

Legislative Alert

South Carolina Enhances Incentives for Data Centers and Office Projects

Atlas Insight assists companies from all industry sectors and geographies to negotiate and secure tax credits and incentives for business investment and job creation/retention.

The professionals at Atlas Insight are industry leaders in the field of corporate site selection and incentive procurement.

We help to choose locations for all types of business facilities that meet the long-term needs of those operations, while helping to achieve overall corporate goals.

Our team has extensive experience in all corporate sectors and has consulted on many sensitive projects for some of the world's largest corporations. We strive for excellence with every client.

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South Carolina Incentive Enhancements

Details of New Legislation

On June, 7th, South Carolina Governor Nikki Haley signed into law new legislation enhancing the incentives targeting data centers and office projects. Upon the Governor's signature, **the Act provides a sales tax exemption for qualifying data center projects and eases the job creation requirements for service related facilities qualifying for the job tax credit.**

Data Centers

An ongoing sales tax exemption is now available for original or replacement computer equipment, computer hardware, software purchases and for electricity used by data centers when the following requirements are met:

- Invests of at least \$50 million in real or personal property over five years, or at least \$75 million in real or personal property over five years;
- Creates and maintains at least 25 new full-time jobs over three consecutive years.
- Pays at least 150% of the lower of the state or county per capita wage;

To qualify, a project must be approved by the Department of Commerce prior to commencement.

Qualifying Service-Related & Technology Intensive Facility

South Carolina currently offers one of the most lucrative job creation tax credits in the country. Depending on the County, credits can range from \$7,500 to \$45,000 per job. The credit is limited to a number of very specific facility types. For most facility types a company only needs to create 10 new jobs to qualify; however service related facilities have always had higher job creation thresholds. This Act significantly lowers these thresholds as follows:

New Threshold	Old Threshold	New Qualification
175	250	None
150	N/A	Building is vacant for 12 consecutive months
100	125	Must pay 1.5 times the State or County average wage
50	75	Must pay 2 times the State or County average wage
25	30	Must pay 2.5 times the State or County average wage

Recommend Action:

The experts at Atlas Insight have the experience and resources to navigate through the new enhancements and certification process while ensuring that you receive the maximum benefit possible. Please contact us so that we can determine if your investment would be a good candidate for these incentives.