



ACCOMMODATIONS TAX & BEACH PRESERVATION FEE



If you own residential property in the Town of Hilton Head

Island and you rent it short term, you need to know the following rules and regulations:

What are the Town's Accommodation Tax/Beach Preservation Fee requirements?

Town Code Sec 4-10-30 and 4-9-30 requires anyone renting residential sleeping accommodations to the same person for less than 90 days to collect and remit Accommodations and Beach Preservations Fees (ATX) on the **Gross Proceeds** derived. Additionally, other state and county taxes must be collected.

For Example: Your Gross Proceeds (income without any reductions for related expenses) are \$50,000, your Hilton Head Island ATX payment due is: \$50,000 X .03= \$1500.

If you own residential rental property you need to know the following:

- ✓ If you own more than one rental property, you will need a business license **in addition** to an ATX permit.
- ✓ If you rent through a property management company and they remit the payments on your behalf, you must provide the name of the management company to the Town.
- ✓ If you use a property management company and you also occasionally rent the property on your own, you must establish an ATX account in your name. You must collect and remit these taxes to the Town.
- ✓ If your property is used only for long term rentals, a copy of the lease must be submitted with your application and an ATX permit and taxes are not required.



Taxes To be Remitted to the Town (3%)

- 1% Local Accommodations tax
- 2% Beach Preservation fee

These taxes/fees are due by the 20th day following the end of the calendar quarter.

When are Town tax payments due?

- 1st qtr: Must be received by the Town by April 20th.
- 2nd qtr: Must be received by the Town by July 20th.
- 3rd qtr: Must be received by the Town by October 20th.
- 4th qtr: Must be received by the Town by January 20th.

Taxes to be remitted to the State of South Carolina (8%)

- 5% State sales tax (for ATX sales/rentals)
- 2% State Accommodations tax
- 1% Beaufort County Transportation Fund (remitted back to County)

Contact the state for remittance date for taxes collected on its behalf.

How and where do I remit my Town payments?

You must obtain an ATX permit number and submit your payments as follows:

Each credit card payment is limited to \$2,500.

Online: (credit card only)

www.hiltonheadislandsc.gov

By fax: (843) 341-4637, credit card payments only.

By mail: Credit card and checks to this address:
Hilton Head Island Town Hall
One Town Center Court
Hilton Head Island, SC 29928

In person: Credit card, cash and checks will be accepted at Town Hall.

What else do I need to know:

Penalties and fines associated with non-compliance with application and remittance requirements:

- ✓ Late fees of 5% of the unpaid amount...for each month or portion thereof after the due date until paid will be assessed.
- ✓ Accounts with payments outstanding two weeks after the due date may be subject to a municipal summons with fines of up to \$1,092.50.
- ✓ Continued non-payment of amounts due will result in liens being placed on the property.

Contact Information:

SC Secretary of State (SCSOS):

If your business is a corporation or partnership, you must register it with the SCSOS.

Contact: (803)734-2158

www.scsos.com

SC Dept of Revenue (SCDOR):

If operating a retail business a State Retail License must be obtained.

New businesses should contact the SCDOR to determine its process for applying for a tax ID number and certificates, payment remittance and timeframes.

Contact: (803)898.5788

www.sctax.org

Internal Revenue Service:

(800)829-1040

www.irs.gov

Town of Hilton Head Island:

You can obtain a Business License/Accommodation Tax and Beach Preservation Fee Permit/Application at :
www.hiltonheadislandsc.gov

or

One Town Center Court
Hilton Head Island, SC 29928
Phone: (843)341-4677

