

## ACCOMMODATIONS TAX FAQ



### What is it?

State Accommodations Tax revenue is the 2% collected from overnight accommodations.

The 2% portion of the Accommodations Tax is distributed back to cities and counties using a formula based on point of sale.

- A municipality receiving more than \$50,000 in Accommodations Tax revenue must appoint an advisory committee to recommend to the municipality's Council how the money is spent. The Council can then accept, reject, or modify the recommendations.
- The first \$25,000 of the Accommodations Tax distribution is deposited into the local governments' general funds. Of the balance, 30% must be allocated to a special fund for the exclusive use of tourism advertising and promotion, and the remaining balance must be used for tourism-related expenditures.
- Local governments can charge up to an additional 3% in Accommodations Tax. The proceeds must be used for tourism-related projects and programs as defined in [SC Code Section 6-1-530](#).

The goal is to attract more visitors, generate economic activity, and support community development through the funds collected from the accommodations tax.

### Tourism Related Expenditures

Accommodations Tax revenue in Berkeley County benefits the community in various ways. The funds are earmarked for tourism-related initiatives and projects that enhance the local visitor experience. This includes funding for tourism promotion, marketing efforts, events, and infrastructure improvements and more. Accommodations Tax funds are designated specifically for tourism-related activities, as required by South Carolina law, and are as follows;

1. **Advertising and promotion of tourism to develop and increase tourist attendance through the generation of publicity;**
2. **Promotion of the arts and cultural events;**
3. **Construction, maintenance, and operation of facilities for civic and cultural activities including construction and maintenance of access and the nearby roads and utilities for the facilities;**
4. **The criminal justice system, law enforcement, fire protection, solid waste collection, and health facilities when required to serve tourists and tourist facilities (based on the estimated percentage of cost directly attributed by tourists);**
5. **Public facilities such as restrooms, dressing rooms, parks and parking lots;**
6. **Tourist shuttle transportation;**
7. **Operating visitor information centers;**
8. **Development of workforce housing, which must include programs to promote homeownership.**

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### Who is eligible apply?

Non-profit organizations (501c3 status) that support and increase tourism through the promotion of the arts and cultural events and/or through the operation of facilities for artistic and cultural activities are eligible to apply for assistance.

### When do I apply?

During the annual application timeframe (August 1- August 31)

### Where do I apply?

Applications will only be accepted online ([www.berkeleycountysc.gov](http://www.berkeleycountysc.gov))

### Application Process:

1. Application period is open from August 1-31
2. Reviewed by Accommodations Tax Advisory Committee- September
3. Recommendations are presented to Berkeley County Council- October
4. Approval or denial of applications decided in council meeting- October
5. Accommodations Tax recipients notified via email- October/November
6. Checks mailed to A-Tax recipients- November/December

Press releases, information and updates regarding the State Accommodations Tax will be available on the Berkeley County Government website and Facebook page:



[www.berkeleycountysc.gov](http://www.berkeleycountysc.gov)



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BERKELEY  
COUNTY  
TOURISM

**Rachel Knight**, Tourism Director

T: 843-719-4995

[rachel.knight@berkeleycountysc.gov](mailto:rachel.knight@berkeleycountysc.gov)

[www.ExploreBerkeleyCounty.com](http://www.ExploreBerkeleyCounty.com)

Berkeley County Welcome Center

1004 Old Highway 52, Moncks Corner, SC 29461

# **State Accommodations Tax**

## **"Tourism-related expenditures" per Title Six (6-4-5) of SC State Law;**

- (i) advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity;
- (ii) promotion of the arts and cultural events;
- (iii) construction, maintenance, and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities;
- (iv) the criminal justice system, law enforcement, fire protection, solid waste collection, and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourists;
- (v) public facilities such as restrooms, dressing rooms, parks, and parking lots;
- (vi) tourist shuttle transportation;
- (vii) control and repair of waterfront erosion, including beach renourishment;
- (viii) operating visitor information centers;
- (ix) development of workforce housing, which must include programs to promote home ownership. However, a county or municipality may not expend or dedicate more than fifteen percent of its annual local accommodations tax revenue for the purposes set forth in this item (4)(b)(ix). The provisions of this item (4)(b)(ix) are no longer effective after December 31, 2030.