

# **REPORT OF THE PROPERTY TAX SUBCOMMITTEE**

(Collins, Clyburn, Moss, Hewitt & Long - Staff Contact: Stephanie Meetze)

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## **HOUSE BILL 3876 ACCOMMODATIONS TAX**

### **Summary of Bill:**

This bill defines and distinguishes between an accommodations intermediary and accommodations provider as it relates to online travel agencies, such as Airbnb and VRBO.

- Requires the accommodation intermediary to collect and remit any state and local accommodations taxes and local hospitality taxes or fees.
- Requires that every accommodations intermediary and accommodations provider shall submit, annually, a report including the physical address of each accommodation that was rented or furnished for more than fourteen days during the previous calendar year.

The bill further amends section 12-36-70, by removing the exemption of an individual accommodations of less than six sleeping rooms on the same premises, which is the individual's place of abode.

Adds a new section that requires the department to publish annually the applicable tax rate, fees and surcharges imposed on accommodations by the State or any local governing body.

### **Estimated Fiscal Impact:**

Undetermined increase in General Fund and EIA revenue generated from the statewide accommodations tax if voluntary compliance increases

### **Subcommittee Action/Explanation:**

Favorable with Amendment

### **Full Committee Action/Explanation:**

N/A

### **Other Notes/Comments:**

Amendment to strike Section 8 of the bill in its entirety

**SOUTH CAROLINA**  
**HOUSE AMENDMENT**

AMENDMENT NO. \_\_\_\_\_

David Good  
April 22, 2025

ADOPTED	REJECTED	TABLED	ADJOURN DEBATE	RECONSIDERED	ROO

\_\_\_\_\_  
Clerk of the House

ADOPTION NO. \_\_\_\_\_

**BILL NO: H. 3876**

(Reference is to the original version)

Property Tax Subcommittee proposes the following amendment (LC-3876.DG0001H):

Amend the bill, as and if amended, by deleting SECTION 8.

Renumber sections to conform.

Amend title to conform.



# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

## STATEMENT OF ESTIMATED FISCAL IMPACT

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*This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.*

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<b>Bill Number:</b>	H. 3876	Amended by the Property Tax Legislative Subcommittee of House Ways and Means on April 23, 2025
<b>Subject:</b>	Accommodations	
<b>Requestor:</b>	House Ways and Means	
<b>RFA Analyst(s):</b>	Daigle	
<b>Impact Date:</b>	April 28, 2025	

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### Fiscal Impact Summary

This bill specifies the process for collecting and remitting the statewide accommodations tax, local accommodations taxes, and the beach preservation fees for transactions involving accommodations intermediaries. This bill defines accommodations intermediary, accommodations provider, professional property management company, and merchant of record, among other definitions. Additionally, this bill requires every accommodations intermediary and accommodations provider to submit an annual confidential report, details the report requirements, and states that the Department of Revenue (DOR) will prescribe the form of the report. DOR must annually publish applicable tax rates, fees, and surtaxes imposed on accommodations by the state or any local governing body. Further local governing bodies have sixty days before the imposition of a local accommodations tax, or beach preservation fee takes effect to notify DOR and the State Treasurer's Office (STO) through delivery of a certified copy of the ordinance adopted by the local governing body. This act takes effect upon approval by the Governor.

DOR and STO indicate that this bill will result in a minimal expenditure impact on the department, which will be managed with existing staff and resources.

This bill may increase voluntary compliance in remitting statewide and local accommodations taxes and beach preservation fees collected by accommodations intermediaries. Based on guidance and discussion with DOR, we believe that persons, firms, or corporations newly defined as accommodations intermediaries are currently required to collect and remit statewide and local accommodations taxes. This bill clarifies the process and requirements for collection and remittance of the taxes and fees. To the extent that the clarification of the process improves voluntary compliance in collecting and remitting the taxes by clearly outlining the responsibilities of each party, this bill could potentially increase General Fund, EIA, and local revenue or improve the timing of revenue remittance. However, the potential change is undetermined, as there are no data to estimate the amount of revenue that may be impacted.

Further, the bill removes the current provision that excludes an individual furnishing accommodations of less than six sleeping rooms on the same premises, which is the individual's place of abode, from the definition of "retailer" and "seller." Removing this exemption would mean that these people are retailers or sellers and must collect appropriate accommodations

taxes. However, these individuals are excluded from collecting accommodations taxes under Section 12-36-920. As such, this change will have no impact on revenue.

Overall, this bill may result in an undetermined increase in General Fund, EIA, and local revenue or timing of the receipt of the revenue generated from the statewide and local accommodations taxes and beach preservation fees due to the clarification of responsibilities for accommodations intermediaries and merchants of record.

The Revenue and Fiscal Affairs Office (RFA) anticipates that this bill will have an undetermined expenditure impact on counties and municipalities. RFA contacted all counties, the Municipal Association of South Carolina (MASC) on behalf of municipalities, regarding the expenditure impact of this bill and received a response from Florence County, Colleton County, and MASC. Both counties indicate that this bill will result in no impact on their respective counties. However, MASC indicates that municipal governments that assess local accommodations taxes will be required to update local protocols and undergo training due to this bill, specifically related to the merchant of record designation defined by this bill.

### **Explanation of Fiscal Impact**

**Amended by the Property Tax Legislative Subcommittee of House Ways and Means on April 23, 2025**

#### **State Expenditure**

This bill specifies the process for collecting and remitting the statewide accommodations tax, local accommodations taxes, and beach preservation fees for transactions involving accommodations intermediaries. This bill requires accommodations intermediaries to collect and remit the statewide tax on accommodations, any other applicable accommodations taxes or fees, local accommodations taxes, and beach preservation fees, unless the accommodations provider has contracted a professional property management company to manage or oversee rental of a property. If an accommodations provider has contracted or engaged with a professional property management company to manage or oversee rental of the property, then the professional property management company is the merchant of record for such transactions and is responsible for the collection and remittance of the aforementioned taxes and fees. This bill also defines accommodations intermediary, accommodations provider, professional property management company, and merchant of record, among other definitions.

In addition, this bill requires every accommodations intermediary and accommodations provider to submit an annual confidential report, specifies the report requirements, and states that DOR will prescribe the form of the report. This bill also states that DOR must annually publish applicable tax rates, fees, and surtaxes imposed on accommodations by the state or any local governing body, including those imposed pursuant to Chapter 1 of Title 6 and Chapter 7 of Title 5. Moreover, this bill states that local governing bodies have sixty days before the imposition of a local accommodations tax or beach preservation fee takes effect to notify DOR and STO through delivery of a certified copy of the ordinance adopted by the local governing body.

Currently, local governments are not required to notify DOR or STO prior to the imposition of a local accommodations tax or beach preservation fee through delivery of a certified copy of the ordinance adopted by the local governing body.

**Department of Revenue.** DOR indicates that this bill will have a minimal impact on the department in order to prescribe the form for the required annual report that must be submitted by accommodations intermediaries and accommodations providers, to receive tax or fee imposition notifications from local governments, and to publish and notify accommodations intermediaries of applicable tax rates, fees, and surcharges imposed on accommodations by the state or any local governing body. Therefore, RFA anticipates that any increase in workload for DOR due to this bill will be managed with existing staff and resources.

**State Treasurer's Office.** STO indicates that this bill will have no material expenditure impact on the department due to the requirement for local governments to notify STO and DOR when implementing specific taxes and fees. STO anticipates that the requirements of this bill can be met with existing resources.

### **State Revenue**

This bill specifies the process for collecting and remitting the statewide accommodations tax, local accommodations taxes, and the beach preservation fees, based on whether a person is acting as a merchant of record when providing or facilitating accommodations to transients. This bill clarifies that accommodations intermediaries must collect and remit the statewide tax on accommodations, any other applicable accommodations taxes or fees, local accommodations taxes, and beach preservation fees, unless the accommodations provider has contracted a professional property management company to manage or oversee rental of a property. Further, this bill defines accommodations intermediary, accommodations provider, professional property management company, and merchant of record, among other definitions. This bill also removes the provision exempting an individual who furnishes accommodations of less than six sleeping rooms on the same premises, which is the individual's place of abode, from the definition of a "retailer" and "seller."

Currently, a 7 percent statewide sales tax is imposed upon the gross proceeds from the rentals or charges for sleeping accommodations furnished at any place in which rooms, lodgings, or sleeping accommodations of any kind are furnished. The 7 percent tax on accommodations is distributed as 4 percent to the General Fund, 1 percent to the EIA, and 2 percent to the municipality or county in which the tax was collected. The person currently liable for the tax is the person in the business of furnishing the accommodations, whether such person is the owner, a real estate agent, listing service, broker, online travel company, or similar entity handling the accommodations. The person liable for the sales tax on accommodations must obtain a retail license and remit the tax to DOR on a monthly basis, with some exceptions based on the duration and frequency of accommodations furnished.<sup>1</sup>

<sup>1</sup> South Carolina Department of Revenue, *Sales and Use Tax Manual*, November 2022, <https://dor.sc.gov/resources-site/lawandpolicy/Documents/Chapter%2011%20-%20Accommodations.pdf>

This bill may increase voluntary compliance in remitting the statewide accommodations tax by clearly delineating the responsibilities of accommodations intermediaries and establishing that the merchant of record is required to collect and remit this revenue. Based on guidance and discussion with DOR, we believe that persons, firms, or corporations newly defined as accommodations intermediaries are currently required to collect and remit the statewide accommodations tax. Therefore, this bill clarifies existing collection liabilities and specifies a framework for collection and remittance dependent on the merchant of record designation. Thus, this bill could potentially increase General Fund and EIA revenue or change the timing of revenue collections to the extent that the clarification of collection and remittance liabilities may improve voluntary compliance in accommodation tax collections. However, the potential change is undetermined as there are no data to determine the revenue that may be impacted.

In addition, this bill changes the definition of retailer and seller to include individuals who furnish accommodations of less than six sleeping rooms on the same premises, which is the individual's place of abode. However, such individuals are exempt from the tax on accommodations pursuant to Section 12-36-920. Therefore, this change is not expected to impact revenue.

Overall, this bill may result in an undetermined increase in General Fund and EIA revenue generated from the statewide accommodations tax if voluntary compliance increases or may change the timing of collections due to the clarification of responsibilities for accommodations intermediaries.

### **Local Expenditure**

This bill states that local governing bodies have sixty days before the imposition of either a local accommodations tax or beach preservation fee takes effect to notify DOR and STO through delivery of a certified copy of the ordinance adopted by the local governing body. RFA contacted all counties and MASC regarding the expenditure impact of this bill and received a response from Florence County, Colleton County, and MASC. Both Florence and Colleton indicate that this bill will result in no impact on their respective counties. However, MASC indicates that municipal governments that assess local accommodations taxes will be required to update local protocols and provide training due to this bill, specifically related to merchants of record as defined by this bill. Therefore, RFA anticipates that this bill will result in an undetermined impact on local expenditures.

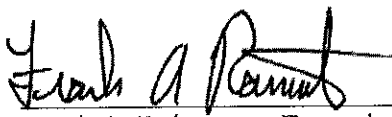
MASC also noted that while this bill requires local governments to report newly imposed accommodations taxes to STO and DOR, the bill does not address changes to existing local accommodations tax rates and beach preservation fees. MASC expects that requiring local governments to report changes to existing taxes and charges will help ensure DOR will have all the necessary information to accomplish the annual publishing requirements in this bill.

## Local Revenue

In addition to the 2 percent statewide accommodations tax that is distributed to counties and municipalities, local governments may also currently impose a local accommodations tax of up to 3 percent, and some municipalities may impose a beach preservation fee of up to 1 percent.<sup>2</sup>

This bill may result in an undetermined increase in local revenue generated from the statewide accommodations tax, local accommodations taxes, and beach preservation fees collected and remitted by accommodations intermediaries or improve the timing of collections, to the extent that the clarification of collection and remittance liabilities in this bill may improve voluntary compliance in accommodation tax collections.

<sup>2</sup> South Carolina Department of Revenue, *Sales and Use Tax Manual*, November 2022, <https://dor.sc.gov/resources-site/lawandpolicy/Documents/Chapter%2011%20-%20Accommodations.pdf>



Frank A. Rainwater, Executive Director

**South Carolina General Assembly**  
126th Session, 2025-2026

**H. 3876**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Hewitt, Bailey, Kirby, Oremus, Hardee, McGinnis, Hayes, Cobb-Hunter, Ligon and Rutherford

Document Path: LC-0082DG25.docx

Introduced in the House on January 30, 2025

Currently residing in the House Committee on **Ways and Means**

Summary: Accommodations

**HISTORY OF LEGISLATIVE ACTIONS**

Date	Body	Action Description with journal page number
1/30/2025	House	Introduced and read first time (House Journal-page 48)
1/30/2025	House	Referred to Committee on <b>Ways and Means</b> (House Journal-page 48)

View the latest [legislative information](#) at the website

**VERSIONS OF THIS BILL**

01/30/2025



1  
2  
3  
4  
5  
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10

## A BILL

11 TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 12-36-72 SO AS  
12 TO SPECIFY THE PARTY RESPONSIBLE FOR COLLECTING AND REMITTING CERTAIN  
13 TAXES AND FEES IMPOSED ON ACCOMMODATIONS; BY AMENDING SECTION 12-36-70,  
14 RELATING TO THE DEFINITION OF RETAILER, SO AS TO INCLUDE PERSONS OPERATING  
15 AS AN ACCOMMODATIONS INTERMEDIARY AND TO DELETE AN EXCEPTION; BY  
16 AMENDING SECTION 12-36-920, RELATING TO THE ACCOMMODATIONS TAX, SO AS TO  
17 SPECIFY THE PARTY RESPONSIBLE FOR COLLECTING AND REMITTING CERTAIN  
18 TAXES AND FEES IMPOSED ON ACCOMMODATIONS AND TO REQUIRE AN ANNUAL  
19 REPORT ON IMPOSITIONS; BY AMENDING SECTION 6-1-510, RELATING TO THE LOCAL  
20 ACCOMMODATIONS TAX, SO AS TO INCLUDE GROSS PROCEEDS OF PERSONS ACTING  
21 AS A MERCHANT OF RECORD; BY AMENDING SECTION 6-1-520, RELATING TO THE  
22 LOCAL ACCOMMODATIONS TAX SO AS TO REQUIRE A LOCAL GOVERNMENT TO  
23 NOTIFY THE DEPARTMENT OF REVENUE AND THE STATE TREASURER OF CERTAIN  
24 IMPOSITIONS; BY AMENDING SECTION 6-1-570, RELATING TO REMITTING THE LOCAL  
25 ACCOMMODATIONS TAX, SO AS TO CLARIFY THE TAX IS TO BE COLLECTED; BY  
26 AMENDING SECTION 6-1-630, RELATING TO THE BEACH PRESERVATION FEE, SO AS TO  
27 REQUIRE THE FEE TO BE COLLECTED AND REMITTED IN THE SAME MANNER AS THE  
28 LOCAL ACCOMMODATIONS TAX AND TO REQUIRE THE LOCAL GOVERNMENT TO  
29 NOTIFY THE DEPARTMENT OF REVENUE AND THE STATE TREASURER OF THE  
30 IMPOSITION OF THE FEE; AND BY AMENDING SECTION 5-7-30, RELATING TO THE  
31 POWERS OF A MUNICIPALITY, SO AS TO REQUIRE CERTAIN UNIFORM SERVICE  
32 CHANGES ON ACCOMMODATIONS BE COLLECTED AND REMITTED IN THE SAME  
33 MANNER AS THE LOCAL ACCOMMODATIONS TAX AND TO REQUIRE THE LOCAL  
34 GOVERNMENT TO NOTIFY THE DEPARTMENT OF REVENUE AND THE STATE  
35 TREASURER OF THE IMPOSITION OF THE FEE.  
36

37 Be it enacted by the General Assembly of the State of South Carolina:  
38

39 SECTION 1. Article 1, Chapter 36, Title 12 of the S.C. Code is amended by adding:  
40

41 Section 12-36-72. (A) For purposes of this section:

42 (1) "Accommodations intermediary" means any person, firm, or corporation other than an  
43 accommodations provider, including online travel agencies and digital booking platforms, that facilitate  
44 the rental or provision of accommodations for rent, or that otherwise facilitates lodging or  
45 accommodation transactions, all which are subject to the tax levied pursuant to Section 12-36-920, and  
46 charges a fee or commission to the customer which it retains as compensation for such facilitation.

47 (2) "Accommodations provider" means any person, firm, or corporation which owns, directly or

1 indirectly, or any professional property management company which manages, an accommodation and  
2 engages in transactions subject to the tax levied pursuant to Section 12-36-920 that is required to have  
3 an active account with the department and is required to collect and remit tax on such transactions.

4 (3) "Facilitate" means brokering, coordinating, arranging, or otherwise enabling the rental or  
5 purchase of the right to use accommodations, including through online marketplaces, digital platforms,  
6 or via one or more payment processors, directly between a customer and an accommodations provider.

7 (4) "Merchant of record" means the legally authorized and responsible entity that receives and  
8 processes customer payments for the sales of goods or services, including the facilitation of  
9 accommodations transactions within this State.

10 (5) "Professional property management company" means a business operating under a licensed  
11 real estate broker-in-charge or property manager-in-charge authorized under the laws of this State to  
12 engage in the business of property management services on behalf of property owners.

13 (6) "Rental or charges" means the total price paid by the guest for an accommodation, including  
14 any accommodations fee, charges for use or rental of personal property and services furnished in the  
15 room or accommodation, and any other fees or charges.

16 (B)(1) Except as provided in subsection (D), an accommodations intermediary shall collect and remit  
17 the tax levied pursuant to Section 12-36-920, and any applicable local accommodations taxes or fees  
18 levied pursuant to Section 5-7-30, 6-1-520, or 6-1-630 for any transactions it facilitates.

19 (2) An accommodations intermediary is not liable for the taxes for which a professional property  
20 management company is responsible for collecting and remitting due to its status as merchant of record  
21 pursuant to subsection (D).

22 (C) In any accommodations transaction in which an accommodations intermediary facilitates the  
23 rental or provision of the accommodation, the accommodations intermediary shall separately state the  
24 amount of the taxes on the bill, invoice, or similar documentation and shall add the taxes to the room  
25 charge. Thereafter, such taxes are a debt from the customer to the accommodations intermediary.

26 (D) In any accommodations transactions subject to the tax levied pursuant to Section 12-36-920, and  
27 that are facilitated through an accommodations intermediary, if an accommodations provider has  
28 contracted with or engaged a professional property management company to manage or oversee the  
29 rental of the property subject to the accommodations transaction, the professional property management  
30 company is the merchant of record for such transactions and is responsible for the collection and  
31 remittance of applicable taxes and fees levied pursuant to Sections 12-36-920, 5-7-30, 6-1-520, and  
32 6-1-630. Any information and documentation pertaining to the location of the accommodations, the  
33 amount of agreed upon rental or charges, the payor, the form of payment, and the details of said form  
34 of payment such as credit card number, that is obtained by the accommodations intermediary must be  
35 provided to the merchant of record within one business day of receipt by the accommodations  
36 intermediary.

1 (E) Every accommodations intermediary and accommodations provider annually shall submit a  
2 report in a form prescribed by the department that includes the physical address of each accommodation  
3 that was rented or furnished for more than fourteen days during the previous calendar year. The report  
4 must be treated as confidential.

5 (F) This section does not apply to a hotel that collects and remits the tax levied pursuant to Section  
6 12-36-920.

7  
8 SECTION 2. Section 12-36-70 of the S.C. Code is amended to read:

9  
10 Section 12-36-70. "Retailer" and "seller" include every person:

11 (1)(a) selling or auctioning tangible personal property whether owned by the person or others;

12 (b) furnishing accommodations to transients for a consideration, ~~except an individual furnishing~~  
13 ~~accommodations of less than six sleeping rooms on the same premises, which is the individual's place~~  
14 ~~of abode;~~

15 (c) renting, leasing, or otherwise furnishing tangible personal property for a consideration;

16 (d) operating a laundry, cleaning, dyeing, or pressing establishment for a consideration;

17 (e) selling electric power or energy;

18 (f) selling or furnishing the ways or means for the transmission of the voice or of messages  
19 between persons in this State for a consideration. A person engaged in the business of selling or  
20 furnishing the ways or means for the transmission of the voice or messages as used in this subitem (f)  
21 is not considered a processor or manufacturer;

22 (2)(a) maintaining a place of business or qualifying to do business in this State; or

23 (b) not maintaining an office or location in this State but soliciting business by direct or indirect  
24 representatives, manufacturers agents, distribution of catalogs, or other advertising matter or by any  
25 other means, and by reason thereof receives orders for tangible personal property or for storage, use,  
26 consumption, or distribution in this State.

27 (3) operating as a marketplace facilitator, as defined in Section 12-36-71.

28 (4) operating as an accommodations intermediary, as defined in Section 12-36-72.

29 The department, when necessary for the efficient administration of this chapter, may treat any  
30 salesman, representative, trucker, peddler, or canvasser as the agent of the dealer, distributor,  
31 supervisor, employer, or other person under whom they operate or from whom they obtain the tangible  
32 personal property sold by them, regardless of whether they are making sales on their own behalf or on  
33 behalf of the dealer, distributor, supervisor, employer, or other person. The department may also treat  
34 the dealer, distributor, supervisor, employer, or other person as a retailer for purposes of this chapter.

35  
36 SECTION 3.A. Section 12-36-920(E) of the S.C. Code is amended to read:

1  
2 (E) ~~The taxes imposed by this section are imposed on every person engaged or continuing within~~  
3 ~~this State in the business of furnishing accommodations to transients for consideration. Except as~~  
4 required by Section 12-36-72(B), the taxes imposed by this section must be collected and remitted by  
5 the person engaged or continuing within this State in the business of, or acting as merchant of record,  
6 as defined in Section 12-36-72, with respect to furnishing accommodations to transients for  
7 consideration.  
8

9 B. Section 12-36-920 of the S.C. Code is amended by adding:  
10

11 (F) Annually, the department shall publish the applicable tax rate, fees, and surcharges imposed on  
12 accommodations by the State or any local governing body including, but not limited to, the taxes, fees,  
13 and surcharges imposed pursuant to Chapter 1, Title 6, and Chapter 7, Title 5. If a local governing body  
14 imposes a new tax, fee, or surcharge on accommodations, or increases the rate of any existing tax, fee,  
15 or surcharge on accommodations, the department shall notify each accommodations intermediary from  
16 which it has received remittances of the new tax, fee, or surcharge at least sixty days before the  
17 provisions of subsection (G) may be utilized.

18 (G) The uniform provisions for the collection and enforcement of taxes assessed by the department  
19 pursuant to Chapter 54, Title 12 apply to an accommodations intermediary.  
20

21 SECTION 4. Section 6-1-510(1) of the S.C. Code is amended to read:  
22

23 (1) "Local accommodations tax" means a tax on the gross proceeds derived from the rental or charges  
24 for accommodations furnished to transients as provided in Section 12-36-920(A) and which is imposed  
25 on every person engaged or continuing within the jurisdiction of the imposing local governmental body  
26 in the business of, or acting as merchant of record as defined in Section 12-36-72, furnishing  
27 accommodations to transients for consideration.  
28

29 SECTION 5. Section 6-1-520 of the S.C. Code is amended by adding:  
30

31 (C) If a local governing body imposes the tax authorized by this section, it must notify the department  
32 and the State Treasurer through delivery of a certified copy of the ordinance adopted by the local  
33 governing body at least sixty days before the imposition takes effect.  
34

35 SECTION 6. Section 6-1-570 of the S.C. Code is amended to read:  
36

1 Section 6-1-570. The tax provided for in this article must be collected and remitted to the local  
2 governing body on a monthly basis when the estimated amount of average tax is more than fifty dollars  
3 a month, on a quarterly basis when the estimated amount of average tax is twenty-five dollars to fifty  
4 dollars a month, and on an annual basis when the estimated amount of average tax is less than  
5 twenty-five dollars a month.

6  
7 SECTION 7.A. Section 6-1-630(E) of the S.C. Code is amended to read:

8  
9 (E) The fee authorized by this article must be collected, remitted, and administered in the same  
10 manner as the tax imposed pursuant to Section 6-1-520. All proceeds from the beach preservation fee  
11 must be kept in a separate fund segregated from the governing body's general fund. All interest  
12 generated by the beach preservation fee fund must be credited to the beach preservation fee fund.

13  
14 B. Section 6-1-630 of the S.C. Code is amended by adding:

15  
16 (F) If the fee authorized by this article is imposed, the local governing body must notify the  
17 department and the State Treasurer through delivery of a certified copy of the ordinance adopted by the  
18 local governing body at least sixty days before the imposition takes effect.

19  
20 SECTION 8. Section 5-7-30 of the S.C. Code is amended to read:

21  
22 Section 5-7-30. Each municipality of the State, in addition to the powers conferred to its specific  
23 form of government, may enact regulations, resolutions, and ordinances, not inconsistent with the  
24 Constitution and general law of this State, including the exercise of powers in relation to roads, streets,  
25 markets, law enforcement, health, and order in the municipality or respecting any subject which appears  
26 to it necessary and proper for the security, general welfare, and convenience of the municipality or for  
27 preserving health, peace, order, and good government in it, including the authority to levy and collect  
28 taxes on real and personal property and as otherwise authorized in this section, make assessments, and  
29 establish uniform service charges relating to them, provided that any taxes or uniform service charges  
30 imposed on the rental of accommodations including, but not limited to, taxes or surcharges imposed on  
31 the rental of any rooms, campground spaces, lodgings, or sleeping accommodations, must be collected  
32 and administered by the Department of Revenue in accordance with the tax imposed pursuant to Section  
33 6-1-520; the authority to abate nuisances; the authority to provide police protection in contiguous  
34 municipalities and in unincorporated areas located not more than three miles from the municipal limits  
35 upon the request and agreement of the governing body of such contiguous municipality or the county,  
36 including agreement as to the boundaries of such police jurisdictional areas, in which case the municipal

1 law enforcement officers shall have the full jurisdiction, authority, rights, privileges, and immunities,  
2 including coverage under the workers' compensation law, which they have in the municipality,  
3 including the authority to make arrests, and to execute criminal process within the extended  
4 jurisdictional area; provided, however, that this shall not extend the effect of the laws of the  
5 municipality beyond its corporate boundaries; grant franchises for the use of public streets and make  
6 charges for them; grant franchises and make charges for the use of public beaches; engage in the  
7 recreation function; levy a business license tax on gross income, but a wholesaler delivering goods to  
8 retailers in a municipality is not subject to the business license tax unless he maintains within the  
9 corporate limits of the municipality a warehouse or mercantile establishment for the distribution of  
10 wholesale goods; and a business engaged in making loans secured by real estate is not subject to the  
11 business license tax unless it has premises located within the corporate limits of the municipality and  
12 no entity which is exempt from the license tax under another law nor a subsidiary or affiliate of an  
13 exempt entity is subject to the business license tax; and a business engaged in operating a professional  
14 sports team as defined in Section 12-6-3360(M)(17) is not subject to the business license tax; borrow  
15 in anticipation of taxes; and pledge revenues to be collected and the full faith and credit of the  
16 municipality against its note and conduct advisory referenda. The municipal governing body may fix  
17 fines and penalties for the violation of municipal ordinances and regulations not exceeding five hundred  
18 dollars or imprisonment not exceeding thirty days, or both. If the person or business taxed pays a  
19 business license tax to a county or to another municipality where the income is earned, the gross income  
20 for the purpose of computing the tax must be reduced by the amount of gross income taxed in the other  
21 county or municipality.

22 For the purpose of providing and maintaining parking for the benefit of a downtown commercial  
23 area, a municipality may levy a surtax upon the business license of a person doing business in a  
24 designated area in an amount not to exceed fifty percent of the current yearly business license tax upon  
25 terms and conditions fixed by ordinance of the municipal council. The area must be designated by  
26 council only after a petition is submitted by not less than two-thirds of the persons paying a business  
27 license tax in the area and who paid not less than one-half of the total business license tax collected for  
28 the preceding calendar year requesting the designation of the area. The business within the designated  
29 area which is providing twenty-five or more parking spaces for customer use is required to pay ~~not no~~  
30 more than twenty-five percent of a surtax levied pursuant to the provisions of this paragraph.

31 If a local governing body imposes a tax authorized by this section, it must notify the Department of  
32 Revenue and the State Treasurer through delivery of a certified copy of the ordinance adopted by the  
33 local governing body at least sixty days before the imposition takes effect.

34  
35 SECTION 9. This act takes effect upon approval by the Governor.

36 ----XX----