

CITY OF BEAUFORT

ACCOMMODATIONS TAX (ATAX) FREQUENTLY ASKED QUESTIONS (FAQ'S)

1. What is the Accommodations Tax (ATAX)?

South Carolina established in the 1980's a two percent tax on overnight accommodations in addition to the statewide sales tax. South Carolina Code of Laws Title 6 Chapter 4 Allocations of Accommodations Tax Revenues states 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 grant awards and to submit recommendations to the local government body for approval. 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.

The Fiscal Year 2023 Tourism Development Advisory Committee includes:

- Chetan Patel (chair) – Hospitality, Restaurants, Lodging, Attractions, Recreation
- Edouard Binot – Hospitality, Restaurants, Lodging, Attractions, Recreation
- Jonathan Sullivan – Hospitality Lodging
- Matthew McAlhaney - Hospitality Lodging
- Henry Brandt – Cultural
- Mickey Minick – At Large
- *Vacant Seat*

4. How did the TDAC decide who to recommend for funding for Fiscal Year 2023?

Applications were made available on the City website and published in the Island News on July 2^{1st} and July 28th, 2022. All prospective applicants were required to attend one of two ATAX Workshops that were held on August 2nd and 11th. The deadline for submittal of applications was August 26,

2022. Committee members reviewed each application and considered how the funding request fit into overall mission to promote tourism according to the state's tax guidelines and the overall direction of City Council. Applicants were then required to make presentations to the committee on September 6th, providing details of their project or event and answering questions from the committee. 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 demonstrate 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 October 11, 2022.

6. What organizations received ATAX grant awards?

This year, Fiscal Year 2023, the City of Beaufort budgeted \$321,110.17 in accommodations tax funds for grant awards. The grantees and amount are:

- \$156,000 to the Beaufort Port Royal CVB/DMO Destination Marketing
- \$31,000 to the Beaufort Port Royal CVB/DMO Sales Plan
- \$10,000 to the Beaufort Area Hospitality Association for the Beaufort Oyster Festival
- \$30,000 to the Friends of Hunting Island for the Nature Center and Interpretive Classroom
- \$25,775 to SC Low Country & Resort Islands Tourism Committee for promotion of the City of Beaufort and the Lowcountry
- \$10,000 to the Tabernacle Baptist Church for the Harriet Tubman Monument
- \$6,100 to the Port Royal Sound Foundation for the Maritime Center Shark Exhibit
- \$12,000 to the Beaufort Sports Council for sales initiatives
- \$2,185 to the Friends of the Spanish Moss Trail for Downtown Beaufort Directional Signs
- \$8,000 to the Mather School Museum at the Technical College of the Lowcountry
- \$10,000 to the Gullah Festival
- \$15,000 to the Gullah Kinfolk Traveling Theatre
- \$5,050 to the Beaufort History Museum for touch screen interactive kiosks