



Helping Companies Conduct Business

Qualifying companies may take advantage of one of two county incentive programs designed to help businesses thrive. The incentive programs are based on total investment.

- Five-statutory abatement
- Fee-in-lieu-of-tax (FILOT) negotiated
- Other options may be considered based on capital and new job creation.

Property Tax Abatement – Statutory

South Carolina provides a property tax abatement to new or existing companies making new capital investments in the state.

Purpose: Reduce tax burden when new assets are at their greatest value

Value: Approximately 20 percent to 25 percent tax reduction annually for five years on new capital investment

Requirements:

- Invest greater than \$50,000 in new capital expenditures in one year
- Company must be involved in manufacturing, research and development, corporate headquarters, or distribution/warehouse facilities
- If other than manufacturer or R&D, must create at least 75 new jobs
- File tax return/PT-300 to S.C. Dept. of Revenue; deduction is automatic.
- See S.C. Department of Revenue website for more information: www.sctax.org.

Mechanics:

- The abatement is given for five years – years two through six and is a waiver of the county's operating portion (presently 109.8 mills) of property tax.
- Abbeville County Millage Rate: 346.9 mills

Property Tax: Value x Assessment Ratio x Millage

Fee-in-Lieu of Property Tax – Negotiated

A company may also negotiate with Abbeville County for a Fee-in-Lieu of Property Taxes (FILOT) agreement with final review and consent determined by the Abbeville County Council.

Purpose: Reward substantial investment by reducing tax burden over the long-term while simultaneously insulating the qualified company from any annual property tax increases for either five-year increments or the full length of the agreement.

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Value: Approximately 42 percent tax reduction annually from 20 years up to 30 years on new capital investment occurring in a five-year investment window.

Requirements:

- Company must be manufacturer, warehouse/distributor or an office/headquarters
- Commit to significant new investment over five years
- Project must be competitive with other locations

Mechanics: May lower assessment ratio from 10.5 percent to as low as 6 percent on real and personal property for manufacturers. For distribution, headquarters and corporate offices, the assessment ratio can be reduced from 10.5 percent to as low as 6 percent on personal property since non-manufacturing real property is already assessed at 6 percent. May lock millage rate from 20 up to 30 years or adjust it every five years.

A bond/incentive attorney must prepare legal documents for submission to Abbeville County for review and final approval.

Abbeville County may also further reduce annual real and personal property tax liability for qualifying companies.