



301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

SC PRIVATE LETTER RULING #93-2

TO: XYZ Corp.

SUBJECT: Reserved Recreational Vehicle Parking
(Accommodations Tax)

TAX ANALYST: Deana West

DATE: April 6, 1993

REFERENCES: S.C. Code Ann. Section 12-36-920 (Supp. 1992)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (Supp. 1992)
SC Revenue Ruling #87-1

SCOPE: A Private Letter Ruling is a temporary document issued to a taxpayer, upon request, and it applies only to the specific facts or circumstances related in the request.

Private Letter Rulings have no precedential value and are not intended for distribution.

Question:

Is the rental of recreational vehicle parking spaces at the ABC Raceway subject to the 7% sales tax on accommodations?

Facts:

ABC Raceway offers special reserved recreational vehicle parking for both of its racing weekends. The spaces are sold separately at a cost of \$125 for each race weekend.

The reserved spaces are located in the central portion of the infield and are sold on a first-come, first-served basis. Recreational vehicles with reserved parking stickers are allowed to enter the track on Friday of each race weekend. Each space has an electrical hookup. Water and sewer hookups are not provided as part of the infield parking packages.

Customers renting reserved recreational vehicle spaces must also purchase individual infield admission tickets.

Discussion:

Code Section 12-36-920(A) imposes a tax on accommodations for transients and reads, in part:

A sales tax equal to seven percent is imposed on the gross proceeds derived from the rental or charges for any rooms, campground spaces, lodging, or sleeping accommodations furnished to transients by any hotel, Inn, tourist court, tourist camp, motel, campground, residence, or any place in which rooms, lodgings, or sleeping accommodations are furnished to transients for a consideration.

In other words, a seven percent accommodations tax is imposed upon the gross proceeds derived from the rental or charges for accommodations furnished to transients if: (1) the type of accommodations furnished is a room, campground space, lodging, or sleeping accommodation, and (2) the accommodation is provided by a hotel, Inn, tourist court or camp, motel, campground, residence, or any place which furnishes sleeping accommodations for a consideration.

Since a recreational vehicle parking space is not a room, a lodging or a sleeping accommodation furnished by a hotel, Inn, or other place listed in the statutes, then it would be subject to the accommodations tax only if considered a campground space.

In addressing the question at hand, it is helpful to review the legislative history of Code Section 12-36-920. In 1976, the legislature added the words “campground spaces” and “campground” in the first sentence of the code section. Prior to this amendment, charges for campground spaces were not subject to the tax as transient accommodations.

SC Technical Advice Memorandum #90-5 addressed the applicability of the accommodations tax to short term rentals of wet and dry boat storage facilities. It concluded that “it does not appear to be the legislative intent to include boat slips or storage docks within the realm of the sales and accommodations tax. Boat slips and storage docks are analogous to campground spaces, and would require specific listing in Code Section [12-36-920], similar to ‘campground spaces’, to be subject to the sales and accommodations tax.”

Based upon the above discussion, parking spaces for recreational vehicles at the Darlington Raceway are not subject to the accommodations tax since the raceway is not a campground.

Conclusion:

The rental of reserved recreational vehicle parking spaces at the ABC Raceway is not subject to the 7% sales tax on accommodations imposed by Code Section 12-36-920.