

COUNTY OF HORRY)
)
STATE OF SOUTH CAROLINA)

RESOLUTION R-106-10

A RESOLUTION EXPRESSING HORRY COUNTY'S OPPOSITION TO PROPOSED CHANGES IN THE STATE ACCOMMODATIONS TAX LAWS.

WHEREAS, a sub-committee of the SC Tax Realignment Committee has published proposed changes to the collection and distribution of accommodations taxes and hospitality taxes and fees currently collected locally which will shift the allocations of such funds away from the control of local governments and towards state agencies with their general priorities, and also shift funds to state and local non-governmental entities which will greatly increase their funding at the direct expense of funding to the locally elected governmental entity; and

WHEREAS, in 2011 alone, the first year of the proposed change, Horry County is estimated to lose over one million eighty thousand dollars (\$1,080,000); and

WHEREAS, the funding shift away from local government is violative of the spirit and intent of the concepts of Home Rule, and which will directly result in reduced funding available for allocation to local interests such as public safety agencies including police and fire departments, beach renourishment efforts, tourism-related services, tourism-related capital improvement and infrastructure projects, as well as local cultural and art events, and other local priorities which may not resonate at the state level, but which enhance the local culture and quality of life and make our community an attractive place to live and to visit; and

WHEREAS, the proposed change will take the funds which would be otherwise employed for such local interests and efforts and to allocate them to statewide and regional marketers and advertisers for general promotional campaigns, and to the state department of Parks, Recreation, and Tourism for the maintenance and operation of state welcome centers, and to the SC Department of Revenue to offset the cost of administering the collections effort which under the current procedure is enforced locally by the County workforce; and

WHEREAS, the further employment of County employees currently administering collections and enforcement functions will become jeopardized with no assurance that out-of-county collection efforts will yield the same or better results than local efforts, further reducing local government power to act in its own self-interests and in the interests of local citizens and visitors; and

WHEREAS, in light of the fact that local government's power to generate revenue is constrained by state law, the proposed alterations in allocations will result in a shortfall for local government and such services, projects, and investments will be necessarily cut, or in the alternative the County may need to call for increased local taxation on individuals and businesses; and

WHEREAS, the proposed changes will adversely affect Horry County citizens and visitors by shifting the County's ability to respond to local priorities away from local administration in favor of state agencies, state departments, state and local chambers of commerce, as well as private marketers and advertisers who may not be accountable to Horry County voters or have Horry County interests as their top priority; and

WHEREAS, the proposed changes follow the general trend of rolling back the exercise of self-determination away from local governments and citizens, further eroding the concept and the exercise of Home Rule in favor of the state and state managed agencies and departments.

IT IS THEREFORE RESOLVED that Horry County strongly opposes the proposed changes to the state Accommodations Tax distribution formula under consideration by the Tax Realignment Commission for the following reasons, among others:

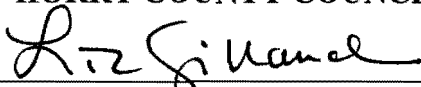
That the existing state Accommodations Tax distribution formula works well for Horry County and that local governments know best the needs of the communities they serve and how best to meet those needs, as intended under Home Rule; and

That the proposed change to the state Accommodations Tax distribution is an ill advised attempt to redirect existing dollars at the expense of local needs and services, and local jobs; and

That the net effect of this proposed change to the state Accommodations Tax distribution would be increased bureaucracy at the state level, less local funding for tourism-related services such as police and fire protection, less funding for local cultural and arts events, increased taxes on the business community to make up the shortfall, increased unemployment and less independence at the local level, and a reduction in the overall quality of life in Horry County.

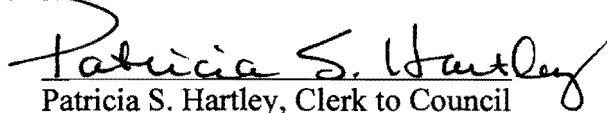
AND IT IS SO RESOLVED this 5th day of October, 2010.

HORRY COUNTY COUNCIL



Liz Gilland, Chairman

Attest:



Patricia S. Hartley, Clerk to Council