

## ORDINANCE

### AN ORDINANCE OF THE CITY OF NORTH MYRTLE BEACH CREATING CHAPTER 7 ARTICLE XII – LOCAL ACCOMMODATIONS TAX AND IMPOSE THE 3% AUTHORIZED BY STATE CODE TO THE CITY OF NORTH MYRTLE BEACH:

IT IS HEREBY ORDAINED THAT Chapter 7, Article XII of the Code of Ordinance of the City of North Myrtle Beach is hereby created.

#### Sec. 7-206 Local Accommodations Tax

This article shall be referred to as the City of North Myrtle Beach Local Accommodations Tax Ordinance, enacted pursuant to South Carolina Code §6-1-500 et. seq

#### Sec. 7-207 Declaration of Purpose and Intent

It is hereby found and declared by the City Council of North Myrtle Beach that tourism is the major industry in the City, accounting for millions of visitors annually. This article is enacted to preserve the general health, safety and welfare of the general public within the City of North Myrtle Beach, South Carolina, by creating a uniform tax for the purpose of creating a fund to pay in whole or in part for the current and future preservation, maintenance, nourishment, renourishment, and improvement of the beaches of North Myrtle Beach, and those public facilities related to the use of the beach; public transportation improvements, including street construction, storm drainage, right-of-way acquisitions, median and right-of-way enhancements and landscaping, walkways and bikeways; public park facilities, public parking, and capital facilities and equipment necessary for the provision of police, fire and other public safety activities and any other use as defined under South Carolina Code §6-1-530.

#### Sec. 7-208 Definitions

The following word, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Local Accommodations Tax* means a uniform tax equal to three (3) percent imposed on gross proceeds derived from:

- a) *Accommodations for transients* which includes the accommodations specified in South Carolina Code §12-36-920, as amended from time to time, or any successor provision thereto, located within the jurisdiction of the city.

*Department of finance* means the financial services department of the city.

*Finance director* means the director of finance of the city.

19-09

There shall be imposed and shall immediately accrue as of the first day of the month following such date a collected tax, as provided in this division, upon accommodations for transients. The tax imposed by this section shall not apply to additional guest charges as defined in South Carolina Code §12-36-920(B.) The tax shall be established at the rate of three percent (3%) of the gross proceeds derived from the rental or charges for any accommodation for transients.

#### Sec. 7-209 Payment of Accommodations Tax

Taxes imposed by this division shall be due on the same date in the same manner as provided in South Carolina Code §12-36-2570, and in accordance with the provisions of South Carolina Code §12-36-2570. The city shall make available the form for remittance of the tax to the entity providing the goods or services as defined by the Local Accommodations Tax. At the time of filing of such form, the provider shall pay to the finance department or its designee all taxes due for the period for which the form applies.

- a) Remitting taxes to the City of North Myrtle Beach must be done in accordance with South Carolina Code §6-1-570. The tax provided for in this article must be remitted to the local governing body on a monthly basis 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.
- b) Taxes and required reports shall be submitted to the City of North Myrtle Beach by the twentieth day of the month and shall cover sales of the previous month. When a local accommodations tax return is filed and the taxes due on it are paid in full on or before the final due date, the filer is allowed a discount on the taxes shown to be due by the return of two percent (2%). Any taxes not timely remitted shall be subject to a penalty of five (5) percent of the unpaid tax for each month or portion thereof after the due date until paid. The failure to collect from patrons the taxes imposed by this article shall not relieve any establishment subject to this article from making the required remittance.
- c) Any person violating any provision of this article shall be deemed guilty of an offense and shall be subject to punishment under Section 1-6 upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent taxes, penalties, and costs provided for herein.

#### Sec. 7-210 Local Accommodations Tax Fund

The fund, to be known as the City of North Myrtle Beach Local Accommodations Tax Fund, shall be established and all revenues received from the Local Accommodations Tax shall be deposited into this Fund. The principal and any accrued interest from this fund shall be expended only as permitted in Section 7-215 of this ordinance.

#### Sec. 7-211 Verification

Every business providing goods or services as defined by Sec.7-208 in the city shall keep books and records showing the prices and charges taxable under this article. The finance director or his or her designee shall at all reasonable times have full access to such books and records of such business.

#### Sec. 7-212 Penalty for Tax Avoidance

If the city shall find that any person has willfully avoided payment of the taxes imposed by this article, the city may suspend or revoke all city licenses held by such business in accordance with the ordinance pertaining to business licenses.

#### Sec. 7-213 Severability

If any provisions, clause, sentence, paragraph, section or part of this article, or the application thereof to any person, firm, corporation, public agency or circumstance, shall for any reason be adjudged by a court of competent jurisdiction to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this article and the application of such provision to other persons, firms, corporation, public agencies or circumstance, but shall be confined in its operation to the provision, clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person, firm, corporation, public agency or circumstances involved.

#### Sec. 7-214 Failure to Comply

It shall be unlawful to fail to collect the tax in connection with the rental of accommodations to transients; or fail to remit to the City the tax collected pursuant to the ordinance; or knowingly provided false information on any form or return to the City; or fail to provide books and records for the purposed of audit upon twenty-four hours' notice. Upon conviction, the penalty shall be as prescribed by law.

#### Sec. 7-215 Permitted Uses of Funds

The city council of the City of North Myrtle Beach, South Carolina is hereby authorized to utilize the funds collected from the imposition of the Local Accommodations Tax for the following purposes in accordance with the provisions of South Carolina Code §6-1-530:

- (1) tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums;
- (2) tourism-related cultural, recreational, or historic facilities;
- (3) beach access, renourishment, or other tourism-related lands and water access;
- (4) highways, roads, streets, and bridges providing access to tourist destinations;

- (5) advertisements and promotions related to tourism development;
- (6) water and sewer infrastructure to serve tourism-related demand; or
- (7) operation and maintenance of those items provided in (1) through (6) including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

Sec. 7-216 Authorization for Use

Authorization to utilize revenues from the Local Accommodations Tax account shall be by the annual budget ordinance duly adopted by the city council of the City of North Myrtle Beach, South Carolina.

Sec. 7-217 Effective Date

This article shall become effective on July 1, 2019 or such earlier date as allowed by South Carolina Law.

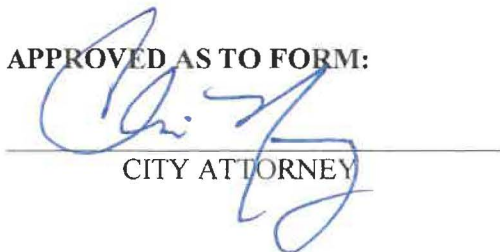
DONE, RATIFIED AND PASSED THIS 18 DAY OF March 2019.

  
Marilyn B. Hatley  
MAYOR

ATTEST:

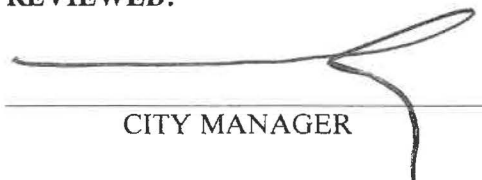
  
Meredith J. Smith  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY

19-09

REVIEWED:

  
CITY MANAGER

FIRST READING: Feb 28, 2019

SECOND READING: March 18, 2019