





EY Payroll NewsFlash Workforce Tax Services

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South Carolina lawmakers lower highest marginal tax rate retroactive to January 1, 2022

On June 18, 2022, South Carolina Governor Henry McMaster signed into law [S. 1087](#), which lowers the state's top marginal tax rate from 7% to 6.5% retroactive to January 1, 2022.

Beginning with Tax Year 2023, and each year thereafter until the top marginal rate equals 6%, the top marginal rate must decrease by 0.1% if general fund revenues are projected to increase by at least 5% in the fiscal year that begins during the tax year.

The 2022 South Carolina income tax [withholding tables](#) continue to reflect the highest marginal tax rate of 7%.

Contact us for more information

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