

Voluntary Disclosure/Administrative: South Carolina DOR Addresses Nexus, Lookback for Noncompliance, and Voluntary Disclosure

Nexus in South Carolina: Nexus FAQ, S.C. Dept. of Rev. (6/24). Providing answers to some frequently asked questions (FAQs) relating to South Carolina income and sales and use tax nexus, the South Carolina Department of Revenue (Department) explains that if a business has nexus but has not filed South Carolina tax returns, they may be subject to South Carolina taxes, penalties, and interest “for periods of ten years or more.” Accordingly, the Department suggests that such noncompliant businesses consider participating in South Carolina’s voluntary disclosure program. For those companies that received a letter from the Department which included South Carolina’s “Business Activities Questionnaire (NX-100) form,” the Department explains: “We have identified” your company as potentially making sales or providing services to customers located in South Carolina,” and “are looking into your company’s activities to determine if Nexus is established for any Sales and Use Taxes and any relevant “Income Taxes.” Responding to how long income tax nexus lasts once established, the Department states that nexus determinations are made on a fiscal year by year basis. Please contact us with any questions.

URL: <https://dor.sc.gov/about/nexus-faq>

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