



STATE OF SOUTH CAROLINA  
DEPARTMENT OF REVENUE  
**PORT CARGO VOLUME INCREASE CREDIT  
AGAINST EMPLOYEE WITHHOLDING**

BUSINESS NAME AND ADDRESS

SC WITHHOLDING NO.

QUARTER

Business name and address input area with corner brackets.

SC Withholding No. input area with horizontal line.

FEIN

Quarter selection area with checkboxes for 1st, 2nd, 3rd, and 4th Quarter.

YEAR \_\_\_\_\_

**Use this form to claim the credit against employee withholding.  
Use TC-30 if claiming an income tax credit.**

**Part I. Withholding**

Use your quarterly withholding return to complete this section.

- 1. SC state income tax deposits reported in the quarterly withholding return. \_\_\_\_\_
- 2. SC Tax Due payments reported in the quarterly withholding return. \_\_\_\_\_
- 3. Total SC state income tax deposits and payments. (Line 1 + Line 2) \_\_\_\_\_
- 4. SC Refund claimed in the quarterly withholding return. \_\_\_\_\_
- 5. **Net Available Withholding** (Line 3 - Line 4) \_\_\_\_\_
- 6. Amount of non-employee (1099) withholding reported in the current quarterly withholding return. \_\_\_\_\_
- 7. Current available employee (W-2) withholding for Port Cargo Employee Withholding Credit. (Line 5 - Line 6) \_\_\_\_\_

**Part II. Port Cargo Withholding Credit**

- 8. Enter the amount of credit against employee withholding, as certified this year by the Coordinating Council for Economic Development. \_\_\_\_\_
- 9. Total Port Cargo Credit used in **prior** quarter(s) of the current year where applicable.  
    **First Quarter** (Jan – Mar) \_\_\_\_\_  
    **Second Quarter** (Apr – Jun) \_\_\_\_\_  
    **Third Quarter** (Jul – Sep) \_\_\_\_\_

10. Available Port Cargo Volume Increase Credit for the current quarter. (Line 8 - Line 9.) \_\_\_\_\_

**Part III. Refund Amount**

11. Enter the lesser of Line 7 and Line 10.  
This is the amount of Port Cargo Credit refunded for the current quarter. \_\_\_\_\_

**Part IV. Carry Forward**

12. This is the amount of your unused credit. (Line 10 - Line 11)  
Unused Port Cargo Withholding Credits can be carried forward for up to 20 quarters. \_\_\_\_\_

When signing this form, it is important that the information contained in your report be correct and complete. To wilfully furnish a false or fraudulent statement to the Department is a crime. Complete all information below.

**Sign Here** Signature \_\_\_\_\_ Name \_\_\_\_\_ Date \_\_\_\_\_

Telephone (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ Email \_\_\_\_\_ Title \_\_\_\_\_

Mail to: South Carolina Department of Revenue, Special Withholding Columbia, SC, 29214-0071

## GENERAL INSTRUCTIONS

A taxpayer engaged in any of the following: manufacturing, warehousing, freight forwarding, freight handling, goods processing, cross docking, transloading, wholesaling of goods or distribution, exported or imported through port facilities in South Carolina and which increases its port cargo volume at these facilities by a minimum of 5% in a single calendar year over its base year port cargo volume is eligible to claim an income tax credit or a credit against employee withholding. Under SC Code Section 12-6-3375, certain types of taxpayers who increase their SC port cargo volume by 5% or more in a single calendar year may apply to the Coordinating Council for Economic Development for a tax credit. The Council in its discretion determines the amount and type of tax credit (against either income tax or employee withholding). WH-1670 is specifically for the Port Cargo Volume Increase Credit against employee withholding. Use TC30 if the credit is against income tax. Effective for tax years beginning after December 31, 2013, unused withholding tax credits may be carried forward and claimed against withholding employee withholding for up to 20 quarters.

Section 12-6-3375(D) allows the Council in its discretion to award up to \$1 million of withholding credit a year to a new warehouse or distribution facility which commits to expending at least \$40 million at a single site and creating 100 new full-time jobs, and the base year cargo shall not be less than 5,000 TEUs or its non-containerized equivalent. The Council may make the award in the year the facility is announced provided that it may not tender the certificate until it has received satisfactory proof that the capital investment and job creation requirements have, or will be, satisfied.

Section 12-6-3375(E) allows the Council in its discretion to award credit to a taxpayer engaged in moving goods imported or exported through SC port facilities if the cargo supports a presence in the State, the taxpayer does not have a distribution center in the State, employs 250 or more full-time or full-time equivalent South Carolinians statewide, completes the construction of the SC distribution facility and is operational within 5 years of the initial approval, and has a base year of at least 5,000 TEUs or its non-containerized equivalent.

**Repayment of credit required:** Credit certificates under Section 12-6-3375(D) and (E) expire after 3 years if satisfactory proof has not been received. A taxpayer failing to meet the requirements of Section 12-6-3375(D) at the end of the 3-year period, or the requirements of Section 12-6-3375(E) at the end of the 5-year period, must repay the department a pro rata portion of the credits claimed.

### Form Instructions

Enter your name, address, South Carolina Withholding Number, and Federal Employer Identification Number.

Place an X in the box for the appropriate quarter and enter the year.

#### Part I. Withholding

- Line 1 Enter the amount from line 2 of WH-1605 or line 4 of WH-1605Z of the corresponding quarter when claiming first, second or third quarter credit. Enter the amount from line 2 of WH-1606 or line 4 of the WH-1606Z when claiming credits in the fourth quarter.
- Line 2 Enter the amount paid from line 4 of WH-1605 or line 6 of WH-1605Z of the corresponding quarter when claiming first, second or third quarter credit. Enter the amount paid from line 4 of WH-1606 or line 6 of the WH-1606Z when claiming credits in the fourth quarter.
- Line 3 Add Lines 1 and 2.
- Line 4 Enter the amount from line 3 of WH-1605 or line 5 of WH-1605Z of the corresponding quarter when claiming first, second or third quarter credit. Enter the amount from line 3 of WH-1606 or line 5 of the WH-1606Z when claiming credits in the fourth quarter.
- Line 5 Subtract Line 4 from Line 3.
- Line 6 Enter non-employee (1099) withholding amount in Line 1 of WH-1605, WH-1606, WH-1605Z or WH-1606Z that was reported in the current quarter.
- Line 7 Subtract Line 6 from Line 5.

#### Part II. Port Cargo Volume Increase Credit

- Line 8 Enter Port Cargo Volume Increase Credit approved by Department of Commerce as a credit against employee withholding.
- Line 9 Enter the total Port Cargo Volume Increase Credit used in all prior quarters during this tax year. Show the amount for each quarter in the lines below line 9.
- Line 10 Subtract Line 9 from Line 8.

#### Part III. Refund Amount

- Line 11 Enter the lesser of Line 7 and Line 10. This is the Port Cargo Credit refund for the current quarter.

#### Part IV. Credits Carried Forward to the Next Quarter

- Line 12 Subtract Line 11 from Line 10. This is the amount of your unused credit. Effective for tax years beginning after December 31, 2013, unused Port Cargo Volume Increase Credits against employee withholding can be carried forward and used against employee withholding tax for up to 20 quarters.

**For Assistance:**  
**Contact the SC DOR Withholding Section**  
**Telephone (803) 896-1450**  
**Email: WITHHOLDTAX@sctax.org**