



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

300A Outlet Pointe Blvd., Columbia, South Carolina 29210
P.O. Box 12265, Columbia, South Carolina 29211

SC REVENUE RULING #18-16

SUBJECT: Use of the 2% Local Accommodations Tax Funds
Withdrawal of SC Revenue Ruling #98-22
(Sales Tax)

DATE: October 17, 2018

REFERENCES: Title 6, Chapter 4 (2004, Supp. 2016)

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: The purpose of a Revenue Ruling is to provide guidance to the public. It is an advisory opinion issued to apply principles of tax law to a set of facts or general category of taxpayers. It is the Department's position until superseded or modified by a change in statute, regulation, court decision, or another Department advisory opinion.

Chapter 4 of Title 6 of the South Carolina Code of Laws provides a procedure for the use and handling of revenue from the 2% local accommodations tax provided in Code Section 12-36-2630(3). It also establishes a Tourism Expenditure Review Committee to "serve as the oversight authority on all questionable tourism-related expenditures" (Code Section 6-4-35).

At one time, the General Assembly, under Code Section 6-4-30, authorized the Department of Revenue to serve as a resource in answering questions concerning the use and handling of the revenue from the 2% local accommodations tax provided in Code Section 12-36-2630(3). As a result, the Department published SC Revenue Ruling #98-22.

The provisions of Code Section 6-4-30 were subsequently repealed in 2003. As a result of the repeal of this code section, SC Revenue Ruling #98-22 concerning the "Use of Accommodations Tax Funds" has been withdrawn.

Note: The Tourism Expenditure Review Committee now serves as the resource for questions and information with respect to the use of revenue from the 2% local accommodations tax. The Committee has indicated that it will continue to follow the analysis and guidelines outlined in SC Revenue Ruling #98-22, unless such analysis or guidance has been superseded or modified by a change in statute, court decision, or other guidance published by the committee.

SOUTH CAROLINA DEPARTMENT OF REVENUE

s/W. Hartley Powell

W. Hartley Powell, Director

October 17, 2018
Columbia, South Carolina