



## FOOD & BEVERAGE TAX FUND GRANT

### GUIDELINES

As allowed by the S.C. Code of Laws, the City of Westminster collects Food & Beverage Taxes (aka 2% Taxes) that are assessed on the sale of certain products within the City. In accordance with the State Law, the taxes collected can only be used for funding tourism-related or recreation-related projects. The City Council has the responsibility to ensure that such funds are spent in accordance with the State Law.

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#### **S.C. CODE OF LAWS**

**SECTION 6-1-730.** *Use of revenue from local hospitality tax.*

*(A) The revenue generated by the hospitality tax must be used exclusively for the following purposes:*

*(1) tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums;*

*(2) tourism-related cultural, recreational, or historic facilities;*

*(3) beach access and renourishment;*

*(4) highways, roads, streets, and bridges providing access to tourist destinations;*

*(5) advertisements and promotions related to tourism development; or*

*(6) water and sewer infrastructure to serve tourism-related demand.*

*(B)(1) In a county in which at least nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, the revenues of the hospitality tax authorized in this article may be used for the operation and maintenance of those items provided in (A)(1) through (6) including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.*

*(2) In a county in which less than nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, an amount not to exceed fifty percent of the revenue in the preceding fiscal year of the local hospitality tax authorized pursuant to this article may be used for the additional purposes provided in item (1) of this subsection.*

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The Westminster City Council is willing to partner, on a limited basis, with organizations who through their own efforts are promoting tourism and recreation activities beneficial to the City. The Council desires to consider all requests but due to the funds for such partnering being limited, not all requests may receive full funding, or even partial funding.

In addition to completing the application for funding, all applicants should be aware of the following guidelines:

- All Food & Beverage Tax Fund Grants awarded by the City are limited to a maximum of 50% of the project or event costs.
- All funds awarded must be used only for tourism-related expenses or recreation-related expenses.
- Final project reports are mandatory within 90 days after completion of the event.
- All unused funds must be returned to the City and accompany the Final Project Report.

Failure to adhere to any of the guidelines after being awarded a grant will disqualify the entity from being awarded future Food & Beverage Tax Fund Grants.

In order to provide for the timely budgeting of the funds for such partnering, applications must be submitted to the City Clerk during the month of January of each year. The Council will review the applications and invite some, or all, of the applicants to either make a formal presentation to the Council (or a committee of the Council) or just to answer questions. Applications that are approved for funding will have their funds included in the City's budget for the following fiscal year. The City's fiscal years are July 1 through June 30.