

# ESSENTIAL INFORMATION FOR FORM ST-455 (Rev. 7/12/11)

Please read carefully and keep this information in a convenient place for future reference.

## INTRODUCTION

The South Carolina Department of Revenue requires taxpayers to report their taxes on Form ST-455 and Form ST-389, if applicable.

Form ST-455 is preprinted with your:

- Business Name
- Address
- Retail License Number or Purchaser's Certificate (Use Tax Registration)
- Federal Employer Identification Number
- Period covered

Please draw a line through any incorrect information, enter corrections and check box on your return. If it is necessary to use a blank form, be sure to indicate the information listed above or other identifying information (social security number).

## FILING REQUIREMENTS

If you have a retail license or use tax registration, you are required to file a tax return even if there is no tax due for the period. **When filing "No Sales" returns, please enter zeroes on lines 1, 1A and 3 of Column A, B and C only on the ST-455 Form. See Business Tax Telefile instructions for filing zero returns/electronically.**

## FORMS TO FILE

**Form ST-455 (Sales, Use, Maximum Tax and Special Filer Tax Return)**

This form should be used for reporting the following taxes:

- State Sales and Use Tax
- Maximum Tax Sales and Sales Subject to 5% Tax Rate
- Local Taxes

**ST-389 (Schedule for Local Taxes)** This form is used to report the appropriate local sales and use tax to a local jurisdiction (county or municipality, etc.) and the tribal sales tax based upon sales or deliveries within the jurisdiction.

**The following taxes are required to be reported on the Form ST-389:**

- Capital Project
- Catawba Tribal
- Education Capital Improvement
- Local Option
- School District
- Tourism Development
- Transportation

### Local Sales Tax

SC Law allows the imposition of various types of local sales and use taxes. Some are administered by the Department of Revenue on behalf of the counties, municipalities, school districts and the Catawba Indian Tribal Government. However, some local taxes (Local Accommodations and Hospitality Tax) are collected directly by the counties and are not reported on the Form ST-389. The form ST-389 is used to report local taxes collected by the Department by county and municipality or only by county or only by municipality.

If your business is located in a local jurisdiction (county, municipality, etc.) that is imposing a local tax in addition to the State's Sales and Use Tax, Form ST-389 must be filed with the appropriate state sales and use tax return (i.e., ST-455) even if the local tax due is zero. The zero **must be placed** beside the appropriate county or jurisdiction code on Form ST-389.

If your business is collecting and reporting another county's or jurisdiction's local taxes, Form ST-389 is required to be filed to designate the appropriate amount of local tax to a county or jurisdiction. For information relating to circumstances in which a retailer must remit a county's or jurisdiction's tax, see the ST-389 instructions or visit our website [www.sctax.org](http://www.sctax.org) to obtain a current copy of the Department's Advisory Opinions which discuss the types of local taxes imposed and exemptions allowed under each local tax.

**Catawba Tribal Sales – See chart on back of ST-389 for further explanation**

The Tribal Sales Tax is imposed on the delivery of tangible personal property onto the reservation by retail locations in South Carolina when the sale is greater than \$100. If the sale (delivery on the reservation) is \$100 or less, then the Tribal Sales Tax does not apply and only the 6% State sales tax applies (not local taxes). The Tribal Sales Tax is also imposed on the delivery of tangible personal property on the reservation by retail locations located on the reservation, regardless of the amount of the sale. The Tribal Sales Tax is not imposed on deliveries onto the reservation by retail locations located outside of South Carolina and registered with the Department to collect the State tax; however, these deliveries are subject to the 6% state use tax (not local taxes).

Sales subject to the Catawba Tribal Sales Tax must be included with all other sales in gross proceeds on Line 1 of worksheet on the applicable state sales and use tax return (i.e., ST-3, ST-388, ST-403, ST-455 or ST-501) but are deducted on the allowable deduction line (s) of the state sales and use return worksheet. The sales are also included on line 1 of the ST-389 local tax worksheet. Remember, individual sales made onto the reservation of \$100 or less by retailers located off the reservation are subject to the State sales tax and would not be deducted in this manner.

## WHEN TO FILE

**Sales tax returns are due on or before the twentieth (20th) day of the month following the close of the period covered.** You must file a tax return for every tax reporting period, even if no tax is due for the period. This will keep your account current and prevent your receiving delinquent notices. For example:

**Monthly filers: (Return must be received/postmarked by the 20th)**

- January reporting period - submit return no later than February 20.
- February reporting period - submit return no later than March 20.
- March reporting period - submit return no later than April 20, etc.
- December reporting period - submit no later than January 20 (of the next year).

**Quarterly Filers: (Return must be received/postmarked by the 20th)**

- First Quarter (January, February, March) reporting period - no later than April 20.
- Second Quarter (April, May, June) reporting period - no later than July 20.
- Third Quarter (July, August, September) reporting period - no later than October 20.
- Fourth Quarter (October, November, December) reporting period - no later than January 20 (of the next year).

**Annual Filers: (Sales for the entire year)**

The December return must be received/postmarked no later than January 20 (of the next year).

**Seasonal Filers:** Seasonal filers are required to file returns only for those months scheduled to be reported. Returns must be received/postmarked no later than the 20th of the next month.

To request a change in your filing status (monthly, quarterly, annual, or seasonal) a written request to the South Carolina Department of Revenue is needed.

**If the return is not filed and/or any taxes due are not paid by the twentieth day of the month due, no taxpayer discount will be allowed, and the return is considered delinquent; applicable penalties and interest must be calculated and paid, or an assessment will be issued.**

## CHANGE IN OWNERSHIP

Any change in ownership will require a new application for retail license. The new ownership will be required to complete a Business Tax Application, Form SCTC-111 and remit the appropriate fee.

## CHANGE OF LOCATION

Any change of location will require written notification be sent to the Department of Revenue by submitting Form SC8822 or visit our website: [www.sctax.org](http://www.sctax.org) and look under Business One Stop.

## CLOSING YOUR BUSINESS

When closing or selling your business you are required by South Carolina law to **return your Sales and Use Tax license** to the South Carolina Department of Revenue indicating the date of closing. You must file all returns and pay all taxes due. Complete enclosed Form C-278 when closing your business. If you sell your business, the new owner will not be issued a new license until taxes due for that location have been paid.

## CLAIM FOR REFUND (ST-14): NO CREDITS

If you have overpaid your sales/use tax on your return, you should file a claim for refund in the form of a letter or by using the form ST-14, Claim for Refund, and file amended (corrected) figures for the periods requested. **Do not take a credit on the sales and use tax return for any overpayments.** The claim for refund should specify: the name, address, and telephone number of the taxpayer or contact person; the appropriate taxpayer identification number(s); the tax period or date for which the tax was paid; the nature and kind of tax paid; the amount which is claimed as erroneously paid; a statement of facts and documentation supporting the refund position; a statement outlining the reasons for the claim, including any law or other authority upon which you rely; and, any other relevant information that the Department may reasonably require.

# STEP-BY-STEP INSTRUCTIONS FOR ST-455 (Rev. 7/12/11)



Please read this section before completing your form.

If you have a retail license or use tax registration you are **required to file** a tax return **even** if there is **NO TAX DUE** for the period.

WHEN FILING "NO SALES" RETURNS, please enter zeroes on Lines 1, 1A, and 3 of Column A and B only on the ST-455.

**COMPLETE THE SALES AND USE TAX WORKSHEETS ON THE BACK OF THE ST-455 BEFORE MAKING ENTRIES ON LINES 1 THROUGH 10.**

**IMPORTANT:** If it is determined that no entry is needed on a line, PLEASE LEAVE LINE BLANK. Do not write on the lines that do not pertain to you.

All entries must be typed or hand printed. If using a **non-preprinted form**, see the introduction section under **Essential Information** for form ST-455 for instructions.

The state sales tax rates 5%, 6% and local tax rates must be separately reported on the appropriate tax forms.

## STEP 1

### COMPLETING SALES AND USE TAX GROSS PROCEEDS WORKSHEET #1

#### Lines 1 through 3

##### Line 1: Gross Proceeds of Sales/Rentals and Withdrawals for Own Use

Enter the total amount of all sales (taxable and nontaxable), leases and/or rentals of tangible personal property made by the business for the reporting period. Included in this worksheet are charges made for all items subject to a maximum tax (i.e., motor vehicles, aircraft, boats, and other items subject to a maximum tax), sales of prepared or unprepared foods and all other charges otherwise subject to tax. **DO NOT INCLUDE THE AMOUNT OF SALES TAX COLLECTED.**

You must also report purchases of tangible personal property (merchandise, equipment, etc.) purchased tax free at wholesale, but used by you and/or your employees.

##### Line 2: Out-of-State Purchases Subject to Use Tax

Enter the total purchases of tangible personal property purchased from an out-of-state retailer for use, storage, or consumption in this state if an equal or greater amount of sales tax or use tax was not paid in the other state at the time of purchase. If the tax rate in your county is greater than the tax rate paid out-of-state, contact SCDOR for additional information.

##### Line 3: Total

Add Lines 1 and 2. Enter total here and on Line 1 on the front of ST-455. If local tax is applicable, enter total on line 1 of ST-389 (local tax worksheet).

## STEP 2

### COMPLETING THE 6% SALES AND USE TAX WORKSHEET #2

#### Lines 4 through 9

##### Line 4: Gross Proceeds of Sales/Rentals and Withdrawals of Inventory for Own Use

Enter the total amount of all sales, leases and/or rentals of tangible personal property made by the business (taxable and nontaxable) for the reporting period (i.e., charges made for repair parts, food - prepared or unprepared, etc.). However, sales of items subject to a maximum tax (i.e., motor vehicles, aircraft, boats, and other items subject to a maximum tax) are excluded from this worksheet. Items subject to a maximum tax are reported on Worksheet #3). Nontaxable sales are to be itemized on Line 7 and deducted on Line 8. **DO NOT INCLUDE THE AMOUNT OF SALES TAX COLLECTED.**

You must also report purchases of tangible personal property (merchandise, equipment, etc.) purchased tax free at wholesale, but used by you and/or your employees.

##### Line 5: Out-of-State Purchases Subject to Use Tax

Enter the total purchases of tangible personal property purchased from an out-of-state retailer for use, storage or consumption in this state (not otherwise excluded), if an equal or greater amount of sales tax or use tax was not paid in the other state at the time of purchase.

##### Line 6: Total

Add Lines 4 and 5. Enter total here and on Line 1A, Column A on the front of ST-455.

##### Line 7: Sales and Use Allowable Deductions

South Carolina law provides for a deduction (exemptions and exclusions) from gross proceeds of sales those items specifically exempt from tax. There are full and partial deductions for state tax purposes. To claim a deduction relating to a sale, the sales transaction must be reported on Line 1, 2, 4 and 5 of this worksheet. Enter the type of deduction (see list below) and the dollar amount of the sale. Before any deductions may be itemized (claimed as non taxable on Line 7 of worksheet #2 and/or Line 13 of worksheet #3) on the state sales and use tax return (ST-455), the gross proceeds of sales must be reported on the state tax return worksheet (lines 1, 2 of worksheet #1 and distributed appropriately under worksheets #2 and/or #3). Any amount claimed as a deduction on your return must be itemized in the worksheet. Nontaxable sales claimed in this worksheet section are to be itemized on Line 7 and deducted on Line 8.

The list below is used to identify some of the items that may be shown as a deduction.



**Line 15: Net Sales and Purchases**

Line 12 minus line 14 should agree with line 3, Column B on front of ST-455.

**STEP 4**

**Transferring Sales Tax Worksheet Information to the Front of the ST-455**

**Lines 1 through 2**

**Line 1: Column A, Gross Proceeds of Sales/Rental, Use Tax and Withdrawals of Tangible Personal Property**

Enter the total amount of all sales (taxable and nontaxable), leases and/or rentals made by the business for the reporting period subject to sales tax and use tax. Enter the total from Line 3 of your Worksheet #1. **DO NOT INCLUDE SALES TAX COLLECTED IN THIS AMOUNT.**

**Line 1A: Column A, Gross Proceeds of Sales/Rentals and Withdrawals for Own Use Subject to 6%**

Enter the total amount of all sales (taxable and nontaxable) leases and/or rentals made by the business for the reporting period subject to the 6% tax rate requirements (Total from Line 6 of Worksheet #2).

**Line 1A: Column B, Gross Proceeds of Sales/Rentals and Withdrawals for Own Use. Items Subject to a Maximum Tax in this Total**

Enter the total amount of all sales subject to a 5% tax requirements and be sure to include charges for items subject to a maximum tax if sold. (Total from Line 12 of Worksheet #3).

**Line 2: Column A, Total Amount of Deductions**

Enter the total amount of deductions from sales tax worksheet (back of return) to the front of return as follows:

- Line 8 of Worksheet #2 (back of return) to Line 2 of Column A (front of return)
- Line 14 of Worksheet #3 (back of return) to Line 2 of Column B (front of return)

**STEP 5**

**CALCULATION OF TAX ON FRONT OF ST- 455**

**Lines 3 through 8**

**Line 3: Net Taxable Sales**

Line 2 minus Line 1A of Column A and/or B.

**Line 4: Tax Due**

Multiply Line 3 amount by the tax rate shown at the head of each column and enter results on Line 4 of proper column. (i.e., Column A tax rate is 6% and B tax rate is 5%.)

**Line 5: Taxpayer's Discount**

A taxpayer's discount may be claimed when the return is filed and the tax due is paid in full on or before the due date of the return. No discount is allowed if the return or payment is received after the due date. The discount is computed as follows:

If your combined tax liability (Line 4, Columns A and B of ST-455 and Line 2, Column B last page of ST-389) is less than \$100, the discount rate is 3% (.03) of Line 4 for each column. If the total is \$100 or more, the discount rate is 2% (.02) of Line 4 for each column, Columns A and B. Deduct this percentage (%) amount from Line 4, Columns A and B.

**Note:** Discounts are not allowed to exceed \$3,000 per taxpayer (for all locations) during any one South Carolina fiscal year, which covers payments made from July 1 through June 30. This includes all returns which become due during this period (returns for June through May). The \$3,000 maximum includes the total discounts for sales/use, accommodation tax and local taxes. Taxpayers who file and pay electronically are allowed a \$3,100 maximum discount.

**Line 6: Balance Due**

Line 4 minus Line 5 of Column A and B.

If your tax return is late (filed and/or paid) complete Line 7 through 8. If not late, complete Line 8 of each column that applies.

**Line 7: Penalty**

Enter the total penalty for each column, from calculations below or visit our website: [www.sctax.org](http://www.sctax.org)>Penalty and Interest Calculator

**PENALTY FOR FAILURE TO FILE A RETURN:** Five percent (.05) of the amount of tax due (from Line 4 for each column on the front of the return) for each month or fraction of a month of delinquency, not to exceed twenty-five percent (.25) of the amount of tax due.

**PENALTY FOR FAILURE TO PAY TAX DUE:** The penalty is one-half of one percent (.005) of the amount of tax due (the total of Line 4 for each column on the front of the return) for each month or fraction of a month of delinquency, not to exceed a total of twenty-five percent (.25) of the amount of tax due. The penalty for failure to file and pay must be combined and entered as a total on Line 7.

**Line 7A: Interest**

Enter calculations of interest for each column. Visit our website, [www.sctax.org](http://www.sctax.org) to use our online P and I Calculator.

Interest is assessed in accordance with Sections 6621 and 6622 of the Internal Revenue Code. Rates are based on the prime rate, subject to change quarterly and are compounded daily.

**Line 7B: Penalty and Interest**

Enter the total Penalty and Interest (Line 7 and 7A) for each Column (A and B.)

**Line 8: Amount Due**

Enter the total of Line 6 and Line 7B for each Column (A and/or B).

**Line 8A: Total Sales and Use Tax Due**

Enter the combined total of Line 8, Columns A and B.

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<b>STEP 6</b>	<b>ENTERING TAX FROM ST-389 TO ST-455</b>
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**REMINDER: ST-389 must be completed and attached for all additional taxes. If this section does not apply, go to line 10 of the ST-455.**

**Line 9: Tax Due from ST-389**

Enter total from Column D on Line 5 of page 7 of 8 of Form ST-389.

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<b>STEP 7</b>	<b>DETERMINE TOTAL AMOUNT DUE</b>
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**Line 10: Total Amount Due**

Enter total of Line 8A and Line 9.

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<b>STEP 8</b>	<b>SIGNATURE</b>
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Sign and date your return on the back of the ST-455.

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**DON'T FORGET** Returns are past due after the 20th of the month.

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If you are not using preprinted forms and it is necessary to use blank forms, be sure to include your social security number or Federal Employer Identification Number (FEIN) in the label section.

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**Social Security Privacy Act Disclosure**

It is mandatory that you provide your social security number on this tax form. 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.