

ACCOMMODATIONS TAX FACT SHEET

SOUTH CAROLINA DEPARTMENT OF REVENUE

RETAIL LICENSE REQUIREMENTS

1. Do you have to register with the Department of Revenue to pay the statewide sales tax on accommodations?

The person providing the accommodations, whether such person is the owner or a real estate agent, listing service, broker, online travel company, or similar entity handling the accommodations is liable for the sales tax on accommodations. The person liable for the sales tax on accommodations must obtain a retail license and remit the tax to the Department.

However, a person providing accommodations to transients for one week or less in any calendar quarter is not required to obtain a retail license, but must remit the tax annually by April 15 of the following year to the SC Department of Revenue.

2. How do I obtain a retail license?

A retail license may be obtained either **online, in person or by mail**.

Online (via the Internet): Visit South Carolina Business One Stop at www.scbos.sc.gov.

In person: Visit any one of the Department's Taxpayer Service Centers listed on page 2.

By mail: Complete Form SCDOR-111 and mail the application, along with \$50.00 (check or money order made payable to **SCDOR**) to:

SC Department of Revenue
Registration Unit
P.O. Box 125
Columbia, SC 29214-0140

3. What is the cost of a retail license (for accommodations) and how long is it valid? Do I need to renew it every year?

The cost of each retail license is \$50.00 and the license is valid as long as the same retailer continues to operate the business at that location (unless revoked by the Department). If ownership of the business changes, the retail license is no longer valid and the new owner must obtain a new retail license.

Information contained in this document is intended only to provide general information relating to sales tax imposed on accommodations.

Note: The information contained in this publication does not address any local accommodations tax or hospitality tax levied by the county or municipality.

ACCOMMODATIONS TAX RATE

4. If a person charges for renting a room or for otherwise furnishing sleeping accommodations, would the charge be subject to the state sales tax and what is the tax rate?

Yes. The charge for providing accommodations is subject to the statewide sales tax rate of 7% (5% state and 2% local accommodations) plus any applicable local sales and use tax rates administered and collected by the Department on the behalf of counties. For information relating to the local sales and use tax administered by the Department, visit our website at www.sctax.org.

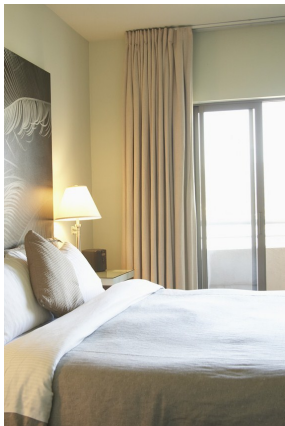
5. Are there any charges for accommodations that are not subject to sales tax?

Sales tax on accommodations does not apply to (1) the lease or rental of accommodations supplied to the same person for a period of 90 continuous days (sales become tax exempt on the 91st day) or (2) the home consists of less than six sleeping rooms (i.e. 5 or less) contained on the same premise and the owner resides in the home while renting the rooms to others on daily or weekly basis; the home must serve as the owner's "place of abode" at the time the other rooms are rented.



**SOUTH CAROLINA
DEPARTMENT OF
REVENUE
TAXPAYER SERVICE
CENTERS**

Charleston	Two South Park Circle Suite 100 Charleston, SC 29407 Phone: (843) 852-3600 Fax: (843) 556-1780
Columbia	300A Outlet Pointe Boulevard P.O. Box 125 Columbia, SC 29214 Phone: (803) 898-5000 Fax: (803) 896-1129
Florence	1452 West Evans Street P.O. Box 5418 Florence, SC 29502 Phone: (843) 661-4850 Fax: (843) 662-4876
Greenville	545 North Pleasantburg Drive Suite 300 Greenville, SC 29607 Phone: (864) 241-1200 Fax: (864) 232-5008
Myrtle Beach	1330 Howard Parkway Myrtle Beach, SC 29577 Phone: (843) 839-2960 Fax: (843) 839-2964
Rock Hill	454 South Anderson Road Suite 202 Rock Hill, SC 29731 Phone: (803) 324-7641 Fax: (803) 324-8289



**REPORTING AND PAYING
ACCOMMODATIONS TAX**

6. How do you report and pay tax electronically?

Electronic Sales Tax Systems (ESales & EDI) will allow a retailer to make payment by EFW (Electronic Funds Withdrawal/Bank Draft) or credit card (MasterCard, VISA). However, currently, the Form ST-3T must be mailed to the Department by the paper method.

7. What form or forms do you use to report and pay sales tax on accommodations?

These are the required forms to file the state and local sales and use taxes administered and collected by the Department for persons furnishing accommodations:

A. ST-388 (State Sales, Use, and Accommodations Tax Return)

This form is used by taxpayers who are liable for the state sales tax imposed on accommodations furnished to transients. The form is used to report the state sales tax imposed on accommodations, sales of tangible personal property and any use tax imposed on purchases. The Form ST-388 must be submitted to the Department along with the Forms ST-3T and ST-389 at the same time. If you are licensed with the Department for the purposes of remitting sales tax on accommodations, you must file the ST-388 return even if there is no tax due for the period.

The ST-388 is used for reporting the total charges for rooms, lodging and accommodations subject to sales tax at 7%. This form is designed with three columns (A, B and C) across the front. Sales and purchases subject to tax in Column A at the 6% rate include sales such as meals, gift items and additional guest services and purchases of hotel or motel supplies. However, charges or accommodations are excluded from Column A and the worksheet for this Column. The 7% sales tax imposed on sales of accommodations is reported under Columns B (at 5%) and C (at 2%). Columns B and C are used to report the 7% sales tax on the gross proceeds derived from the rental or charges for any room or any place in which rooms, lodgings, or sleeping accommodations are furnished to transients for a consideration.

You must report all sales on the worksheet, report and deduct the applicable exclusions and exemptions from sales tax on the worksheet to calculate the "net taxable sales" (all sales + all withdrawals for use + all out-of-state purchases subject to the use tax - applicable deductions) and remit the tax based upon your net taxable sales and purchases.

B. ST-3T (State Accommodations Report by County or Municipality)

This form must be filed with the Form ST-388 at the time of filing even if you have only one rental unit in the county or municipality where your business is located. You must use this form to separately report the 2% portion of the total gross proceeds from business done in each county or municipality. This tax is reported and paid under Column B of the ST-388 form.

C. ST-389 (Schedule of Local Sales and Use Taxes Administered by DOR)

ST-389 – is used to report the various local sales and use tax administered and collected by the Department on taxable sales and services. This form is not required to be filed with the state form ST-388 if the retailer is located in a county that does not impose local sales and use tax and does not make deliveries into other counties that do impose local sales and use tax.

8. When is the accommodations tax return due?

The accommodations tax return is due on or before the twentieth (20th) day of the month following the close of the period ended. To be considered timely filed, the return must be received or postmarked by the 20th. If the 20th falls on a weekend or legal holiday, the return is due on the next business day.

For accommodations tax information, contact the Department of Revenue at (803) 898-5970 or email us at acctax@sctax.org.

Note: The information contained in this publication does not address any local accommodations tax or hospitality tax levied by the county or municipality.

More sales information can be found on the Department of Revenue's website at www.sctax.org.