



**STATE ACCOMMODATIONS TAX
FUNDING PROGRAM
CITY OF NORTH AUGUSTA
NORTH AUGUSTA, SOUTH CAROLINA
FY 2018 - 2019**

APPLICATION HANDBOOK
(FOR PROJECTS OCCURRING BETWEEN June 1, 2020 – June 30, 2021)

1. SOUTH CAROLINA ACCOMMODATIONS TAX LAW

A. WHO CAN APPLY FOR THE 65% FUNDS

- All applicants are asked to provide proof of their federal employer identification number as registered with the Internal Revenue Service. This number must coincide with applicant's organization name.
- To qualify for funding, project applicants **must provide** proof of their non-profit status **and** fall into one of the following categories:
 1. Any governmental agency, board commission or political subdivision other than those specifically designated as a state agency. **OR**
 2. Not-for-profit organizations as registered with the Secretary of State of South Carolina. Your "CERTIFICATE OF INCORPORATION/EXISTENCE" must accompany your application **even if you have been awarded funding in the past.**

B. BACKGROUND AND PURPOSE South Carolina Code Section 6-4-10 (4) (b) (1)

The State of South Carolina imposes a 2% tax on all accommodations, including campgrounds, in the state for the purpose of assisting in the development of innovative and/or effective tourism promotion projects at the local level; enlarging the economic benefits of tourism through advertising; and assisting in developing a strong tourism industry throughout South Carolina.

The State allocates the funds to the government entities based on point of revenue origin. The net proceeds are remitted quarterly to the municipality or county in which the tax was collected. The state's eleven tourism districts also receive a percentage of the accommodations tax. Two percent of the total revenues collected in the state is taken off the top and distributed evenly to the eleven tourism districts.

C. HOW FUNDS ARE DISPERSED South Carolina Code Section 6-4-10 (1) (2) (3)

General Revenue Expenses

Each unit of local government, (i.e. The City of North Augusta), receiving State Accommodations Tax Revenue is entitled to expend the first \$ 25,000 on any general revenue expenses. The remaining funds will be referred to as the "Balance" which is distributed on a 5%, 30%, and 65% basis as described below.

General Fund (5%)

5% of the "Balance" is eligible to be used by local government, (i.e. The City of North Augusta), for any general fund expense.

Advertising and Promotion Special Fund (30%)

30% of the "Balance" is to be distributed quarterly upon receipt to one or more designated organization(s) with ongoing tourism promotion program(s), (i.e. The City of North Augusta or The North Augusta Chamber of Commerce),

Tourism Related Activities Special Fund (65%)

65% of the "Balance" is to be used for tourism related activities, (i.e. The City of North Augusta State Accommodations Tax Funding Program). The distribution of these funds **requires** an application process. The South Carolina Department of Revenue oversees the operations of the State Accommodations Tax Program and has the authority to extend the time period for holding this special fund.

D. HOW FUNDS CAN BE SPENT

General Fund (5%) Special Funds

This is for any governmental expense. This does not have to be related to tourism, but may if the government so chooses.

Advertising and Promotion Special Funds (30%)

This is for the designated organization, (i.e. The City of North Augusta), with ongoing tourism promotion program(s). Examples of allowable expenditures are media advertising, brochures, travel show displays, etc. All items must be used outside a 50 mile radius of Aiken.

Tourism Related Activities Special Funds (65%)

- advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity;
- promotion of the arts and cultural events;
- construction, maintenance, and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities;
- the criminal justice system, law enforcement, fire protection, solid waste collection, and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourists;
- public facilities such as restrooms, dressing rooms, parks, and parking lots;
- tourist shuttle transportation;
- control and repair of waterfront erosion;
- operating visitor information centers.

2. CITY OF NORTH AUGUSTA ACCOMMODATIONS TAX COMMITTEE

A. BACKGROUND AND PURPOSE South Carolina Code Section 6-4-25 (B)

The Committee's purpose is "to make recommendations to the City Council on the expenditures of the state's accommodations tax funds". This is required by South Carolina Code Section 6-4-5 et seq. The Parks, Recreation and Tourism Department is the agency which oversees the administration of these accommodations tax funds in The City of North Augusta. The Committee advises the North Augusta City Council on tourism related activities, strategies, and programs.

B. FUNDING PLAN

The purpose of the program is to develop the innovative and/or effective tourism promotion projects for the City of North Augusta; enlarging the economic benefits of tourism through advertising; and developing a tourism industry within the city limits.

Funding is for the promotion of tourism-related projects and events in and near the City of North Augusta.

Accommodations Tax funding is a “reimbursement” program. **(50/50 match)** The project sponsor pays for the project up front. Funding **cannot** be given for the “startup” monies for a project or event.

Funding **is not guaranteed** for any project whether that project has received funding in the past or is submitting for the first time.

Formal applications must be submitted before any requests will be considered. Organizations who do not have their non-profit status or a non-profit sponsor may not apply.

Projects/events MUST attract regional, state, and/or national audiences and attract tourists that will stay overnight in local hotels, bed & breakfasts, etc.

Projects/events can be a one-time or ongoing.

Funds approved for a specific project must be used for that project **ONLY** and **DO NOT** carry over and **CANNOT BE TRANSFERRED** to another program should the project not use any or all the funds allocated.

The amount of funds awarded to approved applicants will be determined based upon funds available and merits of the individual projects.

3. APPLICATION PROCEDURES

Applicants should read and be familiar with the funding program guidelines before submitting an application to the City of North Augusta Accommodations Tax Committee. All applications must submit a letter of intent **NO LATER** than **Monday February 10, 2020 by 5 pm**. Letters of Intent can be delivered via mail at PO Box 6400 North Augusta SC 29861, in person to Mandy Nelson at the Riverview Park Activities Center 100 Riverview Park Drive or emailed to mnelson@northaugusta.net.

The applicant will then be emailed an application. Once all applications have been received, all applicants will be required to attend a question and answer session in late February/ early March with the tax committee. After this session, the committee will make the recommendations to city council. Once city council approves the recommendations, the applicant will be contacted with the final decisions.

REIMBURSEMENT PROCESS

At the completion of the grant funded project, the City of North Augusta requires grantees to complete an accountability report. Grantees must acknowledge the receipt of the City of North Augusta Accommodations Tax funds by adding the statement “Funding Assistance provided by the City of North Augusta Through Accommodations Tax Funds” on all program/project advertising, marketing and promotional materials. A sign must be posted at the project location for all award recipients.

Accountability Report must include:

1. A written summary of the project.
2. A budget, noting the expenses that were outlined on your application.
 - a. A written account of income associated with this project.
 - b. A written account of expenditures associated with the project.
3. Copies of your cancelled checks and/or receipts and invoices pertaining to the funds we award you and matching funds.
 - a. Receipts and invoices must be within the dates of the grant cycle.
4. A marketing plan of how you will promote the project.

5. Any advertisements or promotional material
6. Photographs (5 or more) of the project and one additional photo showing your acknowledgment of "Funding Assistance Provided by City of North Augusta Through Accommodations Tax Funds" posted at the project location.
- 7 .Survey results from event/attraction associated with this project.
 - a. Total number of attendees.
 - b. Number of attendees from out of town.
 - c. Accommodations out of town guests plan to use or did use.

ACCOMMODATIONS TAX COMMITTEE

EVALUATION FACTORS

As you complete your application please keep the following factors in mind. Our A-Tax committee will use these factors as an evaluation tool when reviewing your applications.

Project Eligibility: Does the project allow the committee to effectively award funding according to the mission of the City of North Augusta Accommodations Tax Committee?

Mission: The City of North Augusta Accommodations Tax Committee strives to effectively allocate the state's Accommodations Tax funds in order to increase the recognition of the City of North Augusta as a "Visitors Destination", while closely following the guidelines set forth by the State of South Carolina.

Thoroughness of Proposal: Were the proposal specifications followed? Were responses clear and complete? Are all support documents provided?

PROJECT DESIGN

Description of Project: Will the project attract visitors, build new audiences and encourage tourism expansion within the City of North Augusta? Will it increase awareness of the City's amenities, history, facilities, and natural environment? Was the target audience identified? Does this audience appear reasonable?

Partnerships: Does the project involve community partnerships? Does it exhibit volunteer involvement or inter-jurisdictional, corporate, business and/or civic support?

Funding: Has this project received previous funding? Has the funding been well utilized? Has the return on investment been beneficial to the North Augusta community? Is the project solely dependent upon ATAX funding? Has the project continued to seek additional sources for funding?

Attendance: If this project occurred previously, did it attract tourists as defined in the handbook and application? Will the upcoming event attract tourists, as defined in the handbook and application, to North Augusta? Is the determining factor as listed by the applicant a legitimate measureable factor?

Economic Impact: Will the event have a positive economic impact on North Augusta? Is there a reliable tracking mechanism planned for use by the committee? Will this event generate overnight stays in North Augusta? Does the benefit of the project (i.e. number of tourists estimated; expected generation of revenue) exceed the cost of the project?