



First in Service

CITY OF MYRTLE BEACH

One (1%) Percent
Hospitality Fee
and
One-Half (.5%) Percent
Local Accommodations Tax

PLEASE USE THE PRE-PRINTED FORMS.

THESE FORMS HAVE BEEN BARCODED TO ENSURE
PROPER CREDIT TO YOUR ACCOUNT.

Please remit to the City of Myrtle Beach on or before the date printed on
each form to avoid penalty.

June 1, 2021



Hospitality Tax, Local Accommodations Tax, and Hospitality Fee Changes

In March 2019, the City of Myrtle Beach approved an increase in its Local Accommodations Tax from 0.5% to 3% and implemented its 2% Hospitality Tax. In July 2019, the City began to collect these taxes and Horry County ceased collection of its 1.5% Hospitality Fee inside the City’s corporate limits.

Recently, the City and the County reached a settlement of the lawsuit contesting the County’s collection of the 1.5% Hospitality Fee from City businesses. The settlement agreement provides, among other things, that the County will resume collections of its 1.5% Hospitality Fee inside the City of Myrtle Beach but will pay to the City all amounts collected from City businesses, less a 1% administrative fee. The City, in turn, will “reset” the rates of its Hospitality Fee and Tax and Local Accommodations Tax to the rates it charged prior to July 2019. Below is a chart that provides a summary of the information contained in this letter.

Effective July 1, 2021 what do I collect?

Nothing changes until 12:01 a.m., on July 1, 2021, when you will collect and pay to the City of Myrtle Beach the following fees and taxes, just as you did prior to July 1, 2019. **You will receive the updated 2021 Reporting Forms in June 2021.**

- Accommodations & Short Term Rental Providers Collect 0.5% Local Accommodations Tax & 1% Hospitality Fee
- Prepared Food & Beverage Providers Collect 1% Hospitality Fee
- Paid Places of Admissions Collect 1% Hospitality Fee

What about Hospitality Fee payments to Horry County?

You should expect to receive a separate communication from the County soon regarding the resumed collection of the County’s 1.5% Hospitality Fee from businesses located inside the City once again as of 12:01 a.m. on July 1, 2021.

Pre-existing Tax and Fee Paid Prior to July 1, 2019	Type of Tax and Fee Currently Paid Through June 30, 2021	Changes coming on July 1, 2021	On July 1, 2021 you will pay
<p>Accommodations – Short Term Rentals</p> <p>1% City Hospitality Fee 0.5% City Accommodations Tax <u>1.5%</u> County Hospitality Fee 3% Total</p>	<p>1% City Hospitality Fee 3% City Accommodations Tax <u>-1%</u> Hospitality Tax credit when paying both 3% Total to City</p>	<p>Your rate on City fees and taxes will go back to 1.5%, and you will resume paying Horry County’s 1.5% Hospitality Fee as you did prior to July 1, 2019.</p>	<p>1% City Hospitality Fee 0.5% City Accommodations Tax <u>1.5%</u> County Hospitality Fee 3% Total</p>
<p>Prepared Food & Beverage</p> <p>1% City Hospitality Fee <u>1.5%</u> County Hospitality Fee 2.5% Total</p>	<p>1% City Hospitality Fee 2% City Hospitality Tax <u>-1%</u> Hospitality Tax credit when paying both 2% Total to City</p>	<p>Your rate on City fees and taxes will go back to 1% and you will resume paying Horry County’s 1.5% Hospitality Fee as you did prior to July 1, 2019.</p>	<p>1% City Hospitality Fee <u>1.5%</u> County Hospitality Fee 2.5% Total</p>
<p>Places of Admissions</p> <p>1% City Hospitality Fee <u>1.5%</u> County Hospitality Fee 2.5% Total</p>	<p>1% City Hospitality Fee to City</p>	<p>Your rate on City fees does not change and you will resume paying Horry County’s 1.5% Hospitality Fee as you did prior to July 1, 2019.</p>	<p>1% City Hospitality Fee <u>1.5%</u> County Hospitality Fee 2.5% Total</p>

**** As of July 1, 2021 Horry County will resume imposing its 2.5% Rental Car Fee****

RECORD OF PAYMENTS MADE

PERIOD	DUE DATE	AMOUNT PAID	CHECK #
3	October 20, 2021		
4	January 20, 2022		

GENERAL QUESTIONS & INSTRUCTIONS

What is a Hospitality Fee?

A one percent (1%) fee on short-term or transient accommodations, paid places of amusement, and the purchase of prepared or modified food and/or beverages intended for immediate consumption.

What is a Local Accommodations Tax?

A one-half percent (.5%) fee on short-term or transient accommodations.

Why was it necessary to implement a Hospitality Fee?

To provide an additional source of funding for capital improvements such as beach maintenance, public facilities related to the use of the beach, public transportation improvements, public park facilities, public parking, and facilities and equipment necessary for the provision of police, fire and other public safety activities.

Why was it necessary to implement a Local Accommodations Tax?

Tourism is the major industry in the City and it accounts for millions of visitors annually. This industry has been supported by the *ad valorem* taxation of the local stable population of the City. The local accommodations tax will help to fund the cost of providing special or enhanced services required by the tourism industry.

Who is responsible for collecting and remitting the Hospitality Fee?

The business that is affected by this fee is liable for the collection of this fee from patrons and to remit collections to the **City of Myrtle Beach**. The types of businesses that are affected include but are not limited to restaurants, bars, convenience stores, grocery stores, concession stands (accessory food service facilities), venues that charge an admission fee, hotels, motels, campgrounds, or other places that provide short-term accommodations such as condominium rentals and vacation home rentals.

Who is responsible for collecting and remitting the Local Accommodations Tax?

The business that is affected by this tax is liable for the collection of this tax from patrons and to remit collections to the **City of Myrtle Beach**. The types of businesses that are affected include but are not limited to hotels, motels, campgrounds, or other places that provide short-term accommodations.

When is the Hospitality Fee due and how is it reported?

Hospitality Fees are due to the **City** on a monthly basis. Upon request, the taxpayer may remit fees quarterly provided the taxpayer remits sales tax to the SC Dept. of Revenue on the same time schedule. **Businesses are required to file a report for every reporting period even if no fee is due for the period.** The reporting period is defined as the prior month or quarter. Remittance is due on the 20th day following the end of the reporting period. A completed Hospitality Fee and Local Accommodations Tax Reporting Form - must accompany each remittance. The due date for each remittance is printed on each form. PLEASE DO NOT REMIT THIS FEE TO THE SC DEPARTMENT OF REVENUE. THIS FEE IS NOT A LOCAL OPTION SALES TAX.

When is the Local Accommodations Tax due and how is it reported?

Local Accommodation Taxes are due to the **City** on a monthly basis. Upon request, the taxpayer may remit fees quarterly provided the taxpayer remits sales tax to the SC Dept. of Revenue on the same time schedule. **Businesses are required to file a report for every reporting period even if no fee is due for the period.** The reporting period is defined as the prior month or quarter. Remittance is due on the 20th day following the end of the reporting period. A completed Hospitality Fee and Local Accommodations Tax Reporting Form - must accompany each remittance. The due date for each remittance is printed on each form. PLEASE DO NOT REMIT THIS FEE TO THE SC DEPARTMENT OF REVENUE. THIS FEE IS NOT A LOCAL OPTION SALES TAX.

When is my Hospitality Fee considered late?

If the report is received by the City after the due date. If the due date is a weekend day or legal holiday, the following business day is the due date. Any reports mailed **MUST BE POSTMARKED BY THE US POSTAL SERVICE ON THE DUE DATE** to be considered filed on time.

When is my Local Accommodations Tax considered late?

If the report is received by the City after the due date. If the due date is a weekend day or legal holiday, the following business day is the due date. Any reports mailed **MUST BE POSTMARKED BY THE US POSTAL SERVICE ON THE DUE DATE** to be considered filed on time.

What if my Hospitality Fee payment is late?

A ten percent (10%) penalty in addition to the Hospitality Fee due must accompany all delinquent remittances.

What if my Local Accommodations Tax payment is late?

A two percent (2%) penalty per month or fraction of a month in addition to the Local Accommodations Tax due must accompany all delinquent remittances.

TYPE OF BUSINESSES AFFECTED BY HOSPITALITY FEE & LOCAL ACCOMMODATIONS TAX

RESTAURANTS AND BARS

What sales are affected by the Hospitality Fee for restaurants, bars and other food service establishments?

ALL food, beverage, and alcohol sales.

CONVENIENCE STORES & GROCERY STORES

What sales are affected by the Hospitality Fee for convenience stores and grocery stores?

All food and/or beverage items that are prepared or modified and available for immediate consumption.

What are some examples of prepared and/or modified food and beverages affected by the Hospitality Fee?

- a. Heated foods (pizza, nachos, hot dogs, chicken, vegetables, etc.).
- b. Prepared sandwiches and salads.
- c. Fountain drinks, frozen drinks, coffee, & cappuccino.

What are some examples of prepared and/or modified food and beverages NOT affected by the Hospitality Fee?

- a. Pre-packaged foods that are not modified by a store employee.
- b. Bulk or packaged cold deli products.
- c. Canned or bottled beverages.

ACCESSORY USE FOOD SERVICE FACILITIES

What sales are affected by the Hospitality Fee for food service that is an accessory to the primary business (arcades, amusements, theaters, etc.)?

Prepared or modified food and beverage items such as fountain drinks, popcorn, nachos, etc.

PAID PLACES OF AMUSEMENT

What sales are affected by the Hospitality Fee and what are some examples of paid places of amusement?

All paid places of amusement are affected by admissions tax unless exempted by the South Carolina Code § 12-21-2420. Examples: theater admissions, night club admissions, miniature golf admissions, amusement ride admissions, green fees, etc.

ACCOMMODATIONS

What are short-term or transient accommodations?

Accommodations provided on a daily, weekly, or monthly basis as defined in S.C. Code 1976 §12-36-920. Any stay of ninety (90) or more consecutive days in the same place is not considered a short-term accommodation. If a short-term stay extends beyond 90 days, any Hospitality Fee and Local Accommodations Tax collected must be refunded to the customer by the business.

What charges are affected by the Hospitality Fee?

The rental charge for rooms, campground spaces, lodging, condominiums, vacation homes, or sleeping accommodations furnished to transients for less than 90 consecutive days and those guest charges that are affected by the state accommodations tax.

What sales are affected by the Local Accommodations Tax?

The rental charge for rooms, campground spaces, lodging, condominiums, vacation homes, or sleeping accommodations furnished to transients and those guest charges that are affected by the state accommodations tax.

Mail To:
 City of Myrtle Beach
 Hospitality Fee
 P.O. Box 2468
 Myrtle Beach, SC 29578
 (843) 918-1200 Fax (843) 918-1210
www.cityofmyrtlebeach.com

CITY OF MYRTLE BEACH
 Reporting Form
 Hospitality Fee and
 Local Accommodations Tax



<u>D/B/A Name and Location Address</u>	<u>Acct. No.</u>	<u>FEI or SSN</u>
	<u>Bus. Lic. No.</u>	<u>SC Retail No.</u>
Business Start Date		

3	2021	10/20/2021
Reporting Period		Due Date
Filing Status		QUARTERLY

Make Check Payable to
City of Myrtle Beach

**ENCLOSE PAYMENT
 WITH REPORT
 PLEASE DO NOT STAPLE**

IMPORTANT
 Report is **LATE** if received or
 postmarked after the Due Date

If your business has closed or changed ownership, please complete all that apply

Date business closed: _____
 Date changed ownership: _____
 New owner is: _____
 Name of new business if known: _____

-----**HOSPITALITY FEE**-----

1. Gross Sales from Food and Beverages		1. _____
2. Gross Sales from Admissions		2. _____
3. Gross Sales from Accommodations		3. _____
4. Total Gross Sales	Add Lines 1,2 and 3	4. _____
5. Hospitality Fee	Line 4 x 1% (.01)	5. _____
6. 10% Penalty	Line 5 x 10% (.10)	6. _____
7. Total Hospitality Fee Due	Add Lines 5 and 6	7.

-----**LOCAL ACCOMMODATIONS TAX**-----

8. Accommodations Tax	Line 3 x .5% (.005)	8. _____
9. Penalty 2% Per Month	Line 8 x 2% (.02)	9. _____
10. Total Accommodations Tax	Add Lines 8 and 9	10.

11. Balance Due from Period _____ Year _____		11.
12. Overpayment from Period _____ Year _____		12. ()

13. TOTAL DUE	Add lines 7+10+11-12	13. _____
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FOR OFFICE USE ONLY	
Postmark	_____
CK#	_____
CK Amt	_____
AT Credit	(_____)
HF Credit	(_____)
A Tax	_____
AT Pen	_____
H Fee	_____
H Pen	_____
TOTAL	_____
Due	_____
Credit	(_____)

I hereby certify that I have the authority to make this report and the information contained in this report is true and accurate to the best of my knowledge and belief.

 Taxpayer's Signature Title Telephone Date (Rev 4/21)

****PLEASE CONTACT US AT HOSP@CITYOFMYRTLEBEACH.COM****

Mail To:
 City of Myrtle Beach
 Hospitality Fee
 P.O. Box 2468
 Myrtle Beach, SC 29578
 (843) 918-1200 Fax (843) 918-1210
www.cityofmyrtlebeach.com

CITY OF MYRTLE BEACH
 Reporting Form
 Hospitality Fee and
 Local Accommodations Tax



<u>D/B/A Name and Location Address</u>	<u>Acct. No.</u>	<u>FEI or SSN</u>
	<u>Bus. Lic. No.</u>	<u>SC Retail No.</u>
<u>Business Start Date</u>		

4	2021	1/20/2022
Reporting Period		Due Date
Filing Status	QUARTERLY	

Make Check Payable to
City of Myrtle Beach

**ENCLOSE PAYMENT
 WITH REPORT
 PLEASE DO NOT STAPLE**

IMPORTANT
 Report is **LATE** if received or
 postmarked after the Due Date

If your business has closed or changed ownership, please complete all that apply

Date business closed: _____
 Date changed ownership: _____
 New owner is: _____
 Name of new business if known: _____

-----**HOSPITALITY FEE**-----

1. Gross Sales from Food and Beverages		1. _____
2. Gross Sales from Admissions		2. _____
3. Gross Sales from Accommodations		3. _____
4. Total Gross Sales	Add Lines 1,2 and 3	4. _____
5. Hospitality Fee	Line 4 x 1% (.01)	5. _____
6. 10% Penalty	Line 5 x 10% (.10)	6. _____
7. Total Hospitality Fee Due	Add Lines 5 and 6	7. _____

-----**LOCAL ACCOMMODATIONS TAX**-----

8. Accommodations Tax	Line 3 x .5% (.005)	8. _____
9. Penalty 2% Per Month	Line 8 x 2% (.02)	9. _____
10. Total Accommodations Tax	Add Lines 8 and 9	10. _____

11. Balance Due from Period _____ Year _____	11. _____
12. Overpayment from Period _____ Year _____	12. (_____)

13. TOTAL DUE	Add lines 7+10+11-12	13. _____
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FOR OFFICE USE ONLY	
Postmark	_____
CK#	_____
CK Amt	_____
AT Credit	(_____)
HF Credit	(_____)
A Tax	_____
AT Pen	_____
H Fee	_____
H Pen	_____
TOTAL	_____
Due	_____
Credit	(_____)

I hereby certify that I have the authority to make this report and the information contained in this report is true and accurate to the best of my knowledge and belief.

Taxpayer's Signature _____ Title _____ Telephone _____ Date _____ (Rev 4/21)

****PLEASE CONTACT US AT HOSP@CITYOFMYRTLEBEACH.COM****