

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
COUNTY OF HORRY	)	FIFTEENTH JUDICIAL CIRCUIT
)	
City of Myrtle Beach,	)	CIVIL ACTION NO. 2019-CP-26-01732
)	
For Itself and a Class of Similarly)	
Situated Plaintiffs,)	
	)	NOTICE OF MOTION AND MOTION
Plaintiff,	)	FOR RULE TO SHOW CAUSE WHY
vs.	)	DEFENDANT SHOULD NOT BE HELD
	)	IN CONTEMPT
Horry County,)	
)	
Defendant.)	

TO: DEFENDANT HORRY COUNTY, by and through its Attorneys: Henrietta U. Golding, Esquire, Adam R. Artigliere, Esquire, and Wm. Grayson Lambert, Esquire, of Burr Forman McNair, Myrtle Beach, South Carolina:

YOU WILL PLEASE TAKE NOTICE that Plaintiff City of Myrtle Beach (“City”), on behalf of itself and all others similarly situated, pursuant to S.C. Code Ann. § 14-5-320 and Rule 65(f), SCRCP, will move for the issuance of an order holding Defendant Horry County (“County”) in contempt of this Honorable Court on the ground that the County is in violation of the Order filed in the above-captioned action on June 21, 2019, preliminarily enjoining the County from enforcing its Ordinance 105-96 within any municipality of Horry County. City will seek a hearing on the within motion, to the extent the Court deems it necessary, before the Honorable William H. Seals at the Horry County Courthouse, Conway, South Carolina, or such other location as the Court may set, as expeditiously as possible.

In support of this motion, the City would respectfully show:

1. The City’s motion for preliminary injunction under Rule 65, SCRCP, expressly requested that the Court issue an order “enjoining Defendant Horry County ... from continuing to collect its 1.5% fee on the sale of accommodations, prepared food and beverage, and amusements within the Corporate limits of the City **and any other Horry County municipality**

... during the pendency of this litigation.” City’s May 3, 2019, Motion at 1 (emphasis supplied); *see also* City Memorandum of Law in Support of Motion for Preliminary Injunction, May 3, 2019, at 1 (submitted “in support of its motion for this Court to enjoin Defendant ... from continuing to collect its 1.5% uniform service charge ... **within the corporate limits of any Horry County municipality** ... during the pendency of this litigation”) (emphasis supplied). The City’s reply memorandum reaffirmed the requested relief.

2. The Court’s Order granted the City’s Motion. *See* Order on Motions for Preliminary Injunction, June 21, 2019, at 1 (“the Court GRANTS the City’s motion”) and at 15 (“the Court GRANTS the City’s motion for the pendency of this litigation”).

3. The County, notwithstanding the Court’s Order, has publicly stated its intent to continue collection of the 1.5% uniform service charge previously imposed under Ordinance 105-96, within the corporate limits of municipalities in Horry County other than City, on and after June 21, 2019. *See* attached affidavits of Michael G. Mahaney and Dennis P. Pieper.

4. The County is therefore in contempt of the authority of this Court.

5. This motion is based upon the South Carolina Rules of Civil Procedure, S.C. Code Ann. § 14-5-320 and other applicable law, the motions and memoranda previously submitted by the parties in this matter on the underlying motion for preliminary injunction, the memoranda of law and affidavits submitted by the City concurrently herewith, and any other materials or matters the Court may permit to be presented.

6. Pursuant to Rule 65(f), SCRCF, the City requests that, if deemed necessary, the Court require a prompt response to this motion by the County and that it thereafter determine the within motion without hearing based upon the written submissions to the Court as expeditiously as possible.

7. The undersigned certifies, pursuant to Rule 11, SCRCP, that consultation with opposing counsel will serve no useful purpose.

WHEREFORE, having fully set forth its motion, the City moves the Court for an order (a) granting the rule to show cause and holding the County in civil contempt, (b) requiring the County to immediately issue a public statement retracting that which it issued on June 25, 2019, and informing the municipalities within Horry County other than the City, the public, and the media, that the 1.5% uniform service charge under Ordinance 105-96 will not continue to be collected during the pendency of this litigation within the limits of any Horry County municipality, and (c) awarding the City its costs and reasonable attorney fees for this motion in an amount to be determined by the Court following submission of an appropriate affidavit of counsel for the City. Should the Court be disposed to grant this relief, and the County fail to comply with this Court's order awarding same, the County should be fined by this Court in an amount appropriate to deter the County from further affronts to the authority of this Court.

Respectfully submitted,

s/ John M. S. Hoefler

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R. Walker Humphrey, II, SC Bar # 79426
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*Attorneys for Plaintiff City of Myrtle Beach
and All Others Similarly Situated*

Columbia, South Carolina
June 26, 2019

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
COUNTY OF HORRY	)	FIFTEENTH JUDICIAL CIRCUIT
)	
City of Myrtle Beach,	)	CIVIL ACTION NO. 2019-CP-26-01732
)	
For Itself and a Class of Similarly)	
Situated Plaintiffs,)	
	)	MEMORANDUM IN SUPPORT OF
Plaintiff,	)	PLAINTIFF’S MOTION FOR RULE TO
vs.	)	SHOW CAUSE WHY DEFENDANT
	)	SHOULD NOT BE HELD IN CONTEMPT
Horry County,)	
)	
Defendant.)	
_____)	

Plaintiff City of Myrtle Beach (“City”), on behalf of itself and all others similarly situated, submits the within Memorandum in Support of its Motion for a Rule to Show Cause and order holding Defendant Horry County (“County”) in contempt of this Court’s June 21, 2019, Order preliminarily enjoining the County from enforcing its Ordinance 105-96 within the corporate limits of any municipality within Horry County.

BACKGROUND

On May 3, 2019, the City’s filed a motion for preliminary injunction under Rule 65, SCRCF, expressly requesting that this Court issue an order “enjoining Defendant Horry County ... from continuing to collect its 1.5% fee on the sale of accommodations, prepared food and beverage, and amusements within the Corporate limits of the City **and any other Horry County municipality** ... during the pendency of this litigation.” City’s May 3, 2019 Motion at 1 (emphasis supplied); *see also* City Memorandum of Law in Support of Motion for Preliminary Injunction, May 3, 2019, at 1 (submitted “in support of its motion for this Court to enjoin Defendant ... from continuing to collect its 1.5% uniform service charge ... **within the corporate limits of any Horry County municipality** ... during the pendency of this litigation”) (emphasis supplied). The City’s reply memorandum reaffirmed that the City was moving this

Court to enjoin the collection of the Hospitality Fee within *all* municipalities. City Reply Memorandum of Law in Support of Motion for Preliminary Injunction, May 24, 2019 at 1 (“By its motion, the City seeks to prevent Defendant Horry County ... from continuing to collect its 1.5% uniform service charge on the sale of accommodations, prepared food and beverage, and amusements within the corporate limits of any Horry County municipality ... during the pendency of this litigation.”). The County understood the City’s motion applied to all municipalities. For instance, the affidavit of Barry Spivey, the County’s Finance Director, attested to the “fiscal catastrophe” that would result from losing *all* Hospitality Fee revenues, not just those from within the City. County Memorandum of Law in Opposition to the City’s Motion for Preliminary Injunction, May 14, 2019, Ex. L at ¶¶ 4-5.

On June 21, the Court issued its order granting the City’s Motion without qualification or limitation. *See* Order on Motions for Preliminary Injunction, June 21, 2019, at 1 (“the Court GRANTS the City’s motion”) and at 15 (“the Court GRANTS the City’s motion for the pendency of this litigation”). In so doing, this Court expressly recognized that the preliminary injunction sought by the City applied to the County’s continued imposition of the 1.5% uniform service charge within all municipalities in Horry County. *See* Order at 2 (“Ordinance 105-96 imposed a 1.5% uniform service charge ... within the entirety of the County, including within the limits of the municipalities located within the County (‘Hospitality Fee’).”); *id.* at 5 (“[t]he City moved to enjoin the County’s continued imposition of the Hospitality Fee”); *see also id.* at 7 (“Consistent with these principles, each municipality consented to Ordinance 105-96 and the imposition of the Hospitality Fee within its boundaries for twenty years. But because there is no evidence of consent to any ordinance extending or expanding the Hospitality Fee, the City has demonstrated a likelihood of success on the merits of its claim.”); *id.* at 12

(referencing Michael Shelton’s affidavit noting the only fees at issue in this case are the Hospitality Fees within each municipality’s limits). This is further reinforced by the Court’s conclusions regarding the reasonable necessity of the injunction which was granted. *See id.* (“the only way to safeguard the City **and the Class Member’s** rights during the pendency of this litigation is an injunction. An injunction also protects the interests of **municipal residents** to give their local elected representatives, not members of County Council ... input on whether a fee would be imposed upon them”). (Emphasis supplied.)

The County, notwithstanding the Court’s Order, has publicly stated (by way of an electronic mail communication addressed to personnel with the City, news media, and others), its intent to continue collection of the 1.5% uniform service charge previously imposed under Ordinance 105-96, within the corporate limits of municipalities in Horry County other than City, on and after June 21, 2019. See attached affidavits of Michael G. Mahaney and Dennis P. Pieper, with exhibits, copies attached hereto and incorporated herein by reference as exhibits.

LAW/ANALYSIS

The County is in constructive, civil contempt of the authority of this Court.

“A party who refuses to abide by an injunction entered by the court would of course be in contempt of course and subject to sanctions” *Grosshuesch v. Cramer*, 377 S.C. 12, 29-30, 659 S.E.2d 112, 121 (2008). “Direct contempt is defined as contemptuous conduct occurring in the presence of the Court.” *State v. Kennerly*, 331 S.C. 442, 450, 503 S.E.2d 214, 219 (Ct. App 1998), *aff’d*, 337 S.C. 617, 524 S.E.2d 837 (1999) (citing *State v. Goff*, 228 S.C. 17, 88 S.E.2d 788 (1955)). “Constructive contempt is contemptuous conduct occurring outside the presence of the court.” *Kennerly*, 331 S.C. at 451, 503 S.E.2d at 219 (citing *Toyota of Florence, Inc. v. Lynch*, 314 S.C. 257, 442 S.E.2d 611 (1994)).

The Court, having granted the City's motion, enjoined the County from enforcing Ordinance 105-96 in any municipality within Horry County. Part and parcel of the Court's determination in this regard was the conclusion that municipal consent was required before the County could extend the duration and scope of a previously consented-to ordinance. Order at 6-7. The record before the Court reflects that the County did not have such consent from any municipality within Horry County. Order at 3. The County's apparent belief that Ordinance 105-96 is enjoined only in one municipality (the City) but not any other in these circumstances (*i.e.*, where no municipality has given the consent required by law) is incredible. The County's actions evince an unapologetic and callous disregard for the Court's orders and the integrity of the judicial process. In no manner can this Court countenance such actions and defiance. As the action taken by the County to inform municipalities in Horry County, other than the City, as well as the public at large, that the Hospitality Fee remains in effect everywhere other than within the City has clearly occurred outside the presence of the Court, the County's actions constitutes constructive contempt.

If the Court grants the relief requested by the City, the County's contempt will be civil and not criminal. Criminal and civil contempt are distinguishable by the form of the punishment which is sought to be used to enforce the Court's authority. Civil contempt is accompanied by a punishment intended to remedy the violation of the order and coerce the contemnor to abide by the court's directive. This is the remedy which the City recommends be imposed. Criminal contempt, on the other hand, is enforced by a sentence intended only to punish the wrongful act and cannot be purged by following the court's directive. *Poston v. Poston*, 331 S.C. 106, 111, 502 S.E.2d 86, 88 (1998). Civil contempt must be shown by clear and convincing evidence, which the City has done by the affidavits submitted herewith.

CONCLUSION

For the reasons set forth herein and in its Motion, the City respectfully requests that the Court grant the rule to show cause, issue an order holding the County in civil contempt, and require that the County immediately issue a public statement retracting that which it issued on June 25, 2019, and informing municipalities within Horry County other than the City, the public, and the media that the 1.5% uniform service charge under Ordinance 105-96 will not continue to be collected during the pendency of this litigation within the limits of any municipality, and awarding the City its costs and reasonable attorney fees for this motion in an amount to be determined by the Court following submission of an appropriate affidavit of counsel for the City. Should the Court be disposed to grant this relief, and the County fail to comply with this Court's order awarding same, the County should be fined by this Court.

Respectfully submitted,

s/ John M. S. Hoefler

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*Attorneys for Plaintiff City of Myrtle Beach and All
Others Similarly Situated*

Columbia, South Carolina
June 26, 2019

EXHIBIT A

STATE OF SOUTH CAROLINA
COUNTY OF HORRY

) IN THE COURT OF COMMON PLEAS
) FIFTEENTH JUDICIAL CIRCUIT

City of Myrtle Beach,

)
) CIVIL ACTION NO. 2019-CP-26-01732

For Itself and a Class of Similarly
Situated Plaintiffs,

)
)

Plaintiffs,

)
)

**AFFIDAVIT OF
MICHAEL G. MAHANEY**

vs.

)
)

Horry County,

)
)

Defendant.

)
)


Personally appeared before me, Michael G. Mahaney, who being duly sworn, affirms and swears as follows:

1. I am in excess of eighteen years of age and competent to give this affidavit.
2. I am currently the City Manager of the City of North Myrtle Beach and have served as such since July 6, 2010.
3. In my position as City Manager, I am aware that the City of North Myrtle Beach is in receipt of a public statement issued by Horry County ("County") indicating that the County intends to continue imposing within the City of North Myrtle Beach, and all other municipalities situated within Horry County other than the City of Myrtle Beach, the 1.5% uniform service charge ("Hospitality Fee") provided for in County Ordinance 105-96. A copy of this public statement by the County is attached hereto and incorporated herein by reference as Exhibit "A" to this affidavit.
4. In that same capacity, I am also aware that the City of North Myrtle Beach has adopted an ordinance providing for the imposition of a 3% accommodations tax under S.C. Code Ann. §§ 6-1-500, et seq. and a 2% hospitality tax under S.C. Code Ann. §§ 6-1-700, et seq., effective July 1, 2019.

5. The City of North Myrtle Beach has not consented or agreed to the imposition and collection of the Hospitality Fee on any retail transaction within the City's corporate limits for any period of time on or after January 1, 2017. It is the City of North Myrtle Beach's understanding that the County has been enjoined from imposing the Hospitality Fee within the corporate limits of every municipality situated within Horry County effective June 21, 2019.

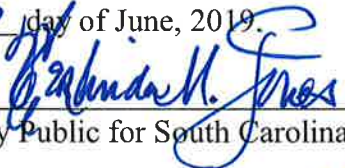
6. The City of North Myrtle Beach has instructed that I provide this affidavit in support of the efforts of the City of Myrtle Beach to enforce the Court's June 21, 2019, order in the above-captioned action and thereby require the County to comply with same.

FURTHER THE AFFIANT SAYETH NAUGHT.



Michael G. Mahaney

Sworn to and subscribed before me this
26 day of June, 2019.



Notary Public for South Carolina

My Commission Expires: 02/28/2022
[NOTARIAL SEAL]



**Exhibit “A” to the
Affidavit of Michael G. Mahaney
Civil Action No. 2019-CP-26-01732**

Dowling, Patrick

From: Public Information <PIO@horrycounty.org>
Sent: Tuesday, June 25, 2019 4:31 PM
To: apcolumbia@ap.org; tina@iconway.com; sncitors@thesunnews.com; cricket.alcorn@htcinc.net; salbright43@gmail.com; aljordan44@gmail.com; salbright@wfxb.com; editor@coastalobserver.com; nicole.aiello@santeecooper.com; news@scnow.com; jsneeves@gmail.com; smorgan@scac.sc; mmiller@wbtw.com; cmedeiros@coastal.edu; jlamson@wpde.com; megan.kuhn@flightglobal.com; mkrueta@cityofmyrtlebeach.com; dknipes@cityofmyrtlebeach.com; dknight@solidwasteauthority.org; chiefknight@migcfd.org; akinseth@wpde.com; kimlewis@aohardee-son.com; mskahn@aol.com; cojohnson@hearst.com; nicole.hyman@htcinc.net; mhunn@coastal.edu; neighbors@thesunnews.com; thomaskherron@gmail.com; vhensley@coastal.edu; maryvip@juno.com; hgale@wpde.com; adobepalm@aol.com; rharrisinc@aol.com; harperstuff@gmail.com; kjhardee@sccoast.net; stephen.greene@mbhospitality.org; gaopaoma@gmail.com; bgolden@golfholiday.com; lizgilland2011@yahoo.com; news@gtowntimes.com; cindy.finney@twccable.com; editor@palmettomorning.com; luckydogtelevision@yahoo.com; ddawson@scprt.com; acooper@midlandsbiz.com; greta@sccoast.net; tbritton@horrycountyschools.net; rblomquist@wmbfnews.com; dbell@coastal.edu; wendy.baruch@gmail.com; feedback@wpde.com; bigradiostar@aol.com; news@wmbfnews.com; night.train@cumulus.com; janice.wideman@weoc.org; newsdirector@whqr.org; wgtnradio@aol.com; lweppler@wmbfnews.com; wbtwnews@wbtw.com; ewalters@wbtw.com; tracy@unitedwayhorry.org; tviers@yahoo.com; countonwis@wistv.com; nmbtimes@sc.rr.com; news@tabor-loris.com; Susak, Steve; cassidy@myrtlebeach.com; diane@stagesvideo.com; stephen.harrill@rsandh.com; vspechko@wpde.com; larryscafricanvillage@hotmail.com; Sedota@wezv.com; smiles@wmbfnews.com; sallyphoward@aol.com; kathy.ropp@myhorrynews.com; cnews@florenenews.com; robertdshelley@gmail.com; paul.reynolds@thedigitel.com; mprufer@coastal.edu; spds@sccoast.net; Dowling, Patrick; tygerpaw77@hotmail.com; James, Kelli; Leann Hill (lhill@horrycountyschools.net); SC Radio Network; Sipe, Alan; norahembreebattle@gmail.com; tdannelly@haveanicebank.com; atalley@wmbfnews.com; brandon.hickman@cumulus.com; kvrettos@cityofmyrtlebeach.com; Inobles@coastrta.com; johnrees007@gmail.com; info@conwayscchamber.com; telvis@conwayscchamber.com; cpendergress@cityofmyrtlebeach.com; diana.greene@visitmyrtlebeach.com; kimhardee.rhc@gmail.com; Djh@sccoast.net; pio@w4gs.org; charles.perry@myhorrynews.com; robingauseforddistrict4@outlook.com; monikanewman@mac.com; spedersen@thesunnews.com; russellwilliamfry@gmail.com; mhigdon@live5news.com; jhulen@sc.rr.com; Jill.Lee@FSResidential.com; Amanda.Lewis@FSResidential.com; mary@marygilliamllc.com; jcox@mcleodhealth.org; jmcgowan43@optonline.net; jskrajc@outlook.com; Sherrie Glensky; Andy Shain; Jamie Steele; news@southstrandnews.com; Anita Crone; gjackson@scetv.org; iklein@wmbfnews.com; Felix@g3engineering.org; emurphy@solidwasteauthority.org; cjohnson@postandcourier.com; lbourcier@horrycountyschools.net; jgotz@g3engineering.org; allwmbfnews@wmbfnews.com; ablondin@thesunnews.com; Moore, Kelly; vkolb-lugo@scpublicradio.org; janet.morgan@myhorrynews.com; CWhite@oceanlakes.com; Barb Krumm; mbeachpost@gmail.com; djones@scfc.gov; ettie.newlands@myhorrynews.com; Holden, Brooke; pete@northmyrtlebeachchamber.com; indigowebmmorin@gmail.com; Deuce Niven; Julia R. Billington; trish.ragsdale@weathergroup.com; ronblome@msn.com;

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To: southnewsdesk@nbcuni.com; Collins, Jeffrey S.; rfodera@wral.com; hcahill@lex-co.com; Root, Tonya; Vreeland, Tracy; mollie.gore@santecooper.com; erinp@sccl.org; dbryant@tidelandshealth.org; david@myrtlebeachsc.com; Liz Cooper; Gina Vasselli; rbergeron@g3engineering.org; editor@grandstrandbusiness.com; David Thomas; jellisonkathy@gmail.com; lexi507@sbcglobal.net; pgrisham@ccarsc.org; cribbpaula@yahoo.com; Katherine.Maclay@hcahealthcare.com; mschwartz@wbtw.com; tnewell@cityofconway.com; jarohner@outlook.com; Katie Powell

Subject: Revised Hospitality Fees in Horry County

For Immediate Release

Revised Hospitality Fees effective Monday, July 1, 2019 in Horry County

Pursuant to South Carolina Circuit Court Order dated June 21, 2019, there will be a temporary change in fee collection due solely to the temporary injunction obtained by the City of Myrtle Beach. The County's "Hospitality Fee" collection within the City of Myrtle Beach is being temporarily suspended, but may be re-activated in the future as a result of pending litigation.

Horry County will continue charging its 1.5% Hospitality Fee, 1.0% Local Hospitality Fee, 0.5% Local Accommodations Tax, and 2.5% Rental Car Fee in all unincorporated areas of Horry County and charging its 1.5% Hospitality Fee and 2.5% Rental Car Fee within all municipalities except the City of Myrtle Beach. Refer to guidance from the City of Myrtle Beach for transactions within the City of Myrtle Beach.

Businesses situated or completing sales subject to these fees within the unincorporated areas of the county and all municipalities except the City of Myrtle Beach are required to continue to collect and remit to Horry County as outlined in the chart below. These revised taxes and fees will be reportable to the County by merchants/retailers no later than August 20, 2019, for July sales activity.

This is not a change to the current rates in the unincorporated areas of the county.

Type of Levy you pay	Previously you paid...	As of July 1, 2019...
Unincorporated Areas of Horry County		
Accommodations – Short Term Rentals	3.0% total fee – 1.5% County Hospitality Fee, 1.0% County Local Hospitality Fee, and 0.5% County Local Accommodations Fee	No change in the 3.0% amount the consumer pays.
Prepared Food & Beverages	2.5% total fee – 1.5% County Hospitality Fee and 1.0% County Local Hospitality Fee	No change in the 2.5% amount the consumer pays
Places of Admissions	2.5% total fee – 1.5% County Hospitality Fee and 1.0% County Local Hospitality Fee	No change in the 2.5% amount the consumer pays
Rental Car Fee	2.5% County Fee	No change in the 2.5% amount the consumer pays
Municipalities (Except City of Myrtle Beach)		

Businesses and merchants situated in Municipalities except the City of Myrtle Beach are required to continue to collect and remit the following County Fees:		
Accommodations – Short Term Rentals	1.5% County Hospitality Fee*	No change in the 1.5% amount the consumer pays
Prepared Food & Beverages	1.5% County Hospitality Fee*	No change in the 1.5% amount the consumer pays
Places of Admissions	1.5% County Hospitality Fee*	No change in the 1.5% amount the consumer pays
Rental Car Fee	2.5% County Fee	No change in the 2.5% amount the consumer pays

* Municipal Local Hospitality Fees and Local Accommodations Fees are due and will be remitted to each individual Municipality. Check with each Municipality for their current rates. For Additional information, please refer to the County Website at www.horrycounty.org.

-END-

Kelly Moore | Director of Public Information
 Kelly Lee Brosky | Administrative Assistant
Horry County Government
 Public Information
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EXHIBIT B

STATE OF SOUTH CAROLINA
COUNTY OF HORRY

) IN THE COURT OF COMMON PLEAS
) FIFTEENTH JUDICIAL CIRCUIT

City of Myrtle Beach,

)
) CIVIL ACTION NO. 2019-CP-26-01732

For Itself and a Class of Similarly
Situated Plaintiffs,

)
)

Plaintiffs,

)
)

**AFFIDAVIT OF
DENNIS P. PIEPER**

vs.

)
)

Horry County,

)
)

Defendant.

)
)

Personally appeared before me, Dennis P. Pieper, who being duly sworn, affirms and swears as follows:

1. I am in excess of eighteen years of age and competent to give this affidavit.
2. I am currently the Town Administrator of the Town of Surfside Beach and have served as such since July 2018.
3. In my position as Town Administrator, I am aware that the Town of Surfside Beach is in receipt of a public statement issued by Horry County ("County") indicating that the County intends to continue imposing within the Town of Surfside Beach, and all other municipalities situated within Horry County other than the City of Myrtle Beach, the 1.5% uniform service charge ("Hospitality Fee") provided for in County Ordinance 105-96. A copy of this public statement by the County is attached hereto and incorporated herein by reference as Exhibit "A" to this affidavit.
4. In that same capacity, I am also aware that the Town of Surfside Beach has adopted ordinances providing for the imposition of a 3% accommodations tax under S.C. Code Ann. §§ 6-1-500, et seq. and a 2% hospitality tax under S.C. Code Ann. §§ 6-1-700, et seq., effective July 1, 2019.

5. The Town of Surfside Beach has not consented or agreed to the imposition and collection of the Hospitality Fee on any retail transaction within the Town's corporate limits for any period of time on or after January 1, 2017. It is the Town of Surfside Beach's understanding that the County has been enjoined from imposing the Hospitality Fee within the corporate limits of every municipality situated within Horry County effective June 21, 2019.

6. The Town of Surfside Beach has instructed that I provide this affidavit in support of the efforts of the City of Myrtle Beach to enforce the Court's June 21, 2019, order in the above-captioned action and thereby require the County to comply with same.

FURTHER THE AFFIANT SAYETH NAUGHT.

Dennis P. Pipes, Town Administrator

Sworn to and subscribed before me this 26 day of June, 2019.

W. Mattugly
Notary Public for South Carolina

My Commission Expires: 3-12-23
[NOTARIAL SEAL]

**Exhibit “A” to the
Affidavit of Dennis P. Pieper
Civil Action No. 2019-CP-26-01732**

----- Original message -----

From: Public Information <PIO@horrycounty.org<mailto:PIO@horrycounty.org>>

Date: 6/25/19 4:31 PM (GMT-05:00)

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Subject: Revised Hospitality Fees in Horry County

For Immediate Release

Revised Hospitality Fees effective Monday, July 1, 2019 in Horry County

Pursuant to South Carolina Circuit Court Order dated June 21, 2019, there will be a temporary change in fee collection due solely to the temporary injunction obtained by the City of Myrtle Beach. The County's "Hospitality Fee" collection within the City of Myrtle Beach is being temporarily suspended, but may be re-activated in the future as a result of pending litigation.

Horry County will continue charging its 1.5% Hospitality Fee, 1.0% Local Hospitality Fee, 0.5% Local Accommodations Tax, and 2.5% Rental Car Fee in all unincorporated areas of Horry County and charging its 1.5% Hospitality Fee and 2.5% Rental Car Fee within all municipalities except the City of Myrtle Beach. Refer to guidance from the City of Myrtle Beach for transactions within the City of Myrtle Beach.

Businesses situated or completing sales subject to these fees within the unincorporated areas of the county and all municipalities except the City of Myrtle Beach are required to continue to collect and remit to Horry County as outlined in the chart below. These revised taxes and fees will be reportable to the County by merchants/retailers no later than August 20, 2019, for July sales activity.

This is not a change to the current rates in the unincorporated areas of the county.

Type of Levy you pay

Previously you paid...

As of July 1, 2019...

Unincorporated Areas of Horry County

Accommodations – Short Term Rentals

3.0% total fee –

1.5% County Hospitality Fee,

1.0% County Local Hospitality Fee, and

0.5% County Local Accommodations Fee

No change in the 3.0% amount the consumer pays.

Prepared Food & Beverages

2.5% total fee –

1.5% County Hospitality Fee and

1.0% County Local Hospitality Fee

No change in the 2.5% amount the consumer pays

Places of Admissions

2.5% total fee –

1.5% County Hospitality Fee and

1.0% County Local Hospitality Fee

No change in the 2.5% amount the consumer pays

Rental Car Fee

2.5% County Fee

No change in the 2.5% amount the consumer pays

Municipalities (Except City of Myrtle Beach)

Businesses and merchants situated in Municipalities except the City of Myrtle Beach are required to continue to collect and remit the following County Fees:

Accommodations – Short Term Rentals

1.5% County Hospitality Fee*

No change in the 1.5% amount the consumer pays

Prepared Food & Beverages

1.5% County Hospitality Fee*

No change in the 1.5% amount the consumer pays

Places of Admissions

1.5% County Hospitality Fee*

No change in the 1.5% amount the consumer pays

Rental Car Fee

2.5% County Fee

No change in the 2.5% amount the consumer pays

* Municipal Local Hospitality Fees and Local Accommodations Fees are due and will be remitted to each individual Municipality. Check with each Municipality for their current rates. For Additional information, please refer to the County Website at www.horrycounty.org<<http://www.horrycounty.org/>>.

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Subject: FW: Revised Hospitality Fees in Horry County

From: Public Information [mailto:PIO@horrycounty.org]

Sent: Tuesday, June 25, 2019 4:31 PM

To:

Subject: Revised Hospitality Fees in Horry County

For Immediate Release

Revised Hospitality Fees effective Monday, July 1, 2019 in Horry County

Pursuant to South Carolina Circuit Court Order dated June 21, 2019, there will be a temporary change in fee collection due solely to the temporary injunction obtained by the City of Myrtle Beach. The County's "Hospitality Fee" collection within the City of Myrtle Beach is being temporarily suspended, but may be re-activated in the future as a result of pending litigation.

Horry County will continue charging its 1.5% Hospitality Fee, 1.0% Local Hospitality Fee, 0.5% Local Accommodations Tax, and 2.5% Rental Car Fee in all unincorporated areas of Horry County and charging its 1.5% Hospitality Fee and 2.5% Rental Car Fee within all municipalities except the City of Myrtle Beach. Refer to guidance from the City of Myrtle Beach for transactions within the City of Myrtle Beach.

Businesses situated or completing sales subject to these fees within the unincorporated areas of the county and all municipalities except the City of Myrtle Beach are required to continue to collect and remit to Horry County as outlined in the chart below. These revised taxes and fees will be reportable to the County by merchants/retailers no later than August 20, 2019, for July sales activity.

This is not a change to the current rates in the unincorporated areas of the county.

Type of Levy you pay	Previously you paid...	As of July 1, 2019...
Unincorporated Areas of Horry County		
Accommodations – Short Term Rentals	3.0% total fee – 1.5% County Hospitality Fee, 1.0% County Local Hospitality Fee, and 0.5% County Local Accommodations Fee	No change in the 3.0% amount the consumer pays.
Prepared Food & Beverages	2.5% total fee – 1.5% County Hospitality Fee and 1.0% County Local Hospitality Fee	No change in the 2.5% amount the consumer pays
Places of Admissions	2.5% total fee – 1.5% County Hospitality Fee and 1.0% County Local Hospitality Fee	No change in the 2.5% amount the consumer pays
Rental Car Fee	2.5% County Fee	No change in the 2.5% amount the consumer pays
Municipalities (Except City of Myrtle Beach)		

Businesses and merchants situated in Municipalities except the City of Myrtle Beach are required to continue to collect and remit the following County Fees:		
Accommodations – Short Term Rentals	1.5% County Hospitality Fee*	No change in the 1.5% amount the consumer pays
Prepared Food & Beverages	1.5% County Hospitality Fee*	No change in the 1.5% amount the consumer pays
Places of Admissions	1.5% County Hospitality Fee*	No change in the 1.5% amount the consumer pays
Rental Car Fee	2.5% County Fee	No change in the 2.5% amount the consumer pays

* Municipal Local Hospitality Fees and Local Accommodations Fees are due and will be remitted to each individual Municipality. Check with each Municipality for their current rates. For Additional information, please refer to the County Website at www.horrycounty.org.

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