

Chapter 4 - BUSINESS LICENSES, PERMITS AND REGULATIONS

ARTICLE I. - IN GENERAL

Sec. 4-1. - License required.

Every person engaged or intending to engage in any business, calling, occupation, profession, or activity engaged in with the object of gain, benefit, or advantage, in whole or in part, within the limits of the Town of Surfside Beach, South Carolina, ("Town") is required to pay an annual license tax for the privilege of doing business and obtain a business license as herein provided.

Sec. 4-2. - Definitions.

The following words, terms, and phrases, when used in this Chapter, shall have the meaning ascribed herein. Defined terms are not capitalized when used in this article unless the context otherwise requires:

"Business" means any business, calling, occupation, profession, or activity engaged in with the object of gain, benefit, or advantage, either directly or indirectly, for which a separate Classification (as defined below) exists.

"Charitable Organization" means an organization that is determined by the Internal Revenue Service to be exempt from Federal income taxes under 26 U.S.C. Section 501(c)(3), (4), (6), (7), (8), (10) or (19).

"Charitable Purpose" means benevolent, philanthropic, patriotic, or eleemosynary purpose that does not result in personal gain to a sponsor, organizer, officer, director, trustee, or person with ultimate control of the organization.

"Classification" means that division of businesses by NAICS codes subject to the same license rate as determined by a calculated index of ability to pay based on national averages, benefits, equalization of tax burden, relationships of services, or other basis deemed appropriate by the Council.

"Council" means the Town Council of the Town of Surfside Beach.

"Domicile" means a principal place from which the trade or business of a Licensee is conducted, directed, or managed. For purposes of this article, a Licensee may be deemed to have more than one Domicile.

"Gross Income" means the gross receipts or gross revenue of a Business, received, or accrued, for one (1) calendar or fiscal year collected or to be collected from business done within the Town. If the Licensee has a Domicile within the Town, business done within the Town shall include all gross receipts or revenue received or accrued by such Licensee. If the Licensee does not have a Domicile within the Town, business done within the Town shall include only gross receipts or revenue received or accrued within the Town. In all cases, if the Licensee pays a business license tax to another county or municipality, then the Licensee's Gross Income for the purpose of computing the tax within the Town must be reduced by the amount of revenues or receipts taxed in the other county or municipality and fully reported to the Town. Gross Income for business license tax purposes shall not include taxes collected for a governmental entity, escrow funds, or funds that are the property of a third party. The value of bartered goods or trade-in merchandise shall be included in Gross Income. The gross receipts or gross revenues for business license purposes may be verified by inspection of returns and reports filed with the Internal Revenue Service, the South Carolina Department of Revenue, the South Carolina Department of Insurance, or other governmental agencies. In calculating Gross Income for certain Businesses, the following rules shall apply:

- (a) Gross Income for agents shall be calculated on gross commissions received or retained, unless otherwise specified. If commissions are divided with other brokers or agents, then only the amount retained by the broker or agent is considered Gross Income.
- (b) Except as specifically required by S.C. Code § 38-7-20, Gross Income for insurance companies shall be calculated on gross premiums written.
- (c) Gross Income for manufacturers of goods or materials with a location in the Town shall be calculated on the lesser of (i) gross revenues or receipts received or accrued from business done at the location, (ii) the amount of income allocated and apportioned to that location by the Business for purposes of the Business's state income tax return, or (iii) the amount of expenses attributable to the location as a cost center of the Business. Licensees reporting Gross Income under this provision shall have the burden to establish the amount and method of calculation by satisfactory records and proof. Manufacturers include those taxpayers reporting a manufacturing principal Business activity code on their federal income tax returns.

"License Official" means any person designated to administer this article. Notwithstanding the designation of a primary License Official, the Town may designate one or more alternate License Officials to administer particular types of business licenses, including without limitation for business licenses issued to Businesses subject to business license taxes under Article 20, Chapter 9, Title 58, and Chapters 7 and 45, Title 38, of the South Carolina Code.

"Licensee" means the Business, the Person applying for the license on behalf of the Business, an agent or legal representative of the Business, a Person who receives any part of the net profit of the Business, or a Person who owns or exercises control of the Business.

"NAICS" means the North American Industry Classification System for the United States published under the auspices of the Federal Office of Management and Budget.

"Person" means any individual, firm, partnership, limited liability partnership, limited liability company, cooperative nonprofit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a Business in the absence of the principals.

"Town" means the Town of Surfside Beach, South Carolina.

Sec. 4-3. - Purpose and duration.

The business license required by this article is for the purpose of providing such regulation as may be required by the Businesses subject thereto and for the purpose of raising revenue for the general fund through a privilege tax. Except as set forth below for business licenses issued to contractors with respect to specific construction projects, each yearly license shall be issued for twelve-month period of May 1st to April 30th. A business license issued for a construction contract may, at the request of the Licensee, be stated to expire at the completion of the construction project; provided, any such business license may require that the Licensee file, by each April 30th during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for which the business license was issued, the Licensee shall be required to pay a license fee at the then- prevailing rate on the excess amount. The provisions of this article and the rates herein shall remain in effect from year to year unless otherwise amended by the Council.

Sec. 4-4. – Business License Tax, Refund.

- (a) The required business license tax shall be paid for each Business subject hereto according to the applicable rate Classification on or before the due date of the 30th day of April in each year, except

for those Businesses in Rate Class 8 for which a different due date is specified. Later payment shall be subject to penalties as set forth in Section 4-12 hereof, except that admitted insurance companies may pay before June 1st without penalty

- (b) A separate business license shall be required for each place of business and for each Classification of business conducted at one place. If Gross Income cannot be separated for Classifications at one (1) location, the business license tax shall be computed on the combined Gross Income for the Classification requiring the highest rate. The business license tax must be computed based on the Licensee's Gross Income for the calendar year proceeding the due date, for the Licensee's twelve-month fiscal year preceding the due date, or on a twelve-month projected income based on the monthly average for a Business in operation for less than one (1) year. The business license tax for a new Business must be computed on the estimated probable Gross Income for the balance of the license year. A business license related to construction contract projects may be issued on a per-project basis, at the option of the taxpayer. No refund shall be made for a Business that is discontinued.
- (c) A Licensee that submits a payment greater than the amount owed may request a refund. To be considered, a refund request must be submitted in writing to the Town before the June 1st immediately following the April 30th on which the payment was due and must be supported by adequate documentation supporting the refund request. The Town shall approve or deny the refund request, and if approved shall issue the refund to the Business, within thirty (30) days after receipt of the request.

Sec. 4-5. - Registration required.

- (a) The owner, agent, or legal representative of every Business subject to this article, whether listed in the Classification index or not, shall register the Business and make application for a business license on or before the due date of each year; provided, a new Business shall be required to have a business license prior to operation within the Town, and an annexed Business shall be required to have a business license within thirty (30) days of the annexation. A license for a bar (NAICS 722410) must be issued in the name of the individual who has been issued the corresponding state alcohol, beer, or wine permit or license and will have actual control and management of the Business.
- (b) Application shall be on the then-current standard business license application as established and provided by the Director of the South Carolina Revenue and Fiscal Affairs Office and shall be accompanied by all information about the applicant, the Licensee and the Business deemed appropriate to carry out the purpose of this article by the License Official. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting Gross Income figures.
- (c) The applicant shall certify under oath that the information given in the application is true, that the Gross Income is accurately reported (or estimated for a new business) without any unauthorized deductions, and that all assessments and personal property taxes on Business property due and payable to the Town have been paid.
- (d) The Town shall allow application, reporting, calculation, and payment of business license taxes through the business license tax portal hosted and managed by the South Carolina Revenue and Fiscal Affairs Office, subject to the availability and capability thereof. Any limitations in portal availability or capability do not relieve the applicant or Licensee from existing business license or business license tax obligations.

Sec. 4-6. - Deductions, exemptions, and Charitable Organizations.

- (a) No deductions from Gross Income shall be made except income earned outside of the Town on which a license tax is paid by the Business to some other municipality, or a county and fully reported to the Town, taxes collected for a governmental entity, or income which cannot be included for

computation of the tax pursuant to state or federal law. Properly apportioned income from business in interstate commerce shall be included in the calculation of Gross Income and is not exempted. The applicant shall have the burden to establish the right to exempt income by satisfactory records and proof.

- (b) No Person shall be exempt from the requirements of this article by reason of the lack of an established place of Business within the Town, unless exempted by state or federal law. The License Official shall determine the appropriate Classification for each Business in accordance with the latest issue of the NAICS. No Person shall be exempt from this article by reason of the payment of any other tax, unless exempted by state law, and no Person shall be relieved of the liability for the payment of any other tax or fee by reason of the application of this article.
- (c) Wholesalers are exempt from business license taxes unless they maintain warehouses or distribution establishments within the Town. A wholesale transaction involves a sale to an individual who will resell the goods and includes delivery of the goods to the reseller. It does not include a sale of goods to a user or consumer.
- (d) A charitable Organization shall be exempt from the business license tax on its Gross Income unless it is deemed a Business subject to a business license tax on all or part of its Gross Income as provided in this section. A Charitable Organization, or any affiliate of a Charitable Organization, that reports income from for-profit activities or unrelated business income for federal income tax purposes to the Internal Revenue Service shall be deemed a Business subject to a business license tax on the part of its Gross Income from such for-profit activities or unrelated business income.
- (e) A Charitable Organization shall be deemed a Business subject to a business license tax on its total Gross Income if (1) any net proceeds of operation, after necessary expenses of operation, inure to the benefit of any individual or any entity that is not itself a Charitable Organization as defined in this article, or (2) any net proceeds of operation, after necessary expenses of operation, are used for a purpose other than a Charitable Purpose as defined in this article. Excess benefits or compensation in any form beyond fair market value to a sponsor, organizer, officer, director, trustee, or Person with ultimate control of the organization shall not be deemed a necessary expense of operation.

Sec. 4-7. - False application unlawful.

It shall be unlawful for any Person subject to the provisions of this article to make a false application for a business license, or to give or file, or direct the giving or filing of any false information with respect to the license or tax required by this article.

Sec. 4-8. - Display and transfer.

- (a) All Persons shall display the license issued to them on the original form provided by the License Official in a conspicuous place in the Business establishment at the address shown on the license. A transient, or nonresident Business shall carry the license upon their person or in a vehicle used in the Business readily available for inspection by any authorized agent of the Town.
- (b) A change of address must be reported to the License Official within ten (10) days after removal of the Business to a new location and the license will be valid at the new address upon written notification by the License Official and compliance with zoning and building codes. Failure to obtain the approval of the License Official for a change of address shall invalidate the license and subject the Licensee to prosecution for doing Business without a license. A business license shall not be transferable, and a transfer of controlling interest shall be considered a termination of the old Business and the establishment of a new Business requiring a new business license, based on old Business Gross Income.

Sec. 4-9. - Administration of ordinance.

The License Official shall administer the provisions of this article, collect business license taxes, issue licenses, make or initiate investigations and audits to ensure compliance, initiate denial or suspension and revocation procedures, report violations to the municipal attorney, assist in prosecution of violator, produce forms, undertake reasonable procedures relating to the administration of this article, and perform such other duties as may be duly assigned.

Sec. 4-10. - Inspection and audits.

- (a) For the purpose of enforcing the provisions of this article the License Official or other authorized agent of the Town is empowered to enter upon the premises of any Person subject to this article to make inspections and to examine and audit books and records. It shall be unlawful for any such Person to fail or refuse to make available the necessary books and records. In the event an audit or inspection reveals that the Licensee has filed false information, the costs of the audit shall be added to the correct business license tax and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper amount of business license tax shall constitute a separate offense.
- (b) The License Official shall have the authority to make inspections and conduct audits of Businesses to ensure compliance with the article. Financial information obtained by inspections and audits shall not be deemed public records, and the License Official shall not release the amount of business license taxes paid or the reported Gross Income of any Person by name without written permission of the Licensee, except as authorized by this article, state or federal law, or proper judicial order. Statistics compiled by Classifications are public records.

Sec. 4-11. - Assessments, payment under protest, appeal.

- (a) Assessments, payment under protest, and appeals of assessment shall be allowed and conducted by the Town pursuant to the provisions of S.C. Code §6-1-4-40, as amended. In preparing an assessment, the License Official may examine such records of the Business or any other available records as may be appropriate and conduct such investigations and statistical surveys as the License Official may deem appropriate to assess a business license tax and penalties as provided herein.
- (b) The License Official shall establish a uniform local procedure consistent with S.C. Code § 6-1-410 for hearing an application for adjustment of assessment and issuing a notice of final assessment; provided that for particular types of business licenses, including without limitation for business licenses issued to Businesses subject to business license taxes under Article 20, Chapter 9, Title 58, and Chapters 7 and 45, Title 38, of the South Carolina Code, the Town, by separate ordinance, may establish a different procedure and may delegate one or more rights, duties, and functions hereunder to the Municipal Association of South Carolina.

Sec. 4-12. - Delinquent license taxes, partial payment, failure to obtain a license, enforcement.

- (a) For nonpayment of all or any part of the correct business license tax, the License Official shall impose and collect a late penalty of five percent (5%) of the unpaid tax for each month or portion thereof after the due date until paid. Penalties shall not be waived. If any business license tax shall remain unpaid for sixty (60) days after its due date, the License Official shall report it to the municipal attorney for appropriate legal action.
- (b) Partial payment may be accepted by the License Official to toll imposition of penalties on the portion paid; provided, however, no business license shall be issued or renewed until the full amount of the tax due, with penalties, has been paid.

- (c) Unpaid license taxes, penalties, and costs chargeable to a delinquent license payer shall constitute a lien against the property of the delinquent license payer, shall be recorded as such in the public records of Horry County, and may enforced through foreclosure.
- (d) The License Official shall levy and collect an additional five percent (5%) penalty or twenty-five dollars (\$25.00), whichever is greater for Businesses that begin operating within the Town without being properly licensed by the Town.
- (e) The municipal attorney may use the South Carolina Setoff Debt Collection Act, S.C. Code, §12-56—10 et seq. (as amended) as a method to collect unpaid license taxes, penalties, and costs chargeable to a delinquent license payer, and the Town shall in such case be a claimant agency as that statute defines the same.

Sec. 4-13. - Notices.

The License Official may, but shall not be required to, mail written notices that business license taxes are due. If notices are not mailed, there shall be published a notice of the due date in a newspaper of general circulation within the Town three (3) times prior to the due date in each year. Failure to receive notice shall not constitute a defense to prosecution for failure to pay the tax due or grounds for waiver of penalties.

Sec. 4-14. - Denial of license.

The License Official shall deny a license to an applicant when the License Official determines:

- (a) The application is incomplete or contains a misrepresentation, false or misleading statement, or evasion or suppression of a material fact; or
- (b) The activity for which the license is sought is unlawful or constitutes a public nuisance *per se* or *per accidens*; or
- (c) The applicant, Licensee, prior Licensee, or the Person in control of the Business has been convicted within the previous ten (10) years of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude related to a Business or a subject of a Business, or an unlawful sale of merchandise or prohibited goods; or
- (d) The applicant, Licensee, prior Licensee, or the Person in control of the Business has engaged in an unlawful activity or nuisance related to the Business or to a similar Business in the Town or in another jurisdiction; or
- (e) The applicant, Licensee, prior Licensee, or the Person in control of the Business is delinquent in the payment to the Town of any tax or fee; or
- (f) A Licensee has actual knowledge or notice, or based on the circumstances reasonably should have knowledge or notice, that any Person or employee of the Licensee has committed a crime of moral turpitude on the Business premises, or has permitted any Person or employee of the Licensee to engage in the unlawful sale of merchandise or prohibited goods on the Business premises and has not taken remedial measures necessary to correct such activity; or
- (g) The license for the Business or for a similar Business of the Licensee in the Town or another jurisdiction has been denied, suspended, or revoked in the previous license year.

A decision of the License Official shall be subject to appeal as herein provided. Denial shall be written with reasons stated.

Sec. 4-15. - Suspension or revocation of license.

When the License Official determines that:

- (a) A License has been mistakenly or improperly issued or issued contrary to law; or
- (b) A Licensee has breached any condition upon which the license was issued or has failed to comply with the provisions of this article; or
- (c) A Licensee has obtained a license through a fraud, misrepresentation, a false or misleading statement, or evasion or suppression of a material fact in the license application; or
- (d) A Licensee has been convicted within the previous ten (10) years of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude related to a Business or a subject of a Business, or an unlawful sale of merchandise or prohibited goods; or
- (e) A Licensee has engaged in an unlawful activity or nuisance related to the Business; or
- (f) A Licensee delinquent in the payment to the Town of any tax or fee; then

The License Official shall give written notice to the Licensee or the Person in control of the Business within the Town by personal service or mail that the license is suspended pending a single hearing before Council or its designee for the purpose of determining whether the suspension should be upheld, and the license should be revoked.

The written notice of suspension and proposed revocation shall state the time and place at which the hearing is to be held and shall contain a brief statement of the reasons for the suspension and proposed revocation and a copy of the applicable provisions of this article.

Sec. 4-16. - Appeals to Council.

- (a) Except with respect to appeals of assessments under Section 4-11 hereof, which are governed by S.C. Code § 6-1-410, any Person aggrieved by a determination, denial, or suspension and proposed revocation of a business license by the License Official may appeal the decision to the Council or its designee by written request stating the reasons for appeal, filed with the License Official within ten (10) days after service by mail; or personal service of the notice of determination, denial or suspension and proposed revocation.
- (b) A hearing on an appeal from a license denial or other determination of the License Official and a hearing on a suspension and proposed revocation shall be held by the Council or its designee within ten (10) business days after receipt of a request for appeal or service of notice of suspension and proposed revocation. The hearing shall be held upon written notice at a regular or special meeting of the Council, or if by designee of the Council, at a hearing to be scheduled by the designee. The hearing may be continued to another date by agreement of all parties. At the hearing, all parties shall have the right to be represented by counsel, to present testimony and evidence and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by the Council or its designee shall govern the hearing. Following the hearing, the Council by majority vote of members present, or designee of Council if the hearing is held by the designee, shall render a written decision based on findings of fact and conclusions on application of the standards herein. The written decision shall be served, by personal service or by mail, upon all parties or their representatives and shall constitute the final decision of the Town.

- (c) Timely appeal of a decision of Council or its designee does not effectuate a stay of that decision. The decision of the Council or its designee shall be binding and enforceable unless overturned by an applicable appellate court after a due and timely appeal.
- (d) For business licenses issued to businesses subject to business license taxes under Article 20, Chapter 9, Title 58 and Chapters 7 and 45, Title 38 of the South Carolina Code, the Town may establish a different procedure by ordinance.

Sec. 4-17. – Consent, franchise or license required for use of streets.

- (a) It shall be unlawful for any Person to construct, install, maintain, or operate in, on, above, or under any street or public place under control of the Town any line, pipe, cable, pole, structure, or facility for utilities, communications, cablevision, or other purposes without a consent agreement or franchise agreement issued by the Council by ordinance that prescribes the term, fees, and conditions for use.
- (b) The annual fee for use of streets or public places authorized by a consent agreement or franchise agreement shall be set by the ordinance approving the agreement and shall be consistent with limits set by state law. Existing franchise agreements shall continue in effect until expiration dates in the agreements. Franchise and consent fees shall not be in lieu of or be credited against business license taxes unless specifically provided by the franchise or consent agreement.

Sec. 4-18. - Confidentiality.

Except in accordance with proper judicial order or as otherwise provided by law, no official or employee of the Town may divulge or make known in any manner the amount of income, or any financial particulars set forth or disclosed in any report or return required under this article. Nothing in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns. Any license data may be shared with other public officials or employees in the proper performance of their duties, whether or not those duties relate to enforcement of this article.

Sec. 4-19. - Violations.

Any Person violating any provision of this article shall be deemed guilty of an offense and shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days, or both, upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent taxes, penalties, and costs provided in this article.

Sec. 4-20.1. - Severability.

A determination that any portion of this article is invalid or unenforceable shall not affect the remaining portions. To the extent of any conflict between the provisions of this article and the provisions of the South Carolina Business License Tax Standardization Act, as codified at S.C. Code §§ 6-1-400 et seq., the standardization act shall control.

Sec. 4-20.2. - Classification and rates.

- (a) The business license tax for each Classification of Business subject to this article shall be computed in accordance with the current business license rate schedule, designated as Appendix A to this article, which may be amended from time to time by the Council.
- (b) The current business license class schedule is attached hereto as Appendix B. Hereafter, no later than December 31st of each odd year, the Town shall adopt, by ordinance, the latest standardized business license class schedule as recommended by the Municipal Association of South Carolina and adopted by the Director of the South Carolina Revenue and Fiscal Affairs Office. Upon adoption

by the Town, the revised business license class schedule shall then be appended to this article as a replacement Appendix B.

- (c) The Classifications included in each rate class are listed with NAICS codes, by sector, sub-sector, group, or industry. The business license class schedule (Appendix B) is a tool for classification and not a limitation on Businesses subject to a business license tax. The Classification in the most recent version of the business license class schedule adopted by the Council that most specifically identifies the subject Business shall be applied to the Business. The License Official shall have the authority to make the determination of the Classification most specifically applicable to a subject Business
- (d) A copy of the class schedule and rate schedule shall be filed in the office of the Town Clerk.

APPENDIX A. - RATE SCHEDULE

| RATE CLASS | INCOME: \$0 — \$2,000 | INCOME OVER \$2,000 |
|------------|------------------------------------------|---------------------------------------|
| | MINIMUM TAX | Rate per Thousand or fraction thereof |
| 1 | \$ 60.00 | \$ 1.07 |
| 2 | \$ 65.00 | \$ 1.27 |
| 3 | \$ 70.00 | \$ 1.47 |
| 4 | \$ 75.00 | \$ 1.67 |
| 5 | \$ 80.00 | \$ 1.87 |
| 6 | \$ 85.00 | \$ 2.07 |
| 7 | \$ 90.00 | \$ 2.27 |
| 8.1 | \$ 50.00 | \$ 1.30 |
| 8.51 | \$ 70.00 + \$12.50 + \$12.50 per machine | \$ 1.30 |
| 8.52 | \$180.00 + \$12.50 | |
| 8.6 | \$ 150.00 +\$5.00 per table | \$2.00 |
| 9.1 | \$200.00 | \$1.30 |
| 9.2 | \$200.00 | \$1.30 |
| 9.3 | \$40.00 | \$0.70 |
| 9.41 | \$250.00 | \$1.20 |
| 9.42 | \$250.00 | \$1.25 |
| 9.5 | \$310.00 | \$1.45 |
| 9.6 | \$3910.00 | \$1.45 |

| | | |
|------|----------|--------|
| 9.7 | \$310.00 | \$1.45 |
| 9.91 | \$90.00 | \$2.27 |
| 9.92 | \$60.00 | \$1.00 |

NON-RESIDENT RATES

Unless otherwise specifically provided, all minimum taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of Business within the Town.

DECLINING LICENSE RATES

Declining rates apply in all classes for Gross Income in excess of one million dollars (\$1,000,000.00), unless otherwise specifically provided for in this article.

| Gross Income In \$ Millions | Percent of Class Rate for Each Additional \$1.0 Million |
|-----------------------------|---------------------------------------------------------|
| 0—1 Million | 100% |
| 1—2 Million | 90% |
| 2—3 Million | 80% |
| 3—4 Million | 70% |
| Over 4 Million | 60% |

CLASS 8 RATES

Each NAICS Number designates a separate sub-Classification. The Businesses in this section are treated as separate and individual subclasses due to provisions of state law, regulatory requirements, service burdens, tax equalization considerations, etc., which are deemed to be sufficient to require individually determined rates. In accordance with state law, the Town also may provide for reasonable sub-classifications for rates, described by an NAICS sector, subsector, or industry, that are based on particularized considerations as needed for economic stimulus or for the enhanced or disproportionate demands on municipal services or infrastructure. Non-resident rates do not apply except where indicated.

8.1 NAICS 230000 - Contractors, Construction, All Types (Non-resident rates apply)

Resident rates, for contractors having permanent place of Business within the Town

Minimum on first \$2,000 \$50.00 PLUS

Each additional \$1,000 \$1.30

Non-resident rates apply to contractors that do not have a permanent place of Business within the Town. A trailer at the construction site or structure in which the contractor temporarily resides is not a permanent place of Business under this article.

No contractor shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job. No deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the zoning ordinances.

Each prime contractor shall file with the building department a list of sub-contractors furnishing labor or materials for each project.

For licenses issued on a per-job basis, the total tax for the full amount of the contract shall be paid prior to commencement of work and shall entitle the contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base tax shall be paid in a license year. Licensees holding a per-job license shall file, by each April 30th during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for which the business license was issued, the Licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount.

8.2 NAICS 482 - Railroad Companies (See S.C. Code §12-23-210).

8.3 NAICS 517311, 517312 - Telephone Companies:

With respect to retail telecommunications services, as defined in S.C. Code Section 58-9-2200, the Town participates in a collections program administered by the Municipal Association of South Carolina. The Town has approved participation in the collections program by separate ordinance

(Telecommunications Collections Ordinance: #04-0537). The rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to retail telecommunications services are set forth in the Telecommunications Collections Ordinance #04-0537.

8.4 NAICS 5241 and 5242 - Insurance Companies and Brokers Independent agents and their employees are subject to a business license tax based on their natural class. With respect to insurers subject to license fees and taxes under Chapter 7 of Title 38 and to brokers under Chapter 45 of Title 38, the Town participates in a collections program administered by the Municipal Association of South Carolina. The Town has approved participation in the collections program by separate ordinance (Insurers and Brokers Collections Ordinance #12-0735). The rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to insurers and brokers are set forth in the Insurers and Brokers Collections Ordinance #12-0735.

8.51 NAICS 713120 - Amusement Machines, coin operated (except gambling). Music machines, juke boxes, kiddie rides, video games, pin tables with levers, and other amusement machines with or without free play feature licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(I) and (A)(2) [Type I and Type II].

For operation of all machines (not on Gross Income), pursuant to S.C. Code §12-21-2746:

| | |
|------------------|--------------|
| Per Machine | \$12.50 Plus |
| Business License | \$12.50 |

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.51.

8.52 NAICS 713290 - Amusement Machines, coin operated, non-payout. Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(3) [Type III]

For operation of all machines (not on Gross Income), pursuant to S.C. Code §12-21-2720(B):

| | |
|------------------|---------------|
| Per Machine | \$180.00 Plus |
| Business License | \$12.50 |

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.52,

8.6 NAICS 713990- Billiard or Pool Rooms, all types. (A) Pursuant to SC Code §12-21-2746, license tax of \$5.00 per table measuring less than 3½ feet wide and 7 feet long, and \$12.50 per table longer than that; PLUS, (B) with respect to Gross Income from the entire Business in addition to the tax authorized by state law for each table:

Minimum on first \$2,000 \$150.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$2.00

Class 9 Rates

9.1 NAICS 423930-Junk or Scrap Dealers [Non-resident rates apply].

| | |
|--------------------------|---------------|
| Minimum on first \$2,000 | \$200.00 PLUS |
|--------------------------|---------------|

Per \$1,000, or fraction, over \$2,000 \$1.30

9.2 NAICS 522298- Pawn Brokers [All Types].

Minimum on first \$2,000 \$200.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$1.30

9.3 NAICS 4411, 4412 - Automotive, Motor Vehicles, Boats, Farm Machinery or Retail. (except auto supply stores - see 4413)

Minimum on first \$2,000 \$40.0 PLUS

Per \$1,000, or fraction, over \$2,000 \$.70

One sales lot not more than 400 feet from the main showroom may be operated under this license provided that proceeds from sales at the lot are included in gross receipts at the main office when both are operated under the same name and ownership.

Gross Income for this Classification shall include value of trade-ins. Dealer transfers or internal repairs on resale items shall not be included in gross income.

9.4 NAICS 454390 - Peddlers, Solicitors, Canvassers, Door-To-Door Sales.

Direct retail sales of merchandise. [Non-resident rates apply]

9.41 Regular activities [more than two sale periods of more than three days each per year]

Minimum on first \$2,000 \$250.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$1.20

9.42 Seasonal activities [not more than two sale periods of not more than three days each year, separate license required for each sale period]

Minimum on first \$2,000 \$250.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$1.25

Applicants for a license to sell on private property must provide written authorization from the property owner to use the intended location.

9.5 NAICS 713290 - Bingo halls, parlors.

Minimum on first \$2,000 \$310.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$1.45

9.6 NAICS 711190 - Carnivals and Circuses.

Minimum on first \$2,000 \$310.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$1.45

9.7 NAICS 722410 - Drinking Places, bars, lounges, cabarets (Alcoholic beverages consumed on premises).

Minimum on first \$2,000 \$310.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$1.45

License must be issued in the name of the individual who has been issued a State alcohol, beer or wine permit or license and will have actual control and management of the business.

9.91 NAICS 721199 – Short Term Rentals

Minimum on first \$2,000 \$90.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$2.27

9.92 NAICS 532284 - Beach Rentals

Minimum on first \$2000 \$60.00 PLUS

Per \$1,000, or fraction, over \$2,000 \$1.00

APPENDIX B. - 2021 BUSINESS LICENSE CLASS SCHEDULED BY NAICS CODE

| NAICS Sector/Subsector | Industry Sector | Class |
|------------------------|---------------------------------------------------------|-------------|
| 11 | Agriculture, forestry, hunting and fishing | 2.00 |
| 21 | Mining | 4.00 |
| 23 | Construction | 8.10 |
| 31-33 | Manufacturing | 2.00 |
| 42 | Wholesale trade | 1.00 |
| 423930 | Recyclable Material Merchant Wholesalers (Junk) | 9.10 |
| 44-45 | Retail trade | 1.00 |
| 4411 | Automobile Dealers | 9.30 |
| 4412 | Other Motor Vehicle Dealers | 9.30 |
| 454390 | Other Direct Selling Establishments (Peddlers) | 9.41 & 9.42 |
| 48-49 | Transportation and warehousing | 2.00 |
| 482 | Rail Transportation | 8.20 |
| 51 | Information | 4.00 |
| 517311 | Wired Telecommunications Carriers | 8.30 |
| 517312 | Wireless Telecommunications Carriers (except Satellite) | 8.30 |
| 52 | Finance and insurance | 7.00 |
| 522298 | Pawnshops | 9.2(|
| 5241 | Insurance Carriers | 8.4(|
| 5242 | Insurance Brokers for non-admitted Insurance Carriers | 8.40 |
| 53 | Real estate and rental and leasing | 7.00 |
| 532284 | Beach rentals | 9.92 |

| | | |
|--------|--------------------------------------------------------------------------|------|
| 54 | Professional, scientific, and technical services | 5.00 |
| 55 | Management of companies | 7.00 |
| 56 | Administrative and support and waste management and remediation services | 4.00 |
| 61 | Educational services | 4.00 |
| 62 | Health care and social assistance | 4.00 |
| 71 | Arts, entertainment, and recreation | 3.00 |
| 711190 | Other Performing Arts Companies (Carnivals and Circuses) | 9.60 |
| 713120 | Amusement Parks and Arcades | 8.51 |
| 713290 | Nonpayout Amusement Machines | 8.52 |
| 713290 | Bingo Halls | 3.00 |
| 713990 | All Other Amusement and Recreational Industries (pool tables) | 8.60 |
| 721 | Accommodation | 3.00 |
| 721199 | Short term rentals | 9.91 |
| 722 | Food services and drinking places | 1.00 |
| 722410 | Drinking Places (Alcoholic Beverages) | 9.70 |
| 81 | Other services | 5.00 |

Note: Class Schedule is based on 2017 IRS data.

This appendix will be updated every odd year based on the latest available IRS statistics. The 1021 Business License Class Schedule may be accessed at:
<http://www.masc.sc/StieCollectionDocuments/Finance/BL-AppxB.pdf>