CHAPTER 21

Stamp and Business License Tax

ARTICLE 1

General Provisions

**SECTION 12‑21‑10.** Administration of chapter; rules and regulations; county officers shall assist.

The department shall administer and enforce the taxes imposed by this chapter and shall prescribe rules and regulations pertinent to such enforcement. County treasurers and other county officers designated by the department shall assist in such administration by distributing regulations, giving information, selling stamps, reporting violations and in other ways not inconsistent with their respective offices to the extent and in the manner required by regulations of the department.

HISTORY: 1962 Code Section 65‑651; 1952 Code Section 65‑651; 1942 Code Sections 2526, 2529, 2531, 2546; 1932 Code Sections 2526, 2529, 2531, 2546; 1928 (35) 1089; 1929 (36) 114; 1930 (36) 1354; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921; 1947 (45) 106.

**SECTION 12‑21‑20.** Preparation and distribution of stamps.

The department shall cause to be prepared and distributed for the payment of the taxes prescribed in this chapter stamps suitable for denoting the tax on the documents or articles enumerated in this chapter.

HISTORY: 1962 Code Section 65‑652; 1952 Code Section 65‑652; 1942 Code Sections 2525, 2528, 2532; 1932 Code Sections 2525, 2528, 2532; 1928 (35) 1089; 1930 (36) 1358; 1932 (37) 1319, 1378; 1933 (38) 245, 923; 1937 (40) 539.

**SECTION 12‑21‑30.** Sale of stamps.

The department may engage any person to sell tax stamps and shall allow as compensation for receiving, selling and accounting for such stamps three per cent of the sale price thereof.

HISTORY: 1962 Code Section 65‑653; 1952 Code Section 65‑653; 1942 Code Sections 2528, 2532; 1932 Code Sections 2528, 2532; 1928 (35) 1089; 1930 (36) 1358; 1932 (37) 1319; 1933 (38) 245, 293; 1937 (40) 539.

**SECTION 12‑21‑40.** Affixing of stamps.

Stamps shall be affixed in such manner that their removal will require continued application of steam or water. But the department may prescribe such other method for the affixing of such stamps in substitution for or in addition to the method provided in this section as it may deem expedient.

HISTORY: 1962 Code Section 65‑654; 1952 Code Section 65‑654; 1942 Code Sections 2523, 2525, 2528, 2531, 2534; 1932 Code Sections 2523, 2525, 2528, 2531, 2534; 1928 (35) 1089; 1929 (36) 114; 1930 (36) 1358; 1932 (37) 1319, 1378, 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1937 (40) 539; 1938 (40) 1799; 1940 (41) 1921.

**SECTION 12‑21‑50.** Use of business license meter impressions.

The use of business license meter impressions, in lieu of revenue stamps, on cigarettes or other commodities required by law to carry State revenue stamps, may be permitted, in the discretion of the department.

HISTORY: 1962 Code Section 65‑654.1; 1954 (48) 1566.

**SECTION 12‑21‑60.** Cancellation of stamps.

Whenever an adhesive stamp is used for denoting any tax imposed by this chapter on documents, except as otherwise provided, the person using or affixing such stamp shall write, stamp or cause to be written or stamped thereon the initials of his name and the date upon which the stamp is attached or used, so that it may not again be used. But the department may prescribe such other method for the cancellation of such stamps as it may deem expedient.

HISTORY: 1962 Code Section 65‑655; 1952 Code Section 65‑655; 1942 Code Section 2523; 1932 Code Section 2523; 1928 (35) 1089.

**SECTION 12‑21‑70.** Fee for issuing duplicate license.

Whenever any license required under the provisions of this chapter is lost or misplaced or for any reason the issuance of a duplicate license is necessitated, the person to whom such duplicate license is issued shall pay a fee of one dollar for the issuance of such duplicate to the department. The fee shall be turned in to the State Treasurer as other funds collected by the department.

HISTORY: 1962 Code Section 65‑656; 1952 Code Section 65‑656; 1942 Code Section 2552; 1932 Code Section 2552; 1928 (35) 1089.

**SECTION 12‑21‑80.** Payment of tax by temporary, transient or itinerant businesses; penalties.

In the case of any person engaging in a temporary, transient or itinerant business which is taxable under the provisions of this chapter, the entire tax shall be paid upon demand by the department or any duly authorized agent thereof, and in case the tax is not paid upon demand all penalties provided for by this chapter shall immediately apply.

HISTORY: 1962 Code Section 65‑657; 1952 Code Section 65‑657; 1942 Code Sections 2542, 2545; 1932 Code Sections 2542,2545; 1928 (35) 1089.

**SECTION 12‑21‑90.** Refunds when goods have been shipped out of State; affidavit and acknowledgment.

In case any goods, wares or merchandise upon which business or soft drinks license stamps or soft drinks license crowns have been placed or have been sold and shipped to a regular dealer in such articles in another state, the seller in this State shall be entitled to a refund of the actual amount of the tax paid upon condition that the seller in this State shall make affidavit that the goods were so sold and shipped and that he shall furnish from the purchaser a written acknowledgment that he has received such goods and the amount of stamps or crowns thereon, together with the name and address of the purchaser. Upon receipt of such affidavit and acknowledgment the department shall issue to the seller in this State its warrant or order upon the State Treasurer for the amount thereof, which warrant or order shall be paid by the State Treasurer or, in the case of soft drink license stamps or crowns, such stamps or crowns of sufficient value to cover the refund.

HISTORY: 1962 Code Section 65‑658; 1952 Code Section 65‑658; 1942 Code Sections 2528, 2534; 1932 Code Sections 2528, 2534; 1928 (35) 1089; 1930 (36) 1358; 1932 (37) 1319; 1937 (40) 539.

**SECTION 12‑21‑100.** Exemption of certain articles sold to United States for military use or resale to military personnel; sale to ships engaged in foreign or coastwise shipping.

Beer, wine, soft drinks or any goods, wares and merchandise subject to tax under the provisions of this chapter shall be exempt from such tax when sold to the United States Government or United States Government instrumentality for Army, Navy, Marine or Air Force purposes and delivered to a place lawfully ceded to the United States, or delivered to a ship belonging to the United States Navy for distribution and sale to members of the military establishment only, or when sold and delivered to ships regularly engaged in foreign or coastwise shipping between points in this State and points outside the State. Any goods, the sale of which is exempt by this section, may be stored and delivered without payment of the tax imposed by this chapter if stored and delivered in accordance with regulations to be promulgated by the South Carolina Department of Revenue.

HISTORY: 1962 Code Section 65‑659; 1952 Code Section 65‑659; 1942 Code Sections 2528, 2534; 1932 Code Sections 2528, 2534; 1928 (35) 1089; 1930 (36) 1358; 1932 (37) 1319; 1937 (40) 539; 1966 (54) 2591; 1993 Act No. 181, Section 130.

**SECTION 12‑21‑110.** Refunds when goods have been damaged.

The department may promulgate rules and regulations providing for the refund to dealers of the cost of stamps affixed to goods which by reason of damage become unfit for sale and are destroyed by the dealer or returned to the manufacturer or, in the case of the soft drink tax, in the event of any other legitimate loss that may occur upon proof of such loss to manufacturers.

HISTORY: 1962 Code Section 65‑661; 1952 Code Section 65‑661; 1942 Code Sections 2528, 2534; 1932 Code Sections 2528, 2534; 1928 (35) 1089; 1930 (36) 1358; 1932 (37) 1319; 1937 (40) 539.

**SECTION 12‑21‑120.** Rules and regulations as to refunds.

The department may promulgate rules and regulations to prevent any abuse of the provisions contained in this chapter providing for refunds.

HISTORY: 1962 Code Section 65‑662; 1952 Code Section 65‑662; 1942 Code Sections 2528, 2534; 1932 Code Sections 2528, 2534; 1928 (35) 1089; 1930 (36) 1358; 1932 (37) 1319; 1937 (40) 539.

**SECTION 12‑21‑130.** Revolving fund; use for purchase of crowns and admission tickets.

In the business license tax division of the department there is established a revolving fund in the sum of fifty thousand dollars for the purchase of crowns and admission tickets and all payments from such fund shall be refunded as the fund is depleted out of revenues collected from the sale of crowns or tickets.

HISTORY: 1962 Code Section 65‑663; 1952 Code Section 65‑663; 1942 Code Section 2551; 1932 Code Section 2551; 1928 (35) 1089.

**SECTION 12‑21‑140.** Payment of taxes; disposition of taxes collected; remittance sheets.

All persons taxable under the provisions of this chapter shall pay such taxes to the department. The department shall remit to the State Treasurer all moneys collected under the provisions of this chapter and all such remittances shall be accompanied by a typewritten statement, showing the sources from which the taxes were derived. The department shall furnish the Comptroller General with a true copy of all remittance sheets which the department is required by this chapter to send to the State Treasurer.

HISTORY: 1962 Code Section 65‑664; 1952 Code Section 65‑664; 1942 Code Section 2550; 1932 Code Section 2550; 1928 (35) 1089; 1930 (36) 1361.

**SECTION 12‑21‑150.** Taxes imposed by chapter shall be in addition to other taxes.

The license tax or taxes imposed by this chapter shall, except as otherwise expressly provided, be in addition to all other licenses and taxes levied by law, as a condition precedent to engaging in any business or doing any act taxable under this chapter.

HISTORY: 1962 Code Section 65‑665; 1952 Code Section 65‑665; 1942 Code Section 2547; 1932 Code Section 2547; 1928 (35) 1089.

**SECTION 12‑21‑170.** "Retail or selling price" defined.

Whenever the retail or selling price is referred to in this chapter as the basis for computing a tax, it is intended to mean the ordinary, customary or usual price paid by the consumer.

HISTORY: 1962 Code Section 65‑667; 1952 Code Section 65‑667; 1942 Code Section 2534; 1932 Code Section 2534; 1928 (35) 1089; 1930 (36) 1358.

**SECTION 12‑21‑180.** Revival of former law.

Should any part of this chapter be declared unconstitutional or void for any reason by any court of competent jurisdiction, the appropriate provisions of Act No. 73, approved April 22, 1927, applicable to the same subject matter, if any, shall be of full force and effect and unrepealed and unaffected by the terms of this chapter.

HISTORY: 1962 Code Section 65‑669; 1952 Code Section 65‑669; 1942 Code Section 2553; 1932 Code Section 2554; 1928 (35) 1089.

ARTICLE 5

Tobacco, Ammunition and Playing Cards

**SECTION 12‑21‑610.** Imposition of tax.

Every person doing business within the State and engaging in the business of selling such articles or commodities as are named in this article shall, for the privilege of carrying on such business, and every person, firm, corporation, club or association within the State importing, receiving or acquiring from without the State or from any other source any such articles for use or consumption within the State shall for the privilege of so doing be subject to the payment of a license tax which shall be measured by and graduated in accordance with the volume of sales or acquisitions of such person within the State.

HISTORY: 1962 Code Section 65‑701; 1952 Code Section 65‑701; 1942 Code Sections 2527, 2555‑2; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 1761, 2925.

**SECTION 12‑21‑620.** Tax rates on products containing tobacco; "cigarette" defined.

(A) There shall be levied, assessed, collected, and paid in respect to the articles containing tobacco enumerated in this section the following amounts:

(1) upon all cigarettes made of tobacco or any substitute for tobacco, three and one‑half mills on each cigarette;

(2) upon all tobacco products, as defined in Section 12‑21‑800, five percent of the manufacturer's price.

Manufacturer's price as used in this section is the established price at which a manufacturer sells to a wholesaler.

(B) As used in this section, "cigarette" means:

(1) any roll for smoking containing tobacco or any substitute for tobacco wrapped in paper or in any substance other than a tobacco leaf; or

(2) any roll for smoking containing tobacco or any substitute for tobacco, wrapped in any substance, weighing three pounds per thousand or less, however labeled or named, which because of its appearance, size, type of tobacco used in the filler, or its packaging, pricing, marketing, or labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in item (1) of this subsection.

HISTORY: 1962 Code Section 65‑702; 1952 Code Section 65‑702; 1942 Code Section 2527; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925; 1942 (42) 1690; 1950 (46) 2549; 1953 (48) 74; 1960 (51) 1779; 1962 (52) 2168; 1968 (55) 3094; 1969 (56) 444; 1977 Act No. 219, Pt II, Section 28; 1996 Act No. 239, Section 2; 2010 Act No. 170, Section 2, eff May 13, 2010.

**SECTION 12‑21‑625.** Cigarette surtax; imposition; crediting of revenues; definition of "cigarette".

(A) Effective July 1, 2010, there is imposed a surtax on cigarettes subject to the tax imposed pursuant to Section 12‑21‑620(1) in an amount equal to two and one‑half cents on each cigarette.

(B) Notwithstanding another provision of law providing for the crediting of the revenues of license or other taxes, the revenue of the surtax imposed pursuant to this section must be credited as follows:

(1) five million dollars annually to the Medical University of South Carolina Hollings Cancer Center to be used for tobacco‑related cancer research;

(2) five million dollars annually to the Smoking Prevention and Cessation Trust Fund created pursuant to Section 11‑11‑230(A);

(3) the remaining annual revenue shall be deposited in the South Carolina Medicaid Reserve Fund created pursuant to Section 11‑11‑230(B).

(C) For all purposes of reporting, payment, collection, and enforcement, the surtax imposed by this section is deemed to be imposed pursuant to Section 12‑21‑620.

(D) For purposes of this section, "cigarette" means:

(1) any roll for smoking containing tobacco or any substitute for tobacco wrapped in paper or in any substance other than a tobacco leaf; or

(2) any roll for smoking containing tobacco or any substitute for tobacco, wrapped in any substance, weighing three pounds per thousand or less, however labeled or named, which because of its appearance, size, type of tobacco used in the filler, or its packaging, pricing, marketing, or labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in item (1).

HISTORY: 2010 Act No. 170, Section 1, eff May 13, 2010.

**SECTION 12‑21‑650.** What is deemed sale or retail "price"; articles given as prizes.

Whenever in this article:

(1) reference is made to manufactured tobacco products manufactured or imported to sell at a certain price, as the basis for computing the tax, it is intended to mean the ordinary, customary or usual price paid by the consumer for each individual cigar, package of cigarettes, package of smoking tobacco or other tobacco product;

(2) the retail or selling price is referred to as the basis for computing the amount of stamps required on any article, it is intended to mean the ordinary, customary or usual price paid by the consumer for each article less the amount of tax added thereto; and

(3) when any articles or commodities subject to tax under this article are given as prizes on punchboards, shooting galleries and under similar circumstances the tax shall be based on the ordinary selling price of such articles.

HISTORY: 1962 Code Section 65‑705; 1952 Code Section 65‑705; 1942 Code Section 2527; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925; 1964 (53) 1880.

**SECTION 12‑21‑660.** Licenses required for engaging in tobacco business.

Every person engaged in the business of purchasing, selling or distributing cigars, cheroots, stogies, cigarettes, snuff or smoking or chewing tobacco at wholesale or through vending machines within the State and all cigarette, cigar and tobacco product manufacturers' sales representatives who conduct business in this State shall file with the Department of Revenue an application for a license permitting him to engage in such business. When such business is conducted at two or more separate places, a separate license for each place of business shall be required. A person whose business is conducted through vending machines needs to obtain only one license but shall maintain an up‑to‑date list of the location of each vending machine operated under this license and each manufacturer's sales representative needs to obtain only one license. The provisions of this section shall not apply to persons who own and stock vending machines for use on their own premises.

Nothing in this section shall be construed as requiring a license for the privilege of buying, selling or distributing leaf tobacco nor shall this section apply to churches, schools or charitable organizations operating booths at state, county, or community fairs or to school or church entertainments.

HISTORY: 1962 Code Section 65‑706; 1952 Code Section 65‑706; 1942 Code Section 2527; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925; 1967 (55) 555; 1977 Act No. 31; 1993 Act No. 181, Section 133.

**SECTION 12‑21‑670.** Application for license; issuance of permanent license; display of license.

The application must be filed on a blank to be furnished by the department for that purpose and shall contain a statement including the name of the individual, partnership, (and in the case of each individual partner) or corporation, the post‑office address and the nature of the business. Upon receipt of an application for a license to engage in any business as set forth in Section 12‑21‑660, the department shall issue to the applicant a permanent license permitting the purchase, sale, and distribution of the articles designated therein. The license must be displayed at all times in some conspicuous place at or in the place of business where it may be easily seen by the public. The license provided for in this section must be obtained before engaging in the business in this State and is only valid for the person in whose name it is issued and only for the transaction of business at the place designated in the license.

HISTORY: 1962 Code Section 65‑707; 1952 Code Section 65‑707; 1942 Code Section 2527; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925; 1967 (55) 555; 1986 Act No. 306, Section 1.

**SECTION 12‑21‑680.** Reclassification as between wholesale and retail business.

The department may reclassify a person as a wholesaler or retailer as may be just and proper according to the business done.

HISTORY: 1962 Code Section 65‑708; 1952 Code Section 65‑708; 1942 Code Section 2527; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑690.** Licenses shall not be transferable; operation of business pending granting of license.

No license issued permitting the sale and distribution of tobacco products shall be transferable and any license issued to any person who shall afterwards retire from business shall be null and void. But anyone may be allowed to operate for ten days after purchase of stock in bulk, pending granting of a license upon application made promptly upon such purchase.

HISTORY: 1962 Code Section 65‑709; 1952 Code Section 65‑709; 1942 Code Section 2527; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑735.** Stamp tax on cigarettes.

(A) Each person or distributor of cigarettes taxable under this article, first receiving untaxed cigarettes for sale or distribution in this State, is subject to the tax imposed in Section 12‑21‑620. The taxes imposed on cigarettes pursuant to this chapter must be paid by affixing stamps in the manner and at the time provided in this section. Except as otherwise provided in this section, stamps must be affixed to each individual package of cigarettes by distributors before being sold, distributed, or shipped to another person. A distributor may affix stamps only to packages of cigarettes obtained directly from a manufacturer or importer with a valid permit issued pursuant to 26 U.S.C. Section 5713. If cigarettes are manufactured in this State and sold directly to consumers in this State by a manufacturer or importer, the cigarette packages must be stamped by a licensed distributor before being sold.

(B) Only manufacturers or importers with a valid permit issued pursuant to 26 U.S.C. Section 5713, or licensed distributors, may receive or possess unstamped packages of cigarettes. Only a manufacturer or importer with a valid permit issued pursuant to 26 U.S.C. Section 5713 may ship or otherwise cause to be delivered unstamped packages of cigarettes in, into, or from this State, except that a licensed distributor may transfer, transport, or cause to be transported unstamped cigarettes from a facility owned by the distributor to another facility, wherever located, owned by the distributor.

(C) A qualified distributor licensed pursuant to this chapter may sell cigarettes without South Carolina stamps affixed to the package, provided that:

(1) the cigarettes are set forth in separate stock for sale to a licensed distributor of cigarettes in another state;

(2) if the cigarettes are not in the possession of a qualified distributor licensed pursuant to this chapter, the cigarettes must be in the possession of a person having immediate evidence of a license in business as a distributor of cigarettes in the another state, and the cigarettes must be purchased for the purpose of resale in the other state;

(3) the cigarettes, at the time of sale by the distributor, properly are stamped with revenue stamps authorized and issued by another state for use on the cigarettes, if the other state requires revenue stamps, or any applicable tax imposed on the cigarettes by the other state has been paid if the law of the other state permits the sale of the cigarettes to consumers in a package not bearing a stamp; and

(4) at all times there is accompanying the cigarettes an invoice, indicating the purchase date, the name, address, and telephone number of the seller, and the name, address, and telephone number of the purchaser. A distributor shall have on file a record of each sale, the original purchase order, a copy of the invoice, and a signed receipt from the purchaser showing that the purchase was made exclusively for resale in another state.

(D) Cigarettes may be sold by qualified distributors without revenue stamps affixed to the package when exempted from tax by Section 12‑21‑100. A distributor that receives or possesses cigarettes intended for sale or distribution into or within this State which are exempt from the taxes imposed pursuant to this chapter shall affix stamps that indicate the package of cigarettes is exempt from tax.

(E) The department shall prescribe, prepare, and furnish stamps of denominations and quantities as necessary for the payment of the tax imposed by this chapter. The department also shall cause to be prepared and distributed to licensed distributors stamps that indicate that a package of cigarettes is exempt from the taxes imposed pursuant to this chapter.

(1) The stamps must be of a type that when affixed on each individual package the stamps cannot be removed without being mutilated or destroyed.

(2) The department, by rules and regulations, shall designate the type of stamps to be applied.

(3) The stamps must be sold only in amounts of thirty thousand or multiples of thirty thousand.

(4) In addition to stamps, the department, by rules and regulations, may authorize licensed distributors to use other devices which imprint distinctive indicia evidencing the payment of the tax upon each individual package. The machines must be constructed in a manner as accurately records or meters the number of impressions or tax stamps made. The tax meter machines or other devices must be kept available at all reasonable times for inspection by the department.

(5) The department, by rules and regulations, may authorize a process allowing for a credit for damaged tax stamps, for product returned as unsellable, and for product unrecoverable as a result of bad debt.

(6) A distributor is allowed a tax credit for the purchase of one stamping machine and equipment acquired by the distributor within one year of implementation by the department. The credit may be claimed beginning in the first calendar month following the purchase of the machine and equipment and continuing for the immediately succeeding seventeen months. The amount of the credit equals the direct costs actually incurred by the distributor to acquire the stamping machine and equipment, as determined by the department, divided by eighteen, with the maximum cumulative credit equaling one hundred seventy‑five thousand dollars. The direct costs must exclude costs for shipping, installation, or for ongoing maintenance related to the machine. Any tax credit must be applied only to the tax remitted pursuant to this chapter. The department may promulgate regulations necessary to implement the provisions of this credit.

(7) The department, by rules and regulations, may authorize the sale of stamps to a distributor on thirty‑day credit periods. Those persons authorized to pay tax by such means are required to execute a bond with a solvent surety company qualified to do business in this State, in an amount of one hundred ten percent of the distributor's estimated tax liability for thirty days, but not less than two thousand dollars, and conditioned upon the distributor paying all taxes due the State arising from this section. This form of payment is in lieu of cash or its equivalent. Payment for each month's liability is due on or before the twentieth day of each month, including Sundays and holidays. At the discretion of the department, default in the bonding and payment provisions by any distributor may result in the revocation of the distributor's privilege to purchase stamps.

(F) All stamps prescribed by the department must be designed and furnished in a fashion that permits identification of the distributor that affixed the stamp to the particular package of cigarettes by means of a serial number or other mark on the stamp. A stamp on a package of cigarettes must note whether the taxes prescribed in this chapter were paid or whether the package of cigarettes was exempt from the taxes.

(G) Stamps only may be affixed to packages of cigarettes that are listed on the South Carolina Tobacco Directory published by the Office of the Attorney General pursuant to Section 11‑48‑30.

(H) The department may appoint manufacturers and distributors of cigarettes, in or out of this State, as agents to buy or affix stamps to be used in paying the tax imposed by this chapter, but the agent at all times has the right to appoint a person in his employ who is to affix the stamps to any cigarette under the agent's control.

(1) When the department sells and delivers to an agent, the agent is entitled to receive as compensation for his services and expenses as an agent in affixing and accounting for the taxes represented by the stamps and to retain out of the money to be paid by the agent for the stamps a discount of four and twenty‑five one hundredths percent of the face value of the stamps.

(2) The department, by rules and regulations, shall provide a method of purchasing stamps.

(I) The department may promulgate regulations necessary to enforce this section.

(J) For the limited purpose of recovering the costs incurred by the department associated with the installation and operation of the cigarette stamp program, annually the department may retain up to four hundred thousand dollars of tax revenue generated pursuant to Section 12‑21‑620(A)(1), not to exceed actual costs. By March fifteenth of each year, the department must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee the costs incurred by the department associated with the operation of the cigarette tax stamp program.

HISTORY: 1995 Act No. 114, Section 1; 1996 Act No. 239, Section 3; 2016 Act No. 145 (H.4151), Section 1, eff March 14, 2016 and January 1, 2019.

Editor's Note

2016 Act No. 145, Section 2, provides as follows:

"SECTION 2. This act takes effect on January 1, 2019, except that Section 12‑21‑735(I) takes effect upon approval by the Governor."

Effect of Amendment

2016 Act No. 145, Section 1, effective March, 14, 2016, inserted (I).

2016 Act No. 145, Section 1, effective January 1, 2019, rewrote the section.

**SECTION 12‑21‑750.** Certain retail dealers shall furnish duplicate invoices; violations.

All retail dealers in manufactured tobacco products, shells, cartridges or playing cards purchasing or receiving such commodities from without the State, whether they shall have been ordered through a wholesaler or jobber in this State, by drop shipment or otherwise, shall, within five days after receipt of them, mail a duplicate invoice of all such purchases or receipts to the department. Failure to furnish duplicate invoices as required shall be a misdemeanor and, upon conviction, be punishable by a fine of not more than one hundred dollars for each offense or imprisonment for a period not exceeding thirty days.

HISTORY: 1962 Code Section 65‑718; 1952 Code Section 65‑718; 1942 Code Section 2527; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑760.** Intent of article: stamps shall not be required on resale.

It is the intent of this article to require all manufacturers within this State, wholesale dealers, jobbers, distributors and retail dealers to affix the stamps provided for in this article to taxable commodities, but when the stamps have been affixed as required in this article no further or other stamp shall be required under the provisions of this chapter regardless of how often such articles may be sold or resold within this State.

HISTORY: 1962 Code Section 65‑719; 1952 Code Section 65‑719; 1942 Code Sections 2527, 2555‑2; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 1761, 2925.

**SECTION 12‑21‑770.** Distributor's liability to pay tax.

Every person, firm, corporation, club or association who sells, stores or receives for the purpose of distribution to any person, firm, corporation, club or association any shotgun or other shells, cartridges, manufactured tobacco products or playing cards otherwise taxable under the provisions of this chapter shall pay the tax at the rates provided in this article for the sale of such articles.

HISTORY: 1962 Code Section 65‑720; 1952 Code Section 65‑720; 1942 Code Section 2527; 1932 Code Section 2527; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑780.** Returns shall be filed by distributors; payment of tax on tobacco products; discount.

Every distributor, on or before the twentieth day of each month, shall file with the South Carolina Department of Revenue a return on forms to be prescribed and furnished by the department showing the quantity and wholesale price of all tobacco products transported or caused to be transported into the State by him or manufactured or fabricated in the State for sale in this State. Every distributor authorized by the department to make returns and pay the tax on tobacco products sold, shipped, or delivered by him to any person in the State shall file a return showing the quantity and wholesale price of all products so sold, shipped, or delivered during the preceding calendar month. These returns must contain such further information as the department may require. Every distributor shall pay to the department with the filing of the return the tax on tobacco products for the month imposed under this article. When the distributor or dealer files the return and pays the tax within the time specified in this section, he may deduct therefrom three and one‑half percent of the tax due.

HISTORY: 1962 Code Section 65‑724; 1968 (55) 2855; 1993 Act No. 181, Section 134; 1995 Act No. 61, Section 2; 1996 Act No. 239, Section 4.

**SECTION 12‑21‑785.** Returns.

Notwithstanding the provisions of Sections 12‑21‑735 and 12‑21‑780, the department may require returns and payments of this tax for other than monthly periods.

HISTORY: 1996 Act No. 239, Section 1.

**SECTION 12‑21‑800.** "Tobacco products" defined.

As used in Sections 12‑21‑620 and 12‑21‑780, "tobacco products" means cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco, snuff, snuff flour, cavendish, plug and twist tobacco, fine‑cut, and other chewing tobacco, shorts, refuse scraps, clippings, cuttings and sweepings of tobacco, and other kinds and forms of tobacco, prepared in a manner to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing or smoking, but does not include cigarettes.

HISTORY: 1962 Code Section 65‑722; 1968 (55) 2855; 1996 Act No. 239, Section 5.

**SECTION 12‑21‑810.** "Distributor" defined.

As used in Section 12‑21‑780, "distributor" means:

(A) Any person engaged in the business of selling tobacco products in this State who brings or causes to be brought into this State from without the State any tobacco products for sale;

(B) Any person who makes, manufacturers, or fabricates tobacco products in this State for sale in this State;

(C) Any person engaged in the business of selling tobacco products without this State who ships or transports tobacco products to retailers in this State to be sold by those retailers.

HISTORY: 1962 Code Section 65‑723; 1968 (55) 2855.

**SECTION 12‑21‑820.** Tax on cigarettes and tobacco products; boundary clarification.

(A) If the location of a retailer that sells cigarettes and tobacco products changes from South Carolina to North Carolina as a result of the boundary clarification, as contained in the amendments to Section 1‑1‑10, effective January 1, 2017, and the retailer has South Carolina tax‑paid cigarettes and tobacco products in inventory on the date of the boundary change, then the retailer is entitled to a refund of South Carolina cigarette and tobacco taxes paid on those cigarette and tobacco products if North Carolina imposes a tax on those cigarette and tobacco products. This refund may be issued to the retailer notwithstanding that the South Carolina tax was paid by the wholesaler from whom the retailer purchased the cigarettes and tobacco products. The retailer must provide proof that the North Carolina cigarette taxes were paid on the same cigarettes and tobacco that was previously taxed by South Carolina.

(B) If North Carolina does not impose a tax on the cigarette and tobacco products in inventory as a result of the boundary clarification, South Carolina shall refund the South Carolina cigarette and tobacco taxes to the extent the South Carolina tax exceeds the North Carolina tax. The refund amount is calculated based on the inventory information required by North Carolina as a result of the boundary clarification.

(C) Any wholesaler who sold South Carolina tax‑paid cigarettes to a retail business is not entitled to a refund of these taxes because of a change in the retailer's location from South Carolina to North Carolina as a result of the boundary clarification.

HISTORY: 2016 Act No. 270 (S.667), Section 8, eff January 1, 2017.

ARTICLE 7

Beer and Wine License Taxes

**SECTION 12‑21‑1010.** Definitions.

When used in this article the following words and terms shall have the following meanings:

(1) The word "wholesaler" means any person who makes the first sale within this State or who sells or distributes any quantity of beer or wine to any other person for resale, but the term shall not include any person who produces wine in the State from fruits grown within the State by or for the manufacturer;

(2) The word "retailer" means any person who sells or distributes any quantity of beer or wine to a consumer;

(3) The word "beer" has the meanings provided pursuant to Section 61‑4‑10(1) and (2);

(4) The word "wine" means all wines containing not more than twenty‑one per cent of alcohol by volume; and

(5) (Reserved);

(6) The word "producer" means a brewery or winery or a manufacturer or bottler or an importer into the United States of beer or wine, or both.

HISTORY: 1962 Code Section 65‑731; 1952 Code Section 65‑731; 1942 Code Section 2557‑9; 1935 (39) 263; 1939 (41) 302; 1946 (44) 1463; 1948 (45) 2091; 1949 (46) 645; 1951 (47) 546; 1969 (56) 767; 1980 Act No. 519, Part II, Section 15A; 2003 Act No. 70, Section 2, eff June 25, 2003; 2010 Act No. 228, Section 1, eff June 7, 2010.

Editor's Note

2010 Act No. 228, Section 2, provides:

"Upon approval by the Governor, the revised definition of 'beer' in Section 12‑21‑1010(3) of the 1976 Code, as amended by this act, applies retroactively to May 2, 2007."

**SECTION 12‑21‑1020.** Tax on beer and wine in containers of one gallon or more.

There shall be levied and collected on all beer offered for sale in containers of one gallon or more in this State a license tax of six‑tenths cent per ounce and on all wines offered for sale in this State a license tax of ninety cents per gallon or fractional quantity thereof.

HISTORY: 1962 Code Section 65‑732; 1952 Code Section 65‑732; 1942 Code Section 2557‑2; 1935 (39) 1211; 1936 (39) 1780; 1938 (40) 1811; 1939 (41) 302; 1946 (44) 1463; 1951 (47) 546; 1955 (49) 329; 1968 (55) 2855; 1969 (56) 444.

**SECTION 12‑21‑1030.** Tax on sales of less than one gallon and in metric size containers.

If beer be offered for sale in bottles or cans, there shall be levied and collected a tax of six‑tenths cents per ounce or fractional quantity thereof, and on wines offered for sale in quantities of less than one gallon there shall be levied and collected a tax of six cents for each eight ounces or fractional quantity thereof, and wine offered for sale in metric sizes a tax at the rate of twenty‑five and thirty‑five one hundredths cents per liter.

HISTORY: 1962 Code Section 65‑733; 1952 Code Section 65‑733; 1951 (47) 546; 1955 (49) 329; 1968 (55) 2855; 1969 (56) 444; 1975 (59) 625.

**SECTION 12‑21‑1035.** Tax on beer brewed at a brewpub.

(A) Beer brewed on a permitted premises pursuant to Article 17, Chapter 4, Title 61, must be taxed based on the number of gallons of beer produced on the permitted premises and must be taxed at the same rate of taxation for beer provided in Section 12‑21‑1020. The permittee shall maintain adequate records as determined by the department to ensure the collection of this tax.

(B) The taxes imposed by the provisions of this section, except as otherwise provided, are due and payable in monthly installments on or before the twentieth day of the month following the month in which the tax accrues.

(C) On or before the twentieth day of each month, a person on whom the taxes in this section are imposed shall file with the department, on a form designed by it, a true and correct statement showing the total gallons produced and any other information the department may require.

(D) At the time of making a monthly report, the person shall compute the taxes due and pay to the department the amount of taxes shown to be due. A return is considered to be timely filed if the return is mailed and has a postmark dated on or before the date the return is required by law to be filed.

HISTORY: 2001 Act No. 89, Section 53, eff July 20, 2001.

**SECTION 12‑21‑1050.** Payment of tax; penalty for nonpayment; extensions of time.

The tax prescribed in this article must be paid by requiring each wholesaler to make a report to the department, in the form the department prescribes, of all beer and wine sold or disposed of within this State by the wholesaler and to pay the tax due thereon not later than the twentieth of the month following the sale of beer or wine. Any wholesaler who fails to file the report or to pay the tax as prescribed in this section must pay a penalty of one quarter of one percent of the amount of the tax due and unpaid or unreported for each day the tax remains unpaid or unreported. The penalty must be assessed and collected by the department in the manner as other taxes are assessed and collected. The department may grant any wholesaler extensions of time for filing the reports and paying the taxes prescribed in this article and no penalties may be assessed or collected to the extent that the extensions of time are granted.

HISTORY: 1962 Code Section 65‑734; 1952 Code Section 65‑734; 1942 Code Section 2557‑3; 1933 (38) 287, 576; 1934 (38) 1439; 1969 (56) 767; 1971 (57) 709; 1980 Act No. 422; 1983 Act No. 24, Section 3; 1992 Act No. 501, Part II, Section 34B.

**SECTION 12‑21‑1060.** Discount on tax paid when due.

Under the reporting method of tax payment on sales of beer and wine prescribed in Section 12‑21‑1050, the Department of Revenue shall allow a discount of two percent to the wholesaler on the amount of tax reported on each monthly report.

In no case shall any discount be allowed if the taxes are not paid in full or if either the report or the taxes are received by the department after the date due, or after the expiration of any extension granted by the department.

HISTORY: 1962 Code Section 65‑735; 1952 Code Section 65‑735; 1951 (47) 546; 1959 (51) 144; 1968 (55) 2855; 1969 (56) 767; 1993 Act No. 181, Section 136.

**SECTION 12‑21‑1070.** Tax on persons importing or receiving beer or wine on which tax has not been paid.

Every person, firm, corporation, club, or association, or any organization or individual within this State, importing, receiving, or acquiring from without the State or from any other sources whatever, beer or wine as defined in Section 12‑21‑1010 on which the tax imposed by this chapter has not been paid, for use or consumption within the State, shall be subject to the payment of a license tax at the same rates provided in Sections 12‑21‑1020 and 12‑21‑1030.

HISTORY: 1962 Code Section 65‑735.1; 1955 (49) 329; 1967 (55) 248.

**SECTION 12‑21‑1085.** Taxes provided for in Article 7 in lieu of all other taxes on beer and wine; exceptions.

Except as provided in Section 12‑21‑1035 and Article 9, the taxes provided for in this article are in lieu of all other taxes and licenses on beer and wine of the State, the county, or the municipality, except the sales and use tax or the local hospitality tax, and include licenses for its delivery by the wholesaler.

HISTORY: 2005 Act No. 26, Section 1, eff March 23, 2005.

**SECTION 12‑21‑1090.** Rules and regulations; confiscation and sale.

The department may promulgate rules and regulations for the payment and collection of the taxes levied by this article. The administrative provisions of Section 12‑21‑2870, wherever applicable, are adopted for the administration and enforcement of the provisions of this article.

HISTORY: 1962 Code Section 65‑737; 1952 Code Section 65‑737; 1942 Code Section 2557‑3; 1933 (38) 287, 576; 1934 (38) 1439; 1956 (49) 1841; 2005 Act No. 145, Section 23, eff June 7, 2005.

**SECTION 12‑21‑1100.** Authority to conduct examinations and inspections.

The department or any agent or representative designated by it for that purpose and all peace officers or police officers of the State may enter upon the premises of any person selling or offering for sale any beer, ale, porter, wine, or other similar malt or fermented beverage without a warrant and examine or cause to be examined any books, records, papers, memoranda or commodities and secure any other information directly or indirectly pertaining to the enforcement of this article.

HISTORY: 1962 Code Section 65‑738; 1952 Code Section 65‑738; 1942 Code Section 2557‑4; 1933 (38) 287, 576; 1934 (38) 1439.

**SECTION 12‑21‑1110.** Payment of expenses.

The cost of stamps, supplies, and other expenses of the administration of this article shall be paid out of the proceeds derived from the collection of this tax upon warrants drawn by the Department of Revenue upon the State Treasurer.

HISTORY: 1962 Code Section 65‑739; 1952 Code Section 65‑739; 1942 Code Section 2557‑3; 1933 (38) 287, 576; 1934 (38) 1439; 1993 Act No. 181, Section 137.

**SECTION 12‑21‑1120.** Disposition of taxes and license fees.

The beer and wine taxes and license fees provided for by this article must be paid to and collected by the department and deposited to the credit of the general fund of the State.

HISTORY: 1962 Code Section 65‑740; 1952 Code Section 65‑740; 1951 (47) 546; 1964 (53) 1918; 1968 (55) 2855; 1969 (56) 444; 1991 Act No. 171, Part II, Section 22D.

**SECTION 12‑21‑1130.** Disposition of State's portion of tax.

The State's portion of all revenue derived from the sale of beer and wine shall be paid to the State Treasurer for credit to the special school account on the last day of each month. The department shall transfer to the special school account from any unallocated funds on hand on the last day of each month the State's portion of such revenue.

HISTORY: 1962 Code Section 65‑741; 1952 Code Section 65‑741; 1942 Code Section 1862; 1935 (39) 325, 1211; 1936 (39) 1308, 1351, 1456, 1556, 1624, 1780.

ARTICLE 9

Additional Wine Excise Tax

**SECTION 12‑21‑1310.** Additional tax levied; rate.

In addition to any and all other taxes or licenses, there shall be levied and collected on all wines offered for sale in this State an additional tax of eighteen cents per gallon or fraction thereof, and on wines offered in quantities less than one gallon, there shall be levied and collected a tax of one and two‑tenths cents for eight ounces or fraction thereof, and wine offered for sale in metric sizes a tax at the rate of five and seven one hundredths cents per liter.

HISTORY: 1962 Code Section 65‑745; 1960 (51) 1779; 1968 (55) 2855; 1975 (59) 625.

**SECTION 12‑21‑1320.** Persons against whom tax shall be levied; reports; payment; penalties.

The additional taxes imposed by Section 12‑21‑1310 shall be levied against and collected from the wholesaler, importer, or any other person first offering such wine for sale within this State. The wholesaler, importer, or other person offering said wine for sale in this State shall make a report to the Department of Revenue in such form as the department may prescribe and shall pay the tax due thereon not later than the twentieth day of the month following the sale of the wine.

Any wholesaler, importer, or other person first offering wine for sale in this State who fails to file the report or to pay the tax hereby imposed, on or before the twentieth day of the month following the sale of wine, shall pay a penalty of not less than twenty dollars nor more than one thousand dollars, to be assessed and collected by the department in the same manner and with like effect as other taxes are collected. The provisions of Section 12‑21‑1050 shall determine the payment of taxes for the month of June.

HISTORY: 1962 Code Section 65‑746; 1960 (51) 1779; 1983 Act No. 24, Section 4; 1993 Act No. 181, Section 138.

**SECTION 12‑21‑1330.** Notice of changes to be filed by manufacturers, brewers, brokers, and certain others; violations.

All manufacturers, brewers, brewer sales representatives, brokers or any persons or firms whatsoever offering malt beverages for shipment into this State shall notify in writing the department and the wholesale dealer affected at least ninety days previous to any change made by them, either in their distributors or the territories of their distributors in this State. Wholesale dealers shall notify in writing the department and the shipping brewer affected at least ninety days previous to any change in either the territory or the distribution of their products. Any manufacturer, brewer, brewer sales representative, broker or any person who sells his product in violation of this provision shall forfeit the privilege of purchasing or using any beer and wine license tax crowns or lids.

HISTORY: 1962 Code Section 65‑747; 1960 (51) 1779.

**SECTION 12‑21‑1340.** Collection and enforcement.

All the applicable provisions of Title 61, this chapter and Chapter 1 of this Title, shall apply with full force and effect for the collection and enforcement of the additional taxes imposed by this article.

HISTORY: 1962 Code Section 65‑748; 1960 (51) 1779.

**SECTION 12‑21‑1350.** Additional taxes and penalties shall not be shared with counties and municipalities.

Notwithstanding the provisions of Section 12‑21‑1120, the additional taxes or penalties imposed by this article shall not be shared with cities and municipalities or counties.

HISTORY: 1962 Code Section 65‑749; 1960 (51) 1779.

ARTICLE 11

Producers and Wholesalers of Beer and Wine

**SECTION 12‑21‑1540.** Applicant for certificate of registration shall authorize audit and examination of books and records.

In all cases, the applicant for a certificate of registration required by this article, as a condition precedent to the issue of such certificate of registration, must certify that the Department of Revenue shall have the right within statutory limitations to audit and examine the books and records, papers and memoranda of the applicant with respect to the administration and enforcement of laws administered by the Department of Revenue.

HISTORY: 1962 Code Section 65‑744.8; 1969 (56) 767; 1993 Act No. 181, Section 139.

**SECTION 12‑21‑1550.** Invoices and bills of lading shall be furnished to Department of Revenue.

Prior to shipment into the geographic boundaries of South Carolina to a licensed wholesaler of any beer or wine by a registered producer, the registered producer shall mail by first class mail to the Department of Revenue a correct and complete invoice, showing in detail the items in such shipment by quantity, type, brand and size and the point of origin and the point of destination. Also, prior to or at the time of shipment, a copy of the bill of lading shall be forwarded to the Department of Revenue by first class mail. Upon acceptance of delivery of the shipment by the duly licensed wholesaler, the wholesaler shall furnish the Department of Revenue with a copy of the invoice covering the shipment, with endorsement thereon showing the date, time and place delivery was accepted.

HISTORY: 1962 Code Section 65‑744.4; 1969 (56) 767; 1993 Act No. 181, Section 140.

**SECTION 12‑21‑1560.** Beer or wine shipped in violation of chapter declared contraband.

Any beer or wine shipped or moved into the geographic limits of South Carolina in violation of any provision of this chapter is hereby declared contraband and may be seized and sold as provided for in Section 61‑6‑4310.

HISTORY: 1962 Code Section 65‑744.5; 1969 (56) 767; 1972 (57) 3013.

**SECTION 12‑21‑1570.** Administration and enforcement.

The Department of Revenue shall administer and enforce the provisions of this article.

HISTORY: 1962 Code Section 65‑744.9; 1969 (56) 767; 1993 Act No. 181, Section 141.

**SECTION 12‑21‑1580.** Rules and regulations.

The Department of Revenue shall have the power to make such rules and regulations, not inconsistent with law, deemed necessary for the proper administration and enforcement of this article. Such rules and regulations shall have the full force and effect of law.

HISTORY: 1962 Code Section 65‑744.10; 1969 (56) 767; 1993 Act No. 181, Section 142.

**SECTION 12‑21‑1590.** Disposition of moneys received by Department of Revenue.

All monies received by the Department of Revenue under the provisions of this chapter shall be deposited with the State Treasurer to the credit of the general fund of the State.

HISTORY: 1962 Code Section 65‑744.11; 1969 (56) 767; 1993 Act No. 181, Section 143.

**SECTION 12‑21‑1610.** Restrictions on importation of beer or wine for sale; penalty.

A person, firm, corporation, club, or an association or any organization within this State shall not bring, ship, transport, or receive into this State in any manner whatsoever any beer or wine as defined in Section 12‑21‑1010 for sale except duly licensed beer and wine wholesale distributors. A person, firm, corporation, club, or an association in violation of this section is subject to a penalty of not less than twenty‑five dollars nor more than one thousand dollars, to be assessed and collected by the Department of Revenue in the same manner and with like effect as other taxes are collected.

HISTORY: 1962 Code Section 65‑744.13; 1972 (57) 3013; 1973 (58) 1857; 1993 Act No. 181, Section 144; 2003 Act No. 40, Section 4, eff June 2, 2003.

ARTICLE 17

Admissions Tax

**SECTION 12‑21‑2410.** Definitions.

For the purpose of this article and unless otherwise required by the context:

(1) The word "admission" means the right or privilege to enter into or use a place or location;

(2) The word "place" means any definite enclosure or location; and

(3) The word "person" means individual, partnership, corporation, association, or organization of any kind whatsoever.

HISTORY: 1962 Code Section 65‑801; 1959 (51) 144.

**SECTION 12‑21‑2420.** Imposition of tax; rate; exemptions; payment, collection, and remittance; disposition of revenues.

There must be levied, assessed, collected, and paid upon paid admissions to places of amusement within this State a license tax of five percent. The license tax may be listed separately from the cost of admission on an admission ticket. However, no tax may be charged or collected:

(1) On account of any stage play or any pageant in which wholly local or nonprofessional talent or players are used.

(2) On admissions to athletic contests in which a junior American Legion athletic team is a participant unless the proceeds inure to any individual or player in the form of salary or otherwise.

(3) On admissions to high school or grammar school games or on general gate admissions to the State Fair or any county or community fair.

(4) On admissions charged by any eleemosynary and nonprofit corporation or organization organized exclusively for religious, charitable, scientific, or educational purposes; or the presentation of performing artists by an accredited college or university; provided, that the license tax herein levied and assessed shall be collected and paid upon all paid admissions to all athletic events of any institution of learning above the high school level; provided, however, that carnivals, circuses, and community fairs operated by eleemosynary or nonprofit corporations or organizations organized exclusively for religious, charitable, scientific, or educational purposes shall not be exempt from the assessment and collection of admissions tax on charges for admission for the use of or entrance to rides, places of amusement, shows, exhibits, and other carnival facilities, but not to include charges for general gate admissions except when the proceeds of any such carnival, circus, or community fair are donated to a hospital; provided, further, that no admission tax shall be charged or collected by reason of any charge made to any member of a nonprofit organization or corporation for the use of the facilities of the organization or corporation of which he is a member.

(5) On admissions to nonprofit public bathing places.

(6) On admissions to any hunting or shooting preserve.

(7) On admissions to privately owned fish ponds or lakes.

(8) On admissions to circuses operated by eleemosynary, nonprofit corporations or organizations organized exclusively for religious, charitable, scientific, or educational purposes when the proceeds derived from admissions to the circuses shall be used exclusively for religious, charitable, scientific or educational purposes.

(9) On admissions to properties or attractions which have been named to the National Register of Historical Places.

(10) On admissions charged to classical music performances of a nonprofit or eleemosynary corporation organized and operated exclusively to promote classical music.

(11) On admissions to events other than those events enumerated in item (4) of this section, sponsored and operated exclusively by eleemosynary, nonprofit corporations or organizations organized exclusively for religious, charitable, scientific, civic, fraternal, or educational purposes when the net proceeds derived from admissions to the events shall be immediately donated to an organization operated exclusively for charitable purposes. The term "net proceeds" shall mean the portion of the gross admissions proceeds remaining after necessary expenses of the event have been paid. This item shall not apply to an event in which the above organizations receive a percentage of gross proceeds or a stated fixed sum for the use of its name in promoting the event.

(12) On admissions charged by nonprofit or eleemosynary community theater companies or community symphony orchestras, county and community arts councils and departments and other such companies engaged in promotion of the arts.

(13) On admissions to boats which charge a fee for pleasure fishing, excursion, sight‑seeing and private charter.

(14) On admissions to a physical fitness center subject to the provisions of Chapter 79 of Title 44, the Physical Fitness Services Act, that provides only the following activities or facilities:

(a) aerobics or calisthenics;

(b) weightlifting equipment;

(c) exercise equipment;

(d) running tracks;

(e) racquetball;

(f) swimming pools for aerobics and lap swimming; and

(g) other similar items approved by the department.

The entire admission charge of a physical fitness center which provides any other activity or facilities is subject to the tax imposed by this article. Physical fitness facilities or centers of the State of South Carolina and any of its political subdivisions which are exempt from the Physical Fitness Services Act, pursuant to Section 44‑79‑110 and, therefore, subject to the admissions tax under this article are nevertheless exempt from the admissions tax if they meet other requirements of this subsection.

(15) For entry into the pit area of NASCAR sanctioned motor speedways or racetracks for drivers, crew members, or car owners where a participation fee is charged these persons by NASCAR, or by the speedway or racetrack, where a charge to these persons is made on a per event basis for entry into the pit area, or where a combination of annual and per event charges to these persons is made for entry into the pit area.

(16) on admissions to the State Museum.

The tax imposed by this section must be paid by the person or persons paying the admission price and must be collected and remitted to the South Carolina Department of Revenue by the person or persons collecting the admission price. The tax imposed by this section does not apply to:

(a) any amount separately stated on the ticket of admission for the repayment of money borrowed for the purpose of constructing an athletic stadium or field by any accredited college or university;

(b) any amount of the charge for admission, whether or not separately stated, that is a fee or tax imposed by a political subdivision of the State. The revenue derived from the provisions of this section from fishing piers along the coast of South Carolina is allocated for use of the Commercial Fisheries Division of the Department of Natural Resources; or

(c) any amount that an accredited college or university requires a season ticket holder to pay to a nonprofit athletic booster organization that is exempt from federal income taxation in order to receive the right to purchase athletic event tickets.

HISTORY: 1962 Code Section 65‑802; 1952 Code Sections 65‑801, 65‑802; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921; 1956 (49) 1841; 1959 (51) 144; 1960 (51) 1958; 1961 (52) 466; 1965 (54) 589; 1968 (55) 2855; 1969 (56) 444; 1972 (57) 2562; 1974 (58) 2381, 2812; 1978 Act No. 605, Sections 1, 2; 1981 Act No. 88, Section 1; 1985 Act No. 201, Part II, Section 62; 1991 Act No. 168, Section 11; 1991 Act No. 171, Part II, Section 9A(1); 1993 Act No. 181, Section 146; 1996 Act No. 458, Part II, Section 75; 1998 Act No. 334, Section 1; 2001 Act No. 74, Sections 1, 4 eff July 18, 2001; 2014 Act No. 242 (S.474), Section 1, eff July 1, 2014; 2017 Act No. 68 (H.3406), Section 2.A, eff July 1, 2017.

Effect of Amendment

2014 Act No. 242, Section 1, added paragraph (16).

2017 Act No. 68, Section 2.A, added (c), at the end of the undesignated paragraph following (16), relating to any amount that a season ticket holder is required to pay to a nonprofit athletic booster organization.

**SECTION 12‑21‑2425.** Motorsports entertainment complex admissions license tax exemption.

(A) In addition to the exemptions allowed from the admissions license tax imposed pursuant to Section 12‑21‑2420 of the 1976 Code, there is also exempt from that tax for ten years beginning July 1, 2008, one‑half of the paid admissions to a motorsports entertainment complex.

(B) For purposes of the exemption allowed by this section, a motorsports entertainment complex means a motorsports facility, and its ancillary grounds and facilities, that satisfies all of the following:

(1) is a NASCAR‑sanctioned motor speedway or racetrack that hosted at least one NASCAR Sprint Cup Series race in 2012, and continues to host at least one NASCAR Sprint Cup Series race, or any successor race featuring the same NASCAR Cup series;

(2) has at least three scheduled days of motorsports events, and events ancillary and incidental thereto, each calendar year that are sanctioned by a nationally or internationally recognized governing body of motorsports that establishes an annual schedule of motorsports events;

(3) engages in tourism promotion.

HISTORY: 2008 Act No. 313, Section 5.A, eff July 1, 2008; 2013 Act No. 68, Section 1, eff for tax years beginning after 2012.

Editor's Note

2013 Act No. 68, Section 2, provides as follows:

"SECTION 2. This act [amending subsection (B)(1)] takes effect for tax years beginning after 2012."

Effect of Amendment

The 2013 amendment, rewrote subsection (B)(1). Former subsection (B)(1) read: "(1) has at least sixty thousand fixed seats for race patrons;".

**SECTION 12‑21‑2430.** Certain ponds are not amusements.

No private pond shall be declared an amusement for tax purposes. But this section shall not apply to a pond stocked with fish from a State or Federal hatchery.

HISTORY: 1962 Code Section 65‑802.1; 1957 (50) 283.

**SECTION 12‑21‑2440.** Application for license for place of amusement.

Before engaging in business every person operating a place of amusement within the State subject to the tax imposed by this article shall file with the department an application for a permanent license permitting him to engage in the business. The application for the license must be filed on blanks to be furnished by the department for that purpose and shall contain a statement including the name of the individual, the partnership, and each individual partner, or the corporation filing the application, the post‑office address, and the nature of the business.

HISTORY: 1962 Code Section 65‑803; 1952 Code Section 65‑803; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921; 1986 Act No. 306, Section 3.

**SECTION 12‑21‑2450.** Issuance and display of license.

Upon receipt of an application for a license to operate a place of amusement as set forth in this article the department shall issue to the applicant a license permitting him to operate such place of amusement without cost to the applicant. Such license shall be displayed at all times at or in such place of amusement in some conspicuous place easily seen by the public.

HISTORY: 1962 Code Section 65‑805; 1952 Code Section 65‑805; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921.

**SECTION 12‑21‑2460.** Licenses shall not be transferable; separate licenses for each place.

No license issued permitting the operation of a place of amusement shall be transferable and any license issued to any person who shall afterwards retire from business shall be null and void. A separate license shall be required for each separate place of amusement.

HISTORY: 1962 Code Section 65‑806; 1952 Code Section 65‑806; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (38) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921.

**SECTION 12‑21‑2470.** Penalties for operation without license.

If any person operates a place of amusement for which a license is required without having first secured the license and posted it in accordance with the provisions of this article he shall be guilty of a misdemeanor and, upon conviction, fined not less than twenty dollars nor more than one hundred dollars or imprisoned not less than ten days nor more than thirty days. Each day that such business is operated shall constitute a separate offense.

HISTORY: 1962 Code Section 65‑807; 1952 Code Section 65‑807; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921.

**SECTION 12‑21‑2490.** Notice of license revocation and appeal process.

The department shall mail written notice of the revocation of the license or shall otherwise serve written notice thereof upon the person affected thereby and within ten days after the mailing of such notice or of service otherwise upon the person whose license has been revoked such person may appeal from the decision of the department thereon to the court of common pleas in the county in which he is licensed to carry on the business. Within ten days after the service of notice of revocation of license as provided in this section, and not thereafter, the person feeling aggrieved thereby and desiring to appeal shall serve upon the department a written notice of intention to appeal to the court of common pleas and within thirty days after the service of the notice on the department he shall serve upon the department his exceptions or objections to the revocation of the license.

HISTORY: 1962 Code Section 65‑809; 1952 Code Section 65‑809; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921.

**SECTION 12‑21‑2500.** Hearing on appeal; supersedeas; costs and disbursements.

The hearing before the circuit judge shall be had upon the exceptions and objections so served upon the department and the case shall be disposed of as provided by law for appeals from the courts of magistrates. Or, if the circuit judge should decide that the ends of justice would be better attained, he may hear the full controversy de novo and render judgment in accordance with the law and facts. Serving notice of appeal upon the department shall not act as a supersedeas unless the appellant shall file with the department a good and sufficient bond to be approved by the department, conditioned upon the faithful observance of the requirements of this article and for the payment of any costs that may be lawfully taxed. And the costs and disbursements shall be the same as are provided in cases of appeals to the circuit courts from magistrates' courts.

HISTORY: 1962 Code Section 65‑810; 1952 Code Section 65‑810; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921.

**SECTION 12‑21‑2520.** Price of admission shall be printed on ticket.

No operator of a place of amusement shall sell or permit to be sold in his place of business any admission ticket without the price of admission printed thereon, nor shall he sell or permit to be sold any admission ticket at a price other than the price printed thereon. Provided, however, that upon written application to the department, the department may, in its discretion and for good cause, waive the requirements of this section.

HISTORY: 1962 Code Section 65‑815; 1952 Code Section 65‑815; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921; 1977 Act No. 189.

**SECTION 12‑21‑2530.** Method of collecting tickets; exception for season or subscription tickets.

As each patron is admitted to a place the paid admissions to which are subject to the tax imposed by Section 12‑21‑2420, his ticket shall be collected and immediately torn in two parts, approximately through the center, one half given to the patron and the other half retained by the ticket taker. The provisions of this section shall not apply to season tickets or tickets for a series of admissions issued on account of subscription.

HISTORY: 1962 Code Section 65‑817; 1952 Code Section 65‑817; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921; 1959 (51) 144.

**SECTION 12‑21‑2540.** Penalties for use of altered or counterfeit tickets or reuse of tickets.

(A) It is unlawful for a person to:

(1) alter, restore, or otherwise prepare in any manner an admission ticket with intent to use or cause it to be used after it has already been used;

(2) knowingly or wilfully buy, sell, offer for sale, or give away a restored or altered ticket to a person;

(3) knowingly use a restored or altered ticket or have in his possession an altered or restored ticket, which has been previously used for the purpose for which it was originally intended; or

(4) prepare, buy, sell, offer for sale, or have in his possession a counterfeit ticket.

(B) A person who violates the provisions of this section is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than two years, or both.

HISTORY: 1962 Code Section 65‑819; 1952 Code Section 65‑819; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921; 1993 Act No. 184, Section 155.

**SECTION 12‑21‑2550.** Tax payable monthly; failure to make correct return or failure to file.

(A) The license tax imposed by this article is due and payable in monthly installments on or before the twentieth day of each month. A person liable to the tax shall make a true and correct return to the department, in such form as it prescribes, showing the number and prices of admissions during the previous month, and remit the tax with the return.

(B) If a person fails to make a true and correct return or fails to file the return, the department shall make an estimate of the tax liability from the best information available, and issue a proposed assessment for the taxes, including penalties and interest.

HISTORY: 1962 Code Section 65‑820; 1952 Code Section 65‑820; 1942 Code Section 2531; 1932 Code Section 2531; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921; 1984 Act No. 287; 1998 Act No. 432, Section 9; 1999 Act No. 114, Section 4.

**SECTION 12‑21‑2575.** Methods of accounting for admissions other than tickets.

In lieu of the issuance of tickets as provided for in this article, the department may authorize or approve other methods of accounting for paid admissions.

HISTORY: 1992 Act No. 361, Section 13.

ARTICLE 19

Coin‑Operated Machines and Devices and Other Amusements

**SECTION 12‑21‑2703.** Repealed by 1999 Act No. 125, Section 8, eff July 1, 2000.

Editor's Note

Former Section 12‑21‑2703 was entitled "Licensed coin‑operated machines may be operated only at location licensed under sales and use tax provisions" and was derived from 1993 Act No. 164, Part II, Section 19C.

**SECTION 12‑21‑2710.** Types of machines and devices prohibited by law; penalties.

It is unlawful for any person to keep on his premises or operate or permit to be kept on his premises or operated within this State any vending or slot machine, or any video game machine with a free play feature operated by a slot in which is deposited a coin or thing of value, or other device operated by a slot in which is deposited a coin or thing of value for the play of poker, blackjack, keno, lotto, bingo, or craps, or any machine or device licensed pursuant to Section 12‑21‑2720 and used for gambling or any punch board, pull board, or other device pertaining to games of chance of whatever name or kind, including those machines, boards, or other devices that display different pictures, words, or symbols, at different plays or different numbers, whether in words or figures or, which deposit tokens or coins at regular intervals or in varying numbers to the player or in the machine, but the provisions of this section do not extend to coin‑operated nonpayout pin tables, in‑line pin games, or to automatic weighing, measuring, musical, and vending machines which are constructed as to give a certain uniform and fair return in value for each coin deposited and in which there is no element of chance.

Any person violating the provisions of this section is guilty of a misdemeanor and, upon conviction, must be fined not more than five hundred dollars or imprisoned for a period of not more than one year, or both.

HISTORY: 1986 Act No. 308, Section 4; 1997 Act No. 155, Part II, Section 54B; 1999 Act No. 125, Section 1; 1999 Act No. 125, Section 8.

Editor's Note

Licensure under Section 12‑21‑2720 is no longer effective after June 30, 2000.

1999 Act No. 125, Part VI, Section 23, subsections (C) and (D), provide as follows:

"(C) Part I takes effect July 1, 2000;

"(D) If Part I takes effect, the South Carolina Department of Revenue, upon application, shall refund to any person holding a license for the operation of video game machines, on a pro rata basis, the portion of any license fee previously paid to the department for licenses that extend beyond June 30, 2000;"

**SECTION 12‑21‑2712.** Seizure and destruction of unlawful machines, devices, etc.

Any machine, board, or other device prohibited by Section 12‑21‑2710 must be seized by any law enforcement officer and at once taken before any magistrate of the county in which the machine, board, or device is seized who shall immediately examine it, and if satisfied that it is in violation of Section 12‑21‑2710 or any other law of this State, direct that it be immediately destroyed.

HISTORY: 1986 Act No. 308 Section 4; 1999 Act No. 125, Section 2.

**SECTION 12‑21‑2714.** Use of slug or any false, counterfeited, mutilated, etc. coin to operate automatic vending machine or other machine requiring coin for operation.

(A) It is unlawful for a person to operate, cause to operate, or attempt to operate an automatic vending machine, slot machine, coin‑box telephone, or other receptacle designed to receive lawful coin of the United States of America in connection with the sale, use, or enjoyment of property or service by means of a slug or any false, counterfeited, mutilated, sweated, or foreign coin, or by any means not lawfully authorized by the owner, lessee, or licensee of the receptacle.

(B) It is unlawful for a person to take, obtain, or receive from or in connection with any receptacle designed to receive lawful coin of the United States of America in connection with the sale, use, or enjoyment of property or service any goods, wares, merchandise, gas, electric current, or other article of value or the use or enjoyment of any telephone or telegraph facilities, or service, or of any musical instrument, phonograph, or other property, without depositing in and surrendering to the receptacle lawful coin of the United States of America in the amount required by the owner, lessee, or licensee of the receptacle.

(C) A person who violates the provisions of this section is guilty of a misdemeanor and, upon conviction, must be fined in the discretion of the court or imprisoned not more than two years.

HISTORY: 1986 Act No. 308 Section 4; 1993 Act No. 184, Section 156.

**SECTION 12‑21‑2716.** Manufacture, sale, or other disposition of slug, device, or substance, etc. for fraudulent operation of coin‑operated machine; penalties.

A person who, with intent to cheat or defraud the owner, lessee, licensee, or other person entitled to the contents of an automatic vending machine, slot machine, coin‑box telephone, or other receptacle, depository, or contrivance designed to receive lawful coin of the United States of America in connection with the sale, use, or enjoyment of property or service or who, knowing that the same is intended for unlawful use, manufactures for sale, or sells or gives away any slug, device, or substance intended or calculated to be placed or deposited in the automatic vending machine, slot machine, coin‑box telephone, or other receptacle, depository, or contrivance is guilty of a felony and, upon conviction, must be fined in the discretion of the court or imprisoned not more than five years.

HISTORY: 1986 Act No. 308 Section 4; 1993 Act No. 184, Section 17.

**SECTION 12‑21‑2718.** Records.

Every person required to obtain a license required under Sections 12‑21‑2720 and 12‑21‑2730 shall maintain records showing the manufacturers' serial number, model, or type of machine.

HISTORY: 1986 Act No. 308 Section 4.

**SECTION 12‑21‑2720.** License for coin‑operated devices or machines; license tax; maximum municipal license charges; special one‑time interim fees.

(A) Every person who maintains for use or permits the use of, on a place or premises occupied by him, one or more of the following machines or devices shall apply for and procure from the South Carolina Department of Revenue a license effective for two years for the privilege of making use of the machine in South Carolina and shall pay for the license a tax of fifty dollars for each machine in item (1), two hundred dollars for each machine in item (2), and four thousand dollars for each machine in item (3):

(1) a machine for the playing of music or kiddy rides operated by a slot or mechanical amusement devices and juke boxes in which is deposited a coin or thing of value. A machine on which an admissions tax is imposed is exempt from the C.O.D. license provisions of this section.

(2) a machine for the playing of amusements or video games, without free play feature, or machines of the crane type operated by a slot in which is deposited a coin or thing of value and a machine for the playing of games or amusements, which has a free play feature, operated by a slot in which is deposited a coin or thing of value, and the machine is of the nonpayout pin table type with levers or "flippers" operated by the player by which the course of the balls may be altered or changed. A machine required to be licensed under this item is exempt from the license fee if an admissions tax is imposed.

(3) a machine of the nonpayout type, or in‑line pin game, operated by a slot in which is deposited a coin or thing of value except machines of the nonpayout pin table type with levers or flippers" operated by the player by which the course of the balls may be altered or changed.

(B) No municipality may limit the number of machines within the boundaries of the municipality. A municipality may by ordinance impose a license fee on machines licensed pursuant to subsection (A)(3) of this section in an amount not exceeding ten percent of three thousand six hundred dollars of the license fee imposed pursuant to subsection (A) for the equivalent license period.

(C) The owner or operator of any coin‑operated device subject to licensing under Section 12‑21‑2720(A)(3) and which has multi‑player stations, shall purchase a separate license for each such station.

(D) A county may by ordinance impose a license fee on machines licensed pursuant to subsection (A)(3) of this section located in an unincorporated area of the county in an amount not exceeding ten percent of three thousand six hundred dollars of the license fee imposed pursuant to subsection (A) for the equivalent license period.

(E) The Department of Revenue is authorized to assess an additional fee of fifty dollars on each Class Two coin‑operated machine license authorized in this section. These funds must be collected by the Department of Revenue and sent to the State Law Enforcement Division to offset the cost of video gaming enforcement. The State Law Enforcement Division shall retain, expend, and carry forward these funds.

HISTORY: 1986 Act No. 308 Section 4; 1986 Act No. 540, Part II, Section 26A; 1987 Act No. 170, Part II, Section 3A; 1990 Act No. 612, Section 4; 1991 Act No. 171, Part II, Section 14A; 1992 Act No. 361, Section 14; 1992 Act No. 501, Part II, Section 10B; 1993 Act No. 164, Part II, Sections 19D, 59A, 60A; 1993 Act No. 181, Section 148; 1994 Act No. 497, Part II, Section 39; 1995 Act No. 145, Part II, Section 67C2; 1997 Act No. 155, Part II, Section 54C; 1999 Act No. 125, Section 3; 2007 Act No. 96, Section 2, eff June 15, 2007.

Editor's Note

1999 Act No. 125, Part II, Section 9(4) effective July 2, 1999, provides as follows:

"(4) In addition to all license taxes and fees imposed by the State on video games with a free play feature pursuant to Section 12‑21‑2720(A)(3) of the 1976 Code imposing such licenses and fees, there is imposed a one‑time surcharge license fee of fifty dollars for each such licensed machine due and payable to the Department of Revenue on or before September 1, 1999. Failure to remit the surcharge in a timely manner is deemed failure to pay the license tax imposed pursuant to Section 12‑21‑2720(A)(3). The revenues of this fee shall be used to defray the expenses of the statewide referendum required by this act."

In Joytime Distributors and Amusement Co., Inc., v. The State of South Carolina, 338 S.C. 634, 528 S.E.2d 647 (1999), the Supreme Court of South Carolina stated:

"Part II, Section 9(4) of Act 125 provides for a one‑time surcharge license fee of $50 per licensed machine to be used to defray the costs of the referendum called for in Part II. Joytime states it paid the one‑time surcharge fee on each license it holds under protest and contends that the fee imposed by Part II, Section 9(4) violates various portions of the constitution. Because we have held that the referendum called for in Part II is unconstitutional, Joytime is entitled to a refund of the surcharge fees it has paid. . . ."

1999 Act No. 125, Part VI, Section 23, subsections (C) and (D), provide as follows:

"(C) Part I takes effect July 1, 2000;

"(D) If Part I takes effect, the South Carolina Department of Revenue, upon application, shall refund to any person holding a license for the operation of video game machines, on a pro rata basis, the portion of any license fee previously paid to the department for licenses that extend beyond June 30, 2000;"

**SECTION 12‑21‑2721.** Confiscation of coin‑operated machines.

Coin‑operated machines or devices licensed pursuant to Section 12‑21‑2720 are not subject to confiscation under Section 12‑21‑2712 due to any violation of Sections 16‑19‑30, 16‑19‑40, 16‑19‑50, or 16‑19‑130.

HISTORY: 1987 Act No. 170, Part II, Section 3B.

**SECTION 12‑21‑2722.** Temporary licenses; county or state fair; fees; duration.

In lieu of the license required under Sections 12‑21‑2720, 12‑21‑2728, and 12‑21‑2730 the department may issue a temporary license to persons making application to operate machines defined in Sections 12‑21‑2720 and 12‑21‑2730 at a recognized county or state fair. The temporary license is the total amount of license fees required on all machines for which application is made, based upon one‑twenty‑fourth of the biennial license required under Sections 12‑21‑2720, 12‑21‑2728, and 12‑21‑2730. The license is valid for the specific location designated on the license and the number of machines for which application was made and expires when the designated fair officially ends.

HISTORY: 1986 Act No. 308 Section 4; 1992 Act No. 501, Part II, Section 10C.

**SECTION 12‑21‑2724.** Operation may be presumed lawful by department.

Upon application being made for a license to operate any machine or apparatus under this article, the department may presume that the operation of the machine or apparatus is lawful and when a license has been issued for the operation thereof the sum paid for the license may not be refunded notwithstanding that the operation of the machine or apparatus is prohibited.

HISTORY: 1986 Act No. 308 Section 4.

**SECTION 12‑21‑2726.** Display of license.

Every person who maintains for use or permits the use of, on a place or premises occupied by him, a machine subject to the license imposed by this article by way of proof of licensing must have a current license displayed conspicuously on the front of the machine.

HISTORY: 1986 Act No. 308 Section 4; 1987 Act No. 170, Part II, Section 3D; 1993 Act No. 181, Section 149; 1993 Act No. 164, Part II, Section 19E; 1999 Act No. 125, Section 4.

Editor's Note

1999 Act No. 125, Part VI, Section 23, subsections (C) and (D), provide as follows:

"(C) Part I takes effect July 1, 2000;

"(D) If Part I takes effect, the South Carolina Department of Revenue, upon application, shall refund to any person holding a license for the operation of video game machines, on a pro rata basis, the portion of any license fee previously paid to the department for licenses that extend beyond June 30, 2000;"

**SECTION 12‑21‑2728.** Requirement of, and cost of, operator's license for coin‑operated devices; cancellation of license for failure to remit taxes.

(A) In addition to all other licenses required by this chapter, a person who owns or operates devices described in Sections 12‑21‑2720 and 12‑21‑2730 shall obtain an operator's license biennially as follows:

(1) fifty dollars for devices in Sections 12‑21‑2720(A)(1) and 12‑21‑2730;

(2) two hundred dollars for devices in Section 12‑21‑2720(A)(2);

(3) two thousand dollars for devices in Section 12‑21‑2720(A)(3).

(B) Only one license is required regardless of the number or type of devices owned or operated, and the cost of that license is the highest fee enumerated in this section for a device owned or operated.

(C) The licenses provided by this section are subject to Section 12‑21‑2734 and are a condition precedent to engaging in or the continuing operation of machines described in this chapter. Failure to remit taxes to the State is justification for the cancellation of the license provided in this section.

HISTORY: 1986 Act No. 308 Section 4; 1986 Act No. 540, Part II, Section 41; 1992 Act No. 501, Part II, Section 10D.

Editor's Note

1999 Act No. 125, Part VI, Section 23, subsections (C) and (D), provide as follows:

"(C) Part I takes effect July 1, 2000;

"(D) If Part I takes effect, the South Carolina Department of Revenue, upon application, shall refund to any person holding a license for the operation of video game machines, on a pro rata basis, the portion of any license fee previously paid to the department for licenses that extend beyond June 30, 2000;"

**SECTION 12‑21‑2730.** License for billiard or pocket billiard table, foosball table, bowling lane table, or skeeball table.

Every person owning or operating a billiard or pocket billiard table, foosball table, bowling lane table, or skeeball table for profit shall apply for and procure from the department a license for the privilege of operating the table and pay for the license a biennial tax of fifty dollars for each table owned or operated.

The license in this section must be issued and is valid in accordance with Section 12‑21‑2734.

HISTORY: 1986 Act No. 308 Section 4; 1992 Act No. 501, Part II, Section 10E.

**SECTION 12‑21‑2732.** Attachment of license to a permanent, nontransferable part of machine.

Every person who maintains for use, or permits the use, on any place or premises occupied by him, any machines subject to the license imposed by Section 12‑21‑2730 shall see that the proper state license is attached to a permanent, nontransferable part of the machine before its operation is commenced.

HISTORY: 1986 Act No. 308, Section 4.

**SECTION 12‑21‑2734.** Annual licenses required; expiration; prorating fee; liability for penalties.

(A) Every person subject to payment of tax under this article, in advance on or before the first day of June every two years or before doing an act taxable under this article, shall apply for and obtain from the department a license for the privilege of engaging in the business and shall pay the tax levied for it. All licenses expire May thirty‑first the second year of which the license is valid following the date of issue.

(B) As an alternative to the license required in subsection (A), a person may be granted a nonrefundable license beginning April first and to expire September thirtieth, following the date of issue, which may not be prorated. The fee for this six‑month license is one‑fourth the biennial license fee.

(C) As an alternative to the license required in subsection (A) or (B), a person may be granted a nonrefundable license beginning March first and to expire October thirtieth, following the date of issue, which may not be prorated. The fee for this eight‑month license is one‑third the biennial license fee.

(D) If a license required in subsection (A) is purchased after June thirtieth, the license fee must be prorated on a twenty‑four month basis with each month representing one twenty‑fourth of the license fee imposed under Section 12‑21‑2720(A). Failure to obtain or renew a license as required by this article makes the person liable for the penalties imposed in this article.

HISTORY: 1986 Act No. 308 Section 4986; 1987 Act No. 170, Part II, Section 3 (A) to (C); 1992 Act No. 501, Part II, Section 10F; 2001 Act No. 8, Section 1, eff February 20, 2001.

Editor's Note

1999 Act No. 125, Part VI, Section 23, subsections (C) and (D), provide as follows:

"(C) Part I takes effect July 1, 2000;

"(D) If Part I takes effect, the South Carolina Department of Revenue, upon application, shall refund to any person holding a license for the operation of video game machines, on a pro rata basis, the portion of any license fee previously paid to the department for licenses that extend beyond June 30, 2000;"

**SECTION 12‑21‑2736.** Unlawful operation of gambling machine or device not made lawful by issuance of license.

The issuance of a license under the provisions of this article by the department does not make lawful the operation of any gambling machine or device, the operation of which is made unlawful under the laws of this State.

HISTORY: 1986 Act No. 308 Section 4.

**SECTION 12‑21‑2738.** Penalties for failure to comply.

A person who fails, neglects, or refuses to comply with the terms and provisions of this article or who fails to attach the required license to any machine, apparatus, billiard, or pocket billiard table, as herein required, is subject to a penalty of fifty dollars for each failure, and the penalty must be assessed and collected by the department.

If the violation under this section relates to a machine licensed pursuant to Section 12‑21‑2720(A)(3), the applicable penalty amount is two thousand five hundred dollars. This penalty must be deposited to the credit of the general fund of the State.

HISTORY: 1986 Act No. 308 Section 4; 1993 Act No. 164, Part II, Section 19F; 1997 Act No. 53, Section 8A; 1997 Act No. 114, Section 6.

**SECTION 12‑21‑2740.** License tax or penalties as constituting lien.

Any license tax or penalties herein provided are a first preferred lien upon any and all of the property of the person charged therewith and the department may issue its execution therefor as is provided in Section 12‑21‑3020.

HISTORY: 1986 Act No. 308, Section 46.

**SECTION 12‑21‑2742.** Confiscation of unlicensed machine, device, etc.

In addition to the penalties above provided, any machine, apparatus, billiard, or pocket billiard table not having attached thereto the required license, or which is improperly licensed, must be seized and confiscated by the department, its agents or employees, and sold at public auction after thirty days' advertisement. Upon payment of the license required, the department may, within its discretion, return any property so seized and confiscated and compromise any penalty assessed.

HISTORY: 1986 Act No. 308, Section 4.

**SECTION 12‑21‑2744.** Repossession of seized property; bond; court action to set aside seizure.

The owner or person from whom the property is seized may at any time within five days after the seizure repossess the property by filing with the department a bond in cash or a bond executed by a surety company authorized to do business in this State in double the amount of the tax and penalties due. Within ten days thereafter the person must bring action in a court of competent jurisdiction to have the seizure set aside; otherwise the bond so filed must be declared forfeited by the department.

HISTORY: 1986 Act No. 308, Section 4.

**SECTION 12‑21‑2746.** Levy of additional local license tax.

Municipalities and counties may levy a license tax on the business taxed under this article, but in no case may a tax so levied exceed one‑half of the amount levied by the State before March 28, 1956.

HISTORY: 1986 Act No. 308, Section 4.

**SECTION 12‑21‑2748.** Attachment of information identifying owner or operator of machine.

Any person who owns or operates devices described in Sections 12‑21‑2720 and 12‑21‑2730 must have attached to the machine information identifying the owner or operator of the machine. The identification must be placed on an area of the machine which is visible for inspection purposes. This identification is a condition precedent before the machines may be operated on location. Failure to comply with this requirement subjects the violator to the penalty and enforcement provisions of this chapter and of Chapter 54 as applicable.

HISTORY: 1987 Act No. 170, Part II, Section 3B.

**SECTION 12‑21‑2750.** Records relating to machines.

Every person required to obtain a license or required by Section 12‑21‑2720 and Section 12‑21‑2730 shall maintain records showing manufacturer's serial number, model or type of machine, and the location of the machine. The taxpayer shall maintain information relating to the payment of any monies or compensation made to any persons as part of a lease or contractual agreement to operate the machine on the premises of the person. Information required by this section must be available on demand for inspection by a representative of the commission.

HISTORY: 1987 Act No. 170, Part II, Section 3B.

ARTICLE 21

Collection and Enforcement Generally

**SECTION 12‑21‑2810.** Enforcement rules and regulations.

The department shall prescribe rules and regulations for the enforcement of this chapter, including rules and regulations governing the stamping of any articles or commodities enumerated in this chapter and the collection of the tax on bottled soft drinks handled by persons operating on interstate common carriers.

HISTORY: 1962 Code Section 65‑851; 1952 Code Section 65‑851; 1942 Code Sections 2527, 2531, 2538, 2555‑2; 1932 Code Sections 2527, 2538, 2555‑2, 2556; 1928 (35) 1089; 1929 (36) 114; 1930 (36) 1358; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 244, 282, 365; 1936 (39) 1377, 1591, 1771; 1937 (40) 539; 1938 (40) 1761, 1799, 2925; 1940 (41) 1921.

**SECTION 12‑21‑2820.** Regulations as to breaking packages, forms and kinds of containers, and affixing of stamps.

Regulations of the department shall provide the methods of breaking packages, forms and kinds of containers and methods of affixing stamps that shall be employed by persons subject to the taxes imposed by this chapter which will make possible the enforcement of payment by inspection.

HISTORY: 1962 Code Section 65‑852; 1952 Code Section 65‑852; 1942 Code Sections 2528, 2534; 1932 Code Sections 2528, 2534; 1928 (35) 1089; 1930 (36) 1358; 1932 (37) 1319; 1937 (40) 539.

**SECTION 12‑21‑2830.** Record required of gross receipts; record subject to inspection; violations.

Every person subject to a tax imposed by this chapter shall keep a record showing the value and the gross receipts derived from engaging in any business taxable under this chapter as shall be required by the department and such record shall at all times be subject to inspection by any agent of the department. If any person required under the provisions of this chapter to keep any records, books or papers (a) fails to keep such true and correct records, books or papers, either or all, (b) fails or refuse to submit them for the inspection of the department or its duly authorized agent or (c) willfully makes a false or fraudulent return, such person shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not less than fifty dollars nor more than two hundred dollars or imprisonment of not less than thirty days or more than twelve months or both, in the discretion of the court.

HISTORY: 1962 Code Section 65‑853; 1952 Code Section 65‑853; 1942 Code Sections 2539, 2542; 1932 Code Sections 2539, 2542; 1928 (35) 1089.

**SECTION 12‑21‑2860.** Department authorized to conduct inspections.

The department may enter upon the premises of any taxpayer or the business premises of any other person and examine or cause to be examined by any agent or representative designated by it for that purpose any books, papers, records, memoranda, commodities or other things bearing upon the amount of taxes payable and secure from such taxpayer or other person any other information directly or indirectly concerned in the enforcement of this chapter.

HISTORY: 1962 Code Section 65‑856; 1952 Code Section 65‑856; 1942 Code Sections 2526, 2529, 2546; 1932 Code Sections 2526, 2529, 2546, 2556; 1928 (35) 1089; 1930 (36) 1354; 1947 (45) 106.

**SECTION 12‑21‑2870.** Cigarette stamps.

(A) Except as otherwise provided in this chapter, cigarettes found at any point within the State that do not have the stamps required pursuant to this chapter affixed to their package are contraband goods if the goods are in the possession of a person:

(1) offering the cigarettes for sale or distribution and that person was not the first to receive the untaxed cigarettes in this State;

(2) importing, receiving, or acquiring cigarettes for use or consumption within the State; or

(3) offering the cigarettes for sale at retail within this State.

(B) Cigarettes declared to be contraband goods under this section may be seized by the department, its employees, or any law enforcement agency of the State without a warrant. The seized cigarettes must be delivered to the department.

HISTORY: 1962 Code Section 65‑857; 1952 Code Section 65‑857; 1942 Code Section 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925; 1956 (49) 1841; 1966 (54) 2591; 1968 (55) 2855; 1976 Act No. 543, Section 1; 1984 Act No. 512, Part II, Section 6H; 2019 Act No. 35 (S.310), Section 1, eff May 13, 2019.

Effect of Amendment

2019 Act No. 35, Section 1, rewrote the section.

**SECTION 12‑21‑2880.** Commodities bearing illegible or unsatisfactory business license meter impressions shall be subject to confiscation.

When the use of business license meter impressions in lieu of revenue stamps, on cigarettes or other commodities required by law to carry State revenue stamps, has been permitted by the department, any such article upon which such meter impression is illegible or in the opinion of the department unsatisfactory shall be subject to confiscation by the department.

HISTORY: 1962 Code Section 65‑857.1; 1954 (48) 1566.

**SECTION 12‑21‑2890.** Confiscation and sale of vehicles transporting unstamped or untaxed goods.

Any vehicle, not a common carrier, which may be used for the transportation for the purpose of sale of unstamped or untaxed articles as enumerated in Section 12‑21‑2870 shall likewise be subject to confiscation and sale in the same manner as provided for unstamped or untaxed goods, wares or merchandise.

HISTORY: 1962 Code Section 65‑858; 1952 Code Section 65‑858; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925; 1976 Act No. 543, Section 2.

**SECTION 12‑21‑2900.** Proceedings against seized property deemed in rem.

A proceeding against goods, wares, merchandise or other property seized under the provisions of this chapter shall be considered a proceeding in rem unless otherwise provided in this chapter.

HISTORY: 1962 Code Section 65‑859; 1952 Code Section 65‑859; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑2910.** List and appraisal of certain confiscated goods.

In all cases of seizure of any goods, wares, merchandise or other property made as being subject to forfeiture under provisions of this chapter which in the opinion of the officer or person making the seizure are of the appraised value of one hundred dollars or more, such officer or person shall cause a list containing a particular description of the goods, wares, merchandise or other property seized to be prepared in duplicate and an appraisement thereof to be made by three sworn appraisers to be selected by him, who shall be respectable and disinterested citizens of the State residing within the county wherein the seizure was made. Such list and appraisement shall be properly attested by such officer or person and such appraisers, for which service each of such appraisers shall be allowed the sum of one dollar per day, not exceeding two days, to be paid by the department out of any revenue received by it from the sale of the confiscated goods or the compromise which may be effected. If such goods so seized are believed by the officer making the seizure to be of less value than one hundred dollars, no appraisement shall be made.

HISTORY: 1962 Code Section 65‑860; 1952 Code Section 65‑860; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925; 1982 Act No. 426, Section 1.

**SECTION 12‑21‑2920.** Notice of seizure.

Any such officer or person shall then proceed to publish a notice for three weeks in the case of all such goods except syrup and bottled soft drinks and two weeks in the case of syrup and bottled soft drinks, in writing, at three places in the county in which the seizure was made, describing the articles and stating the time, place and cause of their seizure and requiring any person claiming them to appear and make such claim in writing within fifteen days in the case of syrup and bottled soft drinks and within thirty days in the case of other goods from the date of the first publication of such notice.

HISTORY: 1962 Code Section 65‑861; 1952 Code Section 65‑861; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑2930.** Claim of goods; delivery upon bond.

Any person claiming such goods, wares, merchandise or other property so seized as contraband within the time specified in the notice may file with the department a claim in writing, stating his interest in the articles seized, and may execute a bond to the department in a penal sum equal to double the value of the goods so seized, but in no case less than the sum of one hundred dollars, with sureties to be approved by the clerk of court in the county in which the goods are seized, conditioned that in the case of condemnation of the articles so seized the obligors shall pay to the department the full value of the goods so seized and all costs and expenses of the proceedings to obtain such condemnation, including a reasonable attorney's fee. Upon the delivery of such bond to the department it shall transmit it with the duplicate list or description of the goods seized to the solicitor of the circuit in which such seizure was made and the solicitor shall prosecute the case to secure the forfeiture of such goods, wares, merchandise, or other property in the court having jurisdiction. Upon the filing of the bond aforesaid the goods shall be delivered to the claimant pending the outcome of such case.

HISTORY: 1962 Code Section 65‑862; 1952 Code Section 65‑862; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑2940.** Forfeiture and sale when no claim is interposed or bond given.

If no claim is interposed or no bond given within the time specified in this article, such goods, wares, merchandise or other property shall be forfeited without further proceedings and shall be sold as provided in this chapter.

HISTORY: 1962 Code Section 65‑863; 1952 Code Section 65‑863; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑2950.** Sales of goods worth less than one hundred dollars.

When goods are seized in quantities of less value than one hundred dollars they may be advertised with other quantities at Columbia by the department and disposed of as provided in this chapter.

HISTORY: 1962 Code Section 65‑864; 1952 Code Section 65‑864; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925; 1982 Act No. 426, Section 2.

**SECTION 12‑21‑2960.** Department may compromise confiscations or return goods upon payment in amount of assessed value.

The department may in its discretion return any goods confiscated under this chapter or any part thereof when it is shown that there was no intention to violate the provisions of this chapter. And when any goods, wares or merchandise are confiscated under the provisions of this chapter, the department may, in its discretion, return such goods to the person from whom they were confiscated if such person shall pay to the department or its duly authorized representative an amount equal to the assessed value of the goods confiscated and in such cases no advertisement shall be made or notices posted in connection with such confiscation.

HISTORY: 1962 Code Section 65‑865; 1952 Code Section 65‑865; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑2970.** Disposition of proceeds of sale of confiscated goods.

The proceeds of sales made under this chapter shall be turned over to the State Treasurer by the department as other funds collected by the department, except that the cost of confiscation and sale shall be paid out of the proceeds derived from such sale before making remittance to the State Treasurer.

HISTORY: 1962 Code Section 65‑866; 1952 Code Section 65‑866; 1942 Code Sections 2527, 2538; 1932 Code Sections 2527, 2538; 1928 (35) 1089; 1930 (36) 1358; 1935 (39) 244, 365; 1937 (40) 539; 1938 (40) 2925.

**SECTION 12‑21‑2975.** Donation of certain confiscated goods to Department of Mental Health; not to be advertised and sold.

All soft drinks, playing cards, cigarettes and tobacco products confiscated under this chapter shall be donated to the Department of Mental Health for patient use. The items listed in this section shall not be subject to the advertisement and sale provisions as provided for in this chapter.

HISTORY: 1982 Act No. 426, Section 3.

**SECTION 12‑21‑2980.** Possession of unstamped cigarettes as prima facie evidence of violation.

The location of any cigarettes in the place of business of any person required by the provisions of this chapter to stamp them is prima facie evidence that they are intended for sale.

HISTORY: 1962 Code Section 65‑867; 1952 Code Section 65‑867; 1942 Code Sections 2528, 2537; 1928 (35) 1089; 1932 (37) 1319; 1937 (40) 539; 1966 (54) 2591; 1968 (55) 2855; 1984 Act No. 512, Part II, Section 6I.

**SECTION 12‑21‑2990.** Right to demand court trial in certain cases; department shall give written notice of violation.

Within ten days after notification in writing by the department, or its duly authorized agent, to any person of his failure properly to affix the required stamps or crowns to any article or commodity or within ten days after written notification to any person that he has sold any article or commodity requiring stamps without having the stamps properly attached thereto as required by this chapter the person charged or to be charged with such omission may, within such time and not thereafter, demand a trial of the issue before a court of competent jurisdiction in the manner provided by law for the trial of civil actions or civil suits. The written notice required in this section may be served by mail. When it is so served the paper must be deposited in the post office addressed to the person on whom it is to be served at his last known place of residence and the postage paid. The ten days' time provided in this section shall begin to run from the date of mailing. Any such notice may also be personally served by any agent of the department or any other person by delivering it to the person charged or by leaving it in the place of business of such person.

HISTORY: 1962 Code Section 65‑868; 1952 Code Section 65‑868; 1942 Code Sections 2528, 2537; 1928 (35) 1089; 1932 (37) 1319; 1937 (40) 539.

**SECTION 12‑21‑3000.** Lien of judgment.

Any judgment rendered in favor of the department in any civil action or suit shall be a first preferred lien for taxes upon all property of the taxpayer and in the event of nonpayment shall be filed in the office of the clerk of court in the county in which it was rendered and execution may be issued by the department as provided by law. But the lien provided for in this section shall not have priority over any bona fide lien recorded before the judgment is rendered on any property belonging to the taxpayer other than that directly pertaining to and used in the conduct of the business in which such penalty was incurred.

HISTORY: 1962 Code Section 65‑869; 1952 Code Section 65‑869; 1942 Code Sections 2528, 2537; 1928 (35) 1089; 1932 (37) 1319; 1937 (40) 539.

**SECTION 12‑21‑3010.** Taxes and penalties deemed a debt; lien; priorities.

The taxes and penalties imposed by this chapter shall be deemed a debt owing to the State by the person against whom they shall be charged and shall be a lien upon all property of such person, but such lien shall be valid, so as to affect the rights of purchasers for value, mortgagees or judgment or other lien creditors, only from the time when the warrant is entered upon the transcript of judgments in the county, in the case of real estate where the real estate is situate and in the case of personal property where the taxpayer resides or possesses personal property, if the taxpayer be a resident of this State, or, if the taxpayer be a nonresident, where the personal property is situate. But license taxes or penalties imposed under this chapter shall be a first preferred lien upon any and all of the personal property of the taxpayer used or to be used in the business and shall also rank in priority above all other liens on taxpayer's property used in such business and incurred after the beginning of such business.

HISTORY: 1962 Code Section 65‑870; 1952 Code Section 65‑870; 1942 Code Sections 2530, 2531, 2540, 2542; 1932 Code Sections 2530, 2531, 2540, 2542; 1928 (35) 1089; 1929 (36) 114; 1932 (37) 1493; 1934 (38) 1577; 1935 (39) 282; 1936 (39) 1377, 1591, 1771; 1938 (40) 1799; 1940 (41) 1921; 1957 (50) 616.

**SECTION 12‑21‑3070.** Penalties for improper use, alteration or reuse of stamps, and for failure to pay tax, make any report or submit required information.

(A) It is unlawful for a person to:

(1) fraudulently cut, tear, or remove from any vellum, parchment, paper, instrument, or writing upon which a tax is imposed by this chapter any adhesive stamp used pursuant to this chapter;

(2) fraudulently use, join, fix, or place to, with, or upon any vellum, parchment, paper, instrument, or writing upon which a tax is imposed by this chapter any:

(a) adhesive stamp which has been cut, torn, or removed from any other vellum, parchment, paper, instrument, or writing upon which a tax is imposed by this chapter;

(b) adhesive stamp of insufficient value; or

(c) forged or counterfeited stamp;

(3) wilfully remove or alter the cancellation or defacing marks of, or prepare, any adhesive stamp, with intent to use or cause it to be used, after it has already been used, or knowingly or wilfully buy, sell, offer for sale, or give away a washed or restored stamp to a person for use;

(4) have in his possession a washed, restored, or altered stamp which has been removed from any vellum, parchment, paper, instrument, or writing, or from the articles to which it had previously been affixed;

(5) buy, sell, offer for sale or have in his possession or knowingly or wilfully prepare a counterfeit stamp; or

(6) reuse a stamp which previously has been used for the purpose of indicating the payment of a tax imposed by this chapter.

(B) A person who violates the provisions of subsection (A) is guilty of a misdemeanor and, upon conviction, must be fined not more than five thousand dollars or imprisoned not more than two years, or both.

(C) It is unlawful for a person, officer, or employee of a corporation, or a member or employee of a partnership, with intent to evade a lawful requirement of this chapter or a lawful requirement of the department under the provisions of this chapter to:

(1) fail to pay a tax, make a report, or submit required information by the provisions of this chapter; or

(2) make a false or fraudulent statement or report, or supply false or fraudulent information.

(D) A person who violates the provisions of subsection (C) is guilty of a misdemeanor and, upon conviction, must be fined not more than five thousand dollars or imprisoned not more than two years, or both.

HISTORY: 1962 Code Section 65‑876; 1952 Code Section 65‑876; 1942 Code Sections 2524, 2528; 1932 Code Sections 2524, 2528; 1928 (35) 1089; 1932 (37) 1319; 1937 (40) 539; 1977 Act No. 52; 1993 Act No. 184, Section 157.

**SECTION 12‑21‑3080.** Penalty for interference with enforcement or refusal to allow inspection.

Any person subject to this tax engaging in or permitting such practices as are prohibited by regulations of the department or in any other practice which makes it difficult to enforce the provisions of this chapter by inspection and any person who shall, upon demand of any officer or agent of the department, refuse to allow full inspection of the premises or any part thereof or who shall hinder or in anywise delay or prevent such inspection when demand is made therefor shall be guilty of a misdemeanor and shall, upon conviction, be fined not less than twenty dollars nor more than two hundred dollars for each offense or imprisoned for a period not less than ten nor exceeding sixty days, or both, in the discretion of the court.

HISTORY: 1962 Code Section 65‑877; 1952 Code Section 65‑877; 1942 Code Sections 2526, 2534; 1932 Code Sections 2526, 2534; 1928 (35) 1089; 1930 (36) 1354, 1358.

ARTICLE 24

Bingo Tax Act

**SECTION 12‑21‑3910.** Short title.

This article may be cited as the "Bingo Tax Act of 1996".

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑3920.** Definitions.

As used in this article:

(1) "Bingo" or "game" means a specific game of chance, commonly known as bingo, in which prizes are awarded on the basis of designated numbers or symbols on a card conforming to numbers and symbols selected at random.

(2) "Department" means the South Carolina Department of Revenue.

(3) "Card" means a printed or nonprinted design on which there are arranged five horizontal rows and five vertical columns forming twenty‑five squares. Numbers are printed in twenty‑four of the squares, and the term "free", "free square", or " free space" is printed in the square or space located in the center of the card. The five columns are denominated from left to right by the respective letters of the word "B‑I‑N‑G‑O". Each square in the "B" column contains a number from one through fifteen inclusive; each square in the "I" column contains a number from sixteen through thirty inclusive; except for the center space which is marked as free, each square in the "N" column contains a number from thirty‑one through forty‑five inclusive; each square in the "G" column contains a number from forty‑six through sixty inclusive; and each square in the "O" column contains a number from sixty‑one through seventy‑five inclusive. A number may not appear twice on the same card. A nonprinted design is a bingo ticket for use only with an electronic dabber. The bingo ticket is a perforated two‑part ticket and must bear a sequential serial ticket number, the South Carolina state seal, denomination, number of faces authorized for download or activation, the Department of Revenue issued organization license number, and other information that may be required by the department. The ticket must have designated blanks for entry of the date sold and electronic dabber unit number supplied. Bingo tickets must be printed by a bingo ticket manufacturer licensed by the department and must be sold only by a distributor licensed by the department. Bingo tickets must meet the design and requirements of the department. Bingo tickets may be used only by a promoter or nonprofit organization if the ticket has been approved by the department. A license for a bingo ticket manufacturer costs one thousand dollars. A manufacturer of bingo cards or electronic dabbers or site systems, a distributor, a promoter, or a nonprofit organization may not have an interest, direct or indirect, in a bingo ticket manufacturer. The bingo ticket manufacturer must maintain records as required by the department.

(4) "Promoter" means an individual, corporation, partnership, or organization licensed as a professional solicitor by the Secretary of State who is hired by a nonprofit organization to manage, operate, or conduct the licensee's bingo game. The person hired under written contract is considered the promoter.

(5) "Nonprofit organization" means an entity which is organized and operated exclusively for charitable, religious, or fraternal purposes and which is exempt from federal income taxes pursuant to Internal Revenue Code Section 501(c)(3), 501(c)(4), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19).

(6) "Session" means a consecutive series of games which must occur only between the hours of 12:00 p.m. and 2:00 a.m. No more than one session, limited to twelve hours, may occur during the permitted fourteen‑hour period. Regardless of the starting time within the permitted period, the session may not extend beyond 2:00 a.m. These limitations do not apply to games operated by state or county fairs.

(7) "Fair" means a recognized annual state or county fair. The fair must be recognized by the governing body of the county in which it is held, or in the case of the State, by the South Carolina Agricultural and Mechanical Society.

(8) "Ball" means a ball, disk, square, or other object upon which is printed a letter and number which corresponds to the letter and number of a square on a bingo card.

(9) "Cage" means a device, whether operated manually or by air blower, in which bingo balls are placed before the bingo game begins.

(10) "Caller" means the house representative who is responsible for drawing bingo balls and announcing the configuration and the result of each drawing to the players.

(11) "Drawing" means the indiscriminate selection of a single ball from the cage.

(12) "House" means the nonprofit organization and promoter licensed with the department.

(13) "Marker" means a device which indicates the number called.

(14) "Master‑board" means the receptacle used by the house to display balls which are drawn during the bingo game.

(15) "Player" means one who participates in a game of bingo other than as an agent, promoter, or representative of the house.

(16) "Fund" means the Parks and Recreation Development Fund.

(17) "Building" means a structure surrounded by exterior walls or permanent firewalls.

(18) "Manufacturer" means a person who manufactures bingo cards for use in this State and who is approved by the department.

(19) "Distributor" means a person who brings or sells bingo cards in this State and who is approved by the department.

(20) "Electronic dabber" means a hand‑held electronic device that allows a player to store, display, and mark bingo card faces that have been downloaded or activated as authorized by the bingo ticket. All electronic dabbers must be tested and approved by an independent testing facility to be determined by the department within forty‑five days of a written request. All costs for testing are the responsibility of the manufacturer wishing to sell, lease, rent, or otherwise distribute the electronic dabber in South Carolina for the conduct of bingo. The sole and exclusive determination as to whether an electronic dabber meets the requirements of this chapter rests with the department in its sole discretion. If this determination is appealed, the promoter and nonprofit organization may not use the electronic dabber during the pendency of the appeal.

(21) "Site system" means a computer accounting system commonly referred to as a point of sale system used in conjunction with electronic dabbers. This computer software must be used at a site by an organization which allows a bingo ticket purchased from a licensed distributor to authorize the download or activation of faces into the electronic dabbers, accounts for gross proceeds, and provides accounting information on all activity for one year from the end of the quarter in which the activity occurred. All site systems and electronic dabbers must be tested and approved by an independent testing facility to be determined by the department within forty‑five days of written request. All costs for testing are the responsibility of the manufacturer wishing to sell, lease, rent, or otherwise distribute the site system in South Carolina for the conduct of bingo. The sole and exclusive determination as to whether a site system meets the requirements of this chapter rests with the department in its sole discretion. If this determination is appealed, the promoter and nonprofit organization may not use the site system during the pendency of the appeal.

HISTORY: 1996 Act No. 431, Section 34.A; 1996 Act No. 449, Section 1; 2002 Act No. 334, Section 16A, eff October 1, 2002; 2004 Act No. 172, Sections 2, 3, eff August 2, 2003; 2010 Act No. 263, Section 2, eff June 11, 2010.

**SECTION 12‑21‑3925.** Bingo volunteers.

A volunteer who assists a house in operating bingo games is not an agent, promoter, or representative of the house and may participate in a bingo game at the house in which he volunteers except on days he has volunteered.

HISTORY: 2018 Act No. 192 (S.812), Section 3, eff May 15, 2018.

**SECTION 12‑21‑3930.** Conditions under which bingo not considered lottery.

The game of bingo is not a lottery when:

(1) the nonprofit organization conducting the game has completed the application as described in Section 12‑21‑3940 and the application has been approved by the department;

(2) the promoter under contract with the nonprofit organization is licensed properly with the department;

(3) the nonprofit organization presents to the department upon application a certified copy of the statement issued by the Internal Revenue Service exempting it from federal income taxation;

(4) the game is conducted in accordance with the provisions of Sections 12‑21‑3990 and 12‑21‑4000 and approved cards are used.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑3935.** Video poker play prohibited.

Nothing in this article may be construed to allow video poker play and the prohibitions regarding video poker in Sections 12‑21‑2710, 16‑19‑40, and 16‑19‑50 apply.

HISTORY: 2004 Act No. 172, Section 9, eff August 2, 2003.

**SECTION 12‑21‑3940.** License to conduct bingo.

(A) Before conducting a game of bingo, a nonprofit organization shall file with the department a written application in a form prescribed by the department, executed and notarized which must include:

(1) the name, address, and telephone number of the applicant and sufficient facts relating to its incorporation and organization to enable the department to determine whether it is an authorized organization;

(2) a copy of the organization's corporate charter and the Internal Revenue Service's statement exempting the applicant from federal income taxes;

(3) the names, addresses, and telephone numbers of the organization's officers;

(4) the place and time the applicant intends to conduct bingo under the license for which it applied;

(5) the specific purpose to which the bingo net proceeds are to be devoted;

(6) the designation of a "promoter" as defined by this article;

(7) a copy of any contract or lease between a promoter and the nonprofit organization;

(8) the name, address, telephone number, birth date, and Social Security number of each person who will work at the proposed bingo games and receive compensation for the work, the nature of the work to be performed, and a statement as to whether or not the person has been convicted within the last twenty years of a state or federal felony, gambling offense, criminal fraud, or a crime that has a sentence of two or more years;

(9) other information considered necessary by the department.

(B) Upon application for a license, the department has forty‑five days to approve or reject the application based on the requirements of this article.

(C) The nonprofit organization does not need to apply for renewal of the license as long as there are no changes in the operation or location of the game. Changes in information supplied on the original application must be forwarded to the department, in writing, within thirty days of the change. In the case of a change in the place and time, notice must be given thirty days before the change.

HISTORY: 1996 Act No. 431, Section 34.A; 1996 Act No. 449, Section 1; 2004 Act No. 172, Section 7, eff August 2, 2003; 2010 Act No. 263, Section 1, eff June 11, 2010; 2016 Act No. 254 (H.5034), Section 2, eff June 7, 2016.

Effect of Amendment

2016 Act No. 254, Section 2, in (B), substituted "forty‑five days" for "thirty days".

**SECTION 12‑21‑3950.** Promoter's license.

(A) A promoter under contract with a licensed nonprofit organization to manage, operate, or conduct a game shall file a written application for a promoter's license in a form prescribed by the department, executed and notarized, which must include:

(1) the name, address, telephone number, and Social Security number of the promoter or of each officer if the promoter is a corporation;

(2) a copy of the promoter's contract or lease with the nonprofit organization. A contract must exist between the sponsoring organization and the promoter detailing all expenses;

(3) the name, address, telephone numbers, and Social Security number of any person working for the promoter at the bingo game and receiving compensation for the work;

(4) a notarized statement as to whether or not the applicant for a promoter's license or any of his employees have been convicted within the last twenty years of a state or federal felony, gambling offense, criminal fraud, or a crime that has a sentence of two or more years.

(B) Upon application for a license, the department has forty‑five days to approve or reject the application based on the requirements of this article.

(C) A promoter shall file a renewal application each year submitting any changes in information and documentation previously submitted as required by this section. The promoter is required to notify the department, in writing, of any changes in the information supplied on the application within thirty days of the change.

(D) The license authorized by this section is for the privilege of engaging in business as a bingo promoter and must be purchased from the department at a cost of one thousand dollars a year.

A promoter shall obtain a promoter's license for each organization for which he operates bingo games.

HISTORY: 1996 Act No. 431, Section 34.A; 1996 Act No. 449, Section 1; 2002 Act No. 334, Section 16B, eff October 1, 2002.

**SECTION 12‑21‑3955.** Designation of member as promoter.

If a nonprofit organization intending to operate a Class AA or B license does not contract with an outside promoter, the organization shall designate a member as the promoter.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑3960.** Liability for taxes, interest, penalties and fines.

The promoter and the nonprofit organization are jointly and severally liable for all taxes, penalties, interest, and fines imposed by this article and Chapter 54 of this title.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑3970.** Promoter's license required for each licensee.

For each licensed nonprofit organization the promoter manages, operates, or conducts bingo, the promoter must purchase a promoter's license as provided in Section 12‑21‑3950 before operating or conducting bingo. No promoter is permitted more than five licenses. This license must be prominently displayed at the location where bingo is conducted.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑3980.** Transfer or other disposition of license.

(A) The promoter's license authorized by this article must not be transferred to another person, organization, entity, or corporation. The promoter's license, upon written application to the department, may be transferred to a new location for the remainder of the license period if the licensed nonprofit organization has applied for a location transfer as provided in subsection (B) of this section. The written application must be on a form prescribed by the department and must state, under penalties of perjury, that the information on the transfer application and the original license application is true and correct, or, in the case of the original application, is still valid and unchanged. No additional license fee is required with respect to the transfer of the location and the promoter may not conduct bingo at the new location until the new license is issued.

(B) The nonprofit organization's license authorized by this article must not be transferred to another nonprofit organization and is valid and continues in force so long as the nonprofit organization to which it is issued continues to conduct the bingo games at the location authorized by the license.

The nonprofit organization's license, upon written application to the department, may be transferred to a new location. The written application must be on a form prescribed by the department and must state, under penalties of perjury, that the information on the transfer application and the original license application is true and correct or, in the case of the original application, is still valid and unchanged. The nonprofit organization cannot operate at the new location until the new license is issued.

(C) No promoter or nonprofit organization may lease, sell, rent, lend to, or exchange with another person, organization, corporation, or other entity a promoter's or bingo license issued pursuant to this article.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑3990.** Manner of playing bingo.

(A) The game of bingo must be played in the following manner:

(1) Bingo is played by more than one player and a caller who is associated with the house. Each player must pay face value for each card to be played during the course of a game and may purchase the card for a specified number of games. All cards sold for a game must sell for face value and cards may not be given to players as prizes or for free. After the player has purchased a card or cards for a specified number of games, the house cannot require or accept an additional payment or consideration by the player in order to complete the specified number of games.

(2) Before each game begins, the caller shall announce to the players the configuration or configurations that will win the game. A configuration consists of a number of grids covered in the manner announced by the caller. Any method of playing the games is allowed if the method is announced before each game's beginning including, but not limited to, wild card games. In addition, anytime before the conclusion of the game, the prize, specifically stating the dollar amount or value of merchandise awarded to the winner or winners for the game, must be announced.

(3) The prize must be awarded to the winner of that game without delay. For multiple winners, the prize must be divided equally among the winners. In the case of a merchandise prize, the cash value of the merchandise may be divided among the winners. Purchase receipts of merchandise awarded as prizes must be made available to players and the department for confirmation of value.

(4) The caller shall draw and announce numbers from the cage one at a time. If a player has a card with the called number on it, he may use a marker to cover the square which contains the number. After the number is announced, it must be indicated on the master‑board by the caller.

(5) When a player covers sufficient squares on a card to achieve the winning configuration, he may indicate to the caller. The caller shall require that the player's card be checked against the master‑board in the presence of the other players to determine if the squares were covered accurately. If it is determined by the caller that the player accurately has covered the squares and achieved the preannounced configuration, the player is declared the winner. If it is determined that the player has not covered the squares accurately and achieved the preannounced configuration, play continues in that game.

(6) All devices, including the master‑board, used to show what numbers have been called during a game must not be intentionally changed, obstructed, or turned off by the promoter until the winners are verified.

HISTORY: 1996 Act No. 449, Section 1; 2002 Act No. 334, Section 16C, eff October 1, 2002; 2004 Act No. 172, Section 4, eff August 2, 2003; 2016 Act No. 254 (H.5034), Section 3, eff June 7, 2016.

Effect of Amendment

2016 Act No. 254, Section 3, in (A)(6), substituted "intentionally changed, obstructed, or turned off by the promoter" for "changed or turned off".

**SECTION 12‑21‑4000.** Procedures applicable to conduct of bingo.

In addition to the manner of play prescribed in Section 12‑21‑3990, the following procedures apply to the conduct of the game:

(1) Before the beginning of the first game, all seventy‑five balls must be displayed openly on the master‑board for the inspection of the players.

(2) Only one set of seventy‑five balls and only one master‑board is allowed in the room or area during the play of the game.

(3) Only one bet or payment is to be paid for each card.

(4) No bets or payments may be made while a game is in progress, except the sale of cards for subsequent games.

(5) Reserved.

(6) The house is required to identify the games for which a card may be used before the card is purchased.

(7) Before the start of play, the caller shall announce to all players the winning configuration of covered squares for that particular game.

(8) The prize must be awarded to the first person who successfully achieves the winning configuration of covered squares. All winning configurations must be verified using an electronic verifying system and must be displayed on the monitor for all players to see.

(9) Balls must be selected randomly by an indiscriminate process.

(10) Only one number may be called at a time.

(11) All balls drawn remain on the master‑board until the conclusion of the game.

(12)(a) At least fifty percent of the gross proceeds of the sale of bingo cards taken in by the house during a single session must be returned to the players in the form of prizes. However, with respect to fair licenses, this requirement must be met during the course of the fair.

(b) A bingo operation may take in only two times more in gross proceeds than the prize for that session averaged on a quarterly basis. Amounts in excess of this limit are subject to a tax, in addition to any other bingo license taxes and fees equal to the amount of the excess. Each session that the gross proceeds are greater than twice the prize amounts paid constitutes a separate offense if the tax is unpaid. This excess proceeds tax must be remitted to the department on the organization's quarterly bingo report and distributed as provided in Section 12‑21‑4190. Failure to remit this excess proceeds tax to the department shall result in immediate suspension of both the promoter's license and the organization's license. The department, after a conference with the promoter and organization, may permanently revoke the license of the promoter or the nonprofit organization, or both. If permanently revoked, the promoter, nonprofit organization, or any partner or member of the organization may no longer manage, conduct, or assist in any manner with a bingo operation in this State.

(13) The playing of bingo is restricted to the premises designated with the department by the sponsor organization.

(14) Bingo only may be played at the place designated by the bingo licensee on its original or amended application.

(15) The house may hold promotions of special events during a session offering players prizes other than from the play of bingo not to exceed two hundred dollars in cash or merchandise for each session. This amount is not to be paid out of the bingo account and is not included in total payouts for a session. There is no additional charge to players to participate in a special promotion. The promotion must not require any consideration for participation.

HISTORY: 1996 Act No. 449, Section 1; 2002 Act No. 334, Sections 16D, 16E, eff October 1, 2002; 2004 Act No. 172, Section 5, eff August 2, 2003; 2016 Act No. 254 (H.5034), Section 4, eff June 7, 2016.

Effect of Amendment

2016 Act No. 254, Section 4, in (15), substituted "not to exceed two hundred dollars" for "not to exceed one hundred dollars" in the first sentence, and substituted "require any consideration for participation" for "be a form of gambling or a game of chance" in the last sentence.

**SECTION 12‑21‑4005.** Operation of bingo games; scope.

The operation of the bingo games excludes machines and lottery games, including video poker lottery games, prohibited by Sections 12‑21‑2710, 16‑19‑40, and 16‑19‑50. The operation of the bingo games also excludes raffles as defined in Section 33‑57‑110.

HISTORY: 2002 Act No. 334, Section 16L, eff October 1, 2002; 2016 Act No. 254 (H.5034), Section 5, eff June 7, 2016.

Effect of Amendment

2016 Act No. 254, Section 5, added the second sentence, relating to raffles.

**SECTION 12‑21‑4007.** Site system and electronic dabber specifications.

(A) A site system and an electronic dabber must meet the following specifications:

(1) A site system must:

(a) record a nonresetable electronic consecutive six digit receipt number for each transaction;

(b) issue a player a receipt for each transaction containing the:

(i) name of a site or organization;

(ii) date and time of transaction;

(iii) number of electronic bingo card images downloaded or activated;

(iv) selling price of a card or package, gross proceeds, and receipt number; and

(v) serial number of device issued to a player;

(c) print a summary report for each session containing:

(i) the date and time of the report;

(ii) the name of site;

(iii) the date of the session;

(iv) the sequential session number;

(v) the number of transactions;

(vi) the number of voided transactions;

(vii) the number of electronic bingo card images downloaded or activated;

(viii) the number of devices used;

(ix) the total gross proceeds; and

(x) any other information required by the department.

(2) An electronic dabber:

(a) must be a portable hand‑held unit and must not be wired directly to a site system;

(b) must be used in conjunction with a bingo ticket purchased from the house which entitles the player to mark his cards electronically rather than using paper cards and marking them manually;

(c) must have no more than one hundred eighty faces to be played on each game when used in a class "B" game and no more than three hundred faces to be played on each game when used in a class "AA" game;

(d) must require a player to manually enter each bingo number called;

(e) must display a player's best card or a winning card and alert only that player through an audio or video method, or both, that the player has a winning card;

(f) must erase automatically all stored cards at the end of the last game of a session or when the device is turned off;

(g) must be downloaded or activated with new cards at the beginning of each session;

(h) must be used only for one unit for each player, at any time during the bingo session. A player may purchase additional cards to be marked manually, but not for use with an electronic dabber;

(i) must not be a video lottery machine, video gaming machine, or other device prohibited by Section 12‑21‑2710;

(j) must not be used or be capable of being used to play a game other than bingo as authorized by this article; and

(k) must not be used or be capable of being used in an activity prohibited by Section 16‑19‑40 or 16‑19‑50.

(B) The department's representatives may examine and inspect any site system and related equipment, electronic dabber and related equipment, or other machine or device used in the conduct of bingo by the promoter, nonprofit organization, or player. The examination and inspection must include immediate access to the electronic dabber and unlimited inspection of all parts, equipment, and associated systems.

(C) A player may exchange a defective electronic dabber for another provided a disinterested player verifies that the electronic dabber is not functioning.

(D) The bingo ticket as defined in Section 12‑21‑3920(3) must be perforated and allows both the player and the house to retain a copy. The ticket must be sold at face value. Only the number of faces printed on the bingo ticket may be downloaded or activated into the electronic dabber, no more or less, and at no time may bingo cards be sold for use with an electronic dabber and bingo ticket in matching face value or for any other purpose. The bingo tickets must be purchased on a bingo voucher only through a distributor licensed in this State. The bingo ticket must be torn in two along the perforation required in this subsection and the player must be given one part of the ticket and the house must retain the other part of the ticket for its books and records.

(E) After completion of each session the organization shall generate an activity report containing the number of electronic dabbers used in the session along with the house receipts for each bingo ticket sold. This report must be printed and maintained with the daily reports of the bingo session held.

HISTORY: 2004 Act No. 172, Section 1, eff August 2, 2003.

**SECTION 12‑21‑4009.** Limitations on use of electronic or mechanical devices.

The use of an electronic or mechanical device designed for a bingo game authorized pursuant to this chapter must be limited to a bingo promoter and the promoter's employees or any other person authorized by law to conduct bingo only in order to facilitate bingo play in the location licensed for bingo play pursuant to law, and this machine must not dispense as a prize coins or currency. The operation of the bingo games excludes machines and lottery games, including video poker lottery games, prohibited by Sections 12‑21‑2710, 16‑19‑40, and 16‑19‑50.

HISTORY: 2004 Act No. 172, Section 1, eff August 2, 2003.

**SECTION 12‑21‑4010.** Application of Section 12‑21‑3930 through 12‑21‑3950.

The provisions of Sections 12‑21‑3930 through 12‑21‑3950 do not apply to the holder of a fair bingo license. However, the department shall prescribe a separate application form for fairs to obtain a license.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4011.** Indian tribe use of hardware technology.

Notwithstanding any provision of law, federally‑ recognized Indian tribes authorized to conduct bingo games in South Carolina may use hardwire technology for bingo play, if the hardwire technology complies with the same restrictions and meets the same requirements and testing required of electronic dabbers and site systems as provided in this chapter.

HISTORY: 2004 Act No. 172, Section 8, eff August 2, 2003.

**SECTION 12‑21‑4020.** Classes of bingo licenses; taxes.

The following are the classes of bingo licenses:

(1) CLASS AA: An organization operating a bingo game offering prizes with a minimum payout of fifty thousand dollars a session shall obtain a Class AA bingo license at a cost of four thousand dollars. The prizes offered at any one session may not exceed two hundred fifty thousand dollars. The holder of a Class AA license may not conduct more than one bingo session a month.

(2) CLASS B: An organization operating a bingo game offering prizes, which do not exceed eight thousand dollars a session, shall obtain a Class B bingo license at a cost of one thousand dollars. The holder of a Class B license may not conduct more than five bingo sessions a week.

(3) CLASS C: An organization operating a bingo game and offering prizes of twenty dollars or less a game during a single session shall obtain a Class C bingo license at no cost. However, the organization may offer a prize in cash or merchandise of no more than one hundred fifty dollars for six jackpot games a session. The department, in its discretion, may allow certain Class C licenses to use hard bingo cards instead of the paper cards required by this article.

To qualify to play on hard cards, a bingo game conducted by a Class C license must meet the following criteria:

(a) be operated solely by volunteers;

(b) the person managing, conducting, or operating the bingo game must not be paid or otherwise be compensated and must be a designated member of the organization;

(c) remuneration, including wages or other compensation, must not be made to any individual or corporation;

(d) all equipment used to operate a game of bingo, including chairs, tables, and other equipment, must be owned by the charity;

(e) the organization may lease the building directly from the owner of the building or own the building in which the game of bingo is played. The organization may not lease or sublease the building from a person who is not the owner;

(f) the only expenses allowed to be paid from the proceeds of the game are utility bills, prizes, purchases of cards, payments for the lease of a building, purchases of equipment required to operate a game of bingo, and the charitable purposes of the organization;

(g) one hundred percent of the net proceeds from the operation of the game must be used for charitable purposes.

(4) CLASS D: A person, organization, or corporation desiring to conduct a bingo game at a fair as defined in Section 12‑21‑3920 and who offers prizes for each game of no more than fifty dollars in merchandise shall obtain only a temporary Class D bingo license at a cost of one hundred dollars for not more than ten days or two hundred dollars for more than ten days. The department, in its discretion, may allow certain Class D licensees to use hard bingo cards in lieu of the paper cards required by this article.

(5) CLASS E: An organization which has a game of bingo and operates exclusively by bona fide members who are residents of this State and who do so on a strictly volunteer basis and whose gross bingo proceeds do not exceed forty thousand dollars a calendar quarter, and where prizes do not exceed four thousand dollars a session shall obtain a Class E license from the department at a cost of five hundred dollars. If the gross bingo proceeds for any calendar quarter exceed thirty thousand dollars, the person or organization within ten days is required to obtain a Class B license from the department and comply with all requirements of a Class B license. The holder of a Class E license may not conduct more than one bingo session a week.

(6) CLASS F: An organization which has a game of bingo and operates exclusively by bona fide members who are residents of this State and who do so on a strictly volunteer basis and whose gross proceeds do not exceed forty thousand dollars a calendar quarter, and where prizes do not exceed four thousand dollars a session and where bingo proceeds are only used to pay the organization's utility bills, to pay charges for bingo paper, and for the charitable purpose of the organization, shall obtain a Class F license from the department at the cost of one hundred dollars. The holder of a Class F license may not conduct more than one bingo session a week.

HISTORY: 1996 Act No. 449, Section 1; 1998 Act No. 285, Section 4A; 1998 Act No. 334, Section 3; 1998 Act No. 340, Section 4; 1998 Act No. 387, Section 6; 2002 Act No. 334, Section 16F, eff October 1, 2002.

**SECTION 12‑21‑4030.** Entrance fee surcharges.

(A) A promoter or organization may not impose a charge, other than as provided in subsection (B), on a player of more than the face value of each card sold to play bingo.

(B)(1) A holder of a Class AA license shall impose an entrance fee of eighteen dollars;

(2) A holder of a Class B license shall impose an entrance fee of five dollars;

(3) A holder of a Class D or Class E license may impose a five‑dollar entrance fee; and

(4) A holder of a Class F license may impose a three‑dollar entrance fee.

(C) The entrance fees collected pursuant to subsection (B) are not required to be remitted as taxes and are not included in gross proceeds for purposes of the prize limitations provided in Section 12‑21‑4000(12)(a).

HISTORY: 1996 Act No. 449, Section 1; 1998 Act No. 285, Section 4B.

**SECTION 12‑21‑4040.** One license per person or organization.

No nonprofit organization may hold more than one bingo license.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4050.** Only one organization to operate bingo per building.

Only one nonprofit organization may operate or cause the operation of bingo in a building. This section applies to all buildings regardless of ownership, of primary use, or of original use.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4060.** Certain persons prohibited from managing or conducting bingo.

A person who has been convicted within the last twenty years of violating a state or federal criminal statute relating to gaming or gambling, or who has been convicted of any other crime that has a sentence of two or more years, or where applicable, whose promoter's license has been revoked by the department is not permitted to manage or conduct a game or assist in any manner with the bingo operation.

HISTORY: 1996 Act No. 431, Section 34.A; 1996 Act No. 449, Section 1.

Editor's Note

1996 Act No. 449, Section 1, and 1996 Act No. 431, Section 34.A, eff October 1, 1997, each effected this section in identical form.

**SECTION 12‑21‑4070.** South Carolina domicile required for license.

No license, as provided by this article, may be issued to an organization, promoter, or individual that has not been domiciled in this State for at least three years immediately preceding the license application. In the case of the organization, the organization must also have been active in this State for at least two years.

HISTORY: 1996 Act No. 449, Section 1; 2005 Act No. 4, Section 1, eff November 4, 2004.

**SECTION 12‑21‑4080.** Promoter to turn over proceeds; member to deposit proceeds.

(A) Upon completion of the session, the promoter or the organization member representative shall deposit the gross proceeds from the session less the amount paid out as prizes into the bingo checking account. If the promoter is authorized by the organization to make the session deposit, the promoter shall deliver to the organization representative evidence that the deposit was made in a timely manner. This evidence must be furnished no later than the next business day following the day of the bingo session on which the proceeds were obtained.

(B) The representative member of the nonprofit organization shall deposit the funds into the bingo checking or savings account as described in Section 12‑21‑4090. For purposes of this section, a member of the licensed nonprofit organization is any individual who holds a full membership in the organization as defined by the organization's constitution, charter, articles of incorporation or by‑laws and has been a member of the organization for at least one year. The term also includes those individuals who are members of an auxiliary or recognized junior affiliate of the parent organization.

HISTORY: 1996 Act No. 449, Section 1; 2002 Act No. 334, Section 16G, eff October 1, 2002.

**SECTION 12‑21‑4090.** Bingo checking and savings accounts.

(A) The provisions of this section apply to the licensed nonprofit organization which is responsible for the special checking and savings accounts established by this section. The provisions of this section do not apply to the holder of a Class D fair bingo license.

(B) The organization shall control all deposits, transfers, and disbursements from these accounts, including the payment of compensation to the promoter and employees of the promoter or organization working the bingo games.

(C) An organization receiving an annual license to conduct bingo shall establish and maintain one regular checking account designated the "bingo account" and also may maintain an interest‑bearing savings account designated the "bingo savings account". All funds derived from the conduct of bingo, less the amount awarded as cash prizes, must be deposited in the bingo account. Other funds may not be deposited in the bingo account, unless there is a deficit, and then both the organization and promoter shall deposit a loan equal to fifty percent of the deficit. If the organization is unable to make the fifty percent contribution, the promoter may deposit one hundred percent of the deficit which the balance must be, at the election of the promoter and with the consent of the nonprofit organization, carried as either a loan or a charitable donation to the organization from the promoter. Each loan to an organization from the promoter must be authorized in writing by a duly authorized officer of the licensed nonprofit organization. The promoter only may have recourse to these loans from the funds in the charitable bingo account. Each loan deposited into the bingo checking account must be accounted for on the quarterly financial reports filed with the department. Detailed information substantiating these loans must be maintained by the organization. Deposits must be made no later than the next business day following the day of the bingo occasion on which the receipts were obtained. All accounts must be maintained in a financial institution in this State.

(D) All expenses related to the charitable bingo operation must be paid from the operations bingo account. Funds from the bingo account must be withdrawn by preprinted, consecutively numbered checks or withdrawal slips, jointly signed by a properly authorized representative of the licensed nonprofit organization and promoter and made payable to a person or organization or by electronic methods or recurring online payments. Electronic payments must be authorized by a duly authorized representative of the licensed nonprofit organization and promoter in writing. Checks must be imprinted with the words "Bingo Account" and must contain the organization's bingo license number on the face of the check. There also must be noted on the face of the check or withdrawal slip the nature of the payment made. No check or slip may be made payable to "cash", "bearer", or a fictitious payee. All checks, including voided checks and slips, must be kept and accounted for.

(E) Funds received by the nonprofit organization from the department as a result of the sale of bingo cards must be deposited into a separate account and maintained separately from bingo funds and the bingo account referenced in this section.

(F) Checks drawn on the bingo account must be for one or more of the following purposes:

(1) payment of necessary and reasonable bona fide expenses incurred and paid in connection with the conduct of bingo;

(2) payment of necessary and reasonable compensation incurred and paid in connection with the conduct of bingo for personnel and promoters managing and conducting the game;

(3) disbursement of net proceeds derived from the conduct of bingo to charitable purposes or the purpose for which the organization was established;

(4) transfer of net proceeds derived from the conduct of bingo to the bingo savings account pending a disbursement to a charitable purpose.

(G) The disbursement of net proceeds on deposit in the bingo savings account to a charitable purpose must be made by transferring the intended disbursement back into the bingo account and then withdrawing the amount by a check drawn on that account as prescribed in this section.

(H) Proceeds given to a person or an organization for a charitable purpose must not be used by the donee:

(1) to pay for services rendered or materials purchased in connection with the conducting of bingo by the donor organization; or

(2) for a cause, an act, or an activity that does not constitute a charitable purpose or other purpose for which the organization was established if the activity is conducted by the donor organization.

(I) Gross proceeds derived from the conduct of bingo must not be commingled with other funds of the licensed organization.

(J) A licensed organization that has stopped conducting bingo and has unexpended bingo funds shall disburse those funds to a charitable purpose or other purposes for which the organization was established within one year after the date it ceases to conduct bingo. However, unexpended funds to be used for a building fund may be retained for this purpose. The organization shall file a report with the department showing the establishment of a building fund, the amount of money from the special account to be retained for that purpose, and other information the department may consider necessary. If the organization is identified as a fictitious charity after originally licensed, any payments due the charity revert to the general fund.

(K) Net proceeds must not be used directly or indirectly by a licensed authorized nonprofit organization to support or oppose a candidate or slate of candidates for public office, to support or oppose a measure submitted to a vote of the people, or to influence or attempt to influence legislation. The records of these accounts are available for inspection, upon demand, by the department.

HISTORY: 1996 Act No. 449, Section 1; 1998 Act No. 340, Section 5; 1998 Act No. 387, Section 7; 2002 Act No. 334, Section 16H, eff October 1, 2002; 2016 Act No. 254 (H.5034), Section 6, eff June 7, 2016.

Effect of Amendment

2016 Act No. 254, Section 6, amended (C) and (D), allowing the promoter to make certain contributions, requiring that all expenses related to the bingo operation must be paid from the operations bingo account, and allowing for electronic payments.

**SECTION 12‑21‑4100.** Record keeping and reporting requirements.

(A) Each licensed nonprofit organization conducting bingo games shall submit quarterly to the department on the last day of the month following the close of the calendar quarter a report under oath containing the following information:

(1) the amount of the gross proceeds derived from the games;

(2) each item of expense incurred or paid;

(3) each item of an expenditure made or to be made, with a detailed description of the merchandise purchased or the services rendered;

(4) the net proceeds derived from the games;

(5) the use to which the proceeds have been or are to be applied;

(6) a list of prizes offered and given, with their respective values;

(7) excess proceeds as provided in Section 12‑21‑4000(12)(b);

(8) number of players at each session;

(9) other information considered necessary by the department.

(B) Each licensed nonprofit organization shall maintain records to substantiate the contents of each report.

(C) The department may revoke the license of an organization that fails to file the reports and information required in this article.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4110.** Department to administer provisions of article.

The department shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and regulations imposed under this article. Local law enforcement officials are authorized to enforce the hours of operation.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4120.** Clarification and conference requests.

An organization or a promoter seeking clarification on the play of or operation of a bingo game shall submit to the department's bingo regulatory section a written request seeking a determination as to whether or not a certain or specific action constitutes a violation. A conference may be requested upon the receipt of the clarification request. The department shall respond, in writing, to the party requesting the clarification, citing specific statutes which disqualify an action and, when applicable, citing actions that are authorized pursuant to the laws of this State. A response or any failure to respond is not grounds for estoppel nor does it grant any rights to the organization or promoter seeking a clarification. An organization or a promoter found in violation of the provisions of this article and assessed additional taxes, penalties, fines, or interest is entitled to a conference upon request.

HISTORY: 1996 Act No. 449, Section 1; 2002 Act No. 334, Section 16I, eff October 1, 2002; 2004 Act No. 172, Section 6, eff August 2, 2003.

**SECTION 12‑21‑4130.** Seizure of bingo equipment and cards.

The department may seize bingo equipment or cards found in the possession of a promoter, a licensed nonprofit organization, or player which have been manufactured, altered, or changed in a manner so as to no longer make bingo a game of chance as defined in this article.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4140.** Penalties.

A penalty of up to five thousand dollars and revocation of the license at the discretion of the department may be imposed for a violation of this article. Each violation and each day in violation of a provision of this article constitutes a separate offense.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4150.** Posing as bingo player; unauthorized bingo supplies.

A person who poses as a bingo player or a person who conspires to have a person pose as a bingo player with the intent to defraud regular customers of the game, or a person who is using unauthorized bingo supplies, is guilty of a felony and, upon conviction, must be imprisoned not more than five years or fined not more than five thousand dollars, or both.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4160.** Inspection of books, papers, records, and other materials.

The department or its designated agent or representative may enter upon the premises where bingo is played or the business premises of another person and examine books, papers, records, memoranda, commodities, or other things bearing upon the amount of taxes or fees payable or the proper conduct of a game and secure from the taxpayer or other person information directly or indirectly for the enforcement of this article.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4170.** Compromise of criminal or civil action.

The department, in its discretion, may compromise a criminal or civil action arising under the provisions of this article either before or after prosecution has begun.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4180.** Collection of taxes and fees not to be stayed or prevented.

The collection of the taxes and fees imposed by this article must not be stayed or prevented by an injunction, writ, or order issued by a court or its judge.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4190.** Bingo card charges; distribution of revenues.

(A) The department shall charge and retain ten cents for each dollar of face value for each bingo card sold for AA, B, D, and E licenses. The department shall charge and retain five cents for each dollar of face value for each bingo card sold for an F license. The department shall charge and retain four cents for each dollar of face value for each bingo card sold for a C license.

(B) The revenue retained must be distributed as follows:

(1) twenty‑eight percent of the revenue must be distributed to the sponsoring charity for which the bingo cards were purchased. The department shall make the distribution to the sponsoring charity by the last day of the next month following the month the revenue was collected. Distributions pursuant to this subsection must be reduced by any delinquent debts as defined in the Setoff Debt Collection Act;

(2) seventy‑two percent pursuant to Section 12‑21‑4200.

(C) The provisions of subsection (B) do not apply to holders of Class F licenses. The entire amount of revenue remitted pursuant to Section 12‑21‑4190 by Class F licensees shall be distributed pursuant to Section 12‑21‑4200.

HISTORY: 1996 Act No. 449, Section 1; 1998 Act No. 285, Section 4C; 2006 Act No. 357, Section 1, eff July 1, 2007; 2006 Act No. 359, Section 1, eff July 1, 2006; 2016 Act No. 254 (H.5034), Section 7, eff June 7, 2016.

Effect of Amendment

2016 Act No. 254, Section 7, in (B)(1), substituted "twenty‑eight percent" for "twenty‑six percent" and "pursuant to this" for "under this"; and in (B)(2), substituted "seventy‑two percent" for "seventy‑four percent".

**SECTION 12‑21‑4200.** Disbursement of revenues.

The first nine hundred forty‑eight thousand dollars of the total revenues derived from the provisions of this article which is collected from bingo within this State must be deposited monthly in twelve equal amounts into an account in the Office of the State Treasurer and called "Department on Aging Senior Citizen Centers Permanent Improvement Fund". All interest earned on monies in the Department on Aging Senior Citizen Centers Permanent Improvement Fund must be credited to this fund. Of the remaining revenue:

(1) Seven and five one‑hundredths percent of the annual revenue derived from the provisions of Section 12‑21‑4190(2) must be deposited with the State Treasurer to be credited to the account of the Department on Aging, Office of the Governor, but in no case shall this credit be less than six hundred thousand dollars. This amount must be allocated to each county for distribution in home community services for the elderly as follows:

(a) One‑half of the funds must be divided equally among the forty‑six counties.

(b) The remaining one‑half must be divided based on the percentage of the county's population age sixty and above in relation to the total state population using the latest report of the United States Bureau of the Census.

The aging service providers receiving these funds must be agencies recognized by the Department on Aging, Office of the Governor and the area agencies on aging.

(2) Twenty and eight‑tenths percent of the annual revenue derived from the provisions of Section 12‑21‑4190(2), or two and one‑half million dollars each fiscal year, whichever is greater, must be deposited by the State Treasurer in a separate fund for the Department of Parks, Recreation and Tourism entitled the Parks and Recreation Development Fund. Interest earned by this fund must be added to it and credited to its various accounts in the same proportion that the annual allocation to each account bears to the total annual distribution to the fund. Unexpended amounts in the various fund accounts must be carried forward to succeeding fiscal years except as provided in Section 51‑23‑30. Fund proceeds must be distributed as provided in Chapter 23 of Title 51.

(3) Subject to the distribution in item (2), seventy‑two and fifteen one‑hundredths percent of the annual revenue derived from the provisions of Section 12‑21‑4190(2) must be deposited with the State Treasurer and credited to the general fund, except that the first one hundred thirty‑one thousand of such revenues each year must be transferred to the Commission on Minority Affairs.

HISTORY: 1996 Act No. 449, Section 1; 2004 Act No. 172, Section 11, eff August 2, 2003; 2006 Act No. 357, Section 2, eff July 1, 2007; 2006 Act No. 359, Section 2, eff July 1, 2006; 2016 Act No. 254 (H.5034), Section 8, eff June 7, 2016.

Code Commissioner's Note

At the direction of the Code Commissioner, references to "Department on Aging" and "department" were substituted for "Division on Aging" and "division" to comply with amendments made by 2018 Act No. 261.

Effect of Amendment

2016 Act No. 254, Section 8, in (2), inserted ", or two and one‑half million dollars each fiscal year, whichever is greater,"; and in (3), substituted "Subject to the distribution in item (2), seventy‑two" for "Seventy‑two".

**SECTION 12‑21‑4210.** Sale or transfer of bingo cards.

Bingo cards may not be sold or transferred between licensed organizations, between distributors, or between manufacturers. All unused bingo cards may be returned to the department for refund and destruction. The department is required to refund only the amount retained by the department previously based on the face value of each card and does not include the manufacturer's price or transportation charges to the consignee at destination and such additional charges. If an organization operating a bingo game ceases operation within fifteen days from the purchase of the last voucher and the voucher remains outstanding, the department shall accept the returned paper and credit the value of returned paper against the outstanding voucher. The organization then shall pay the balance of the voucher less the value of returned paper.

HISTORY: 1996 Act No. 449, Section 1; 2002 Act No. 334, Section 16J, eff October 1, 2002.

**SECTION 12‑21‑4220.** Bingo card design and requirements.

Bingo cards shall meet the design and requirements of the department. The use of the cards is evidence of the payment of the license tax imposed upon bingo cards by this article.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4230.** Bonds.

Manufacturers, promoters, organizations, or distributors of bingo cards are required to furnish bond in an amount approved by the department to ensure faithful compliance with the regulations of the department.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4240.** License to manufacture, distribute or use bingo cards.

Each manufacturer, distributor, organization, or promoter must be licensed to manufacture or distribute, or use bingo cards. The department shall charge an annual license fee of five thousand dollars for each manufacturer and two thousand dollars for each distributor. A license issued by the department under this section is renewable annually unless canceled or terminated. No license issued under this section is transferable or assignable.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4250.** Dual roles.

A bingo card manufacturer may not be licensed to operate a game as a bingo card distributor or as a promoter. A bingo card distributor may not be a manufacturer, a licensed nonprofit organization, or promoter. A licensed nonprofit organization or a promoter may not be a manufacturer or distributor.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4260.** Background investigations.

A person licensed as a bingo manufacturer, distributor, organization, or promoter shall submit to a background investigation. This includes each partner of a partnership and each director and officer and all stockholders of ten percent or more in a parent or subsidiary corporation of a bingo card manufacturer, distributor, organization, or promoter. The department has sole discretion to issue a license based on the background investigation.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4270.** Application to obtain bingo cards.

Each licensed nonprofit organization or promoter, in the name of a licensed organization, may obtain bingo cards approved by the department by making application and remitting sixteen and one‑half percent of the total face value of the cards to be purchased. Payment to the State for the issuance of bingo cards must be made by check, certified check, any electronic method, or cash within fifteen days of receipt of the application. If payment is made by check and the check is returned by the bank for any reason, the organization or promoter then is required to make payment to the department by certified funds for the remainder of the time that the bingo session is in operation. Upon receipt of the application, the department shall notify a licensed distributor who has purchased bingo cards from a licensed manufacturer that the licensed distributor may release the face value of the bingo cards requested to the licensed organization or promoter. However, no additional bingo cards must be released until payment is received for the prior application of bingo cards. The department is required to set forth procedures to ensure that there is a crosscheck between manufacturers, distributors, and licensed nonprofit organizations or promoters. A quarterly return is required by each manufacturer, distributor, and licensed nonprofit organization or promoter on or before the last day of the month following the close of the calendar quarter outlining those items the department determines necessary to verify the sale and distribution of bingo cards. The sale of bingo cards and entrance fees provided by Section 12‑21‑4030 are not subject to the admissions tax provided by Section 12‑21‑2420.

HISTORY: 1996 Act No. 449, Section 1; 2002 Act No. 334, Section 16K, eff October 1, 2002.

**SECTION 12‑21‑4275.** Prohibitions on bingo card or ticket transfers.

The transfer of a bingo card or ticket by a manufacturer or bingo ticket manufacturer to a person other than a licensed distributor is prohibited. The transfer of a bingo card or ticket by a distributor to a person other than a licensed bingo promoter or a licensed bingo nonprofit organization is prohibited. The transfer of a bingo card or ticket by a distributor to a promoter or bingo nonprofit organization that does not have a voucher covering the bingo ticket or bingo card is prohibited.

HISTORY: 2004 Act No. 172, Section 10, eff August 2, 2003.

**SECTION 12‑21‑4280.** Revocation of license.

(A) The department may revoke a license issued under this article if it finds that a licensed nonprofit organization is not in compliance with the exemption requirements of the Internal Revenue Code.

(B) A license revoked under this section must not be reissued until a new application is made and the department determines that the applicant is complying with the applicable provisions of the Internal Revenue Code.

(C) The department may promulgate regulations to enforce this section.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4295.** Proceeds expended within state.

Proceeds after expenses derived from the game of bingo within South Carolina must not be expended for the benefit of charitable organizations located outside this State.

HISTORY: 1996 Act No. 449, Section 1.

**SECTION 12‑21‑4300.** Severability.

If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this article is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this article, the General Assembly hereby declaring that it would have passed this article, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

HISTORY: 2002 Act No. 334, Section 16L, eff October 1, 2002.

**SECTION 12‑21‑4320.** Bingo webpage.

(A) The department shall establish a bingo webpage on its own website, for the purpose of serving as a clearinghouse for information and access to the Bingo Tax Act and its implementation and regulation. The link also must contain access to information pertaining to licenses, the manner in which to file complaints, and clarifying issues the department finds in connection with violations of the Bingo Tax Act.

(B) In addition to the purposes set forth in subsection (A), the webpage also must include a process for submitting questions to the bingo division of the department.

HISTORY: 2016 Act No. 254 (H.5034), Section 1, eff June 7, 2016.

ARTICLE 25

The Marijuana and Controlled Substance Tax Act

**SECTION 12‑21‑5010.** Short title.

This article may be cited as "The Marijuana and Controlled Substance Tax Act".

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑5020.** Definitions.

As used in this article:

(1) "Marijuana' means any marijuana, whether real or counterfeit, as defined in Section 44‑53‑110, that is held, possessed, transported, transferred, sold, or offered to be sold in violation of the laws of this State.

(2) "Controlled substance" means a drug or substance, whether real or counterfeit, as defined in Section 44‑53‑110, that is held, possessed, transported, transferred, sold, or offered to be sold in violation of the laws of this State. "Controlled substance" does not include marijuana.

(3) "Dealer" means a person who in violation of the laws of this State manufactures, produces, ships, transports, or imports into South Carolina or in any manner acquires or possesses more than forty‑two and one‑half grams of marijuana, or seven or more grams of a controlled substance, or ten or more dosage units of a controlled substance which is not sold by weight.

(4) "Department" means the South Carolina Department of Revenue.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑5030.** Department to administer article, collect taxes; dealers not required to give identifying information.

The department shall administer the provisions of this article. Payments required by this article must be made to the department on the form provided by it. Dealers are not required to give their name, address, social security number, or other identifying information on the form. The department shall collect all taxes under this article.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑5040.** Department to promulgate regulations and adopt uniform system of stamps, labels, or other indicia for taxed marijuana and controlled substances.

The department may promulgate regulations necessary to enforce this article. The department shall adopt a uniform system of providing, affixing, and displaying official stamps, official labels, or other official indicia for marijuana and controlled substances on which a tax is imposed.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑5050.** Dealer not to possess taxed marijuana or controlled substance without evidence that tax was paid.

No dealer may possess any marijuana or controlled substance upon which a tax is imposed unless the tax has been paid on the marijuana or other controlled substance as evidenced by a stamp or other official indicia.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑5060.** Article not provide immunity from criminal prosecution.

Nothing in this article may provide immunity for a dealer from criminal prosecution pursuant to the laws of this State.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑5070.** Person lawfully in possession not required to pay tax.

Nothing in this article requires persons lawfully in possession of marijuana or a controlled substance to pay the tax required under this article.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑5080.** Quantity measured by weight or dosage; diluted quantities.

For the purpose of calculating the tax under Section 12‑21‑5090, a quantity of marijuana or other controlled substance is measured by the weight of the substance whether pure, impure, or dilute, or by dosage units when the substance is not sold by weight, in the dealer's possession. A quantity of a controlled substance is dilute if it consists of a detectable quantity of pure controlled substance and any excipients or fillers.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑5090.** Tax imposed; rate.

A tax is imposed on marijuana and controlled substances as defined in Section 12‑21‑5020 at the following rate:

(1) on each gram of marijuana, or portion of a gram, three dollars fifty cents;

(2) on each gram of controlled substance, or portion of a gram, two hundred dollars;

(3) on each fifty dosage units of a controlled substance that is not sold by weight, or portion of fifty dosage units, two thousand dollars.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑6000.** Violation is misdemeanor; imprisonment, fine, civil penalty.

(A) A dealer who violates this article must pay a penalty of one hundred percent of the tax in addition to the tax imposed by Section 12‑21‑5090. The penalty must be collected as part of the tax.

(B) In addition to the tax penalty imposed, a dealer distributing or possessing marijuana or controlled substances without affixing the appropriate stamps, labels, or other indicia is guilty of a misdemeanor and, upon conviction, must be imprisoned not more than five years or fined not more than ten thousand dollars, or both.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑6010.** Stamps, labels or other indicia to be purchased from department at face value.

Official stamps, labels, or other indicia to be affixed to all marijuana or controlled substances must be purchased from the department. The purchaser shall pay one hundred percent of face value for each stamp, label, or other indicia at the time of the purchase.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑6020.** Dealer to have indicia evidence tax payment affixed; indicia may be used once; taxes due and payable immediately upon acquisition or possession.

(A) When a dealer purchases, acquires, transports, or imports into this State marijuana or controlled substances on which a tax is imposed by Section 12‑21‑5090, and if the indicia evidencing the payment of the tax have not already been affixed, the dealer shall have them permanently affixed on the marijuana or controlled substance immediately after receiving the substance. Each stamp or other official indicia may be used only once.

(B) Taxes imposed upon marijuana or controlled substances by this article are due and payable immediately upon acquisition or possession in this State by a dealer.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑6030.** Assessment for dealer not possessing valid indicia is jeopardy assessment.

An assessment for a dealer not possessing valid stamps or other official indicia showing that the tax has been paid is considered a jeopardy assessment or collection, as provided in Article 3 of Chapter 53 of this title.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑6040.** Confidentiality of information on report or return; limited evidentiary use; publication of statistics permitted; violations and penalties.

(A) The department or a public employee may not reveal facts contained in a report or return required by this article or any information obtained from a dealer. Information contained in a report or return or obtained from a dealer may not be used against the dealer in a criminal proceeding, unless independently obtained, except in connection with a proceeding involving taxes due under this article from the dealer making the return.

(B) A person who violates this section is guilty of a felony and, upon conviction, must be imprisoned not more than five years or fined not more than ten thousand dollars, or both.

(C) This section does not prohibit the department from publishing statistics that do not disclose the identity of dealers or the contents of particular returns or reports.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

**SECTION 12‑21‑6050.** Tax proceeds credited to general fund of state.

The department shall credit the proceeds of the tax levied by this article to the general fund of the State.

HISTORY: 1993 Act No. 164, Part II, Section 70A.

ARTICLE 27

The Tourism Infrastructure Admissions Tax Act

**SECTION 12‑21‑6510.** Short title.

This article may be cited as the "Tourism Infrastructure Admissions Tax Act".

HISTORY: 1997 Act No. 109, Section 1.

**SECTION 12‑21‑6520.** Definitions.

As used in this article:

(1) "Additional infrastructure improvement" means a road or pedestrian access way, a right‑of‑way, a bridge, a water or sewer facility, an electric or gas facility, a landfill or waste treatment facility, a hospital or medical facility, a fire station, a school, a transportation facility, a telephone or communications system, or any similar infrastructure facility and facilities ancillary thereto. This improvement must be owned by the State or a political subdivision. For purposes of this section, it includes a publicly‑owned tourism or recreation facility.

(2) "Benefit period" means a fifteen‑year period commencing on the first day of the first month after the date on which the department approves the certification application.

(3) "Certification application" means an application submitted by a county or municipality to the department requesting that the department approve a major tourism or recreation facility or a major tourism or recreation area for the benefits available under Sections 12‑21‑6530 and 12‑21‑6540.

(4) "Council" means the Advisory Coordinating Council for Economic Development.

(5) "Department" means the South Carolina Department of Revenue.

(6) "Designated development area" means a contiguous area set aside by municipal or county ordinance in which one or more tourism or recreation facilities will be located. The term includes a downtown or waterfront redevelopment area, a local historic district, redevelopment of a closed military facility, or a newly designated economic development site.

(7) "Establishment" means either a major tourism or recreation facility or a tourism or recreation facility located within a major tourism or recreation area.

(8) "Fund" means the special tourism infrastructure development fund.

(9) "Grant application" means the application submitted to the council whereby a local government may apply to receive a grant from the fund.

(10) "Investment period" means any consecutive sixty‑month period, however, the same investment may not be counted more than once in determining whether the appropriate amount of investment has been made within any consecutive sixty‑month period.

(11) "Major tourism or recreation area" means a designated development area with one or more tourism or recreation facilities located therein in which an aggregate investment in land and capital assets of at least twenty million dollars is made in the designated development area for tourism or recreation facilities, or as otherwise provided in Section 12‑21‑6560, within the investment period. The full twenty million dollars must be invested before the certification application can be filed.

(12) "Major tourism or recreation facility" means a tourism or recreation facility in which an aggregate investment in land and capital assets of at least twenty million dollars is made at the facility, or as otherwise provided in Section 12‑21‑6560, within the investment period. The full twenty million dollars must be invested before the certification application can be filed.

(13) "Tourism or recreation facility" means a theme park, amusement park, historical, educational or trade museum, botanical or zoological garden, aquarium, cultural center, theater, motion picture production studio, convention center, arena, coliseum, auditorium, golf course, spectator or participatory sports facility or any other facility which is subject to collecting and remitting the tax on admissions.

(14) "Tourism or recreational facility" also means an aquarium or natural history exhibit or museum located within or directly contiguous to an extraordinary retail establishment as defined below. An extraordinary retail establishment is a single store located in South Carolina within two miles of an interstate highway or in a county with at least three and one‑half million visitors a year, and it must be a destination retail establishment which attracts at least two million visitors a year with at least thirty‑five percent of those visitors traveling at least fifty miles to the establishment. The extraordinary retail establishment must have a capital investment of at least twenty‑five million dollars including land, buildings and site preparation costs, and one or more hotels must be built to service the establishment within three years of occupancy. Only establishments which receive a certificate of occupancy after July 1, 2006, qualify. The Department of Parks, Recreation and Tourism shall determine and annually certify whether a retail establishment meets these criteria and its judgment is conclusive. The extraordinary retail establishment annually must collect and remit at least two million dollars in sales taxes but is not required to collect or remit admission taxes.

HISTORY: 1997 Act No. 109, Section 1; 2006 Act No. 384, Section 22.C, eff June 14, 2006; 2006 Act No. 386, Section 48.C, eff June 14, 2006; 2007 Act No. 116, Section 3.A, eff June 28, 2007, applicable for tax years beginning after 2007.

Editor's Note

1997 Act No. 109, Section 4, provides as follows:

"SECTION 4. This act is effective with respect to projects with investment periods, as defined in Section 12‑21‑6520(10) of the 1976 Code as added by this act, ending after December 31, 1996."

**SECTION 12‑21‑6530.** Portion of tax to be paid to county or municipality where establishment located; use of funds.

(A) During the benefit period, an amount equal to one‑fourth of the license tax paid on admissions to an establishment must be paid by the department to the county or municipality in which the establishment is located. This portion of the tax is to be used directly or indirectly for additional infrastructure improvements. If more than one infrastructure improvement is being considered at the same time, preference must be given to infrastructure improvements requested by the establishment generating the admissions tax, or other development occurring as a result of the creation or expansion of the major tourism or recreation facility or major tourism or recreation area.

(B) If the establishment is located in an unincorporated area of a county, the payment must be made to the county governing body and, if located within the corporate limits of a municipality, the payment must be made to the municipal governing body.

(C) The county or municipal governing body may share funds received from these payments with another county or municipal governing body to provide additional infrastructure facilities or services in support of the establishment that generates the tax on admissions responsible for the payments.

HISTORY: 1997 Act No. 109, Section 1.

**SECTION 12‑21‑6540.** Portion of tax to be transferred to State Treasurer for deposit in special tourism infrastructure development fund; applications for grants; review of applications; guidelines.

(A) During the benefit period, in addition to the amount described in Section 12‑21‑6530, except as otherwise provided in Section 12‑21‑6590, an additional amount equal to one‑fourth of the license tax paid on admissions to an establishment must be transferred by the department to the State Treasurer to be deposited into the fund and distributed pursuant to the approval of the council.

(B) Deposits into the fund must be separated into special accounts based on which establishment generated the admissions tax subject to this section.

(C) Counties or municipalities within five miles of the major tourism or recreation facility or major tourism or recreation area may apply to the council for grants from the fund by submitting a grant application.

(D) Upon review of the grant application, the council shall determine the amount of monies to be received by each of the eligible counties or municipalities. All monies must be used directly or indirectly for additional infrastructure improvements. If more than one grant application is being reviewed at the same time, preference must be given to grant applications for infrastructure which directly or indirectly serve the establishment that generates the admissions tax or other development occurring as a result of the creation or expansion of the major tourism or recreation facility or major tourism or recreation area. One year after the end of the benefit period, the council, after consultation with the Department of Parks, Recreation and Tourism, may use these funds for any infrastructure in the State which it determines will aid tourism.

(E) Grants may run for more than one year and may be based upon a specified dollar amount or a percentage of the monies deposited annually into the fund. After approval of a grant application, the council may approve the release of monies to eligible counties and municipalities.

(F) The council shall adopt guidelines to administer the fund including, but not limited to, grant application criteria for review and approval of grant applications. Expenses incurred by the council in administering the fund may be paid from the fund.

HISTORY: 1997 Act No. 109, Section 1; 2007 Act No. 116, Section 4, eff June 28, 2007, applicable for tax years beginning after 2007.

**SECTION 12‑21‑6550.** Certification application to be filed in county or municipality where major tourism or recreation area located; request for classification.

In order to obtain the amounts provided in Sections 12‑21‑6530 and 12‑21‑6540:

(A) The county or municipality in which the major tourism or recreation facility or major tourism or recreation area is located must file with the Department of Parks, Recreation and Tourism a certification application. The Department of Parks, Recreation and Tourism shall review the application for completeness and accuracy and if necessary contact the county or municipality for additional information. A separate certification application must be filed for each tourism or recreation facility located in a tourism or recreation area. The certification application must be filed within one year of the end of the investment period.

(B) When the application is complete, the Department of Parks, Recreation and Tourism shall forward the application on to the department. The department shall notify the county or the municipality, in writing, if the certification application has been approved.

(C) A tourism or recreation facility for which a certification application has been filed must request a determination from the council as to the status of the tourism or recreation facility. The council must classify each tourism or recreation facility as a new tourism or recreation facility or an expansion to an existing tourism or recreation facility. If a tourism or recreation facility is classified as an expansion to an existing tourism or recreation facility, Section 12‑21‑6580 applies. The request for determination of classification must be included in the certification application. The department must forward a copy of the request to the council for its determination.

HISTORY: 1997 Act No. 109, Section 1; 2005 Act No. 145, Section 24.A, eff July 1, 2005.

**SECTION 12‑21‑6560.** Factors for considering whether facility qualifies as major tourism or recreation facility or area.

In determining whether or not a particular facility qualifies as a major tourism or recreation facility or a major tourism or recreation area, the following items may be included in determining if the twenty million dollar investment has been met:

(1) secondary support facilities such as hotels, food, and retail services which are located within, or immediately adjacent to, the major tourism or recreation facility or the major tourism or recreation area and which directly support the major tourism or recreation facility or the major tourism and recreation area;

(2) private or public sector funds or a combination of private and public sector funds, spent on the major tourism or recreation facility or the major tourism or recreation area.

HISTORY: 1997 Act No. 109, Section 1.

**SECTION 12‑21‑6570.** Designated development area and boundaries to be determined by ordinance; maximum total acreage allowed; designated development area embracing contiguous lands within two or more county‑municipal entities.

(A) A designated development area and its boundaries must be determined by municipal ordinance, if located in a municipality, or by county ordinance, if located in an unincorporated county area, or by more than one ordinance by municipal or county governments, or both, if it embraces areas within two or more counties or municipalities. One or more designated development areas may be located within a municipality or unincorporated county area.

(B) The total aggregate amount of a single designated development area within any municipality or county may not exceed five percent of the total acreage of the municipality or unincorporated county area.

(C) If there is more than one designated development area within a county or municipality, the total acreage for all designated development areas within a municipality must not exceed ten percent of the total acreage of the municipality and the total acreage for all designated development areas within unincorporated areas of a county must not exceed ten percent of the total acreage of the county's unincorporated areas.

(D) The acreage limitations for municipalities and unincorporated county areas do not apply to designated development areas created prior to the year 2005 and located on a closed federal military facility as defined by the Base Realignment and Closure department, and the acreage for an area where these conditions are met are in addition to the acreage limitations applicable to any other designated development areas within the same municipality or unincorporated county area.

(E) Two or more municipal or county governments or combination of these governments may adopt ordinances to designate a "designated development area" embracing contiguous lands within two or more of the involved county‑municipal entities, but the acreage for each involved municipality or county must not exceed five percent of the total acreage in each involved municipality or unincorporated county area.

(F) The boundaries of a designated development area must be determined prior to the date that the certification application is approved.

HISTORY: 1997 Act No. 109, Section 1.

**SECTION 12‑21‑6580.** Expansion or improvement of facilities; calculation of admissions tax revenues subject to Sections 12‑21‑6530 and 12‑21‑6540.

If a major tourism or recreation facility or a major tourism and recreation area is expanded or improved with an additional twenty million dollar investment being made within an investment period, the amount of admissions tax revenues subject to Sections 12‑21‑6530 and 12‑21‑6540 for the benefit period is the amount in excess of the annual admissions tax revenues previously generated by the major tourism or recreation facility, or by all of the tourism or recreation facilities within the major tourism or recreation area, as appropriate. This amount is determined by using the average of the admissions tax revenues generated during the twenty‑four months preceding the date of the filing of the certification application.

HISTORY: 1997 Act No. 109, Section 1; 1998 Act No. 432, Section 10.

**SECTION 12‑21‑6590.** Designation of extraordinary retail establishments; additional infrastructure improvements and other expenditures supporting construction or operation; application for conditional certification.

(A) The Department of Parks, Recreation and Tourism may designate no more than four extraordinary retail establishments as defined in Section 12‑21‑6520(14), and for purposes of this section, sales taxes must be substituted for admissions taxes wherever admission tax appears in this Tourism Infrastructure Admissions Tax Act. For purposes of this section, additional infrastructure improvements include any aquarium or natural history exhibits or museum located within or directly contiguous to the extraordinary retail establishment which are dedicated to public use and enjoyment under such terms and conditions as may be required by the municipality or county in which they are located. Additional infrastructure improvements also shall include site prep, construction of real or personal property, parking, roadways, ingress and egress, utilities, and other expenditures on the extraordinary retail establishment which directly support or service the aquarium or natural history museum or exhibits. The certification application made under this section must be executed by both the extraordinary retail establishment as well as the county or municipality.

(B) Prior to the completion of an extraordinary retail establishment, an entity may request that the county or municipality in which the facility is located provide an application for conditional certification to the Department of Parks, Recreation and Tourism. The Department of Parks, Recreation and Tourism may grant conditional certification to the entity as an extraordinary retail establishment based on reasonable projections that the facility will meet the requirements of Section 12‑21‑6520(14) within three years of the certificate of occupancy. If the Department of Parks, Recreation and Tourism grants the conditional certification to the entity as an extraordinary retail establishment, it shall forward the approval for conditional certification to the department. The department shall notify the entity and either the county or the municipality, as applicable, of the approval.

An applicant obtaining conditional certification as an extraordinary retail establishment under this section and satisfying the requirements of conditional certification by the dates provided therein, shall be deemed to satisfy all of the requirements of this article pertaining to qualification as an extraordinary retail establishment for the duration of the benefit period. The entity shall be deemed to constitute a major tourism or recreation facility under Section 12‑21‑6520(12) and shall be entitled to all of the benefits of this article for the duration of the benefit period without any further certification requirements. This subsection shall not be construed to allow an applicant to receive the benefits provided in this article prior to satisfying the requirements of the conditional certification and of Section 12‑21‑6520(14).

The Department of Parks, Recreation and Tourism shall develop application forms and adopt guidelines governing the conditional certification process.

(C) If an applicant obtains conditional certification and complies with both the conditional certification and Section 12‑21‑6520(14), then one‑half shall be substituted for one‑fourth in Section 12‑21‑6530(A), and no funds will be transferred to the council pursuant to Section 12‑21‑6540.

HISTORY: 2006 Act No. 384, Section 22.D, eff June 14, 2006; 2006 Act No. 386, Section 48.D, eff June 14, 2006; 2007 Act No. 116, Section 3.B, eff June 28, 2007, applicable for tax years beginning after 2007.

Editor's Note

Identical versions of this section were added by both 2006 acts.