

AN ORDINANCE TO AMEND THE SULLIVAN'S ISLAND CODE OF ORDINANCES BY ADDING CHAPTER 23, ESTABLISHING A LOCAL ACCOMMODATIONS FEE FOR THE TOWN OF SULLIVAN'S ISLAND.

WHEREAS, Title 6 of the South Carolina Code of Laws allows a municipality the authority to establish a local accommodations fee; and

WHEREAS, the Sullivan's Island Town Council finds that the growth of visitors to the Island is supported by Town funds in order to provide services and facilities that are necessary for the comfort of the visitors; and

WHEREAS, the costs of providing public safety and welfare required by the tourists should be apportioned more equitably between the Town's taxpayers and the visitors who enjoy the benefits provided to them; and

WHEREAS, Town Council desires to decrease the burden of taxes on its citizens by assessing certain charges to those who visit the Town while impacting the benefits of Town services and facilities. It is reasonable that those visitors contribute a portion of the costs required of the Town in providing a safe, enjoyable visit; and

WHEREAS, the Town Council finds it to be in furtherance of the best interests of its citizens to assist in lessening the impact that visitors impose upon the Town; and
NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND TOWN COUNCIL IN MEETING DULY ASSEMBLED, that the Town of Sullivan's Island Code of Ordinances is hereby amended to add Chapter 23 which is to read as follows:

SECTION 23-1 ACCOMMODATIONS FEE

- A. "Accommodation" is defined as any room (excluding meeting and conference rooms), campground spaces, recreational vehicle spaces, lodgings or sleeping accommodations furnished to transients by any hotel, motel, inn, condominium, "bed and breakfast", residence, or any other place in which rooms, lodgings, or sleeping accommodations are furnished for a consideration within the Town of Sullivan's Island. This definition includes short-term rentals. The gross proceeds received from the lease or rental of sleeping accommodations supplied to the same person or persons for a period of not less than thirty (30) continuous days are not considered proceeds and shall not be subject to the accommodation fee imposed by this Ordinance.
- B. A uniform fee of one (1%) percent is hereby imposed on the gross proceeds derived from the rental of any accommodations within the Town of Sullivan's Island.
- C. Payment of the Municipal Accommodations Fee established herein shall be the obligation of the consumer of the accommodations. The fee shall be paid at the time of provision of the accommodations to which the fee applies and shall be collected and remitted by the provider of the accommodations. The provider of services shall remit the form required by the Charleston County Business License/User Fee Department for reporting local accommodations fees. The fees

shall be remitted no later than the twentieth (20th) of each month to the aforementioned Department along with a copy of the State of South Carolina sales tax computation form. Fees shall be remitted in the manner prescribed to Charleston County Accommodations, 4045 Bridge View Drive, North Charleston, SC 29405-7464.

- D. An interest-bearing, segregated and restricted account to be known as the “Town of Sullivan’s Island Accommodations Fee Special Revenue Fund” is hereby established. All revenues received from the Municipal Accommodations Fee shall be deposited into this fund. All principal and interest in this fund shall be used in accordance with State law and as permitted by this Ordinance.
- E. For the purpose of monitoring and enforcing the provisions of this Ordinance, the Town Administrator, or other authorized agent of the Town, are authorized and empowered to enter upon the premises of any person or entity subject to this Ordinance to make inspections and examine or audit any and all business and financial books and records of such person or entity. It shall be unlawful for any person or entity to fail or refuse to make available the requested books and records during normal business hours upon 24 hours prior written notice. In the event an audit reveals that the provider or its agents have filed inaccurate or incorrect information, the cost of the audit shall be added to any fees determined to be due. The Charleston County Business License/User Fee Department may make systematic inspections of all accommodations within the Town to ensure compliance with this Ordinance. Records of inspections shall not be deemed public records.
- F. It shall be a violation of this Ordinance to:
 - i. fail to collect any Municipal Accommodations Fees imposed by this Ordinance;
 - ii. fail to timely remit to the Charleston County Business License/User Fee Department the Municipal Accommodations Fees collected hereunder as required by this Ordinance;
 - iii. knowingly provide false, inaccurate or misleading information on the Fee reporting form or in connection with any inspection, examination or audit conducted pursuant to this Ordinance; or
 - iv. fail to provide access to all business and financial books and records of the provider to the Town of Sullivan’s Island or its duly authorized agents for the purpose of an audit, upon 24 hours advance notice.

A civil penalty of five (5%) percent of the amount of the fees due hereunder, compounded monthly, up to a maximum of one hundred (100%) percent of the amount of the fees due hereunder, shall be assessed for each violation of this Ordinance. Additionally, violators may be subject to prosecution pursuant to Municipal Codes for the Town for each violation of this Ordinance.

Ratified this 21st day of January, 2003.

TOWN OF SULLIVAN'S ISLAND

By: _____
J. Marshall Stith, Mayor

ATTEST:

Town Clerk

FIRST READING: 10-15-02
SECOND READING: 11-19-02
THIRD READING: 12-17-02