



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
**ACTIVE TRADE OR BUSINESS INCOME
REDUCED RATE COMPUTATION**
(Complete one I-335 for each return)
(Attach I-335 and all supporting Worksheets to SC1040 or SC 1041)

I-335
(Rev. 12/8/06)
3410

For the year January 1 - December 31, 2006, or fiscal tax year beginning	2006 and ending	2007
Print your name	Spouse's first name	Your Social Security number
		Spouse's Social Security number

- 1a. Enter amount from Worksheet 1, line 3 1a. \$ _____ .00
- 1b. Enter total of amounts from Worksheets 2, line 22, Column C 1b. \$ _____ .00
- 1c. Add lines 1a and 1b 1c. \$ _____ .00
- 2a. Enter any adjustments necessary because of at-risk rules, South Carolina net operating losses, and/or passive activity losses. <Enter in brackets if the adjustment is negative.> Enter -0- if no adjustments are necessary 2a. \$ _____ .00
- 2b. Enter the amount of one half of self-employment tax on partnership income related to South Carolina. Do not include the amount on line 2 of Worksheet 1. 2b. \$ _____ .00
- 2c. Line 2a minus line 2b. <Enter in brackets if negative.> 2c. \$ _____ .00
- 3. Add lines 1c and 2c. If zero or negative, STOP – DO NOT PROCEED... 3. \$ _____ .00
- 4. Enter amounts reasonably related to personal services of the taxpayer, the taxpayer's spouse, or any person claimed as dependent on the taxpayer's income tax return (see Rules for Using Safe Harbor below). Do not include amounts from W-2s or 1099s or guaranteed payments for personal services 4. \$ _____ .00
 Check here if using Safe Harbor
- 5. Subtract line 4 from line 3. If greater than zero, enter on SC1040, line 43; Schedule NR, line 39; or SC1041, Part I, line 2d. If zero or negative, STOP – DO NOT PROCEED 5. \$ _____ .00
- 6. Tax Year 2006 rate on qualifying active trade or business income 6. **6.5% (.065)**
- 7. Multiply line 5 by line 6 (enter here and on SC1040, line 8; or on SC1041, line 9) 7. \$ _____ .00