community College, Technical College of the Lowcountry, Tri-County Technical College, Trident Technical College, USC Lancaster, USC Salkehatchie, USC Sumter, USC Union, Williamsburg Technical College, York Technical College

Credit Hours Requirements

Annual Credit Hours Requirement

A student attending both the spring and fall semesters at any college or university must complete an annual requirement of **30** credit hours.

Semester Credit Hours Requirement

A student attending one but not both of the spring and fall semesters must complete a semester credit hours requirement. Except when enrolled in one of the colleges below, the semester requirement is **15** credit hours during the semester attended. The exceptions are:

COLLEGE	SEMESTER CREDIT HOURS REQUIRED
Converse	12
Erskine	13
Wofford	12

Summer credit hours may not be included in arriving at the **semester** requirement for credit hours.

NOTE: The tuition tax credits may not be claimed for more than four consecutive years after the date of enrollment in an eligible institution. However, additional time may be granted due to medical necessity as defined by the Commission on Higher Education.

Tuition Limit Information

What is the tuition limit?

A tuition limit (\$10,467 for 2013) applies to students at **independent** 4-year colleges and universities. The tuition limit is the average tuition paid to public 4-year colleges and universities other than technical or research schools. The tuition limit is determined each year by the South Carolina Commission on Higher Education. If the student in 2013 did not attend a full year of college, the tuition limit is recalculated by multiplying \$10,467 by the credit hours that apply to all terms attended, and divided by the annual 30 hour requirement.

Except at the colleges below, a \$5,234 tuition limit applies when a student attends one but not both of the spring and fall semesters. \$5,234 equals the \$10,467 annual tuition limit multiplied by the semester requirement of 15 credit hours and divided by the annual requirement of 30 credit hours. For each of the following, when a student attends one but not both of the spring and fall semesters, the tuition limit is multiplied by the total credit hours assigned to all terms attended and divided by the annual requirement of credit hours:

COLLEGE	SEMESTER	+	INTERIM/OTHER
Converse	12		6
Erskine	13		3
Wofford	12		4

Example: Student, a senior at Converse in 2013, attends interim and completes 12 credit hours in the spring semester before graduating. The credit hours assigned to the terms attended are 6 for the interim plus 12 for the spring semester for a total of 18. Student's tuition limit is $(18/30) \times \$10,467 = \$6,281$.

Information For Students With Disabilities

Eligible institutions may authorize equivalent credit hours for those students with a disability as certified under the Americans with Disability Act and Section 594 of the Rehabilitation Act of 1973. SC Commission on Higher Education **Form CHE-400 (Students with Disabilities Tuition Tax Credit Verification)** is available at www.sctax.org and must be attached to your return.

Other Information

1. What if tuition is paid by more than one person?

If an eligible student and a qualifying individual have both contributed to paying qualified tuition, then each may claim the credit in an amount equal to the total credit, multiplied by the amount of qualified tuition paid by each, divided by the amount paid by both. Complete one I-319 for all who contributed. To determine each individual's credit, multiply the total credit by the tuition paid by the individual and divide by the amount shown on line 6. Attach a copy of the I-319 to each return.

Example: Student pays \$1,500 in tuition. Parent pays the remaining \$7,000. If together they are entitled to the maximum \$850 credit, Student is entitled to \$150, and Parent is entitled to \$700.

2. When may an ineligible student later become eligible?

A student in default of a student loan may qualify for those terms beginning after the student pays off the loan. A student who loses a LIFE or Palmetto Fellows Scholarship may qualify for those terms beginning after the loss of the scholarship. A student who qualifies for in-state tuition after enrollment may qualify for those terms to which the in-state tuition applies. A student ineligible in the spring semester who becomes eligible for the fall semester must complete the annual requirement for credit hours.

3. What credit limit (\$350 or \$850) do I use if the student attends 2-year and 4-year institutions within the same tax year?

A student who qualifies to include credit hours from 2-year and 4-year institutions within the same taxable year has a maximum credit amount of \$850.

4. When a student qualifies by completing the semester requirement of credit hours, does tuition for non-semester credit hours qualify for the credit?

You may claim tuition paid for non-semester credit hours only if the student is seeking a degree from the school offering the course and if the student graduated from high school before the course began. A student seeking a degree at one college or university may transfer to another college or university in order to seek a degree and qualify at both schools.

5. How long may I claim the credit?

The student must enroll in an eligible institution within 12 months of graduating from high school. The credit is available for 4 consecutive years from the date of enrollment, whether the student takes a break or not.

6. To which year does the payment apply?

The tuition must be claimed in the year in which it is paid. The tuition qualifies for the credit if the student qualifies for the credit in the year of payment.

7. May a nonresident claim the credit?

A nonresident taxpayer may claim the credit, as long as the qualifying student is a resident. The student must be eligible for in-state tuition and fees. In-state eligibility requires a student to establish domicile in South Carolina.

8. Does a student or qualified individual have to pay taxes in order to claim the credit?

The tuition tax credit is refundable, which means that you may claim it even without having a South Carolina income tax liability.

9. Is the credit phased out for higher income taxpayers?

The credit does not phase out for higher income taxpayers.

10. May a student who transfers from out of state to an in-state college or university become eligible?

The student could only become eligible by enrolling in the in-state college or university within 12 months of graduating high school and by qualifying for in-state tuition.

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.