

STATE OF SOUTH CAROLINA) AN ORDINANCE OF THE TOWN OF SURFSIDE BEACH
) TO REPEAL AND REPLACE ARTICLE VII of CHAPTER 4
COUNTY OF HORRY)
) (Local Accommodations Tax)
TOWN OF SURFSIDE BEACH)

WHEREAS, the Mayor and Town Council of the Town of Surfside Beach duly assembled on this 5th day of March 2019; and

WHEREAS, the Town of Surfside Beach is authorized to collect taxes on short term transient rentals pursuant to §6-1-500, S.C. Code et. seq. ("the Local Accommodations Tax Act"); and

WHEREAS, the Town of Surfside Beach collects Local Accommodations Tax pursuant to its ordinance at a rate of one-half percent (0.5%); and

WHEREAS, the Town is authorized to collect up to three percent (3%) if authorized by ordinance of Town Council; and

WHEREAS, The Mayor and Town Council have determined tourism is a major industry in the Town of Surfside Beach, and that it is in the best interests of the Town of Surfside Beach to preserve the general welfare of the Town by making a uniform accommodations tax for the public benefit, consistent with state law;

NOW, THEREFORE, by the power and authority granted to the Surfside Beach Town Council by the State of South Carolina that Chapter 4, Article VII Local Accommodations is hereby replaced in its entirety as set forth hereinbelow:

Chapter 4- Business Licenses, Permits, and Regulations

DIVISION 2. - LOCAL ACCOMMODATIONS TAX

Sec. 4-111. - Tax imposed. A local accommodations tax of three (3) percent is created and is imposed on every person that is engaged in the business of furnishing accommodations to transients within the municipal boundaries of the Town of Surfside Beach. (ref. §6-1-500, S.C. Code, et. seq.)

(Ord. No. 01-0463, § 1, 9-11-01)

Sec. 4-112. - Tax further enumerated. A uniform tax equal to three (3) percent is hereby imposed on all gross proceeds derived from the rental or charges for any rooms, campground spaces, lodging, or sleeping accommodations furnished to transients by any hotel, inn, tourist court, tourist camp, motel, campground, residence, or any place which rooms, lodgings, or sleeping accommodations are furnished to transients for a consideration. The gross proceeds derived from the lease or rental of sleeping accommodations supplied to the same person for a period of ninety (90) continuous days are not considered proceeds from transients. This tax imposed by this section shall not apply to additional guest charges as that term is defined in S.C. Code 1976, § 12-36-920(B).

(Ord. No. 02-0473, § A, 3-26-02; Ord. No. 05-0573, 9-27-05)

Sec. 4-113. - Payment of tax. Payment of the local accommodations tax shall be the liability of the transient(s) described in section 4-112. The local accommodations tax shall be paid at the time of delivery of the service to which the tax applies and shall be collected by the provider of the services, and shall be held in trust by the provider until remitted as provided herein.

(Ord. No. 02-0473, § B, 3-26-02)

Sec. 4-114. - Collection of tax; remitting tax to local governing body; frequency determined by estimated average amounts.

- (1) The local accommodations tax imposed by this section is due and payable in monthly installments on or before the twentieth day of each month when the estimated amount of average tax is more than fifty dollars (\$50.00) a month, on a quarterly basis when the estimated amount of the average tax is twenty-five dollars (\$25.00) to fifty dollars (\$50.00) a month, and on an annual basis when the estimated amount of average tax is less than twenty-five dollars (\$25.00) a month. Every person liable for the fee shall make a true and correct return to the town in such form as it may prescribe and remit the fee therewith. A return is considered timely filed if the return is mailed and has a postmark dated on or before the date the return is required to be filed.
- (2) An establishment shall be entitled to a two (2) percent discount on taxes collected for returns that are filed on or before the due date. Any taxes not timely remitted shall be subject to a penalty of five (5) percent per month. The failure to collect from patrons the tax imposed by this article shall not relieve any establishment subject to the article from making the required remittance.
- (3) Any person violating any provision of this article shall be deemed guilty of an offense and shall be subject to punishment under section 1-16 upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent fees, penalties, and costs provided for herein.
- (4) In case of a failure to make a true and correct return or a failure to file the return, the town shall make a return upon such information as it may be able to obtain, assess the fee due thereon, and add a penalty of ten (10) percent, whereupon the town shall mail notice to the person liable for the tax and, in the case of failure to pay the tax within ten (10) days after the mailing of any such notice, the town shall add an additional penalty of ten (10) percent.

(Ord. No. 02-0473, § C, 3-26-02; Ord. No. 09-0649, 1-26-09)

Sec. 4-115. - Inspections and audit. For the purpose of enforcing the provisions of this section, the license inspector, or another authorized agent for the town, is empowered to enter upon the premises of any person subject to this section and to make inspections, examinations, and audits of books and records, and it shall be unlawful for any person to fail or refuse to make available the necessary books and records during normal business hours upon twenty- four (24) hours written notice. In the event that an audit reveals that the remitter has filed false information, the costs of the audit shall be added to the correct amount of fees determined to be due, in addition to the penalties provided herein. The license inspector, or another authorized agent of the town, may make systematic inspections of all businesses within the town to ensure compliance with this section. Records of inspections shall not be deemed public records.

(Ord. No. 02-0473, § D, 3-26-02)

Sec. 4-116. - Penalties. It is a violation of this article to:

1. Fail to collect the local accommodations tax;
2. Fail to remit to the town any local accommodations tax collected;

3. Fail to file a local accommodations tax return;
4. Knowingly provide false information on a local accommodations tax return;
5. Fail to provide books and records to the license inspector, or other authorized agent of the town, for inspection, examination, or audit after seventy-two (72) hours written notice.

(Ord. No. 02-0473, § E, 3-26-02)

Sec. 4-117. - Real estate agents required to report when rental property listing dropped. Real estate agents, brokers, corporations, or listing services required to remit taxes under this section must notify the appropriate local governmental entity or entities if rental property, previously listed by them, is dropped from their listings.

(Ord. No. 02-0473, § F, 3-26-02)

Sec. 4-118. - Administrative fee. The costs of collecting the monies may be reimbursed by the fund monies, up to a maximum of one (1) percent.

(Ord. No. 02-0473, § G, 3-26-02)

Sec. 4-119. - Local accommodations tax account. The revenue account to be known as "Town of Surfside Beach Local Accommodations Tax Account," shall be established and all revenues received from the local accommodations tax shall be deposited into this account. The principal and any accrued interest from this account shall be expended only as permitted herein.

(Ord. No. 02-0473, § H, 3-26-02)

Sec. 4-120. - Permitted uses of funds. The town council is hereby authorized to utilize the funds collected from the imposition of the local accommodations tax for the following purposes in accordance with the provisions of South Carolina Code §6-1-530:

- (1) Use of revenue from local accommodations tax.
 - a. Tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums;
 - b. Tourism-related cultural, recreational, or historical facilities;
 - c. Beach access and renourishment;
 - d. Highways, roads, streets, and bridges providing access to tourist destinations;
 - e. Advertisements and promotions related to tourism development; or
 - f. Water and sewer infrastructure to serve tourism-related demand.
- (2) In a county in which at least nine hundred thousand dollars (\$900,000.00) in accommodations taxes is collected annually pursuant to S.C. Code § 12-36-920, the revenues of the local accommodations tax authorized in this article may also be used for the operation and maintenance of those items provided in subsection (1)a.—f., including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

Sec. 4-121 Authorization for Use. Authorization to utilize revenues from the Local Accommodations Tax account shall be by the annual budget ordinance duly adopted by the town council.

Sec. 4-122 Effective Date. This article shall become effective on July 1, 2019.

(Ord. No. 02-0473, § I, 3-26-02)

Secs. 4-123—4-140. - Reserved.

SEVERABILITY. If any provision, clause, sentence, or paragraph of this ordinance or the application thereof to any person or circumstances shall be held invalid, that invalidity shall not affect the other provisions of this article, which can be given effect without the invalid provision or application, and to this end the provisions of this article are declared to be severable.

EFFECT OF SECTION HEADINGS. The headings or titles of the sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this ordinance.

REPEAL AND EFFECTIVE DATE. All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed. This ordinance shall take effect immediately upon second reading by the Mayor and Town Council of the Town of Surfside Beach.

BE IT ORDERED AND ORDAINED by the Mayor and Town Council of the Town of Surfside Beach, South Carolina, in assembly and by the authority thereof, this 12th day of March 2019.

Surfside Beach Town Council

Robert F. Childs, III, Mayor

David L. Pellegrino, Mayor Pro Tempore

Bruce H. Dietrich, Town Council

Mark L. Johnson, Town Council

Ron Ott, Town Council

Debbie Scoles, Town Council

Randle M. Stevens, Town Council

Attest: _____
Debra E. Herrmann, CMC, Town Clerk