

1. What is the ATAX?

South Carolina established in the 1980's a two percent tax on overnight accommodations in addition to the statewide sales tax. State law stipulates how those monies are to be allocated. A small portion of the Accommodations Tax (ATAX) money stays in the local municipality or county where it is collected. The remainder must be used to attract and provide for tourists and must be spent on tourism-related expenditures that promote tourism and attract visitors.

2. Who decides how to spend the money?

State law requires local governments that receive more than \$50,000 annually from the tax, such as the City of Beaufort, to establish an advisory committee to review requests for Accommodations Tax revenue and to submit recommendations to the local government body. The goal is to reduce political pressures and to increase local accountability. Ultimately, the City Council makes the decision on how to spend the money.

3. What is the Beaufort Tourism Development Advisory Committee (TDAC)?

The TDAC is an advisory body appointed by Beaufort City Council to:

- Conduct interviews as needed
- Recruit appropriate applicants for Accommodations Tax grants
- Screen the requests
- Submit recommendations to the Beaufort City Council.

In Fall of 2020, the Tourism Development Advisory Committee included:

- Vimal Desai (chair)
- Jonathan Sullivan
- Ron Callari
- Edouard Binot
- Matthew McAlhaney
- Jane Sidwell
- *Vacant Seat*

4. How did the TDAC decide who to recommend for funding for Fiscal Year 2020-21?

Applications were made available July 30, 2020 and the deadline for submittal was August 27. Applicants were required to make personal presentations of their requests to the committee on September 1. For the current year, Fiscal Year 2020-21, the City of Beaufort budgeted \$166,724 in accommodations taxes for distribution.

Committee members reviewed each application, considered how the request fit into overall mission to promote tourism according to the state's tax guidelines and the overall direction of City Council, and then heard in-person presentations from each group seeking funds.

A priority of the committee is to maximize each grant dollar as far as possible. For instance, marketing materials and promotions that included an Internet component (website, Facebook, other social media, etc.) earn more attention than print-only projects. Projects that demonstrated partnerships with other organizations also earn greater attention.

5. What is the Beaufort City Council's role in this?

The City Council received Tourism Development Advisory Committee (TDAC) recommendations and approved the ATAX grant awards on September 22, 2020.

6. What organizations received ATAX grants?

- \$140,000 to the Beaufort Regional Chamber of Commerce for Destination Marketing
- \$ 11,524 to SC Low Country & Resort Islands Tourism Committee
- \$ 3,700 to the Port Royal Sound Foundation
- \$ 3,500 to the Beaufort County Black Chamber of Commerce
- \$ 3,000 to the Beaufort Art Association
- \$ 2,500 to the Beaufort Area Hospitality Association
- \$ 1,500 to the Beaufort Film Society
- \$ 1,000 to the Penn Center