

1976 WL 30932 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

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*1 There is no statutory authority for the Tax Commission to allow an election to deduct or capitalize interest, taxes and other carrying charges for South Carolina income tax purposes.

Mr. C. H. Brooks
Director
Income Tax Division
South Carolina Tax Commission

QUESTION

'Does the Tax Commission have statutory authority to allow a taxpayer to 'make an election to capitalize or deduct interest, taxes and other carrying charges with respect to property under development, similar to the election under [Section 266 of the Internal Revenue Code](#) and Regulations?'

STATUTE INVOLVED

None.

DISCUSSION

The election provided for Federal tax purposes is by an Act of Congress and a regulation of the Commissioner of Internal Revenue that was adopted pursuant to the Congressional Act. We find no comparable South Carolina statute authorizing an election, therefore, none can be granted by the Tax Commission.

CONCLUSION

There is no statutory law authorizing an election similar to that found in [Section 266 of the Internal Revenue Code](#) and the regulation of the Commissioner adopted pursuant thereto.

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