

October 5, 2010

TRAC Local Accommodations and Hospitality Tax Subcommittee

RE: Changes Proposed by Tourism Industry to Tax Realignment Commission  
Local Accommodations & Hospitality Tax Sub-Committee  
Proposed Addition to Section 12-36-920 Title 1-Chapter 36-Article 9  
Sales Tax and Section 12-36-920(A)

Good Morning Mr. Chairman and Members of the Committee:

My name is Mary Ann Fox and I've traveled here today from Apex, North Carolina because of the urgency of the matter before you. I am a timeshare owner at Sea Watch Plantation in Myrtle Beach. Our Board of Directors for Sea Watch Plantation serves Villas 1, 2 and 3 and 120 units are represented; all timeshare units. The North Tower has 249 units; 197 are whole owned and 52 are timeshare. The South Tower has 224 units; 168 are whole owned and 56 are timeshare. The North and South Towers are represented by their own boards and all boards are represented by the Master Association. The total units on this property are 593.

I have the honor of serving as President of the Sea Watch Plantation Timeshare Association and President of the Master Association. In this position I am able to interact with a great number of owners and hear their concerns.

Today I am here to convey several concerns to this commission but first I want to make a few things very clear. I am a real property owner just like all other second home owners in South Carolina. Like all other condominium owners, I am a member of our owners association, pay property taxes and a yearly maintenance. Our maintenance fees go for upkeep and management of the property and in the event a major repair is needed, we are given a special assessment. If I or any other owner fails to pay our maintenance fee or mortgage payment, then we can be foreclosed upon like any other property owner.

I purchased timeshare because it was more affordable and gave me the flexibility that I needed in vacation options. My timeshare "home" is Sea Watch Plantation and I purchased there because of the beauty of your beaches, vast array of entertainment, golf courses, outlet shopping and your beautiful South Carolina weather. My timeshare allows me to select stays in many locations within the Wyndham family of Resorts, throughout the United States and the Caribbean . I, as well as the owners of timeshare at the 7 resorts that Wyndham has throughout South Carolina, would all ask the same question..."Why should we choose to go to a timeshare in South Carolina if they are going to tax us additional monies?"

Timeshare owners look at their vacation stay as something that they have already paid for during the course of the year through maintenance fees. What does this mean? Discretionary dollars to be spent during their vacation stay. Generally speaking, lots of discretionary dollars to be spent in local restaurants, amusement parks, entertainment venues, golf courses, outlet shopping, supermarkets, gas stations...the list goes on and on.

Why would this commission want to place burdensome taxes on this segment of vacationers? These are the people who come with either family or friends and spend money in your State. They don't come and just pass through. They come and stay for extended periods of time. Please don't even consider imposing this new tax that will definitely make visitors think twice about spending their hard earned dollars in South Carolina.

This tax proposal will have devastating effects that will eventually ripple down to all segments of the tourism industry. Timeshare properties throughout the state are major employers, major purchasers of goods and in general are extremely good for the economy of South Carolina. I'd like to know what is making your Tourism Industry propose these changes to the Taxation Realignment Commission. This is the one industry that above all should know that tourism is the fuel that drives a major part of your economy. In these hard economic times, I urge you not to impose any new and overly burdensome tax on timeshare owners.

Thank you for the opportunity to speak today. I certainly hope you are listening.

Mary Ann Fox  
President  
Sea Watch Plantation Timeshare Association  
Sea Watch Plantation Master Association