



CITY OF SENECA

P.O. Box 4773
221 East North First Street
Seneca, South Carolina 29679
(864)885-2700 / Fax: (864)885-2701
www.seneca.sc.us

Council Members:
Lekesha Benson
Scott Durham
Al Gaines
WC Honeycutt, Jr.
Dana Moore
Denise Rozman
Joel Ward

Mayor Daniel W. Alexander
Mayor Pro Tem Ronnie O'Kelley

January 3, 2022

Dear Business Owner,

In 2003, the City of Seneca adopted ordinance 2003-02, an ordinance which established a two percent (2%) Hospitality Tax on gross proceeds derived from the sale of prepared foods and beverages within the city limits of Seneca.

Enclosed is additional information about the collection, reporting and remitting of this 2% tax. Also enclosed is a reporting form to remit the payment of the Hospitality Tax.

If you have any questions, please call me at 864-885-2722. Thank you.

Sincerely,

Josh J. Riches
Finance Officer

JJR/acb

Enclosures

Clarification of Prepared Food and Beverages
For Restaurants, Convenience and Grocery Stores

This includes:

1. Food which is made, prepared, or cooked at your store/business.
2. Made, prepared, or cooked within the City of Seneca and sold in your store/business.
3. Made, prepared, or cooked outside the City of Seneca but re-packaged or modified and served by your store/business.
4. Drinks which are served, i.e. fountain, coffee maker, cappuccino or other dispensed or mixed drinks.

Examples of typical items prepared or modified by these types of stores/businesses that are affected by the 2% Hospitality Fee:

- Doughnuts, pastries, cookies and candies made at your store/business
- Deli meats and cheeses sliced and packaged in your store/business for individual or catered sales
- Served drinks such as fountain drinks, coffee, or cappuccino
- Soup or salad bar sales
- Sandwiches, pizza, or hot dogs prepared, heated, or packaged at your store/business
- Vegetable or meat trays prepared or packaged at your store
- Popcorn which is popped at your store/business
- Pretzels which are baked or heated at your store/business
- Bags of chips, pretzels, nuts, candies that are served for consumption at your store/business
- Canned or bottled drinks that are served for consumption at your store/business

Items that are EXEMPT from the Hospitality Tax:

- Canned or bottled drinks sold, not for consumption at your store/business
- Cans, boxes, or jars of food which are prepackaged
- Bags of chips, pretzels, nuts, candies, or other prepackaged food items sold, not for consumption at your store/business
- Salads which are prepared outside of the City and are NOT modified in any way at your store/business
- Bakery items which are prepared outside the City and are NOT modified in any way at your store/business

CITY OF SENECA

ORDINANCE NO. 200³~~1~~ 02

**AN ORDINANCE TO ENACT HOSPITALITY
AND ACCOMMODATION TAX**

DIVISION 1. PREPARED FOODS AND BEVERAGES

SEC. 1-101 AUTHORITY

This division is enacted pursuant to the authority of Title 5, Code of South Carolina (1976), including, without limitation, S.C. Code Ann. Section 5-7-10 (Supp.1992), and S.C. Code Ann. Section 5-7-30 (Supp.1992), which provide, in relevant part, that municipalities may adopt all ordinances which appear necessary and proper for the security, general welfare and convenience of the municipality and for the preservation of the general health, peace and order in the municipality and further that municipalities may establish uniform service charges.

SEC. 1-102 DECLARATION OF PURPOSE AND INTENT

This division is enacted to preserve the general health, safety and welfare of the general public and to promote the tourism industry within the City of Seneca, South Carolina, by imposing a fee for the purpose of creating a fund which will be utilized for the purposes enumerated in Section 6-1-730 of the Code of Laws of South Carolina, and as may be amended.

SEC. 1-103. IMPOSITION

There is hereby imposed within the municipal limits of the City of Seneca a two (2%) percent local hospitality fee tax upon the gross proceeds derived from the sale of all prepared meals and beverages served within the City of Seneca by any establishment. In addition, the tax shall be imposed on all prepared foods and beverages sold in establishments licensed for the consumption of alcoholic beverages, beer or wine, within the City of Seneca, South Carolina.

SEC. 1-104. PAYMENT OF FEE.

(a) Payment of the fee established herein shall be the liability of the consumer of the services for items described in section 1-103. The fee shall be paid at the time of delivery of the services or items to which the fee applies and shall be collected by the provider or seller of the service, services or items.

(b) The fee collected by the seller or provider of services or items as required under section 1-103 shall be remitted to the City of Seneca as follows:

- (1) On a monthly basis when the estimated amount of average collections is more than fifty dollars (\$ 50.00) a month (annual gross revenue in excess of thirty thousand dollars (\$ 30,000.00)).
- (2) On a quarterly basis when the estimated amount of average collections is between twenty-five dollars (\$25.00) to fifty dollars (\$50.00) a month (annual gross receipts between fifteen thousands dollars (\$15,000.00) to thirty thousand dollars (\$30,000.00)).
- (3) On an annual basis when the amount of average collections is less than twenty-five dollars (\$25.00) a month (annual gross receipts less than fifteen thousand dollars (\$15,000.00)).

(c) Total collections and required reports shall be submitted to the City of Seneca by the twentieth day of the month and shall cover sales for the previous month. Payments covered under the provisions of subsection (b)(2) shall be submitted quarterly by the twentieth day of January, April, July and October for the previous quarterly sales or annually by January 20 for the calendar year sales as provided in subsection (b)(3). Any collections not remitted by the above stated deadlines shall be subject to a penalty of five (5) per cent of the unpaid amount for each calendar month or portion thereof after the due date until paid. The failure to collect from patrons the amount imposed by this division shall not relieve any establishment subject to this division from making the required remittance.

(d) Every business or person required to remit taxes under this article shall maintain books and records showing the taxes due under this article for a period of three (3) years after such tax is due. The city finance director, or his designee, shall have access to such books and records at all reasonable times for the purpose of assuring compliance with this article.

(e) It shall be unlawful to fail to pay the taxes required by this article. If any tax due under this article shall remain unpaid 30 days after its due date, the city may proceed with all available procedures under the law, including, but not limited to, issuance of ordinance summons or enforcement through the municipal court. Enforcement by a civil action in the court of common pleas shall entitle the city to the recovery of attorney fees and costs of action.

(f) Any person violating this division shall be deemed guilty of an offense and shall be subject to punishment not to exceed five hundred dollars (\$500.00) or thirty days imprisonment upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent amount, penalties, and costs provided for herein.

SEC. 1-105. HOSPITALITY FEE ACCOUNT.

A fund or an account, to be known as the City of Seneca Local Hospitality/ Accommodation Fee Fund shall be established, and all revenues received from the hospitality/accommodation fee shall be deposited into this account. The

principal and any accrued interest from this account shall be expended only as permitted in section 1-106, below.

SEC 1-106. PERMITTED USES OF FUNDS.

The City of Seneca, South Carolina, is hereby authorized to utilize the funds collected from the imposition of the accommodation fee for the purposes enumerated in Section 6-1-730 of the State Code of Laws of South Carolina and as may be amended.

SEC. 1-107. INSPECTION AND AUDITS

For the purposes of enforcing the provisions of this section the city finance director or other authorized agent of the city is empowered to enter upon the premises of any person subject to this section to make inspection, examine and/or audit the books and records, and it shall be unlawful for any person to fail or refuse to make available the necessary books and records. In the event that the audit or inspection reveals that false information has been filed by the establishment, the cost of the audit shall be added to the corrected amount due and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper fee shall constitute a separate offense. The city finance director, or other authorized agent of the city, shall make systematic inspection of the businesses within the city to insure compliance with the section. Records of inspection and audits shall not be deemed public records and shall not be released by the city.

SEC. 1-108. AUTHORIZATION FOR USE.

Authorization to utilize revenues from the hospitality/accommodations fund shall be by vote of City Council.

DIVISION 2. LOCAL ACOMMODATIONS

SEC. 1-109 AUTHORITY.

This division is enacted pursuant to the authority of Title 5, Code of the State of South Carolina (1976), including, without limitation, S.C. Code Ann. Section 5-7-10 (Supp. 1992), and S.C. Code Ann. Section 5-7-30 (Supp. 1992), which provide in relevant part, that municipalities may adopt all ordinances which appear necessary and proper for the security, general welfare and convenience of the municipality and for the preservation of the general health, peace and order in the municipality and further municipalities may establish uniform service charges.

SEC. 1-110. DECLARATION OF PURPOSE AND INTENT

This division is enacted to preserve the general health, safety and welfare of the general public and to promote the tourism industry within the City of Seneca, South Carolina, by imposing a fee for the purposes enumerated in Section 6-1-530 of the Code of Laws of South Carolina, and as may be amended.

SEC. 1-111. IMPOSITION.

A fee equal to one and one half (1 and ½) percent is hereby 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, bed and breakfast, tourist camp, motel, campground, residence or any place in which rooms, lodging or sleeping accommodations are furnished to transients for consideration in the City of Seneca. The gross proceeds derived from the lease or rental of sleeping accommodations supplied to the same person for a period of ninety (90) continuous days is not considered proceeds from transients.

SEC. 1-112. PAYMENT OF FEE.

(a) Payment of the fee established herein shall be the liability of the consumer of the services for items described in section 1-111. The fee shall be paid at the time of delivery of the services or items to which the fee applies and shall be collected by the provider or seller of the service, or services or items.

(b) The fee collected by the seller or provider of services or items as required under section 1-111 shall be remitted to the City of Seneca as follows:

- (1) On a monthly basis when the estimated amount of average collections is more than fifty dollars (\$50.00) a month (annual gross revenue in excess of thirty thousand dollars (\$30,000.00)).
- (2) On a quarterly basis when the estimated amount of average collections is between twenty-five (\$25.00) to fifty dollars (\$50.00) a month (annual gross receipts between fifteen thousand dollars (\$15,000.00) and thirty thousand dollars (\$30,000.00)).
- (3) On an annual basis when the amount of average collections is less than twenty-five dollars (\$25.00) a month (annual gross receipts less than fifteen thousand dollars (\$15,000.0000)).

(c) Total collections and required reports shall be submitted to the City of Seneca by the twentieth day of the month and shall cover sales for the previous month. Payments covered under the provisions of subsection (b)(2) shall be submitted quarterly by the twentieth day of January, April, July and October for the previous quarterly sales or annually by January 20 for the calendar year sales as provided in subsection (b)(3). Any collections not remitted by the above stated deadlines shall be subject to a penalty of five (5) per cent of the unpaid amount for each calendar month or portion thereof after the due date until paid. The failure to collect from patrons the amount imposed by this division shall not relieve any establishment subject to this division from making the required remittance.

(d) Every business or person required to remit taxes under this article shall maintain books and records showing the taxes due under this article for a period of three (3) years after such tax is due. The city finance director, or his designee, shall have access to such books and records at all reasonable times for the purpose of assuring compliance with this article.

(e) It shall be unlawful to fail to pay the taxes required by this article. If any tax due under this article shall remain unpaid 30 days after its due date, the city may proceed with all available procedures under the law, including, but not limited to, issuance of ordinance summons or enforcement through the municipal court. Enforcement by a civil action in the court of common pleas shall entitle the city to the recovery of attorney fees and costs of action.

(f) Any person violating this division shall be deemed guilty of an offense and shall be subject to punishment not to exceed five hundred dollars (\$500.00) or thirty days imprisonment upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent amount, penalties, and costs provided for herein.

SEC. 1-113. ACCOMMODATION FEE ACCOUNT.

A fund or an account, to be known as the City of Seneca Local Hospitality/ Accommodations Fee Fund shall be established, and all revenues received from the hospitality/accommodations fee shall be deposited into this account. The principal and any accrued interest from this account shall be expended only as permitted in section 1-114, below.

SEC 1-114. PERMITTED USES OF FUNDS.

The City of Seneca, South Carolina, is hereby authorized to utilize the funds collected from the imposition of the accommodation fee for the purposes enumerated in Section 6-1-520 of the State Code of Laws of South Carolina and as may be amended.

SEC. 1-115. INSPECTION AND AUDITS

For the purposes of enforcing the provisions of this section the city finance director or other authorized agent of the city is empowered to enter upon the premises of any person subject to this section to make inspection, examine and/or audit the books and records, and it shall be unlawful for any person to fail or refuse to make available the necessary books and records. In the event that the audit or inspection reveals that false information has been filed by the establishment, the cost of the audit shall be added to the corrected amount due and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper fee shall constitute a separate offense. The city finance director, or other authorized agent of the city, shall make systematic inspection of the businesses within the city to insure compliance with the section. Records of inspection and audits shall not be deemed public records and shall not be released by the city.

SEC. 1-116. AUTHORIZATION FOR USE.

Authorization to utilize revenues from the hospitality/accommodations fund shall be by vote of the City Council.

DIVISION 3. ADVISORY COMMITTEE

SEC. 1-117. ESTABLISHMENT OF ADVISORY COMMITTEE

City Council may choose to direct the mayor to appoint an advisory committee, which may include representatives from businesses within the City, which will make recommendations to be considered by council.

This Ordinance shall take effect upon second reading thereof.

PROPOSED ORDINANCE APPROVED AS TO FORM this 14 day of JAN, 2003.


MICHAEL J. SMITH, City Attorney

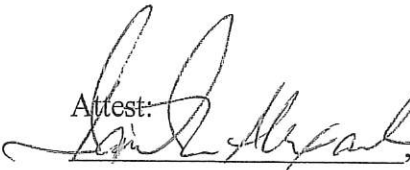
APPROVED AND RATIFIED on First Reading this 14 day of JAN, 2003 by a vote of

7 YES 1 NO 0 ABSTAIN

APPROVED, RATIFIED, AND ADOPTED on Second and Final Reading this 11 day of MARCH, 2003 by a vote of

8 YES 1 NO 0 ABSTAIN

Attest:


Mayor


Clerk

CITY OF SENECA

ORDINANCE NO. 2003- 20

AN ORDINANCE TO AMEND
THE HOSPITALITY AND ACCOMODATIONS TAX ORDINANCE

NOW, THEREFORE, BE IT ORDAINED:

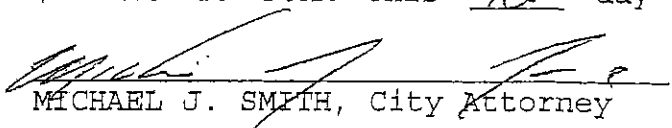
The Hospitality and Accomodations tax for the City of Seneca is amended as follows:

- 1) Section 1 (c) and Section 1-112(c) shall be amended by adding the following:

If the last date collections and reports are required to be submitted to the City falls on a Saturday, Sunday or legal Holiday, the collections and reports shall not be considered late if they are received by the City no later than the next business day. If said collections and reports are mailed, then payment shall not be considered late if postmark date is no later than the next business day following the Saturday, Sunday or legal holiday as hereinabove cited.

- 2) Said amendment shall take effect retroactively to the initial date of this ordinance.

PROPOSED ORDINANCE APPROVED AS TO FORM this 12th day of AUG, 2003


MICHAEL J. SMITH, City Attorney

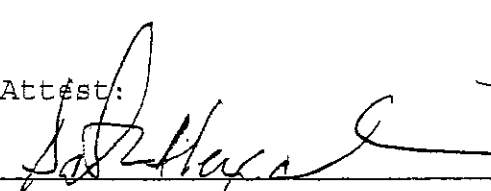
APPROVED AND RATIFIED on First Reading this 12th day of AUG, 2003 by a vote of:


9 YES 0 NO 0 ABSTAIN

APPROVED AND RATIFIED AND ADOPTED on Second and Final Reading this 9 day of SEPT, 2003 by a vote of:

9 YES 0 NO 0 ABSTAIN

Attest:


Mayor


Clerk

CITY OF SENECA

P.O. Box 4773 • Seneca, SC 29679

2% HOSPITALITY FEE

MONTH

DATE DUE

Name and Address:

GROSS PROCEEDS \$ _____

2% OF GROSS PROCEEDS \$ _____

+ 5% PENALTY PER MO. (IF LATE) \$ _____

TOTAL DUE \$ _____

SIGNATURE: _____

I HEREBY CERTIFY THAT I HAVE EXAMINED THIS RETURN AND TO THE BEST
OF MY KNOWLEDGE AND BELIEF IT IS A TRUE AND COMPLETE RETURN.

CITY OF SENECA

P.O. Box 4773 • Seneca, SC 29679

2% HOSPITALITY FEE

MONTH

DATE DUE

Name and Address:

GROSS PROCEEDS \$ _____

2% OF GROSS PROCEEDS \$ _____

+ 5% PENALTY PER MO. (IF LATE) \$ _____

TOTAL DUE \$ _____

SIGNATURE: _____

I HEREBY CERTIFY THAT I HAVE EXAMINED THIS RETURN AND TO THE BEST
OF MY KNOWLEDGE AND BELIEF IT IS A TRUE AND COMPLETE RETURN.