

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:

- Recruit appropriate applicants
- Screen the requests
- Conduct interviews
- Submit recommendations to the Beaufort City Council

Fiscal Year 2025 Tourism Development Advisory Committee

- Vimal Desai - Hospitality, Lodging
- Matthew McAlhaney - Hospitality Lodging
- Jennifer Mader – Hospitality
- Randy Novick – At Large
- Chetan Patel – Hospitality, Lodging
- Vacant Seat

4. How did the TDAC decide who to recommend for funding for Fiscal Year 2025?

Applications were available on the City website and published in the Island News on August 16th. All prospective applicants were required to attend one of two ATAX Workshops held on August 28th and 30th. The deadline for submitting applications was September 13th. Committee members reviewed each application and considered how the funding request fits into overall mission to

promote tourism according to the state's tax guidelines and the overall direction of City Council. Applicants made presentations to the committee on October 30th and provided details of their project or event to TDAC.

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

The City Council received and reviewed the TDAC award recommendations and approved the grant awards on January 14, 2025.

6. What organizations received ATAX grant awards?

- \$160,000 to the Greater Beaufort-Port Royal CVB/DMO Destination Marketing
- \$61,800 to SC Low Country & Resort Islands Tourism Committee for promotion of the City of Beaufort and the Lowcountry
- \$40,000 to the Greater Beaufort-Port Royal CVB/DMO Sales Plan
- \$35,000 to The Original Gullah Festival for the Original Gullah Festival
- \$30,000 to the Gullah Traveling Theater for the Gullah Christmas Celebration
- \$20,000 to the Beaufort Water Search and Rescue for Festival Patrol Safety
- \$20,000 to the Freedman Arts District for the “Chalk It Up!” Festival
- \$18,000 to the Beaufort Area Hospitality Association for the Beaufort Oyster Festival
- \$15,000 to the Beaufort Film Society for the International Film Festival
- \$13,000 to the Friends of the Spanish Moss Trail for Wayfinding Signs
- \$10,000 to the Friends of Hunting Island for the Virtual Reality Program
- \$10,000 to the Penn Center for the Heritage Days Celebration
- \$9,500 to the Port Royal Sound Foundation for Maritime Center, School of Fish Exhibit