

Withholding & Non SC Resident Conducting Business in South Carolina

Based on South Carolina Department of Revenue Code Sections 12-8-540 and 12-8-550, when a department utilizes the services of a Non SC Resident individual or business to perform personal services within the State of SC, Coastal Carolina University may be required to withhold a percentage of the payment.

Withholding is not required if the Non Resident taxpayer submits to Coastal Carolina University an [I-312 form](#) that certifies the Vendor is registered with either the SC Secretary of State or the South Carolina Department of Revenue or if the total payments to the Vendor do not meet certain minimum amounts (as noted below).

If the Vendor does not provide Coastal Carolina University with a completed I-312 form and the designated amounts are exceeded, the following percentages must be withheld from the Vendor payment.

Paying Contractors

The South Carolina Department of Revenue Code Section 12-8-550 requires persons hiring or contracting with a Non Resident (not a resident of SC) taxpayer to withhold 2% of each payment made to the nonresident where the payments under the contract exceed \$10,000 or could reasonably be expected to exceed \$10,000.

Paying Rents Or Royalties

Code Section 12-8-540 requires persons making payment to a Non Resident taxpayer of rentals or royalties for SC properties at a rate of \$1,200 or more a year to withhold 7% of the total of each payment made to a Non Resident taxpayer who is not a corporation and 5% if the payment is made to a corporation