

the County and the imposition of a 2% local hospitality fee upon the sales of prepared meals and beverages sold in establishments in the County will provide a dedicated source of revenue and an appropriate and efficient means of funding such facilities, projects, and improvements allowed by the Acts.

NOW, THEREFORE, be it ordained the County Council of Georgetown County, South Carolina, duly assembled and by the authority of same as follows:

Section 1. Definitions.

a. "Accommodation" is defined as any room (excluding meeting and conference rooms), campground spaces, recreational vehicle spaces, lodgings or sleeping accommodations furnished to transients by any hotel, motel, inn, condominium, "bed and breakfast", residence, or any other place in which rooms, lodgings, or sleeping accommodations are furnished for consideration within Georgetown County, South Carolina. The gross proceeds received from the lease or rental of sleeping accommodations supplied to the same person for a period of thirty (30) continuous days are not considered proceeds from transients.

b. "Prepared Meals and Beverages" is defined as the products sold ready for consumption either on or off premises in businesses classified as eating and drinking places under the Standard Industrial Code Classification Manual and including lunch counters and restaurant stands; restaurants, lunch counters, and drinking places operated as a subordinate service facility by other establishments; and bars and restaurants owned by and operated for members of civic, social and fraternal associations.

Section 2. Establishment of Local Accommodations and Hospitality Taxes.

a. A uniform tax equal to 3% is hereby imposed on the gross proceeds derived from the rental of any Accommodations within the County.

b. A uniform tax equal to 2% is hereby imposed on the gross proceeds derived from the sale of Prepared Meals and Beverages within the County.

c. Limitations

(i) Accommodations Tax. The local accommodations tax imposed herein shall not be in excess of one and one-half (1 ½ %) of the gross proceeds derived from the rental of any accommodations in establishments located within the boundaries of a municipality without the consent, expressed by Resolution, of the governing body of each such municipality. The cumulative rate of the local accommodations tax imposed herein and any municipal local accommodations tax existing on the date of the passage of this Ordinance may not exceed 3%.

(ii) Hospitality Tax. The local hospitality tax imposed herein shall not be in excess of 1% of the gross proceeds of Prepared Meals and Beverages sold in establishments located within the boundaries of a municipality without the consent, expressed by Resolution, of the governing body of each such municipality. The cumulative rate of the local hospitality tax imposed herein and any municipal local hospitality tax existing on the date of the passage of this Ordinance may not exceed 2%.

Section 3. Payment of Local Taxes.

a. The payments of the local accommodations tax and local hospitality tax (the "Taxes") established herein shall be the liability of the consumer of the services. The taxes shall be paid at the time of delivery of the services to which the tax applies, and shall be collected by the provider of the services. The County shall promulgate a form of return which shall be utilized by the provider of the services to calculate the amount of the Taxes collected and due. This form shall contain a sworn declaration as to the correctness thereof by the provider of services.

b. The provider of services shall remit the form, a copy of the State of South Carolina sales tax computation form, and the taxes no later than the 20th of each month following the period when the taxes are collected. The taxes shall be remitted monthly when the estimated amount of average tax is more than fifty dollars a month, on a quarterly basis when the estimated amount of average tax is twenty-five dollars to fifty dollars a month, and on an annual basis when the estimated amount of average tax is less than twenty-five dollars a month. The forms and taxes shall be send care of the County Administrator, Post Office Drawer 1270, Georgetown, South Carolina 29442.

Section 4. Local Accommodations Tax and Local Hospitality Tax Special Revenue Fund. An interest-bearing, segregated and restricted account to be known as the "Georgetown County, South Carolina, Local Accommodations Tax and Local Hospitality Tax Special Revenue Fund" (the "Special Revenue Fund") is hereby established. All revenues received from the Taxes imposed herein shall be deposited into this fund. The principal and any accrued interest in the Special Revenue Fund shall be expended only as permitted by this Ordinance.

Section 5. Distribution of Funds. All funds placed in the Special Revenue Fund including accrued interest shall be expended only for the purposes of investigating the feasibility of the construction of such facilities, projects, and improvements allowed by the Acts, the construction of such facilities, projects, and improvements allowed by the Acts and for other enhancements to services associated with such facilities, projects, and improvements allowed by the Acts within the County. Administrative costs associated with the collections of the Taxes shall also be paid from the Special Revenue Fund.

Section 6. Inspections, Audits and Administration. For the purpose of enforcing the provisions of this Ordinance, the Assistant Administrator for Finance or other authorized agent of the County is empowered to enter upon the premises of any person subject to this Ordinance and to make inspections, examine and audit books and records. It shall be unlawful for any person to fail or refuse to make available the necessary books and records during normal business hours upon twenty-four (24) hours written notice. In the event an audit reveals that false information has been filed by the remitter, the cost of the audit shall be added to the correct amount of taxes determined to be due. All operational and administrative costs associated with the billing and collection of the local accommodations tax and local hospitality tax will be charged to the and paid from the special revenue fund. The Director of Finance or authorized agent may make systematic inspections of all Accommodations and all establishments selling Prepared Meals and Beverages within the County to ensure compliance with this Ordinance. Records of inspections shall not be deemed public records.

Section 7. Violations and Penalties. It shall be a violation of this Ordinance to:

- a. fail to collect the local accommodations tax in connection with the rental of any Accommodations to transients.
- b. fail to collect the local hospitality tax in connection with the sale of any Prepared Meals and Beverages.
- c. fail to remit to the County the Taxes collected, pursuant to this Ordinance on a monthly/quarterly/annual basis, as required in Section 5.
- d. knowingly provide false information on the form of return submitted to the County.
- e. fail to provide access to books and records to the County Finance Department for the purpose of an audit upon 24 hours' written notice.

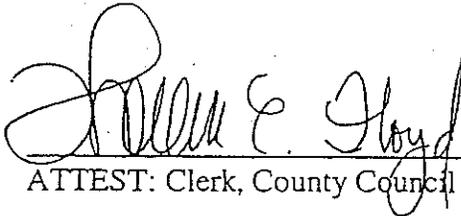
The penalty for violation of this ordinance shall be 5% per month, charged on the original amount of the Taxes due, up to a maximum of 100%. Additionally, violators may be deemed guilty of a misdemeanor, subject to a \$500 fine and/or imprisonment for up to thirty (30) days for each violation of this Ordinance.

Section 8. Effective Date. This Ordinance shall be effective as to hospitality taxes only as of July 1, 1999 and as to both accommodations taxes and hospitality taxes as of October 1, 1999.

GEORGETOWN COUNTY, SOUTH CAROLINA



Chairman, County Council (SEAL)



ATTEST: Clerk, County Council

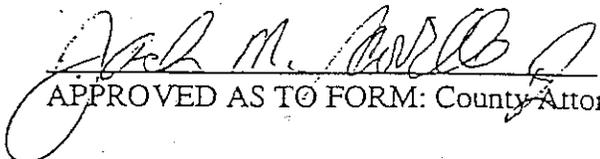
Date of First Reading: April 13, 1999

Date of Second Reading: April 27, 1999

Publication of Notice of Public Hearing: April 26, 1999

Date of Public Hearing: May 11, 1999

Date of Third Reading: May 11, 1999



APPROVED AS TO FORM: County Attorney