



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** S. 1122  
**Author:** Rankin  
**Subject:** Local Option Tourism Fee  
**Requestor:** Senate Finance  
**RFA Analyst(s):** Wren  
**Impact Date:** April 18, 2016

**Estimate of Fiscal Impact**

	<b>FY 2016-17</b>	<b>FY 2017-18</b>
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	Undetermined	\$0

**Fiscal Impact Summary**

This bill would have no state expenditure or revenue impact on the General Fund, Federal Funds, or Other Funds.

Due to the permissive nature of this bill, the local revenue impact is undetermined.

**Explanation of Fiscal Impact**

**State Expenditure**

N/A

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

This bill adds Section 4-10-980, which states that the local option tourism development fee may be renewed and imposed within a municipality in the same manner as authorized for the initial imposition of the fee. Any reimposition of the fee is effective immediately upon the termination of the fee previously imposed.

The tourism development tax may only be imposed by a municipality located in a county where revenue from the state accommodations tax is at least \$14 million in a fiscal year. Based upon

the Department of Revenue's Information letter #16-3, currently only Horry County meets this criteria. Therefore, only municipalities in Horry County may impose this tax and Myrtle Beach is the only municipality that imposes the local option tourism development fee. The bill provides for the method by which a qualifying municipality may reimpose an existing fee. Upon expiration, the bill would allow for Myrtle Beach to reimpose the fee. However, this will be dependent upon the outcome of the required referendum. Due to the permissive nature of this bill, the local revenue impact is undetermined.



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Frank A. Rainwater, Executive Director