

AN ORDINANCE

AN ORDINANCE OF THE CITY OF GOOSE CREEK, SOUTH CAROLINA, PROVIDING FOR THE IMPLEMENTATION OF PROVISIONS OF THE FAIRNESS IN LODGING ACT.

WHEREAS, the Mayor and City Council recognize that providing lodging accommodations for tourists is an important component of the local economy; and

WHEREAS, there may be instances where individuals who rent residential accommodations to tourists are failing to collect and remit the local accommodations tax imposed pursuant to Article 5 of Title 6 of the South Carolina Code of Laws and the state sales tax on accommodations imposed pursuant to Section 12-36-920 of the South Carolina Code of Laws; and

WHEREAS, those who fail to collect and remit local and state taxes on accommodations provided to transients are competing unfairly against those who dutifully meet these legal obligations; and

WHEREAS, the South Carolina General Assembly has enacted the Fairness in Lodging Act (the "Act"), providing municipalities and counties the option to exercise additional enforcement authority regarding the aforementioned taxes and to engage in active cooperation with the South Carolina Department of Revenue in data sharing for the purposes articulated in the Act; and

WHEREAS, the City of Goose Creek has imposed the local accommodations tax provided pursuant to Article 5 of Title 6 of the South Carolina Code of Laws; and


WHEREAS, in order to avail itself of the authority provided in the Act, the governing body must by ordinance implement the provisions of the Act.

NOW, THEREFORE, BE IT ORDAINED and ordered by the Mayor and City Council of the City of Goose Creek, South Carolina, in Council duly assembled and by the authority the same, does hereby:

1. Implement the provisions of the Act, as found in Article 7 of Title 6 of the South Carolina Code of Laws; and
2. Set, pursuant to the Act, a one-time civil penalty of \$500 dollars for failure to collect and remit local accommodations tax for each seven days a single rental property was rented; and
3. Direct that a certified copy of this implementation ordinance be provided to the director of the South Carolina Department of Revenue.


This ordinance shall be effective on the date of final reading.

INTRODUCED the 17th day of July 2023.
DONE the 8th day of August 2023.

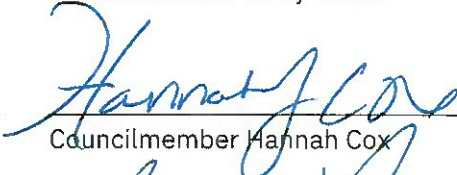

Mayor Gregory S. Habib

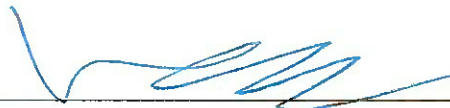
Attest: 
Kelly J. Lovette, MMC, City Clerk

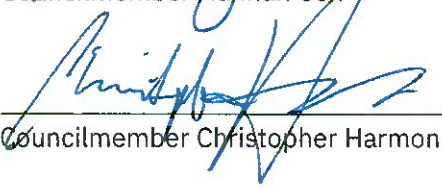

Councilmember Debra Green-Fletcher


Councilmember Jerry Tekac


Councilmember Gayla S.L. McSwain


Councilmember Hannah Cox


Councilmember Melisa Enos


Councilmember Christopher Harmon

ARTICLE 8

Fairness in Lodging Act

SECTION 6-1-810. Short title; findings.

(A) This article may be cited as the "Fairness in Lodging Act".

(B) The General Assembly finds that:

(1) providing lodging accommodations for tourists is a major business in this State;

(2) there are instances where individuals who rent residential accommodations to tourists are failing to collect and remit the local accommodations tax imposed pursuant to Article 5 of this chapter and the state sales tax on accommodations imposed pursuant to Section 12-36-920;

(3) those who fail to collect and remit local and state taxes on providing accommodations to transients are competing unfairly against those who dutifully meet these legal obligations;

(4) by the enactment of the Fairness in Lodging Act, municipalities and counties are provided the option to exercise additional enforcement authority with respect to these taxes and to engage in active cooperation with the South Carolina Department of Revenue in data sharing, to provide comprehensive enforcement of the applicable accommodations tax laws so as to promote a more equal competitive playing field for those engaged in this State in the business of renting accommodations to tourists.

HISTORY: 2014 Act No. 261 (S.985), Section 1, eff June 9, 2014.

SECTION 6-1-815. Implementation of article by municipality or county.

(A) The governing body of a municipality or county by ordinance may implement the provisions of this article if it imposes the local accommodations tax provided pursuant to Article 5 of this title. This article applies in the applicable jurisdiction when a certified copy of the implementation ordinance is provided to the Director of the South Carolina Department of Revenue.

(B) The provisions of this article do not apply to any residential real property lawfully assessed for property tax purposes pursuant to Section 12-43-220(c) when all rental income on the property is not included in gross income for federal income tax purposes pursuant to Internal Revenue Code Section 280A(g).

HISTORY: 2014 Act No. 261 (S.985), Section 1, eff June 9, 2014.

SECTION 6-1-820. Sharing of data between implementing jurisdictions and Department of Revenue; notices in annual property tax notices; civil penalties.

(A) When the provisions of this article apply in an implementing jurisdiction, the South Carolina Department of Revenue, and the implementing jurisdiction using returns and copies of returns and other documents filed with or otherwise available to them shall share data helpful to both the department and the implementing jurisdiction in determining possible instances of noncompliance.

(B) Implementing jurisdictions shall include or cause to be included notices in annual property tax notices for parcels of residential real property assessed for property tax purposes pursuant to Section 12-43-220(e) as the implementing jurisdiction determines appropriate. These notices must provide details of local accommodations tax and state sales tax on accommodations required to be paid by persons renting residential real property to tourists in the implementing jurisdiction and the intention of the implementing jurisdiction vigorously to enforce these requirements. Details must include specific information on obtaining additional information with respect to these requirements and the names, addresses, and telephone numbers of officials of implementing jurisdictions that are able to answer questions, provide forms, and assist in compliance. Counties must be reimbursed by implementing municipalities for extra expenses incurred by a county in providing these notices.

(C) In addition to other penalties and interest imposed by the ordinance of an implementing jurisdiction for failure to comply with local accommodations tax requirements imposed pursuant to Article 5 of this chapter required of owners in the business of renting residential accommodations to tourists, the jurisdiction may impose, with respect to a single rental property, a one-time civil penalty for noncompliance for failure to collect and remit local accommodations tax of not less than five hundred dollars nor more than two thousand dollars for each seven days the property was rented. This additional penalty may not be imposed unless the owner has received the notice provided pursuant to subsection (B). For purposes of enforcement and collection, this penalty is deemed property tax on the rental property.

HISTORY: 2014 Act No. 261 (S.985), Section 1, eff June 9, 2014.