STATE OF SOUTH CAROLINA

DEPARTMENT OF REVENUE

300A Outlet Pointe Blvd., Columbia, South Carolina 29210

P.O. Box 125, Columbia, South Carolina 29214-0575

SC INFORMATION LETTER #26-21

SUBJECT:	Charges and Fees (Admissions Tax)
EFFECTIVE DATE:	July 1, 2026
SUPERSEDES:	SC Revenue Ruling #90-10
MODIFIES:	SC Private Letter Ruling #11-2
REFERENCES:	S.C. Code Ann. Section 12-21-2420 (2014) House Bill 5126 Part IB, Section 118, Proviso 118.22, Act No. 259
AUTHORITY:	S.C. Code Ann. Section 12-4-320 (2014) S.C. Code Ann. Section 1-23-10(4) (2005) SC Revenue Procedure #09-3
SCOPE:	An Information Letter is a written statement issued to the public to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value.

PURPOSE:

On August 11, 2026, the South Carolina Legislature passed House Bill 5126 (H. 5126), the State's Budget for the 2026-2027 fiscal year. Included within the Budget, the Legislature passed Temporary Proviso 118.22, excluding any separate or additional charges from the measure of the admissions tax.

This Information Letter gives notice that any additional or separately stated charges or fees, whether such charges or fees are mandatory or required for purchase of admittance into a place of amusement, shall not be included in the measure of the admissions tax and the measure of the tax shall be limited to the stated price for admission on the ticket. **This proviso is in effect for the State fiscal year July 1, 2026 through June 30, 2027 and will expire June 30, 2027, unless reenacted by the General Assembly in the next legislative session.**

LAW AND DISCUSSION:

South Carolina law imposes an admissions tax and reads:

> There must be levied, assessed, collected, and paid upon paid admissions to places of amusement within this State a license tax of five percent. The license tax may be listed separately from the cost of admission on an admission ticket.[1]

The word "admission" means "the right or privilege to enter into or use a place or location."[2] It is important to note that the statute taxes charges to "use" a place of amusement, as well as charges to enter a place of amusement.[3] Further, the word "place" means "any definite enclosure or location."[4] Therefore, paid admissions (the measure of the admissions tax) is the amount required for the right or privilege to enter into or use a place or location.

The Department's long-standing policy has been to include additional charges and fees, such as service charges and credit card processing fees, in the measure of the admissions tax, so long as the patrons of an event are paying the charges and fees to enter the event. *See* SC Revenue Ruling #90-10. However, the Legislature enacted Temporary Proviso 118.22 as part of the State's Budget for fiscal year 2026 through 2027, which states:

> For purposes of the admissions tax imposed pursuant to Sections 12-21-2410 and 12-21-2420, and notwithstanding any administrative interpretation, advisory opinion or revenue ruling of the Department of Revenue to the contrary, the term "paid admissions" shall be limited solely to the stated price of the ticket for the right or privilege to enter a place of amusement. The measure of the tax shall not include any separate or additional charges, regardless of whether such charges are mandatory or a condition of purchase including, but not limited to, service fees, convenience fees, processing fees, delivery fees, handling charges, credit card or payment processing fees, or fees associated with memberships or subscriptions required to purchase tickets. Any such charges shall be deemed incidental to the admission and not subject to the admissions tax.

Accordingly, the measure of the admissions tax must be based solely on stated price of admission (the price for the right or privilege to enter into or use a place of location) regardless of any additional charges or fees which may be charged in addition to the admissions price.

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[1] S.C. Code Ann. § 12-21-2420 (2014).
[2] S.C. Code Ann. § 12-21-2410(1) (2014).
[3] See Beach v. Livingston, 248 S.C. 135, 149 S.E.2d 328 (1966) (South Carolina Supreme Court held that the admissions tax applied to charges paid for the "use" of a bowling alley even though no charge was required for a person to "enter" the bowling alley).
[4] S.C. Code Ann. § 12-21-2410(2) (2014).