

# Disney VACATION CLUB

October 5, 2010

Local Accommodations and Hospitality Tax Subcommittee  
South Carolina Taxation Realignment Commission  
Attention: Mr. Burnett R. Maybank, III, Chairman

Re: Joint Tourism Task Force Proposal to amend S.C. Code Section 12-36-920(A) to impose transient occupancy tax on timeshare maintenance fees.

Dear Mr. Maybank:

I am the President of Disney Vacation Development, Inc. and Disney Vacation Club Management Corp. (collectively, "Disney Vacation Club"). Disney Vacation Club is the vacation ownership business unit of The Walt Disney Company. Disney Vacation Club owns and operates 11 vacation ownership resorts in Florida, South Carolina, California and Hawaii.

Disney Vacation Club has had a presence in South Carolina since 1996 when we had the privilege of opening *Disney's Hilton Head Island Resort*.

Our Hilton Head Island Resort has 102 vacation homes, employs 114 full, part-time and seasonal employees, and has approximately 14,000 owners, 300 of which are permanent residents of the State of South Carolina.

As President of Disney Vacation Club, and on behalf of our Disney Vacation Club members, I wish to express our opposition to any new taxes on the use of timeshare interests, timeshare exchanges or timeshare maintenance fees.

Specifically, we believe that any new tax imposed on timeshare maintenance fees would be inconsistent with the nature of vacation ownership interests as real property; unfairly treat owners of vacation ownership interests different than other property owners in South Carolina; impose an additional, significant financial burden on our owners at a time when they can least afford it; and would have a chilling effect on tourism and new resort development in South Carolina.

We respectfully request that your Commission reject any proposals of the Tourism Joint Task Force to either eliminate any existing tax exemptions for timeshares or impose any new taxes on timeshare maintenance fees.

Sincerely,



James M. Lewis  
President, Disney Vacation Club