
State of South Carolina
Department of Revenue
301 Gervais Street, P. O. Box 125, Columbia, South Carolina 29214

SC INFORMATION LETTER #96-10 (TAX)

SUBJECT: ADMINISTRATIVE PRONOUNCEMENT
Failure to File the Video Game Machine Quarterly Report / Issuance
of Machine and Other Licenses
(Video Game Machine Act)

DATE: May 2, 1996

SUPERSEDES: All previous documents and any oral directives in conflict herewith.

REFERENCE: S. C. Code Ann. Section 12-21-2776 (Supp. 1995)
S. C. Code Ann. Section 12-54-90 (Supp. 1995)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (Supp. 1995)
SC Revenue Procedure #94-1

SCOPE: An Information Letter is a document issued for the purpose of
disseminating general information or information concerning an
administrative pronouncement.

Information Letters issued to disseminate general information have
no precedential value and do not represent the official position of the
Department. Information Letters designated as administrative
pronouncements are official advisory opinions of the Department.

NOTICE TO ALL OWNERS OF TYPE III
VIDEO GAME MACHINE

Code Section 12-21-2776 requires every owner of Type III video game machines to
report to the Department of Revenue certain information for each machine. The
Department has designed and mailed to all owners of Type III video game machines the
report to be used to file this information. The report must be filed on a quarterly basis no
later than the 20th day of the month that follows the end of the calendar quarter. As such,
these reports must be filed as follows:

<u>Quarter</u>	<u>Due Date for the Report</u>
1st - Jan., Feb., Mar.	April 20th
2nd - April, May, June	July 20th
3rd - July, Aug., Sept.	October 20th
4th - Oct., Nov., Dec.	January 20th

Code Section 12-54-90 provides that the Department, in its discretion, may revoke any license of a person who fails, neglects, violates, or refuses to comply with a provision of law or regulation administered by the Department. In addition, it has been the longstanding position of the Department to refuse to issue a license to any person who has failed, neglected, or refused to file any report due or pay any taxes due. This policy is based on the position held by the State Attorney General in Opinion No. 86-77.

Therefore, any owner of Type III video game machines who has not filed the quarterly report for the first quarter of 1996, which was due by April 20, 1996, will not be issued machine licenses or an owner/operator license until the report has been filed. In addition, owners of Type III video game machines who fail to file future quarterly reports will not be issued machine licenses or an owner/operator license until such reports are filed.

It should be noted that the owner of Type III video game machines must also be current with respect to all other reports, returns, and taxes (e.g. sales tax returns and taxes, admissions tax returns and taxes, income tax returns and taxes) before any licenses can be issued.

All owners of Type III video game machines were notified of this policy when they received the quarterly report form. The instructions for the report specifically state:

This report is due the first day of the month following the close of the calendar quarter and is delinquent on the twenty first day. Delinquent filing will result in a minimum penalty of \$500.00. In addition, the Department will not sell new licenses to owner/operators who have not filed the required reports.

Finally, machine owners who have not filed the first quarterly report, which was due April 20, 1996, may mail the report to: South Carolina Department of Revenue, Office Services Division - Research and Review Section, Post Office Box 125, Columbia, SC 29214. Since licenses for the new licensing period will go on sale on May 6, 1996, this report may also be hand-delivered to any one of the following Department of Revenue Taxpayer Service Centers. All reports hand-delivered to one of these offices will be posted to the Department's computer system upon receipt. This will enable machine owners to purchase machine and other licenses immediately, provided all other reports, returns, and taxes are current.

TAXPAYER SERVICE CENTERS

<u>City</u>	<u>Address</u>	<u>Phone Number</u>
Aiken	410 Barnwell Street N.W.	(803) 641-7685
Beaufort	Carolina Cove Executive Ctr Suite 112	(803) 524-2852
Charleston	3 Southpark Circle Suite 202	(803) 852-3600
Columbia	301 Gervais Street	(803) 737-4602
Florence	1452 West Evans Street	(803) 661-4850
Greenville	211 Century Drive	(864) 241-1200
Myrtle Beach	141 McDonalds Court	(803) 293-6550
Rock Hill	875 Albright Road	(803) 324-7641
Spartanburg	Hillcrest Offices - Suite 475	(864) 594-4900